

Public Placement Memorandum

Notice to Investors

We recommend investors to read and well understand this Public Placement Memorandum. If in doubt, please seek the advice of a Person licensed in accordance with the Law who is specialized in giving advice on making an investment decision to participate in the Fund.

Disclaimer

The Capital Market Authority has approved the incorporation of the Fund and offering of its Units. The Authority shall not bear any liability for the contents of this Placement Memorandum. It does not give any confirmation of the accuracy or completion of its contents. It shall not bear any liability whatsoever for any loss resulting from this Placement Memorandum or from relying on any part thereof. The Capital Market Authority does not give any recommendation whether it is a good investment or not.

Fund Manager's Responsibilities

The Fund Manager who is fully liable for the truth and accuracy of the information provided for therein prepared the Placement Memorandum. The Fund Manager states that this Placement Memorandum does not include any untrue or misleading information nor inadvertently omits other materials facts that would render any statement in the Placement Memorandum false or misleading.

The Private Placement Memorandum has been approved by the Capital Markets Authority on 12/2/2020

Preamble

The Private Placement Memorandum has been prepared in accordance with the provisions of Law (7) of 2010 amended by law (22) of 2015 regarding the establishment of the Capital Markets Authority (CMA), its executive regulations, subsequent amendments, the regulating decisions and conditions by the CMA. The Private Placement Memorandum has been approved by the Capital Markets Authority on 27/07/2020.

Section 1 – Definitions

Articles

The Fund's Articles of Association and any amendments thereto from time to time.

Auditor

A natural person registered with the CMA in the Auditors' Register who gives an independent technical opinion on whether the financial statements of a company present a true and fair view of the company's affairs and are prepared in accordance with the accounting rules and principles adopted and registered with the CMA.

The Regulatory Authority /Control Authority/Authority

Capital Markets Authority in Kuwait ("CMA").

Business Day

An official business day of the Authority.

Bylaw

The executive bylaw of Law No. 7 of 2010 regarding the establishment of the Capital Markets Authority and the regulation of securities activities and subsequent amendments thereto.

Bursa

Bursa Kuwait.

Bylaws

The executive bylaws of the Law.

Closing

On achieving a minimum of KWD 5,000,000 of subscriptions, the Fund Manager will hold an Initial Closing. Subsequent closing will take place at the discretion of the Fund Manager, within a period of 3 months from the Initial Closing Date; the last of which will become the Fund's Final Closing.

Law

Means Law (7) of 2010 regarding the establishment of the Capital Markets Authority (CMA), its amendment and subsequent amendments.

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 last day to accept applications for subscription or redemption in which Fund Units can be subscribed or redeemed. Which is maximum of 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

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.

Financial Year

The Fund's financial year commences on January 1st and ending December 31st, except for the inception year, in which the financial year commences on the date of inception and ending December 31st of the following year.

Final Closing

The final closing period is 3 months after the Initial Closing period, which the Fund Manager uses to make any subsequent collections.

Fund

Arab Fund for Gulf Equities

Fund Currency

Kuwaiti dinars ("KWD").

Fund Manager

Arab Investment Company K.S.C. ("AIC"), who 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 Term

Five years renewable automatically for one year each unless otherwise decided by the Unitholders Assembly.

Fund Unit

The Fund unit is non-divisible security that represents a share in the Fund directly vesting its holders with all rights resulting therefrom. If one unit is owned by more than one owner, they must choose one person amongst them to represent them in front of the Fund.

Non-Kuwaiti may subscribe to or own Fund Units.

Incorporation 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.

Initial Closing

The closing period at which the Fund should have collected total subscriptions amounting to at least KWD [5,000,000].

Initial Subscription Period

The initial subscription ends three months from the date of issue of the license by the CMA.

Investment Controller

The period of time required to deploy fund capital into target investments.

Investment Period

The period of time required to deploy fund capital into target investments.

Market

Securities markets in the GCC.

Net Asset Value or NAV

The Net Asset Value of the Fund is the value of the fund's investments at the end of the Financial Year calculated according to the provisions of this memorandum, in addition to other cash and debit balances or other from which is deducted the fund's obligations with others on the same date in accordance with the international accounting standards approved by the Authority (without taking into account the proposed dividends' distributions to the shareholders of the Fund (if any).

Net Unit Value or NUV

It is the price that is determined based on the evaluation of the Net Assets Value of the Fund in accordance with the international accounting standards approved by the CMA divided by the number of "investment units", after deducting all liabilities and expenses at each Valuation Date.

Redemption Application

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

Subscription Agent (Sales)

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.

Subscription Application

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

Subscription Application

The application to be filled out by the unit holder to subscribe to the Fund units.

Unitholders Assembly

The Fund Unitholders Assembly.

Valuation Date

The last Thursday of each month at which the NAV shall be calculated in accordance with the International Accounting Standards adopted by the Authority.

Section 2 – Details of the Fund

Fund Name

Al Arabiya GCC Equity Fund

Fund Manager

Arab Investment Company K.P.C.C. will act as Fund Manager according to the provisions of this memorandum knowing that Fund Manager is licensed from the CMA under number AP/2016/0001.

Fund Offering

Public Placement

Fund Form

A fund for investing in securities.

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 automatically renewed for other periods of one year each, after the approval of the Authority for renewal.

Fund Domicile

State of Kuwait

Fund Type

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

Fund currency

KWD – Kuwaiti Dinar

Fund capital

The Fund is seeking to make the capital between KWD 5,000,000 (five million Kuwaiti dinars) to KWD 50,000,000 (fifty million Kuwaiti dinars only) in aggregate capital with an Initial Closing as soon as possible, after the Fund Manager accepts subscriptions aggregating at least KWD 5,000,000 (five million Kuwaiti dinars), and the Fund capital should not be less than KWD 5,000,000 (five million Kuwaiti dinars).

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 Unitholders in the Fund is limited to the value of their participation in the capital, and the value of the units is paid in cash upon subscription or participation, and 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 Unitholders' interest.

Fund Capital Payment Scheme and Closing

The Fund units are between 5,000,000 units to 50,000,000 units. The nominal value of each unit is KWD1 plus a Subscription fee of up to [2%] and an annual commission of 1%..

Each investor is expected to make a contribution representing 100% of the nominal value of all subscribed units, at the time of subscription in the Fund. On achieving a minimum of KWD 5,000,000 of subscriptions, the Fund Manager will hold an Initial Closing. Subsequent closing will take place at the discretion of the Fund Manager. Subsequent closing will take place at the discretion of the Fund Manager, within a period of 3 months from the Initial Closing, and the last date will be the Final Closing.

Financial year

The financial year of the Fund which begins on January 1st of every year and ends on December 31st, except for the inception year, in which the financial year commences on the date of registering the Fund at the Investment Funds Register at the CMA and will end on December 31st of the following year.

Minimum and Maximum Limit for Unitholders Subscription

The minimum commitment by any investor is 5000 units which is equivalent to KWD 5000, provided that the Fund Manager, at its absolute discretion, may accept subscriptions of lesser amounts. The maximum contribution for any unit holder should not exceed 50% of the Fund's issued capital.

Minimum and Maximum Limit for Fund Manager Subscription

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.

Investment Objective

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.

Key Investment Strategies and Policies

- a. The Fund will follow balanced investment policies and methods in order 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.
- Discount of checks.

Investment authority delegation 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:
 1. Obtaining the approval of the Investment Controller before purchasing.
 2. 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 commits to cover the public offer or private placement for a certain 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 in a proficient manner 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 in accordance with criteria and regulatory conditions similar to at least those applied, provided that none of the invested funds is managed by the same fund manager.
 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.

Identification, Evaluation and Implementation of investment's sources

The Fund Manager will conduct a direct and detailed process for identifying, evaluating and implementing investment sources, and the Fund Manager will specifically need to provide the possibility of direct study to the management of the target company, and it will take a long time and great effort in analyzing all investment horizon plans and financial expectations before thinking about making an investment decision or not. All valued investments will be described and summarized in a note that the Fund Management reviews and keeps with them. The Executive Committee will meet regularly to review the results of the implemented analyzes, and all investment opportunities will be discussed several times (when necessary) at the level of the Executive Committee before making any investment decisions.

Investment Opportunity Origination

The Fund Manager will leverage an extensive relationship network in the identification of investment opportunities across all industrial and targeted companies.

Portfolio Diversification

The Fund anticipates holding a diverse and attractive portfolio consisting mainly of leading companies, across a number of sub-sectors.

Investment Risks

Investment in the Fund involves significant risk factors, including but not limited to the investment related risk factors listed below. Hence, it is only suitable for persons who can afford the complete loss of their investment and for persons not requiring liquidity in their investment. .

In addition, to the investment related risk factors stated below, it is important to understand that there is no assurance that the Fund will achieve its investment objectives. Investment returns are unpredictable and it is recommended that investors should carefully consider evaluating the financial risks which might arise from such investment.

Macroeconomic uncertainty risks

The performance of the Fund is dependent on global economic factors. The Fund's investments are distinguished by the diversity of the sectors in which it invests in the sale and purchase of securities of companies listed on the Kuwait and Gulf markets, and the initial issues and public offering expected to be included in such markets. It is worth mentioning that Fund performance will be affected by economic fluctuations and instability in the mentioned regions.

Business risks

The investments of the Fund will comprise securities issued by entities that are privately owned. Operating results of such entities will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

Failure to achieve investment objectives

The performance of the Fund relies essentially on the ability of the Fund Manager to source investments for the Fund and profitable exits of the same within a specific period of time. There is no guarantee that appropriate investments will be or can be sourced in a timely manner or that the exits will be profitable. Past performance is not necessarily a guide to future performance. There is no assurance that any unit holder will receive any distribution from the Fund. Accordingly, an investment in the Fund should be considered only by persons who can afford the loss of their entire investment.

Significant Competition for Limited Investments

The Fund is targeting a highly competitive sector in terms of receiving access to the very best deals. The Fund Manager has the collective pedigree and access to very attractive transactions, however there can be no assurances that such transactions will be identified or realized.

Dependence on Key Personnel

The success of the Fund is significantly dependent on the expertise of its executive committee. The Master Fund will be relying extensively on the relationships, expertise and experience of these individuals. There can be no assurance that these individuals remain employed with the Fund Manager or that they continue to carry out their duties throughout the Fund term.

Relationship Risks

The Fund depends on strategic relationship with entities having considerable leverage and expertise, as part of the overall investment process that has been developed or will be developed by the Fund Manager and its executive committee. However, it is possible that these current/planned strategic relationships might fail or not be realized. If that is the case, the Fund's access to undervalued investments in these geographies could diminish.

Taxation Risks

There is no guarantee that the Fund Manager's tax structuring will be tax efficient or that a particular tax result will be achieved. Investors should carefully review this Private Placement Memorandum and are strongly advised to consult their tax advisors as to the consequences of investing in the Fund.

Lack of Marketability and Liquidity of Investments Risks

The investments of the Fund could be highly illiquid and challenging to exit. Exit of Fund investments may require a lengthy period.

Currency risk

The Fund Units may be exposed to currency exchange risk, as the Fund's capital is in Kuwaiti dinars, while some of the Fund's investments may be related in one way or another to the stability of other currencies.

Political Risks

The Fund 's performance might be affected by change in government regulations, change in governmental policies and treaties, and any major unexpected political event that could impact countries that the Fund has invested in.

All investment presents a risk of loss of capital.

The Fund Units might be exposed to wide fluctuations. The above-mentioned list of risk factors is not an all-inclusive list of risks associated with an investment in the Fund. Potential investors must read the entire Private Placement Memorandum before determining whether to invest in the Fund. All potential investors must obtain professional advice from their tax, legal, and financial advisors in evaluation all of the tax implication and risks involved with investing in the Fund.

Subscribing in the Fund is an Investment and hence is not considered as a deposit of money at a bank, which provides guarantee, sale, or otherwise related to the Fund.

Section 3 – Details of the Service Providers

A - Fund Manager

Arab Investment Company K.P.S.C.,
CMA license number AP/2016/0001
Office: Sharq, Block 6, Ahmad Aljaber St., Emad Commercial Center, 4th Floor
Telephone: 22249999
Fax: 22246887
Email: info@arabinvest.com
Web site: www.arabinv.com

Brief on 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 prospectus. Knowing that the Fund Manager is authorized by the Authority under the number [AP / 2016/0001].

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 which 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.

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 expanded 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 simultaneous 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.

Supervision of the Company

AIC, is subject to the supervision of the CMA and the CBK.

Fund Manager Roles, Responsibilities and Duties

1. To manage 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 with a view to serve interests of the Investment Fund and the Unitholders and ensures that Unitholders are treated fairly.
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 method that are fair, correct, and transparent.
5. Take appropriate measures to protect and safe keep the Fund's Assets.
6. Maintain records of purchase and sale transactions which occur in the Fund and according to its timing and chronological sequence.
7. Represent the Fund in its relationship with others and before the court and may sign on its behalf.

8. Provide the accounting system to register the Fund's financial transactions.
9. Ensure an adequate system is in place for the settlement of transactions that have been entered into the accounting system with bank account and securities accounts opened under the Fund's name with the Custodian.
10. Provide sufficient liquidity for the Fund to meet any obligations that may arise.
11. Not to expose the Fund to any unnecessary investment risks in accordance with its policies and investment objectives.
12. Provide 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. Notify the Authority immediately after the occurrence of material events that may expose the interest of Unitholders to risk.
14. Take into consideration that the Investment Controller or the External Auditor is not a related party to the Fund Manager.
15. The Fund Manager shall segregate the operations of different Funds managed by him.
16. The Fund Manager shall not practice voting rights during Unitholder's Assembly decisions on resolutions serving in its personal interest or in conflict with the Fund's interest.
17. The Fund Manager must correct any mistake or violation and notify the Authority and the Investment Controller within the deadlines stipulated in the regulations. He shall maintain a permanent record of the violations and document the action taken and the time required to correct it.

18. The Fund Manager undertakes to do his best effort 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 bylaws , or as a result of misuse of the powers conferred to him or a violation of the Fund's statute or error or deliberate gross negligence of the Fund Manager or any of its affiliates in the above-mentioned Fund management.

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

Summary of the Financial Results of the Fund Manager

The following table summarizes key financial statement position/results of the Fund Manager for FY 2017 and FY 2018:

Particular	FY 2017 in KWD	FY 2018 in KWD
Total Assets	31,159,697	28,179,604
Paid up Capital	15,000,000	15,000,000
Total Liabilities	16,353,104	15,811,026
Total Equity	14,806,593	12,368,578
Total Income	2,457,874	1,520,197
Profits/ (Loss)	645,287	(119,994)

Shareholding Structure of the Fund Manager

The following table set out the key shareholders in the Fund Manager, who own more than 5% or more of the total share capital as of 31st December 2018:

Investors	Number of Shares	Shareholding Percentage
Bukhamseen Holding Group	45,000,000	30%
Al-Arabiya Real Estate Co.	22,500,000	15%
Al Baraka Kuwait for General Trading and Contracting Company	22,500,000	15%
Warba Insurance Company	11,250,000	7.5%
Al-Nojoom Real Estate Company	7,500,000	5%
Al-Huda Company for Hotels and Tourism	7,500,000	5%
Barari Al-Kuwait Trading Company	7,500,000	5%
Real Estate Resources Development Company	7,500,000	5%

The Board of Directors of the Fund Manger

Raed Jawad Bukhamseen	Chairman of the Board(nonexecutive)
Saleh Sulaiman Al Trad	Vice chairman and chief operation officer (executive)
Marzouq Khaled Al Marzouq	Board Member (nonexecutive)
Ahmed Abdelhadi Alsadder	Board Member(nonexecutive)
Danah Emad Bukhmaseen	Board Member(nonexecutive)
Ali Abduljalil Bahbahani	Board Member (independent)

The Fund's Executive Committee

A committee represented by two or more personnel from the Fund Manager's employees, one of whom should be an executive of the Fund Manager as well, who meet the conditions set for Collective Investment Scheme Fund Manager Representative, shall be appointed to manage the Fund.

The Executive Committee members shall be registered with the CMA, and represent the Fund Manager's responsibilities set forth in this Private Placement Memorandum and the Fund's Articles of Association. Further, the signature of the Executive Committee members or whomever they may authorize, is considered the Fund Manager's signature. These members shall with the Fund Manager, be jointly liable for any errors, negligence, or fraud, in the management of the Fund.

Executive Committee members and their Bios

1. Tariq Jasim Jerkhi.

He is one of the executive representatives delegated by the Fund Manager's Board of Directors for Asset Management, who is the Senior Vice President - Asset Management, with long experience working in the field of asset management and trading in investment companies in the State of Kuwait exceeding fifteen years, including ten years with the company managing the Fund.

2. Noura Yousef Al-Shams.

She holds the position of Assistant Executive Vice President - Asset Management, with more than 8 years' experience in Asset Management in the Gulf markets.

Custodian:

Kuwait Clearing Company K.S.C.

CMA license number 2016/3/2 /002859

Kuwait City, Ahmad Al Jaber Street, Stock Exchange Building,

P.O. Box 22077, Safat 13081 – Kuwait.

Website: www.online.maqasa.com

Telephone: +965-1841111

Fax: +965-22469457

Email: info@maqasa.com

Brief on Kuwait Clearing Company K.S.C.

Kuwait Clearing Company K.S.C. ("KCC") was established in 1982. KCC is the central clearing, settlement and depository entity for the Kuwaiti securities market. KCC provides clearing, settlement; depository services to all Boursa Kuwait traded securities and derivatives. It also provides depository services for unlisted equity securities and debt instruments. KCC provides registrar and trustee services to the companies and investment Funds and performs local and regional custody services for both local and foreign investors.

Supervision of Kuwait Clearing Company K.S.C.

The Kuwait Clearing Company K.S.C. is subject to the supervision of the CMA.

Custodian's Key Roles and Responsibilities to the Fund

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 the 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, unless it is kept with a clearing agency.
5. A written consent shall be obtained from the Fund Manager for all contracts concluded between the Custodian and a sub-Custodian.
6. All contracts concluded with the principal Custodian or the sub-Custodian 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. damage.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.

Investment Controller

Kuwait Clearing Company K.S.C.

CMA license number 2016/3/2/.002859/ن.ر.ك

Kuwait City, Ahmad Al Jaber Street, Stock Exchange Building,
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Website: www.online.maqasa.com

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Brief on Kuwait Clearing Company K.S.C.

Kuwait Clearing Company K.S.C. was established in 1982. KCC is the central clearing, settlement and depository entity for the Kuwaiti securities market. KCC provides clearing, settlement; depository services to all Bursa Kuwait traded securities and derivatives. It also provides depository services for unlisted equity securities and debt instruments. KCC provides registrar and trustee services to the companies and investment Funds and performs local and regional custody services for both local and foreign investors.

Supervision of Kuwait Clearing Company K.S.C.

The KCC is subject to the supervision of the CMA.

Investment Controller Key Roles and Responsibilities to the Fund

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.

1. 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.
2. 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.
3. Approve any transactions that involve a conflict of interest.
4. 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.
5. 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.

D) Details of the External Auditor

Name of Auditor: Talal Youssef Almouzzeini

Deloitte & Touche (M.E.)

CMA license number: EA/2013/0015

Head office: Dar Al-Awadi Complex, Ahmed Al-Jaber Street, Sharq, Kuwait City

Telephone: 22408844

Fax: 22408855

email: talmuzaini@deloitte.com

Web site : www.deloitte.com

The External Auditor's Key Roles and Responsibilities to the Fund

1. The External Auditor of the Fund shall 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 for no more than four consecutive years. He can resume his functions as an Auditor after a two-year period 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.
5. 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.
6. The auditor may not stop his work during the fiscal year during which he was appointed to control the Fund's accounts. In the event that there are reasons with which it is impossible for the Auditor to 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.
7. 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.

Section 4 – Subscription, Allocation, and Redemption

The Offer

The Fund is an open Public Offering fund.

Sales Agent

The Fund Manager (“Fund Manager” or “Sales Agent”) shall act as a sales agent. The Fund Manager is entitled to appoint other sales agents, which is subject to the approval of the CMA and determine their roles and responsibilities. The Fund Manager has the right to remove the sales agent with notifying both the Custodian and Investment Controller and subject to the CMA approval.

The subscription shall be made through the Sales Agent on the principles the Fund Manager deems appropriate.

Sales Agent Address

Sharq, Block 6, Ahmad Aljaber St. Emad Commercial Center, 4th Floor

Minimum and Maximum Limit for Unitholders

Subscription

The minimum subscription by any investor is 5000 units which are equivalent to KWD 5000. The maximum contribution for any unitholder should not exceed 50% of the Fund’s issued capital.

Payment Method

Unit’s payments with the subscription (sale) commission shall be paid to [?] by a certified check, a bank check, a bank transfer or any other method approved by the Fund Manager, and the subscriber receives a receipt for that and no subscription may be accepted with cash amounts.

Closings

The Fund will hold its initial closing as soon as the Fund Manager accepts commitments totaling KWD 5,000,000. The Fund’s Final Closing will be within three months of the Fund’s Initial Closing.

Initial Contribution

Each investor should make an initial contribution of 100% of its subscription amount.

Subscription Procedure and Unit Transfer

1. The Fund’s Articles of Association will be provided to all subscribers in Arabic.
2. In the absence of any legal constraint, all clients, whether Kuwaiti or non-Kuwaiti, companies or persons are eligible to subscribe to the Fund.
3. The Fund Manager will provide access to Fund Units through a public offering.
4. 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.
5. The subscription shall be accepted by completing the subscription forms available for this purpose. The subscription form will include information indicating the Fund’s name, Fund’s capital, Fund Manager’s name, Custodian’s name, in addition to subscribers’ information including name, address, nationality and the number and value of units to be subscribed. In addition, the subscriber shall sign a written declaration approving all articles represented in the Fund’s Articles of Association which will form part of the subscription form. The signed declaration will show commitment from the subscriber towards any amendments in the Fund’s Articles of Association.
6. The subscriber, at the time of subscription, shall provide the following information to the Sales Agent:
 - a. A copy of the Civil ID or Passport.
 - b. A copy of the Commercial Registration and Ministry of Trade & Commerce License for corporations including a copy of the owner’s Civil ID, in addition to any governmental authorized licenses & approvals requested by the Fund Manager.
 - c. The monetary value of the investment shall be deposited into the Fund’s account.
 - d. A completed filled up subscription application.
7. The Fund Manager shall have the right, after receiving the CMA approval, to amend the maximum & minimum subscription of unitholders.

8. The subscriber will receive a detailed receipt from the Sales Agent including all subscription information.
9. In the case of multiple repeated applications, the highest value application will be processed.
10. The Fund Manager shall have the right to reject any incomplete applications. The monetary value of the investment will be returned back within 10 business days from the initial closing.
11. The subscriber is obliged to inform the Fund Manager or the Sales Agent within a maximum period of two weeks, of any amendment to information presented at the time of the initial subscription.
12. The Initial Subscription Period shall be open for three months. It will be closed after the completion of the initial three month period.
13. In case of expiry of the Initial Subscription Period without collecting the minimum required capital of the Fund, the Fund Manager shall have the right to request an extension period from the CMA, for a similar 3 month time period.
14. Without prejudice to the previous point, in case the Fund Manager was not able to collect the minimum required capital of the Fund, the Fund Manager shall have the right to cancel the establishment of the Fund and return back all monetary value investments to subscribers within 10 business days from the Initial Closing.
15. Units will be allocated for those wishing to subscribe within 10 working days from the date of the Initial Closing. Subscribers will be notified of their ownership of the Units after receiving the CMA letter to start the Fund's operations.
16. All subscribers are permitted to increase their subscription in the Fund via electronic means provided by the Fund Manager and the Sales Agent without being required to fill up a new application.
17. Custodian, Investment Controller, and External Auditor are not allowed to subscribe to the Fund under the private account.
18. The Fund Manager and the Sales Agent shall refuse any cash subscription in the Fund.
19. In-kind shares contribution is not allowed.
20. A maximum sales charge of [2%] of the total subscribed amount will be charged.
21. In case of unitholder death, all units will be transferred to his heirs and are distributed as per Islamic Sharia'a provisions, and the heirs shall decide to whom the fractions of investments shall be delegated.

22. Each subscriber should be provided a copy of the Fund's Articles of Association prior to the signature of Subscription Application. The signing of the Subscription Application indicates approval of the Fund's Articles of Association.
23. The Fund Manager shall have the right to request a transfer of units of any unitholder to a first degree relative as per the rules represented in the Fund's Articles of Association.

Subscriptions

1. It is possible to subscribe to the Fund Units on a weekly basis after the first six Gregorian months have passed since the Fund's activity started.
2. Participation in the Fund is carried out according to the subscription application prepared for that by the Fund Manager. The signature on the application is considered as an express acceptance of the subscriber to the contents of the Articles of associations and commitment to it.
3. The minimum subscription amount is five thousand Units.
4. Subscription periods shall be during the official working hours of any working day throughout the period of the Fund, and this until Tuesday at twelve noon maximum of each week. (Calendar Day).
5. Subscription applications are executed at the next calendar price of the application. The subscription prices should include any other commissions provided that they are stipulated in the fund's articles of association.
6. The unit price is calculated based on the net assets value of the fund in accordance with the international accounting standards approved by the Authority as on the day of the evaluation
7. The subscriber will be delivered a copy of the subscription application signed by the fund manager or any of the underwriting agents (selling) that includes the subscriber's name, address, nationality, date of subscription, the number of units he subscribed to and their value.
8. Recurring applications for participation are excluded and only the application with the largest number of units will be considered.
9. 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.

10. 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 to the application for participation. All applications that do not support these documents will be rejected. Photocopying or fictitious subscription is prohibited, and all applications that violate the fund's statute or statute will be excluded.
11. The applicant undertakes to notify the manager or the underwriting agent (sale) in writing of any amendments or changes that occur to the information stated in the subscription application within two weeks at most, from its occurrence. He also undertakes to notify the director in writing of any amendments to his address or residence within two weeks of its occurrence.
12. It is not permissible to participate in the fund with any in-kind shares of any kind.
13. The unit subscription process must be reflected when making the first calculation of the fund's net asset value after the subscription or redemption process.

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.

Redemptions

1. Fund units can be redeemed weekly after the first six Gregorian months have passed since the beginning of the fund's activity. Redemption will take place according to the following rules:

2. The redemption period shall be during the official working hours of any working day throughout the period of the Fund, and this until Tuesday at twelve noon maximum of each week. (Calendar Day).
3. The Fund Manager must execute the redemption applications according to the valuation price (NAV) following the redemption applications. Redemption prices may include any other commissions, provided that they are stated in the Fund's Articles of Association.
4. The units shall be redeemed on the basis of the Net Asset Value of the Fund as calculated on the relevant Valuation Day in accordance with the International Accounting Standards approved by the CMA.
5. The Fund Manager may delay the fulfillment of any redemption request until the following Dealing Day or following redemption date according to the provisions of the Fund's Articles of Association, in any of the following events:
 - a. If the total amount of all redemption requests of the Unitholders 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.
 - b. If trading is suspended on Boursa Kuwait 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.
6. The Fund Manager shall pay the Unit Holder the redemption value within four working days following the Valuation Day in which the unit price is determined.
7. Redemption requests shall be on the form prepared by the Fund Manager.

Allocation

1. Allocation is made in the event that 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.
2. Fund units are allocated within 10 business days post the closing of the subscription period,
3. Any overdue amounts resulting from allocation are returned back to the subscriber within 10 business days from the date of completing the allocation procedures.

Section 5 – Valuation and Pricing

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 NUV 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 CBK 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.
7. 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.
8. 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.

9. 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.
10. 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.

Section 6 - Unitholders Holders Register

1. The KCC shall prepare and maintain unitholders register, in accordance with the provisions set forth in 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, Number of units owned, and,
 - b. Registration date in the unitholders register.
3. All unitholders are responsible to update their information provided in the application form within a time period of one month from the occurrence of a change in data.
4. The rules and conditions apply to all unitholders of the same class.
5. The fees of the Unitholders register entity are paid from the Fund's Assets.

Section 7 - Distribution of Income, Profit and Proceeds from an Exit

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 expenses of this advertisement shall be borne by the Fund Manager.

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.

Section 8 - Fees, Expenses and Charges

In addition to the Fund Manager fees, the Fund's service provider's fees due to Custodian, Investment Controller, External Auditor, and Unitholders Register, are all due from the Fund.

The value of the fee is calculated as a percentage of the Unit Value on the day of the operation. The Fund manager is responsible for the preparation of the Articles of Association and Private Placement Memorandum, in addition to the fees of any additional service provider while the Fund is responsible to pay for establishment expenses.

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

Fees, Expenses, and Charges	Amount of Fees, Expenses and Charges	Due 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%	Unit holder
Redemption Fee	0.25%	Unit holder
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 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 any other advertising fees or expenses that have not been imposed by the Authority are borne by the Fund Manager.

Section 9 – Accounting and Reporting

Fund's Financial Year

The Fund's Financial Year starts on January 1st and ends on December 31st of the next year. The first year is excluded, as it starts from the Fund's registration at CMA's Fund Registry and ends on the last day of December of the same year.

Fund's financial statements

1. Fund's reviewed financial statements in line with International Financial Reporting Standards (IFRS) are at least to be prepared on a quarterly basis should be provided to the CMA within 15 days from the lapse of the quarter.
2. Fund's Audited Financial Statements in line with International Financial Reporting Standards on a yearly basis should be provided to the CMA within 45 days from the lapse of the financial year end.
3. The financial statements shall be made available free of charge, upon request, to all Unitholders of the Fund through the Fund Manager or the Sales Agent.

Periodic publications to the Unitholders:

The Fund Manager shall provide periodical reports to the unitholders every three months that include the following:

1. The Net Asset Value of the Fund's units.
2. The number of the Fund units owned by the Unit Holder, and its value.
3. A statement showing the fees of the Fund Manager and other service providers.
4. A separate record of account movement for each Unit Holder including any dividends/distributions that were paid after the last report submitted to the Unitholders.
5. 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 commission.
6. The Fund Manager shall disclose to the owners of the Fund's units any data or information that may have a material impact on the value of those Units and the measures he has taken to counter that.

Mode of distributing periodic publications to the Unitholders would include one of the following means:

1. Email or fax registered at the Fund Manager
2. Registered mail sent to the Unitholder or their representatives
3. Hand delivered to Unitholders or their representative, with a signed proof of receipt

Section 10 – Unitholders Assembly Provisions

1. The Fund shall have a Unitholders assembly held at least once annually. Each participant shall be entitled to attend the assembly and vote on its resolutions. Each Unit holder shall have one vote for each investment unit owned.
2. The Unit holder assembly shall look and decide on the following issues:
 - a. The Fund Manager's report on the Fund's activity and its financial position.
 - b. The Auditors 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 rights of Unitholders.
 - f. Dismissal of the Fund Manager.
 - g. Appointment of a substitute Fund Manager.
 - h. Select the Funds liquidator and supervise the works thereof.
3. The resolutions of the Unitholders assembly shall not be implemented without the approval of the CMA.
4. The Unitholders 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 reasonable request by the Unitholders constituting a minimum of 10% of the Fund's issued capital or at the request of the Investment Controller or Auditor. The agenda shall be prepared by the entity calling for the meeting.
5. If the Fund Manager does not invite the Unitholders assembly for a meeting, in the cases, he must do and if the Fund Manager finds difficulty to call for the meeting for any reason, the Authority may assign the Investment Controller or Auditor to invite the Unitholders assembly for a meeting.

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. Publication in two local daily newspapers and the Stock Exchange at least ten working days before the meeting.
 - b. Registered mail letters to be sent to the Unitholders at least ten business days prior to the date of holding the meeting.
 - c. Emails or faxes at least seven business days prior to the date of holding the meeting.
 - d. Hand delivers the invitation to the Unitholders or representatives thereof at least three business days prior to 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 (a), (b) and (c) of point (6) above, 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. The Fund's Articles of Association shall also set forth the announcement by these methods.
8. Any changes 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 the Unitholders of such change at least five business days prior to 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 business days prior to the date of holding the meeting to all of the following:
 - a. The Authority.
 - b. The Investment Controller.
 - c. The entity keeping the record of Unitholders register – The Custodian.
 - d. The Auditor, if it is decided to present the financial statement to the Unitholders assembly.
 - e. Boursa Kuwait, for the announcement of the agenda, date and place of the assembly.

10. If the Authority is notified, the 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 the 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. The holding of 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 the attendants is. A new call for the second meeting may be not 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 the 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 Unit holder's 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 it is insufficient, information related to some presented issues, the meeting shall be postponed for a period not more than ten 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 that called for the meeting to convene - as the case may be - must provide the authority with a copy of the minutes of the assembly's meeting after signing it from those who chaired the meeting, and the service providers present at the meeting, within two weeks of the date of the meeting, provided that copies of the attendance proxies are attached.

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 or attendance of one or more meetings of the Unitholders 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.

Section 11 – Conflict of Interest

Without prejudice to the obligations of the Fund Manager under the provisions of Chapter Three (Conflict of Interest) of Book Eight (Business Ethics) of the Bylaw, the Fund Manager employees who are not registered as representatives of a collective investment scheme may occupy the membership of a board of directors in a company whose securities form part of the fund's assets Managed by the fund manager.

The employees of the Fund Manager who are registered as representatives of the director of a collective investment scheme may not be a member of the Board of Directors of the companies referred to in the previous paragraph.

If the fund manager hires a person as a representative of a collective investment scheme manager who meets the prohibition mentioned in item (1) above, this person must resign from the membership of the board of directors of the company whose securities are part of the fund assets managed by the fund manager.

Section 12 – Termination and Cancellation 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 usage of all the Fund's Assets or most of them, so that other assets cannot be invested feasibly.

4. At the request of the Fund Manager and by virtue of 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 CMA to cancel the Fund's license.
6. A court order is issued for the winding up and liquidation of the Fund.

Section 13 – Liquidation of the Fund

1. Once the Fund is ended pursuant to article 43 of the Articles of Association of the Fund, it 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 following provisions shall be followed upon the Fund's liquidation unless the Articles of Association otherwise stated:
 - a. All terms of debts due on the Fund shall be cancelled 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 creditor's not less than 15 business days to submit the applications thereof.
 - b. When the Fund is terminated, the Fund Managers' power shall end. 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 CMA, to stop the provision of the services, or replace them with other services 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 from 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 of the Authority and shall commence its work one month post approval.
- 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 the event of selecting the liquidator by the Unitholders Assembly, the Authority's approval must be obtained prior to appointment. In all events, the body selecting the liquidator shall specify the fees thereof and the liquidator 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 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:
1. Represent the Fund before the courts and third parties.
 2. Provide Care of a prudent person to maintain the Fund's Assets and rights.
 3. Pay the Fund's debt.
 4. Sell the Fund's 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.
 5. Divide the Fund's Net Assets amongst the Unitholders.

The liquidator may not proceed with new works unless they are necessary for completing previous work. 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 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 so 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 the 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:

1. The financial obligations resulting from the liquidation process.
2. All amounts are payable to the service providers.
3. Priority debts according to their sequence.
4. Debts secured with collateral in kind within the limits of the asset securing the debt.

The amounts of money remaining after payment of the 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 debt, 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 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 Fund's register at the Authority after the liquidation is complete. 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 submit a quarterly report to the Authority on the liquidation work in accordance with the forms issued by the Authority, in addition to submitting the audited interim and annual financial statements and the auditor's report to the Fund under liquidation within a maximum period of thirty days from the end of the period for which the report on the liquidation work and the financial statements are prepared. The Authority may also request the liquidator to provide it with any information or reports whenever it deems it necessary.

- o. Records and documents related to the Fund's liquidation shall be kept for 5 years as of the date of cancelling 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.

Section 14 – Additional Information

Amendment of Fund's Articles of Association

The Fund Manager shall obtain the CMA's approval to amend the Articles of Association of the Fund. The CMA may request the Fund Manager to get the approval of Unitholders (within the timeframe stipulated by the CMA) owning over 50% of the Fund's capital if it sees that, the amendments affect the rights of the Unitholders.

No amendment to the Fund's articles of association shall be effective except after the approval of the Authority or on the date specified by it.

The Fund Manager shall notify the Unitholders of any amendment to the Fund's articles of association, within a period not exceeding ten working days from the date of the Authority's approval of this amendment.

Unitholders are to be notified through the following means:

1. Email or fax registered at the Fund Manager
2. Registered mail sent to the Unitholder or their representatives
3. Hand delivered to Unitholders or their representative, with a signed proof of receipt

Complaints Procedures

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 Aljaber St., Emad Commercial Center, 4th Floor
Telephone: 22249999
Fax: 22246887
Email: info@arabinvest.com
Web site: www.arabinv.com

Law and Jurisdiction

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.