

Boubyan KD Money Market Fund II

Articles of Association

The Fund Manager : Boubyan Capital Investment Company K.S.C.C.

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Preamble

This Fund was incorporated under the provisions of Law No. (7) of 2010 Concerning the Establishment of the Capital Markets Authority & Organization of Securities Activity, as amended, and its Executive Bylaws. Boubyan KD Money Market Fund II was established by the investment owners, the provisions thereof have been set as per these Articles. The Fund was further registered with the Funds' Register with the CMA, and the Fund's AoA is subject to Law no. 7 of 2010 Concerning the Establishment of the Capital Markets Authority & Organization of Securities Activity, and its Executive Bylaws, as amended, as well as the resolutions and instructions issued by the CMA. The Fund shall have an independent legal personality and a separate financial standing from the unitholders or any entity in charge of its management. Such a legal personality shall be assumed by the Fund commencing from the time of registration with the Fund's Register with the CMA.

Article (1): Preamble

The above preamble shall be deemed an integral part of this AoA and complementary to the provisions hereof.

Article (2): Definitions

The following words and terms shall have the meanings assigned to them as follows:

The Fund:

Boubyan KD Money Market Fund II

Fund Form:

Open-ended, variable capital investment fund whose capital is increased by the issuance of new investment units or decreased by the redemption of some of its units within the period specified in its Articles of Association.

Fund Type:

Money Market Fund.

Money Market Fund:

A money market fund is an investment fund whose main objective is to invest in cash instruments so that the fund provides low risk and high liquidity, which guarantees continuation of its business as stipulated in the Articles of Association.

Cash Instruments:

Short-term Sharia-compliant investment instruments like deposits with banks, sovereign sukuk, sukuk issued by banks or companies, whether denominated in Kuwaiti Dinar or any other foreign currency, bank deposit certificates, repurchase agreements with banks or any other cash instruments approved by the CMA.

Capital:

The Fund's capital is variable, ranging from KD 5,000,000 (Only five million Kuwaiti Dinars) to KD 1,500,000,000 (Only one billion five hundred million Kuwaiti Dinars).

Date of Incorporation:

The date of the Fund's incorporation is 03/08/2016 which is the date of registration with the CMA's Fund's Register.

The Articles:

The Fund's Articles of Association and any future amendments thereto.

The CMA/Supervisory Authority

The Capital Markets Authority in the state of Kuwait.

The Regulatory Authority:

The Capital Markets Authority in the state of Kuwait.

The Fund Manager:

Boubyan Capital Investment Company K.S.C.C., domiciled at Sharq Area, Al-Shuhadaa Street, KIPCO Tower, 32nd floor, P.O. Box 28950 Safat, Postal Code 13150, State of Kuwait

The Custodian

The custodian is a legal personality licensed by the CMA to safeguard clients' funds and assets including such funds and assets which form the basis for the collective investment scheme as per the provisions of the Law and the Executive Bylaws.

The Investment Controller:

It is a legal personality licensed by the CMA to practice the business of monitoring and supervision of collective investment schemes.

External Sharia Auditing Firm:

It refers to an independent institution (individual or corporate license) specialized in supervising all the commercial and financial transactions for the licensed person to ensure their compliance with the Sharia standards as well as the relevant resolutions of the CMA. The firm shall submit its annual report to the Fund's unitholders' assembly.

The Investor, Units Owner, or Unitholder

It is the owner of the Fund's units, of Kuwaiti companies & citizens as well as GCC citizens, Arabs, foreigners and non-residents in the state of Kuwait who are allowed to subscribe in the Fund as per the provisions of these Articles.

Subscription (Sale) Agent:

It is the person who offers or sells a security in favor of its issuer or the issuer's affiliate, or obtains the securities either from the issuer or its affiliate in order to remarket or manage the securities issuance process.

Fund Currency:

Kuwaiti Dinar.

Auditor/ External Auditor:

It is the natural personality, registered with the CMA's List of Auditors, who expresses a technical neutral and independent opinion about the extent of fairness and clarity of the company's financial statements prepared in accordance with the International Accounting Standards approved by the CMA.

Investment Units

The investment units form the Fund; a unit is an indivisible security (ies), which stands for a share in the fund's assets entitling its holder to exercise all his rights by virtue of the same. Should the unit (s) be a common ownership, the unitholders shall choose one person to represent them before the fund. Non-Kuwaitis may subscribe to or own investment units.

Investment Unit's Price

It is the price to be determined as per the valuation of the Fund's assets on the respective valuation day, divided by the number of investment units. For the purpose of subscription/redemption of the Fund's units, the net value of the unit shall be calculated as per 5 decimal digits.

Net Fund Value:

It is the value of the fund's investments at the end of the financial period valued as per the provisions of the Fund's Articles of Association in addition to other assets of cash, receivables, liabilities and others less the Fund's obligations towards third parties on the same date (without taking the proposed dividends to the Fund's shareholders into consideration, if any).

Initial Subscription:

It is the first 3 months from the date of issuing the license until the completion of the minimum capital of the Fund & the issuance of the ownership units. This period may be extended for similar periods after obtaining the CMA's approval.

Valuation Day:

It is Tuesday of each calendar week after the end of the initial subscription, and the last day of each month for the purpose of monthly reports only, provided that such a valuation shall not serve subscription and redemption requests.

Dealing Day:

The date for the last day to accept subscription/redemption requests maximum before 11:59 pm of the Monday which precedes the valuation day.

The Law:

The provisions of Decree Law No. (7) of 2010 Concerning the Establishment of the Capital Markets Authority & Organizing Securities Activity, as amended.

The Executive Bylaws:

The Executive Bylaws of Law No. (7) of 2010, Concerning the Establishment of the Capital Markets Authority & Organizing Securities Activity, as amended.

Business Day:

Days where banks open their doors for business in the state of Kuwait from 7:30 am until 3:30 pm.

The Weighted Average Of Maturities:

The Weighted average maturity is $(\sum_{i=1}^n x_i a_i)$

Where: x= investment ratio

a= maturity in days

n= total number of the Fund's investments in cash instruments

Unitholders' Assembly:

The assembly of the investment unitholders.

The Stock Exchange:

Kuwait Stock Exchange.

Subscription/Redemption Request

It is the request which shall be filled out by the subscribers/redeemers and submitted to the Subscription (Sale) Agent as a condition to completing the subscription/redemption process, as per the designated form prepared for this purpose and in line with the terms of the Fund's Articles of Association.

The Financial Year

The financial year of the Fund commences at the beginning of January each year and ends by the end of December of each year except for the first financial year of the Fund which commences from the date of establishment/incorporation and ends by the end of December of the following year.

Article (3): Fund's Name

The Fund's Name: Boubyan KD Money Market Fund II.

Article (4): Fund's Form

Open-ended, variable capital investment fund whose capital is increased by the issuance of new investment units or decreased by the redemption of some of its units within the period specified in its Articles of Association.

Article (5): Fund's Type

Money Markets Fund.

Article (6): Type of Offering for the Fund's Units

The Fund's units shall be offered for public subscription.

Article (7): Name & Address of the Fund Manager

The Fund Manager is "Boubyan Capital Investment Company (K.S.C.C.)", which is a Kuwaiti shareholding company established on October 2nd 2007 and which is licensed to establish and manage collective investment schemes by the CMA.

The company is located at Sharq Area, Al-Shuhadaa Street, KIPCO Tower, 32nd Floor, P.O. Box. 28950, Postal Code: Safat 13150, state of Kuwait.

Article (8): The Fund's Objective

The Fund seeks to realize return on the invested amounts in a Sharia-compliant manner by investing in short and medium-term cash instruments, wakala and murabaha placements with banks, Islamic sukuk offered by government authorities and high-quality companies (knowing that the business activities shall include no direct or indirect financing activities). In addition, the Fund may invest in other money market funds with similar investment objectives.

Article (9): Fund's Term

The Fund's Term is ten calendar years starting from the date of registration with the Funds' Register with the CMA, renewable to similar terms, subject to obtaining the approval of more than 50% of the Fund's issued capital and the Supervisory Authority.

Article (10): The Fund's Capital & the Mechanism of Payment

The Fund's capital is variable, ranging from KD 5,000,000 (Only five million Kuwaiti Dinar) as a minimum to KD 1,500,000,000 (Only one billion five hundred million Kuwaiti Dinar) as a maximum. It is divided into units of equal value. **The Fund** unitholders' liability is limited to the value of their subscriptions to the Capital, and unit values are paid in cash upon subscription. The Fund's capital shall not be less than 5 million Kuwaiti Dinar. If the Fund's capital decreases below the minimum, the Fund Manager shall inform the CMA within 5 business days from the reduction of capital. The CMA may take the necessary action, as the case may be, to fulfill the unitholders' interests. The Fund Manager's subscription in the Fund's units shall not be less than KD 250,000, and he may not dispose of or redeem such units throughout the tenure of his management of the Fund.

Article (11): Number of Investment Units and the Nominal Value Thereof

- 1- The Fund's units are nominal, each valuing one Kuwaiti Dinar (KD 1) upon incorporation, and their number varies from 5,000,000 (Only five million units) as a minimum and 1,500,000,000 (Only one billion five hundred million units).
- 2- The Fund Manager shall announce the Unit Value for every Valuation Period at the Valuation Day as per the result of the Valuation conducted by the Investment Controller, or any other specialized entity selected by the Fund Manager and approved by the CMA. This shall be announced on the website of the Fund Manager and the Subscription Agent (Sales).
- 3- Units give subscribers equal rights to the Fund on a pro rata basis as per their ownership ratio.
- 4- The customer shall be allocated a whole and non-divisible number of units. Any additional amounts after allocation shall be returned to the customer.

Article (12): Allocation

- 1- Before allocation, the Fund Manager's share of subscribed capital shall be set aside.
- 2- Duplicated applications for the same subscriber shall be excluded, and the subscription application for the bigger number of investment units shall be the only one considered.
- 3- Investment units shall be allocated to subscribers within 5 business days from the expiry date of subscription, provided that allocation shall be made as per the 5 decimal digits.
- 4- In case subscription exceeds the Fund' capital, the units shall be allocated to subscribers on a pro rata basis, each according to his subscription ratio, after allocating the Minimum Subscription to all subscribers .
- 5- All amounts exceeding the value of allocated units shall be returned to subscribers within a period of five business days from the date of completion of allocation procedures, with no profits accrued.

Article (13): Fund Currency

Kuwaiti Dinar.

Article (14): Beginning and End of the Financial Year

The Fund's Financial Year shall begin on the first of January every year, and end on the last of December every year, except the first Financial Year which starts on the date of registering the Fund with the Funds' Register with the CMA and ends on the last day of December every year.

Article (15): General Obligations

All the Fund's service providers shall abide by the following:

- 1- The service provider should be a licensed person or should be registered with the CMA for the provision of this service. He shall possess the abilities and human, technical and financial resources sufficiently needed to fulfill his obligations.
- 2- The contract concluded with the service provider shall include a statement of the rights and obligations of the parties thereto, especially the fees of the service provider, the basis of the calculation thereof, and the payment times as well as the procedures to be followed upon the expiry or termination of the contract in addition to the arrangements and procedures that arise from the termination of the relationship with the service provider.
- 3- The service provider shall provide the care of a prudent person upon performing the assigned tasks and shall cooperate with all other service providers of the Fund, and should compensate any person for any damage that afflicted such a person due to any mistake committed by the service provider.
- 4- The service provider may not deal, in his own favor or on behalf of a third party, on the Fund's units, except for the Fund Manager.

Article (16): The Fund Manager

The Fund Manager shall undertake the following:

- a. Managing the Fund in a way that realizes its investment objectives set in these Articles.
- b. Taking all investment and other decisions in a way that serves the interest of the Fund and unitholders, and guarantees fair treatment of unitholders.
- c. Applying proper policies and procedures to prevent or limit malpractices which are expected to affect the stability and integrity of the market.
- d. Ensuring that fair, correct and transparent pricing models and valuation schemes are used for each fund managed by it.
- e. Taking the necessary arrangements to protect and safeguard the Fund's assets.
- f. Registering purchase and sale transactions made for the account of the Fund in an accurate manner and chronological order as well as the time thereof.
- g. Representing the Fund in its relationships with third parties and before courts, and having the power to sign on its behalf.
- h. Providing an accounting system to record all the financial transactions of the Fund.
- i. Ensuring to have an adequate system for settlement of transactions entered into the accounting system with cash accounts and securities opened in the Fund's name with the Custodian.
- j. Providing adequate liquidity for the Fund to meet any incurred obligations.
- k. Not exposing the Fund to any unnecessary investment risks as per the Fund's objectives and its investment policy.
- l. Providing all required information about the Fund to the Investment Controller insomuch as to enable him to perform his duties efficiently.

- m. Notifying the CMA immediately upon the occurrence of significant events that may compromise unitholders' interests.
- n. The Fund Manager may not participate in the vote on the unitholders' assembly resolutions associated with any interest of his or in case there is a conflict of his interest with the Fund's interests.
- o. If the Fund Manager is managing more than one fund, he must segregate the operations related to such funds.
- p. The CMA may replace the Fund Manager should it see that he made a material breach of his obligations as provided under the Executive Bylaws.
- q. The Fund Manager shall be responsible for managing the investment operation with the Fund's money, and for monitoring its investment performance in addition to its responsibility for determining the investment trends, reviewing and amending the same in order to achieve the investment goals and strategy. The Fund Manager shall also be responsible for monitoring regional economic conditions and taking any preemptive procedures to minimize the risks threatening the Fund's money.

Article (17): The Custodian

First: Introduction to the Custodian

The Fund's Custodian shall be responsible for keeping the documents evidencing the Fund's investments, monies, financial instruments and other assets of the Fund.

Second: The Custodian's Authorities and Obligations:

The assets of the Fund shall be maintained with a licensed custodian to be appointed by the Fund Manager after the approval of the CMA. The Custodian may appoint a sub-custodian to keep the assets outside the State of Kuwait, who shall be licensed by or registered with a foreign regulatory authority. Contracting with a sub-custodian shall not relieve the principal Custodian of his responsibilities.

The Custodian shall commit to the following in particular:

1. Without prejudice to the provisions of the Seventh Module "Clients' Funds and Clients' Assets" of the Executive Bylaws, the Custodian shall keep the fund's assets in independent accounts to be opened and managed by him, provided that they shall be separate from his accounts or third party accounts. The Custodian shall further provide the care of a prudent person in so doing.
2. To receive, keep and deposit cash dividends or any other dividends arising from the Fund's business.
3. To notify the Fund Manager of any liabilities arising on the Fund's assets and to send any notifications the Custodian receives within the timeframe set for the same.

4. To perform the Fund Manager's instructions within the scope of the Custodian's job.
5. To prepare and maintain the unitholders' register unless a clearing agency undertakes this role.

A written consent shall be obtained from the Fund Manager for all contracts concluded between the primary custodian and the sub-custodian, provided that all such contracts, whether with the main custodian or the sub-custodian, shall organize the below issues:

1. Requirements needed to enable the Fund to exercise the rights related to assets kept with the custodian.
2. Requirements related to the place of keeping the Fund's assets.
3. The manner adopted to keep and safeguard the Fund's assets.
4. The level of due professional care and responsibilities for the damage and destruction.
5. Fees and the method of their calculation

Article (18): The Investment Controller

First: Introduction to the Investment Controller

The Investment Controller shall ensure that the Fund Manager manages the Fund in accordance with the provisions of the Law, its Executive Bylaws, these Articles and the instructions of the Supervisory Authority.

Second: Authorities and Obligations of the Investment Controller

The Fund shall have an investment controller appointed by the Fund Manager after obtaining the approval of the CMA, provided that the investment controller shall particularly abide by the following:

1. To ensure the Fund Manager's compliance with the Law, the Executive Bylaws, as well as the resolutions, and instructions of the CMA, these Articles of Association, the Prospectus and any other documents issued by the Fund Manager.
2. To fix the valuation for the units or investment units as per the manner and times determined for the same under the Articles of Association.
3. To ensure that the Fund Manager undertakes its responsibilities in a manner that achieves the unitholders' interest as per these Articles and the provisions of the Executive Bylaws and that the funds are invested within the methods and policies determined by these Articles.
4. Approving any transactions involving conflict of interest.
5. Meeting twice a year, at least, with the management body of the Fund in order to review the Fund's compliance with the Law, the Executive Bylaws, the CMA resolutions & instructions, the Articles of Association, the Prospectus and any other documents to be issued by the Fund Manager.
6. Notifying the CMA of any violations made by the Fund Manager.

Article (19): External Auditor

The Fund Manager shall appoint an external auditor registered with the CMA to review and audit the Fund's accounts as per the International Accounting Standards approved by the CMA. The external auditor shall be appointed for one financial year, renewable on annual basis, and its term shall not exceed 4 consecutive years. The external auditor may be reappointed for this fund after a minimum cessation period of two consecutive years. The external auditor of the Fund may not be the same external auditor of the Fund Manager.

Article (20): Sharia Auditing Scheme

The Fund shall have a Sharia auditing scheme comprising of an internal Sharia Auditing Unit in addition to an external sharia auditing firm to undertake the task of auditing all the securities' transactions of the Fund in order to ensure their compliance with the Sharia principles as well as the relevant CMA resolutions. The external sharia auditing firm must be registered with the CMA, and shall commit to submitting its reports to the Fund's general assembly of unitholders.

The Fund Manager may assign its own Sharia Auditing Officer to undertake the responsibilities of the Internal Sharia Auditing Unit of the Fund. The Internal Sharia Auditing Unit shall verify compliance with Sharia in application by reviewing selective samples of various daily transactions of the Fund in order to ensure the compliance of the Fund's transactions with Sharia principles and the relevant CMA resolutions.

The Fund Manager of a Fund working as per the principles of the Noble Islamic Sharia shall be vested with the right to appoint an external Sharia auditing firm. The Fund's external Sharia auditing firm shall be appointed for one financial year, renewable on annual basis, and its term shall not exceed 4 consecutive years. The external Sharia audit firm may be reappointed for this fund after a minimum cessation period of two consecutive years.

The report of the External Sharia Auditing Firm shall cover the following:

1. A proof of its review of the Internal Sharia Auditing Unit's report.
2. The number and dates of the field visits to the Fund Manager and the findings thereof.
3. A statement of the contracts and transactions reviewed and checked without breaching the confidentiality of transactions.
4. Reference rules for such contracts and transactions.
5. Sharia violations, if any, whether with regard to contracts or transactions, and the manner of remedying them as well as the proposed timeframes for the same.
6. The inspected competent bodies of the licensed person to conduct transactions and the phases of completing the same.

7. The final Sharia opinion.
8. The signature of the Sharia Auditor and the legal representative of the firm.

Article (21): The Investment Advisor

1. The Fund Manager may appoint him at another time.
2. Without prejudice to other Fund Manager's authorities, the Investment Advisor shall undertake the following:
 - a. Providing all technical, technological, practical and financial advice related to the Fund management to the Fund Manager as and when required, without violation of the Law, its Executive Bylaws, as amended, these Articles or the resolutions, regulations and instructions of the CMA.
 - b. Setting the marketing plans, promotional programs and investment mechanism, and proposing targeted investment entities to the Fund Manager as and when required, without violation of the Law, its Executive Bylaws, as amended, these Articles or the resolutions, regulations and instructions of the CMA.
 - c. Preparing the studies about the Kuwaiti market and submitting the same to Fund Manager, as and when required, with no violation of the Law, its Executive Regulations, as amended, these Articles or the resolutions, regulations and instructions of the CMA.
 - d. Following up with the progress of the Fund's plans, programs and investment mechanism, preparing studies and consultations about their impact on the Fund's profitability, and submitting the same to the Fund Manager without violation of the Law, its Executive Bylaws, as amended, these Articles or the resolutions, regulations and instructions of the CMA.
 - e. The Investment Advisor shall receive annual fees of 0.1% to be paid directly by the Fund Manager as a deduction from the Fund Manager's fees due from the Fund. Such fees shall be paid on a quarterly basis and the Fund shall not bear any fees due to the Investment Advisor.

Each person acting as an advisor for an investment fund shall:

- a. Be licensed by the CMA to act as an investment advisor or a deputy of the same.
- b. Act according to the regulations and procedures regulating collective investment schemes.
- c. Act with the care of a prudent person in providing investment consultation.
- d. To keep regular records and books according to accounting systems, with relation to collective investment schemes, and to provide the CMA with periodic reports, as and when required by it.

Article (22): The Management Body

The Fund management shall be handled by a management body comprising of two or more employees of the Fund Manager who satisfy the conditions set for the representatives of the collective investment scheme manager, provided that one of them shall be a senior executive working for the Fund Manager.

The members of the Fund's Management Body shall be registered persons with the CMA who represent the Fund Manager in his responsibilities and powers provided under the CMA laws and bylaws. The signature of the members of the Management Body, or whomever they authorize, shall stand similarly as the signature of the Fund Manager. Those members shall be jointly responsible with the manager for any mistake, negligence or fraud committed upon managing the Fund.

Article (23): Vacancy of Any Management Body or Service Provider's Position

If any post is vacant among the members of the Fund's management body or any service provider, the Fund Manager must notify the CMA with the same within 5 business days at most. He shall further submit a request to occupy such vacant posts within a maximum period of 15 days from the expiry of the notice period provided under this article. The Fund's information shall be amended under the CMA's Funds Register upon any change to the Articles of Association or the service providers. In all cases, the Fund Manager shall inform the unitholders within 5 business days at most from any vacancy or occupation of any of the said posts.

Article (24): Posts' Limitations

Without prejudice to the obligations of the Fund Manager under Chapter 3 (Conflict of Interests) of the Eighth Module (Conduct of Business) of the Executive Bylaws, the employees of the Fund Manager, not registered as representatives of the collective investment scheme manager, may occupy the post of a board member in a company whose securities form a part of the assets of a fund managed by the Fund Manager. The employees of the Fund Manager registered as representatives of the collective investment scheme manager may not occupy the post of a board member in the companies referred to above. Should the Fund Manager hire a person as a representative for the collective investment scheme manager, to whom the above prohibition applies, this person shall resign from the membership of the company's board whose securities form a part of the assets of the Fund managed by the Fund Manager.

Article (25): Unitholders' Register

The Fund's unitholders' register shall be maintained with a clearing agency. This register may be kept with the Custodian if the Fund is unlisted as per the provisions of the Fourth Module (Securities Exchanges and Clearing Agencies) of the Executive Bylaws. The fees of the entity undertaking the task of keeping the register shall be paid out of the Fund's money.

The clearing agency or the custodian shall maintain a statement showing the balance of the remaining units and the units issued, redeemed, updated or cancelled and shall further provide the investment controller with a copy of such a statement.

Article (26): Unitholders' Assembly Provisions

The Fund shall have a unitholders' assembly which shall convene once a year at least. Each subscriber shall be entitled to attend the meetings of such a general assembly and to vote on its resolutions. A unitholder shall have one vote against each investment unit he owns.

The unitholders' assembly shall consider and take decisions pertinent to the following matters:

1. The Fund Manager's report on the Fund's activity and its financial position.
2. The external auditor's report on the audited annual financial statements of the Fund.
3. The audited annual financial statements of the Fund.
4. The report of the external sharia auditing firm.
5. The Investment Controller's report.
6. Amendments to the Articles of Association regarding the accrued rights of the unitholders.
7. Discharging the Fund Manager.
8. Appointment of a replacement manager.
9. Selecting the Fund's liquidator and monitoring his works.
10. The resolutions of the general assembly of unitholders shall not be executed except after the CMA's approval.

The Unitholders' Assembly meeting shall be held upon an invitation from the Fund Manager to look into the issues which lie within the assembly's powers. The Fund Manager shall send the invitation to convene the assembly upon a justified request submitted by unitholders owning 10% or more of the Fund's issued capital or upon the

request of the investment controller or the external auditor. The party calling for the meeting shall prepare the meeting's agenda. If the Fund Manager does not invite the unitholders' assembly to convene, in cases that necessitate the same, or if the Fund Manager cannot make such an invitation for any reason whatsoever, the CMA may assign the investment controller or the external auditor to call for holding this assembly.

The invitation shall be sent to the unitholders to attend the general assembly including the agenda, time, and venue of the meeting in any of the following manners:

- 1- Announcement I two local daily newspapers and the stock exchange at least 10 days ahead of the convention of the meeting.
- 2- Registered letters to be sent to the unitholders at least 10 business days ahead of the convention of the meeting.
- 3- By email or Fax at least 7 business days ahead of the convention of the meeting.
- 4- By hand to the unitholders or whoever legally represents them at least 3 business days ahead of the meeting, while a note should be made on a copy thereof that a copy of the invitation was received.

- 5- For the validity of notice made in either of the manners provided under clauses no. 2, 3 or 4 above, the subscriber should have provided the Fund Manager with information about his domicile, email address or his Fax #, and to have agreed to be served via such means. No subscriber's change of any of information mentioned in the above paragraph shall be considered unless he notifies the Fund Manager or the entity maintaining the Unitholders' Register of such a change at least 5 business days before being served the notice.

The Fund Manager shall send notices of the agenda, time, and venue of the unitholders' assembly meeting at least 7 business days ahead of holding the meeting to the following:

- 1- The CMA.
 - 2- The Investment Controller.
 - 3- The entity keeping the unitholders' register (the custodian or the clearing agency).
 - 4- The external auditor and the external Sharia auditing firm, as the case may be, if it was decided to present the financial statements to the Unitholders' Assembly.
 - 5- The stock exchange in order to announce the agenda, the time and the venue of the unitholder's assembly meeting.
- Non-attendance of the CMA's representative, following the notification thereof, does not render the unitholders' assembly meeting invalid. The meeting shall be rendered invalid in case of non-attendance of any of the above mentioned entities in clauses nos. 2, 3 and 4 above. It shall also be invalid in case the Fund Manager

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does not attend unless the meeting invitation is sent by another entity other than the Fund Manager, thus, the unitholders' assembly meeting shall be presided by the entity which extended the invitation for attending this meeting.

- The Assembly's meeting shall only be deemed valid if attended by unitholders owning at least 50% of the Fund's issued capital. If this quorum is not satisfied, the general assembly shall be invited for another meeting with the same agenda to be held within a 30-day period at most from the date of the first meeting. The second meeting shall be deemed valid regardless of the attendance-to-capital ratio. It is permissible not to extend a new invitation for the second meeting if the date of such a meeting is set in the invitation for the first meeting. Resolutions shall be passed with the absolute majority of the represented units in the meeting except for the resolutions related to the amendment of the Fund's Articles of Association which affect the acquired rights of unitholders or in case of liquidation upon the request of the Fund Manager where agreement is needed from unitholders owning more than 50% of the Fund's issued capital.
- The unitholders' assembly may not discuss subjects which are not listed on the agenda unless such were emergency matters which occurred after the preparation of the agenda or which were discovered during the meeting, or if the CMA, the Investment Controller, or unitholders holding 5% of the Fund's issued capital request the same. If it turned out during the discussion that some information related to the presented matters is not sufficient, the meeting shall be postponed for a period not in excess of 10 business days if so required by unitholders holding 25% of the Fund's issued capital, and the postponed meeting shall convene without the need for new procedures for the invitation.
- All unitholders registered with the Fund's special register shall be vested with the right to attend the meeting of the general assembly of unitholders in person or by proxy. For the proxy to be valid, this shall be made by a special power of attorney or an authorization made for this purpose. The power of attorney may be made for the attendance of one or more meetings of the general assembly of unitholders. A proxy issued to attend a specific meeting shall be valid to attend the same meeting postponed due to the non-satisfaction of the quorum.
- The Fund Manager or the entity which called for convening the meeting, as the case may be, shall provide the CMA with a copy of the meeting minutes of the general assembly after being signed by whoever presided the meeting, and the service providers who attended the meeting. This shall be made within two weeks from convening the general assembly meeting, provided that a copy of attendance proxies shall be attached to the meeting minutes.

Article (27): The Minimum & Maximum Subscription & Redemption Limits for the Fund Manager & Unitholders

1. The initial minimum subscription to the Fund for a single subscriber is ten thousand Kuwaiti Dinars (KD 10,000).
2. A single subscriber, his subsidiaries and affiliates, may not subscribe to units in excess of 10% of the total units of the Fund. The number of subscribed units by one investor may not exceed 50% of the Fund's capital (50%).
3. The Fund Manager shall subscribe to a number of units whose value is no less than KD 250,000 (Two hundred fifty thousand Kuwaiti Dinars), and **the Fund Manager** may not dispose of or redeem these **units** representing the mentioned minimum subscription amount throughout **the Fund's** Term. The said minimum ratio shall be allocated to ensure **the Fund Manager's** commitment to the non-violation of the **Law, its Executive Bylaws, these Articles or the resolutions of the CMA**, while the maximum subscription amount for the Fund Manager shall be 50% of the issued units of the Fund.
4. The investor may redeem part, or all, of his investments in the Fund.

Article (28): Subscription, Redemption, & Transfer of Ownership of the Fund's Units

1. The Fund's units shall be offered for public subscription by an official announcement in the Official Gazette and the approval of the CMA as per the provisions of these Articles and the information provided in the Prospectus without prejudice to the provisions of the Law, the Executive Bylaws, and the resolutions of the CMA regulating the same.
2. The Fund's AoA shall be drafted in Arabic and be provided free-of-charge when requested.
3. Subscription to the Fund is available for natural and legal personalities unless there are legal impediments.
4. Initial Subscription shall be made during the initial subscription period through subscription applications submitted by those willing to subscribe to the Fund after filling out their information in the designated form, including the Fund's name, the Fund's capital, name of the Fund Manager, name of the Custodian, name, address and nationality of applicant, the number of units to be subscribed to and their value. Further to that, an undertaking shall be submitted by the subscriber where he accepts all the provisions of the Articles of Association; this undertaking is considered a part of the subscription request. Signing the subscription request shall be deemed an express acceptance from the subscriber of the provisions of these Articles and an undertaking on his part to abide by the same as well as any future amendments be introduced thereto.
5. Subscription shall remain open throughout the period determined in the invitation for a public offering as determined by the CMA.
6. If the Initial Subscription Period approaches the end without covering the minimum units offered for subscription, the Fund Manager may request the CMA to extend the

- subscription period to an equal period, unless the Fund Manager covers the value of the unsubscribed units itself.
7. Without prejudice to the provisions of the previous paragraph, in case of not covering the minimum subscription ratio, the Fund Manager may refrain from the incorporation of the Fund, and the value of subscription shall be refunded to each subscriber, without any increase, within a period not exceeding five business days from the date of the expiry of the subscription period.
 8. The number of units shall be allocated to those willing to subscribe within ten business days from the date of the expiry of the initial subscription period. Investors shall be informed of their number of units after receiving the CMA notification to proceed with the Fund's activity.
 9. To accept the subscription requests, the Fund's applicant/subscriber shall have a bank account with Boubyan Bank K.S.C. in order to settle the payments through the said account, and to complete the redemption process when necessary.
 10. Subscription inside the state of Kuwait shall be made via a Subscription (Sale) Agent while subscription outside the state of Kuwait shall be made via subscription (sale) agents determined by the Fund Manager for this purpose in a manner where the subscriber submits its subscription application, prepared for this purpose to the Subscription (Sale) Agent, along with the required documents and the value of units. Such funds shall be delivered to the Custodian after completion of the Fund's establishment procedures.
 11. Any person who previously subscribed to the Fund may request the subscription or redemption of the value of outstanding units via Boubyan Bank's digital services without the need to fill out a new subscription/redemption form. The Fund Manager may accept such applications accordingly.
 12. The subscriber shall notify the Fund Manager or the Subscription (Sales) Agent in writing of any modifications or changes to the information stated in the subscription application within a period not exceeding two weeks from the date of the occurrence thereof.
 13. Those willing to subscribe to the Fund shall provide the Subscription (Sales) Agent with the following documents upon submitting the subscription application:
 - a) A photocopy of the civil ID or passport of the applicant, for natural persons.
 - b) A photocopy of the commercial register certificate and the license issued by the Ministry of Commerce and Industry, for all legal entities (companies), and the license issued by the Ministry of Commerce and Industry for the proprietorships and the civil ID for the owner thereof as well as the supporting documents approved by the competent authorities of the country for institutions and companies incorporated in any of the GCC countries.
 - c) Subscription value, which shall be deposited to a private account opened in the name of the Fund.
 - d) The subscription application designated form fulfilling all the information and signatures.
 - e) YMC form in Boubyan Capital.
 - f) Customers' Ranking Form.
 14. Minimum and Maximum Subscription for investors to the Fund may be modified upon the proposal of the Fund Manager, subject to obtaining the CMA's approval.

15. The subscriber shall receive from the Subscription (Sales) Agent a signed receipt including the subscriber's name and information.
16. In case of duplicated applications, the subscription application for the bigger number of investment units shall be the only one considered.
17. The Fund Manager may cancel the subscription applications not satisfying the terms stated in the same and the amounts they paid shall be refunded to them without any increase within a period of five business days from the date of closing subscription.
18. Subscription shall be concluded and executed as per the announced valuation date for the Fund's NAV.
19. The Custodian, the Investment Controller, the Auditor and the Sharia Auditor may not subscribe to any number of units for their own accounts.
20. The Fund Manager and the Sale Agent may not accept any cash subscription to the Fund.
21. No subscription may be made to the Fund with in-kind shares whatsoever.
22. Banks and investment companies, inside or outside the state of Kuwait whose AOA's provide for management of third party funds, shall disclose the identity of their customers on whose behalf they own investment units.
23. There are no subscription or redemption fees for the fund.
24. The Fund Manager shall pay the Unitholder the redemption value within four business days following the Valuation Date on which redemption price is fixed.
25. A printed copy of the AoA shall be provided to each subscriber and each person willing to subscribe to the Fund. The signature of the subscriber affixed to the subscription form, after having reviewed the Fund's AoA, shall be considered an approval to these Articles.
26. In case of the demise of any subscriber and the units pass on to his heirs, the Fund Manager may liquidate the value of the units and refund the value thereof to the heirs in accordance with the legal procedures and as per the last valuation.
27. Should the Valuation Day coincide a public holiday, an evaluation of the Fund's assets should be made on the next business day.

Article (29): Subscription & Redemption Periods

1. Subscription shall be made in the manner outlined in these Articles every week, unless the Fund Manager otherwise decides due to certain cases, including but not limited to, the increase of submitted subscription applications with large amounts that do not conform to the available investment opportunities. Subscription shall be made by filling out the designated subscription application and submitting the same to the Fund Manager along with the required documents, provided the actual payment of the value of the units required to be purchased, subject to the minimum subscription stipulated in these Articles.

2. Subscription or redemption requests may be submitted on any business day. As for the valuation day, subscription/redemption requests shall be made before 11:59 pm of the Monday which precedes the valuation day. Any subscription/redemption request made following this time shall be executed on the next valuation day.
3. The Fund Manager may postpone the fulfillment of any redemption application to the next Dealing Day as per the provisions of the Fund's AOA, in either of the following two cases:
 - A. If the total ratio of all unitholders' redemption applications that have to be fulfilled on any given Dealing Day reaches 10% or more of the Fund's NAV, provided that in this case, the Fund Manager shall fulfill the redemption applications below the 10% ratio of NAV, and that all redemption applications shall be taken into consideration on a pro rata basis, the redemption applications above the 10% ratio of NAV shall be postponed to the next dealing day.
 - B. If trading is suspended in the stock exchange or the regulated financial markets where the securities or other assets owned by the Fund are traded, or in case of suspending the trading of securities representing a significant value of its assets.
4. If the CMA discovers the noncompliance of the Fund Manager or the investment controller or the custodian of the collective investment scheme with the provisions of the Law or the Executive Bylaws, the CMA may issue its instruction for the scheme's manager to temporarily put the redemption or subscription process on hold, or both of them, as regards the units of the collective investment scheme as of the date set by such instructions.
5. The Fund Manager shall execute the subscription or redemption requests as per the valuation price subsequent to the subscription or redemption request. Subscription or redemption prices may include other commissions, provided that this should be provided by the Fund's AoA.

Article (30): Investment Methods, policies, Risks and Areas

First: Investment Fields

The investment methods and policies are detailed below and are in compliance with the rules provided under the restrictions for Investment in Money Market Funds to the extent applicable to the Fund.

- 1- The Fund shall seek to achieve its goals via investment in high quality cash funds such as sovereign treasury sukuk & instruments arising from murabaha operations (entering into this activity does not result in extending any direct or indirect finance) whether in Kuwaiti Dinar or any other foreign currency or any other cash instrument approved by the CMA and the External Sharia Auditing firm for the Fund.
- 2- The Fund may not borrow or enter into transactions resulting in debt obligations, except borrowing to cover redemptions and only up to 10% of the Fund's NAV.
- 3- The credit rating of sukuk intended to be invested in may not be below (BBB) or equivalent rating by an internationally recognized credit rating agency or local credit rating agencies licensed by the CMA.

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guarantee be waived for deposits with Kuwaiti banks, the Fund Manager shall refer to the CMA to obtain an exception when there are circumstances in money markets requiring the same.

11- In all cases, the Fund Manager shall follow a prudent risk management system and an investment policy aiming at realizing a suitable return on investment, and maintaining a balanced distribution of investment ratios for hedging against risks and observing and safeguarding unitholders' interests.

12- The Fund Manager may not do any of the following:

- a. Extending finance.
- b. Buying any securities issued by the Fund Manager or any of its subsidiaries, unless within the rules specified by Law and its Executive Bylaws.
- c. Buying any securities of an entity where the Fund Manager is a subscription manager or subscription (sale) agent, unless within the rules specified by the Law and its Executive Bylaws.
- d. Using conventional credit instruments to obtain finance.

Investment agencies and the like of contracts providing for extending funds to third parties to be used in commercial activities are considered prohibited for of extending credit in the Fund except for placements with banks or if such is a debt instrument or a financial instrument offered for sale in primary or secondary markets.

13- Without prejudice to clause no. 12 of this Article, the Fund Manager may not buy any security issued by him or his subsidiaries except as per the following:

- a) To obtain the approval of the Investment Controller ahead of the purchase.
- b) The total number of securities invested by the Fund and all other funds managed by the Fund shall not exceed 10% of the total value of securities issued by the company managing the Fund or any of its subsidiaries.

14- Without prejudice to paragraph no. 12 of this Article, if the Fund Manager assumes the role of the Subscription (Sale) Agent or manages the subscription for an issuer, he may not buy any securities of this issuer while assuming his role. If the Fund Manager or any of its subsidiaries undertake to cover the public or private subscription of a certain security, he may not buy this security for the Fund's account.

15- Through its investments, the Fund shall not invest in instruments that contravene with the Islamic Sharia and without contravening with the CMA's resolutions in that regard.

16- Without breaching the Fund's AoA, the Fund shall disclose to the CMA the assets it owns as a result of exercising its implied right to convertible cash instruments, and to take the CMA's approval for the appropriate schedule for disposing of such assets.

Second: Investment Policies & Methods

1. The Fund Manager shall be responsible for managing and investing the Fund's amounts through its representatives stated in these Articles.
2. The Fund shall adopt a balanced investment policy which aims at realizing a suitable return on investment. The Fund Manager shall use its best endeavors to manage the Fund's investments and to realize the best returns possible for subscribers. However, it does not guarantee the realization of any profits or capital returns, or a specific performance pattern as a result of managing the Fund's amounts. Neither the Fund Manager nor any of its staff, employees or agents shall be liable in any way whatsoever towards subscribers for any damage incurred by them as a result of their investment in the Fund, save such damage resulting from fraud or gross negligence in managing the Fund's amounts, or violation of the provisions of the Law, the Executive Bylaws or these Articles.
3. Despite the investment policy adopted by the Fund aims at safeguarding the invested capital by investing in risk-balanced investments, the expected or resulting unit value or returns may increase or decrease and be positively or negatively affected by the economic changes, the market's and other markets' conditions. In addition, investment in the Fund involves risks associated with investment in general, and the Fund Manager does not guarantee for subscribers their capital or realization of any profits.
4. Investing in different short and medium term Islamic cash instruments according to investment policies and restrictions and the provisions of these Articles, regulations and resolutions applicable in this regard. The Islamic cash instruments intended to be invested in include wakala and murabaha placements with banks, as well as investing in sukuk which may be offered by government authorities or companies with a well-established business position as well as investment funds with similar investment goals.
5. The Fund Manager shall not keep cash or cash equivalents unless for a necessity for any of the following:
 - a) Fulfilling the units' redemption requests.
 - b) Well-management of the Fund as per its investment targets and the objectives complementing such targets.

Third: Investment Risks:

The fund is subject to market performance fluctuations. The value of the units may increase or decrease owing to such fluctuations, leading to the partial or whole loss of the subscriber's investment upon redemption.

Some of the Fund's main investment risks include the following:

- **Economic Risks at Country & Region Level:** The financial markets are sensitive to the fluctuations of the oil prices, and the international economic conditions in general since the markets usually tend to decline at the times of economic recession and depression.
- **Political Risks:** Such are the risks of change in political conditions in the country which the Fund targets for investments. Such risks may adversely affect the Fund's performance.
- **Currency and Interest Rate Risks:** The Fund's investments will be mainly in Kuwaiti Dinars, while there could be other investments in international currencies from time to time. Currency risks arises when payment is made to purchase units in a currency other than the one determined by the Fund. Exchange rate differences, as the case may be, could lead to an increase or decrease in the unit's value. Also, the fluctuation of the interest rates may have an adverse effect on investment.
- **Liquidity Risks:** Liquidity means the swiftness and ease of selling an asset and converting it into cash. Some assets could become less liquid compared to others, meaning that they cannot be swiftly and easily sold. Also, it would be difficult to sell some assets due to the legal restraints and the nature of the investments or the non-availability of interested buyers.
- **Sector Risk:** Unlike others, some sectors in the capital markets may be affected adversely or positively and this may affect the performance of the Fund, due to the volume of investments in this sector.

Article (31): The Fund Manager's Fees

In consideration of performing the stated duties as per the AoA, the Fund Manager shall receive annual fees up to 1% of the net value of assets and investments of the Fund, to be calculated and paid at the end of each month throughout the term of this Fund.

In all cases, the total fees received by the Fund Manager shall not exceed 5% of the Fund's NAV annually.

Article (32): The Manner of Amending the AoA

No amendment to the Fund's Articles of Association shall be effective except after obtaining the approval of the CMA and at the time determined thereby. The Fund's Articles of Association may be amended after the approval of the CMA and the Fund Manager shall notify all the unitholders within 10 business days at most from the date of the CMA's approval of such an amendment. Should the CMA find that the proposed amendments prejudice the accrued rights of unitholders, it may require the Fund Manager to obtain the approval of such amendments by more than 50% of the capital.

Article (33): Calculation of the Unit's Net Value

1. The Fund's assets shall be valued on each dealing day without exceeding one day after the deadline set for submitting subscription/redemption operations. The net unit value shall be announced via the website of the Fund Manager and the Subscription (Sale) Agent. The Investment Controller shall calculate the NAV of each of the investment units as per the International Accounting Standards approved by the CMA in the following manner:

Total assets of the Fund less the total liabilities. The result shall be divided by the entire number or remaining units in the Fund as at the valuation day.

2. To determine the value of the Fund's assets, cash instruments are valued with the initial cost represented in the price of the security on the purchase plus the accumulated revenue or profit after adjusting the same in addition to the issuance bonus/deduction less the paid of the capital and revenue less any impairment. Investments in other investment funds are valued by referring to the purchase price on the respective valuation date in case there is trading of such funds in active markets, otherwise, the value of such investments shall be determined by referring to the net NAV as announced by the Fund Manager. Investments denominated in another currency other than the Kuwaiti Dinar shall be valued when converted to Kuwaiti Dinar as per the exchange rate determined by the Central Bank of Kuwait which is announced on the respective date of evaluation. As regards other types of assets, the Fund Manager shall set the valuation method provided to be approved by the Investment Controller. The value of all assets and liabilities denominated in another currency other than the Kuwaiti Dinar shall be converted to the Kuwaiti Dinar as per the most recently available exchange rate in the week upon closure.
3. All the due debts and liabilities shall be deducted from the value of the Fund's total assets including:
 - a. Management expenses and other expenses and charges due to the Fund Manager and unpaid yet.
 - b. Any allowance for the Fund's estimated fees for auditing of the financial statements and legal services.
 - c. Fees and wages of the Custodian and brokerage fees.
 - d. All costs related to lawsuits of the Fund.
 - e. Investment Controller's fees.
 - f. Fees of the External Sharia Auditing Fund.
4. Unlisted securities shall be valued based on fair value reached by appropriate valuation methods, provided that the valuation shall be made at least once annually.
5. Valuation of the Fund's assets may be delayed for a period not exceeding two business days from the dealing day if it is not possible to value a major part of the Fund's

assets, provided that the Fund Manager shall provide the CMA with the reasons and justifications of such a delay.

6. If any of the Fund's assets is valued incorrectly or if there is any error committed in the calculation of the unit's price, the party which commits such an error shall compensate the aggrieved party.
7. The Fund Manager shall attach, along with the reviewed interim financial statements or the audited annual financial statements, a report detailing all the valuation and pricing errors made throughout this period.

Article (34): Profit Distribution Policy

Any financial returns realized by the Fund shall be reflected on the Fund's NAV and no profits shall be distributed until the units' value is redeemed by subscribers.

Article (35): Unitholders' Rights

1. Unitholders are entitled to a percentage of the Fund's NAV upon liquidation on a pro rata basis to the number of their owned units.
2. A unitholder is entitled to get a copy of the periodic reports, quarterly and annual financial statements, by virtue of a written request submitted to the Fund Manager during official business hours.
3. Neither the subscriber nor its general or particular successors may interfere with the Fund management affairs.
4. Investment units or shares entitle subscribers to equal rights to the Fund proportionately as per their share in the Fund's capital. Unitholders are entitled to receive a share of distributable amounts and shall bear any losses on a pro rata basis to the owned units. In the event of liquidating the Fund, unitholders will be entitled to a percentage of the Fund's NAV on a pro rata basis each as per the number of his owned units.
5. The Fund Manager shall not be liable towards subscribers for any damage incurred unless the same arises due to fraud or gross negligence in managing the Fund's amounts or violation of the Law, its Executive Bylaws or these Articles.
6. All unitholders of the same category in the Fund shall be subject to the same terms and conditions.

Article (36): Means & Dates of Information Disclosure

The Fund Manager shall prepare the Fund's financial statements according to the following:

First: To the regulatory authorities:

- a. The Fund Manager shall prepare the reviewed interim financial statements of the Fund on a quarterly basis, at least, according to the International Accounting Standards approved by the CMA, and shall publish the same through the stock exchange and the CMA within a deadline of fifteen (15) business days from the end of the period.
- b. The Fund Manager shall prepare the audited annual financial statements and present a copy of the same to the stock exchange and the CMA within a maximum period of 45 days from the end of the Fund's financial year.
- c. The Fund Manager, Investment Controller and the Custodian shall submit all the information, documents and data requested by the CMA during the period it determines. The CMA may inspect and review the accounts and records of the Investment Fund and take the necessary data and information for performing the audit and inspection operations.

Second: To the Unitholders:

1. The Fund Manager shall prepare a periodic report to unitholders and send the same to them at least on a quarterly basis. Particularly, this report shall include the following information:
 - a. NAV of the Fund's units.
 - b. The number of units owned by unitholders and the net value per unit.
 - c. A register showing the movement of unitholder's account, including any paid dividends subsequent to the date of the last report submitted to the unitholder.
 - d. A statement showing the fees of the Fund Manager and service providers.
2. The Fund Manager shall make a disclosure to the unitholders of any information which may affect the value of the units or the procedures taken to confront the same.
3. Reports shall be sent to unitholders by mail at their addresses determined in the subscription application.
4. Financial statements shall be made available for free, upon request, for all unitholders via the Subscription (Sale) Agent.

Third: To the Public:

The Fund Manager shall publish monthly information about the Fund to the public through the stock exchange, within seven business days from the end of every month, as per the CMA's designated form.

Article (37): License Cancellation

The CMA may cancel the license of any investment fund in any of the following cases:

1. If it is found that any of the licensing conditions is not met.
2. If such a cancellation shall safeguard unitholders' interests.
3. If the Fund Manager or the Investment Controller violate any of the provisions of Law or regulations, or provide the CMA with incorrect, inaccurate or misleading information.
4. If the Fund Manager applies for cancellation of the Fund's license. The CMA may reject the application in case it finds it necessary to investigate any of the matters related to the Fund or unitholders' interests.

Article (38): Dissolution & Liquidation of the Fund

The Fund shall be terminated for any of the following reasons:

1. Expiry of the Fund's term as determined in the Articles of Association unless it is renewed as per the rules provided herein.
2. End of the objective for which the Fund was incorporated or in case of impossibility to achieve the objective.
3. Damage or destruction of all or most of the Fund's assets in a manner that renders it impossible for the current investment to be feasible.
4. Upon the request of the Fund manager, provided an approval resolution is issued by the general assembly of unitholders who own 50% of the Fund's capital to prematurely liquidate it.
5. A resolution is issued by the CMA to cancel the Fund's license.
6. A judgment is issued to dissolve and liquidate the Fund.

Article (39): Liquidation Procedures

Upon dissolution as per the provisions of the above article, the Fund shall enter into the liquidation phase. The Fund shall maintain the legal personality during liquidation insofar as liquidation procedures require. The words "Under Liquidation" shall be added to the name of the Fund and shall be written in a clear manner in correspondences sent by the entity in charge of the liquidation, and the liquidation of the Fund shall be officially announced. The following provisions in the below clauses apply to the Fund's liquidation:

All the maturities of the debts shall be dropped as of the date of officially announcing the dissolution of the Fund and notifying creditors of proceeding with liquidation, the liquidator shall officially notify all creditors of the commencement of the liquidation process and invite them to submit their repayment requests. It is permissible to notify creditors by way of announcement. In all cases, the notification or the announcement shall include a minimum notice of 15 business days to file their requests.

The Fund Manager's authority shall end by the termination of the Fund, however, the Fund Manager shall remain in charge of the Fund management until the appointment of the liquidator and the exercise of its powers. The Fund Manager shall be considered a

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liquidator by third parties until the appointment of a liquidator. The Fund's service providers shall continue providing their service during the period of liquidation unless the liquidator decides, after the CMA's approval, there is no need for them to continue providing such services or to replace them with other service providers or combine some of the duties and assign them to a single service provider. The Fund Manager or any of its service providers may be appointed as a liquidator for the Fund and the liquidator may be selected from the persons licensed to manage collective investment schemes or to manage an investment portfolio, an investment controller, a custodian or an auditor registered with the CMA. In all cases, a liquidator shall not be appointed except after the CMA's approval. The liquidator shall not proceed with his work except after the official announcement of his appointment resolution.

The liquidator shall be appointed by virtue of a resolution issued by the unitholders' assembly unless in the cases where the CMA decides to appoint a liquidator in accordance with the Executive Bylaws. If the liquidator is appointed by the unitholders' assembly, a preapproval shall be obtained from the CMA to appoint the liquidator. In all cases, the entity which selects the liquidator shall fix his fees and the period of liquidation, provided that the Fund shall bear the fees of the liquidator. The liquidator shall be discharged by virtue of a resolution issued by the appointing entity. In all cases, the CMA may, upon the request of one of the Fund's unitholders or creditors or by itself, issue a resolution to discharge the liquidator if it finds a reasonable justification for the same. Any resolution to discharge the liquidator shall provide for the appointment of a replacement, and the new liquidator shall not proceed with his work except after officially announcing the resolution which provides for discharge or appointment of a liquidator.

The liquidator shall undertake all the works necessary for the liquidation of the Fund, and he shall particularly undertake the following:

1. Representing the Fund before the Court and third parties.
2. Providing the care of a prudent person to maintain the Fund's assets and rights.
3. Paying off the Fund's debts.
4. Selling the Fund's assets, properties and moveables, in a public auction or by way of bidding or any other way that guarantees the highest price unless the appointment resolution provides for specific sales procedures.
5. Dividing the Fund's net assets among the unitholders.

The liquidator may not proceed with new works unless they are necessary to complete previous works. Furthermore, he may not sell the Fund's asset in one lot or make compromises as regards the Fund's rights or to accept arbitration for disputes related to liquidation or conclude transactions with related parties except after the approval of the unitholders' assembly. The actions performed by the liquidator shall be valid in relation to the Fund, the unitholders or third parties if such are necessitated by the liquidation works within the authority of the liquidator. Should there be several liquidators, their actions shall not be binding to the Fund unless decisions are made by absolute majority and unless their appointment resolution provides for otherwise. The Fund Manager shall submit the Fund's

accounts and hand over its books, documents and assets to the liquidator. Furthermore, service providers shall be committed to providing the liquidator with any data or information pertinent to the Fund, and the liquidator shall, within 3 months from proceeding with his work, inventory the Fund's assets and determine its financial position including its rights and liabilities. In so doing, he may seek the assistance of the service providers. The liquidator shall keep the necessary books for liquidation records while providing the CMA with a report on the Fund's financial position. The liquidator shall conclude the liquidation works within the determined period in his appointment resolution. If such a period is not determined, the CMA shall determine it upon the request of the relevant parties. This period may be extended by virtue of a resolution to be issued by the entity which appointed the liquidator after reviewing his report which shall include the reasons which hindered the completion of the liquidation within the set period. Any stakeholder may request the CMA to shorten such a period.

The Fund's liquidator shall convene the unitholders' general assembly within 3 months from the end of the financial year to discuss the financial statements for the ended year along with the external auditor's report, and the annual report for the liquidation works and approval of the same. He may further invite the unitholders' assembly to convene at any time should the liquidation works necessitate the same. The liquidator shall collect the rights of the Fund with third parties or with the Fund Manager then deposit the amounts collected to the bank's account in one of the banks during the liquidation phase. The liquidator shall further pay off the Fund's debts and allocate the necessary funds to pay off the disputed amounts. Payment of the Fund's debts shall be in the following order.

1. Financial obligations arising from the liquidation operations.
2. All amounts due to the service providers.
3. Privileged debts as per their ranking.
4. Debts secured with in-kind securities within the limits of the outcome of the debt security.

Any remaining funds after payment of the above debts shall be paid to ordinary creditors. Should the remaining amounts from the liquidation be insufficient to pay all such debts, the money shall be distributed among them on a pro rata basis.

The liquidator shall divide the remaining assets of the Fund among unitholders after paying off the debts. Each subscriber shall receive a share which is proportionate with his number of shares in the Fund's capital. Furthermore, the liquidator should provide the unitholders' assembly with final accounts about the liquidation of the Fund and the division of its assets, then the liquidation works shall end by approving the final accounts by this assembly. The liquidator shall request the deregistration of the Fund from the Funds' Register with the CMA after conclusion of the liquidation. The liquidator shall officially announce the conclusion of the liquidation and the liquidation shall not be effective against third parties except after the date of the official announcement. The liquidator shall also submit a quarterly report to the CMA about liquidation works as per the Fund's financial year within a period of 30 days at most from the period-end, provided that the report is reviewed by an external auditor, including the findings of the liquidation procedures as well as the payments distributed to the unitholders and any assets remaining unliquidated with the

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Fund and the reason for the non-liquidation of the same. The CMA may request the liquidator to provide it with any information or reports whenever it deems necessary.

The books and documents related to the Fund's liquidation shall be retained for 5 years from the date of deregistering the Fund from the CMA's Register. Such books and documents shall be kept with the entity which appointed the liquidator. The liquidator shall be liable for compensating the damage that afflicts the Fund or the unitholders or third parties due to acting beyond his authority or due to the errors he commits during performing his work. In case there are several liquidators, they should jointly be liable for the same.

Article (40): Complaint Procedures

In case of any complaints related to the Fund, you may contact Boubyan Capital Investment Company at the following number: (+965 2232 5800), or fill out the Complaint Form available at the Company's headquarters and on its website, then send the same on the following address:

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

Article (41): Charges, Expenses and Fees

1. Offering Cost:

Upon making any communication or disclosure to promote the Fund's Units, disclosure of all related facts and information without overstatement should be taken into consideration. In all cases, promotion and marketing announcements shall be governed by the restrictions set by the CMA, and no amount may be paid from the Fund's assets for the fees of the investment advisor or for the promotion or sale of Units; this includes, but not limited to, the expenses of copying and distributing these Articles, which shall be borne by the Fund Manager while the Fund shall bear the establishment costs.

2. Management Fees:

The Fund Manager shall receive annual management fees not exceeding 1% of the net value of assets and investments of the Fund, to be calculated as per the Fund's NAV on each valuation day, and shall be payable, collectively, by the end of each month.

In all cases, the total fees received by the Fund Manager shall not exceed 5% of the Fund's NAV annually.

3. Subscription/Redemption Fees:

There are no sale fees for subscription or redemption of any of the Fund's units.

4. Investment Controller's Fees:

In consideration of undertaking the duties provided under these Articles, the Investment Controller shall receive annual fees to be determined as a percentage from the Fund's NAV as per the below segments:

- A percentage of 0.0550% of the Fund's NAV for amounts up to KD 30 million.
- A percentage of 0.0450% of the Fund's NAV for amounts above KD 30 million.

Provided that the annual fees of the Investment Controller shall not be less than three thousand five hundred Kuwaiti Dinar (KD 3,500).

These fees will be listed under the Fund's expenses on the valuation date and shall be paid on a monthly basis.

5. Custodian's Fees

In consideration of undertaking the duties provided under these Articles, the Custodian shall receive annual fees to be determined as a percentage from the Fund's NAV as per the below segments:

- A percentage of 0.0550% of the Fund's NAV for amounts up to KD 30 million.
- A percentage of 0.0450% of the Fund's NAV for amounts above KD 30 million.

Provided that the annual fees of the Custodian shall not be less than three thousand five hundred Kuwaiti Dinar (KD 3,500).

6. External Auditors' Fees:

For auditing the financial year-end of the Fund, KD 1,700 (One thousand seven hundred Kuwaiti Dinars).

For quarterly interim review of financial statements, KD 600 (six hundred Kuwaiti Dinars) per each quarter.

7. Sharia External Auditor's Fees

The Sharia Auditing Firm shall receive KD 1,000 (One thousand Kuwaiti Dinars) to be paid on two installments.

First Installment: 50% upon the beginning of the Fund's financial year.

Second Installment: 50% after 6 months.

8. Fees for Keeping the Unitholders Registers

The entity keeping the Unitholders' Register shall receive annual fees amounting to KD 1,250 (One thousand, two hundred fifty Kuwaiti Dinars), to be paid within 15 days from the date of the agreement.

9. Other Expenses:

The Fund shall bear all costs arising from the practice of its activities including brokerage, banking operations, sale & purchase commissions, exchange rates, valuation fees for unlisted securities inside and outside the state of Kuwait in addition to the expenses of the Fund Manager, the Custodian, the Investment Controller, the External Auditor, and the External Sharia Auditing Firm as well as governmental costs and charges.

Article (42): Expenses

The below table shows the fees to be paid by the Fund, the Fund Manager and the unitholders.

The Fund	The Fund Manager	Unitholders
1. The annual fees of the Fund Manager.	1. The expenses of drafting, printing and distributing the AoA.	
2. The fees of the Custodian.	2. Unit promotion or sale expenses.	
3. The fees of the Investment Controller.	3. Expenses of the Investment Advisor.	
4. The Fees for keeping the Unitholders' Register		
5. The External Auditor's fees.		
6. The Legal Consultant's fees.		
7. The fees of the external Sharia auditing firm.		
8. Advertisement fees and expenses charged by the CMA to funds.		

Article (43): Correspondences

All correspondences from any Subscriber to the Fund Manager shall be addressed to the latest address recorded in the Fund's registers as follows:

Boubyan Capital Investment Company (K.S.C.C.)

Sharq Area, Al-Shuhadaa Street, KIPCO Tower, 32nd Floor

P.O. Box 28950 Safat, Postal Code 13150,

State of Kuwait

- The Fund Manager's Website: www.boubyancapital.com
- E-mail: assetmanagement@boubyancapital.com
- Tele: (965) 22325800
- Fax: (965) 22325801

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Article (44): Applicable Law & Jurisdiction

These Articles shall be governed and interpreted by the provisions of the Kuwaiti law and Kuwaiti courts shall have jurisdiction to settle all disputes related thereto or arising therefrom in a way that does not contravene with the principles of the Islamic Sharia. Decree Law no. (7) of 2010 Concerning the Establishment of the Capital Markets Authority & Organization of the Securities Activity, as amended, its Executive Bylaws and the resolutions and conditions passed by the regulatory authorities shall apply to all matters related to the Fund which are not addressed by a special provision under these Articles of Association.

Article (45): Combating Money Laundering & the Financing of Terrorism

The Fund Manager shall comply with the CMA's resolutions and instructions and Kuwaiti laws pertaining to combating money laundering and the financing of terrorism in addition to international legitimacy resolutions in this regard, and any subsequent resolutions and instructions issued with respect to money laundering and financing of terrorism. And in order to comply with the laws and instructions on combating money laundering and financing of terrorism, Fund Manager may require the provision of additional documents from applicants for Subscription as evidence to verify their details and identity or the identity of the original beneficiaries from the amounts invested in the Fund. The Fund Manager reserves the right to require additional information, if it deems that necessary to verify the identity of applicants for Subscription or the sources of their amounts, and the Fund Manager may reject any applications for Subscription to the Fund if the applicant delays or fails in providing any information or document required by the Fund Manager.