

Boubyan USD Liquidity Fund

Articles of Association

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

Content

Article (1): Preamble	4
Article (2): Definitions	4
Article (3): Fund's Name	7
Article (4): Fund's Form	7
Article (5): Fund's Type.....	8
Article (6): Type of Offering for the Fund's Units	8
Article (7): Name & Address of the Fund Manager.....	8
Article (8): The Fund's Objective	8
Article (9): Fund's Term	8
Article (10): The Fund's Capital & the Mechanism of Payment	8
Article (11): Number of Investment Units and the Nominal Value Thereof ..	9
Article (12): Allocation	9
Article (13): Fund Currency	9
Article (14): Beginning and End of the Financial Year	9
Article (15): General Obligations.....	10
Article (16): The Fund Manager	10
Article (17): The Custodian.....	11
Article (18): The Investment Controller.....	12
Article (19): External Auditor	13
Article (20): Sharia Auditing Scheme	13
Article (21): The Investment Advisor	14
Article (22): The Management Body	15
Article (23): Vacancy of Any Management Body or Service Provider's Position.....	15
Article (24): Posts Limitations	15
Article (25): Unitholders' Register	15
Article (26): Unitholders' Assembly Provisions.....	16
Article (27): The Minimum & Maximum Subscription & Redemption Limits for the Fund Manager & Unitholders.....	19
Article (28): Subscription, Redemption, & Transfer of Ownership of the Fund Units.....	19
Article (29): Subscription & Redemption Periods	22
Article (30): Investment Methods, Policies, Risks & Areas	23
Article (31): The Fund Manager's Fees	28
Article (32): The Manner of Amending the AoA.....	28
Article (33): Calculation of the Unit's Net Value	28
Article (34): Profit Distribution Policy	29
Article (35): Unitholders' Rights	29
Article (36): Means & Dates of Information Disclosure.....	30

Article (37): Cancellation of License	30
Article (38): Dissolution & Liquidation of the Fund	31
Article (39): Liquidation Procedures.....	31
Article (40): Complaint Procedures	34
Article (41): Charges, Expenses and Fees.....	34
Article (42): Expenses	36
Article (43): Correspondences.....	36
Article (44): Governing Law & Jurisdiction	36
Article (45): Combating Money Laundering & the Financing of Terrorism	37

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, and its Executive Bylaws, as amended. Boubyan USD Liquidity Fund was established by the investment units' owners and 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 as of the time of registration with the Fund's Register with the CMA.

Article (1): Preamble

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

Article (2): Definitions

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

The Fund	Boubyan USD Liquidity Fund
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
Fund Manager	Boubyan Capital Investment Fund (K.S.C.C.)
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.
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.
Cash Instruments	Short-term Sharia-compliant investment instruments like deposits with Islamic banks, sovereign sukuk, sukuk issued by banks or companies, whether denominated in US Dollars or any other local or foreign currency, bank deposit certificates, repurchase agreements with banks or any other cash instruments approved by the CMA.
External Auditors	It is the natural personality, registered with the CMA's List of Auditors, who expresses a technical neutral and independent opinion on 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 Controller	It is a legal personality licensed to practice the business of monitoring and supervising collective investment schemes.
External Sharia Auditor	It refers to an independent institution (individual or corporate license) specialized in supervising all the commercial and financial transactions of the licensed person to verify the extent of their compliance with the Sharia standards as well as the relevant CMA resolutions.
Legal Advisor	The external Legal Advisor of the Fund.
Subscription Agent (Sales)	It is the natural or legal personality which offers or sells a security for its issuer or the issuer's affiliate. This person shall obtain the securities either from the issuer or its affiliate in order to remarket or manage the securities issuance process.
Unitholder	Any natural or legal personality whose name is registered with the Unitholders' Register.
Business Day	Days on which Kuwaiti banks and companies are open to the public.
Redemption	The process of liquidating the Fund's units owned by the redeeming party as per the net valuation.
Date of Incorporation	The date of the Fund's incorporation (09.02.2014)
Capital	The Fund's capital is variable from USD 18,000,000 (only US Dollar Eighteen Million) to USD 360,000,000 (Only US Dollar Three Hundred Sixty Million).

Valuation Price	It is the unit's valuation price determined by the investment controller as per the CMA's approved International Accounting Standards and systems for each valuation period based on which the net value of the fund's investments is determined in addition to the cash, receivables, etc., divided by the number of units after deducting all the expenses and obligations of the fund towards third parties and liabilities on the same date, provided that the valuation price shall be rounded to the nearest 4 decimals.
Dealing Day	The deadline for accepting subscription/redemption requests is before 11:59 pm of the Monday preceding the Valuation Day.
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.
Fund Currency	US Dollar "USD"
Unit Nominal Value	Unit Nominal Value is USD 10.
Fund's NAV	It is the value of the fund's investments at the end of the financial period valued as per the Fund's Articles of Association in addition to other assets of cash, receivables and others less the Fund's obligations towards third parties on the same date.
Subscription Value	It is the cash amount paid in consideration of the units subscribed in by the subscribers.
Subscription Period	It is the period of subscription in units by those desiring to subscribe, determined by the Fund Manager after the approval of the supervisory authority.
Subscription Request	It is the request which shall be submitted, by anyone willing to subscribe, to the Subscription Agent (Sales) in order to buy a certain number of units offered for subscription as per the designated form prepared by the Fund Manager.
Subscription/Redemption Request	It is the request which shall be filled out by the subscribers/redeemers and submitted to the Subscription Agent (Sales) 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 AOA/the Articles	The Fund's Articles of Association and any amendments thereto which may be incorporated from time to time.
Unit (s)	The investment unit is an indivisible security (ies), which stands for a share in the fund's assets entitling its holder to exercise 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.
The Stock Exchange	Boursa Kuwait
The Supervisory Authority	The Capital Markets Authority (the "CMA"), Kuwait
The CMA/Authority	The Capital Markets Authority (the "CMA"), Kuwait
The Law	The provisions of Decree Law No. (7) of 2010 Concerning the Establishment of the Capital Markets Authority & Regulating Securities Activity, as amended.
The Executive Bylaws	The Executive Bylaws of Law No. (7) of 2010, Concerning the Establishment of the Capital Markets Authority & Regulating Securities Activity, as amended.

Article (3): Fund's Name

The Fund's Name: Boubyan USD Liquidity Fund.

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 should 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.)", a Kuwaiti shareholding company established on October 2nd 2007, which is licensed by the CMA to establish and manage collective investment schemes.

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 funds 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 registering the same with the Funds Register with the CMA, renewable to similar terms, subject to obtaining the approval of 50% of the unitholders and the Supervision Authority.

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

The Fund's capital is variable from USD 18,000,000 (Only US Dollar Eighteen Million) as a minimum to USD 360,000,000 (Only US Dollar Three Hundred Sixty Million) 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 (or the equivalent thereof in USD). If the Fund's capital decreases below the minimum, the Fund Manager shall inform the CMA within 5 business days from the date of the capital reduction. The CMA may take the necessary action, as the case may be, to achieve the unitholders' interests. The Fund Manager's subscription in the Fund's units shall not be less than KD 250,000 or the equivalent thereof in USD, 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 US Dollar ten (USD 10) upon incorporation, and their number varies from 1,800,000 (Only One Million Eight Hundred Thousand Units) as a minimum and 36,000,000 (Only Thirty Six Million Units).
- 2- The Fund Manager shall announce the Unit Value for every Valuation Period on the Valuation Day as per the result of the Valuation made by the Investment Controller, or any other specialized entity selected by the Fund Manager and approved by the Supervisory Authority. This shall be announced through 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 refunded 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- 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 .
- 4- Allocation of investment units shall be made within five business days from the date of the expiry of the initial subscription period.
- 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 interest accrued.

Article (13): Fund Currency

US Dollars.

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

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

Article (15): General Obligations

All the Fund services' providers shall abide by the following:

- 1- The service provider shall be a licensed person or shall be registered with the CMA for the provision of this service. He shall have 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 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 arrangement & procedures that arise from the termination of the relationship with the service provider.
- 3- The service provider shall duly perform the assigned tasks and shall cooperate with all other service providers of the Fund, and compensate any person for any damage that afflicted such a person due to any mistake committed by the service provider.
- 4- The service provider shall 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 unitholder.
- c. Applying proper policies and procedures to prevent or limit wrong practices 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 buying and selling 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 should 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 following up with 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 undertake the following:

1. Without prejudice to the provisions of Module Seven "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 should be separate from his accounts or third party accounts. The Custodian shall further exert due care 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 with 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 should 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 responsibility 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 in 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 perform his job 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 shall have to be registered with the CMA, and shall commit to submitting its reports to the Fund's general assembly of unitholder.

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 an annual basis, and its term shall not exceed 4 consecutive years. The external Sharia audit firm may perform its job for the same 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 the 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 manager or a deputy of the same.
- b. Act according to the regulations and procedures regulating collective investment schemes.
- c. Exert due diligence in providing investment advice in order to serve unitholders' interests.
- 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 due to the regulations issued thereby.

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 regulations. 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 while 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 shall notify the CMA with the same within 5 business days at most. He shall further submit a request to occupy such 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 (Conflicts of Interests) of Module Eight (Business Ethics) 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 in the above paragraph. 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 unitholders' register shall be maintained with a clearing agency, and may be kept with the Custodian if the Fund is not listed, 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 per 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 business 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 affecting the accrued rights of 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 its powers. The Fund Manager shall send the invitation to convene the assembly upon a justified request submitted by unitholders owning 10% or above 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 could not 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 in 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 days ahead of the convention of the meeting.
- 3- By email, Fax or mobile SMS at least 7 days ahead of the convention of the meeting.
- 4- By hand to the unitholders or to whomever legally represents them at least 3 days ahead of the meeting, while the party should note on a copy thereof that he received a copy of the invitation.

For the validity of notice made in either of the manners provided under clauses no. 2, 3 or 4 above to be valid, the subscriber shall 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 the 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 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, after being notified, does not render the unitholders' assembly meeting invalid. The meeting shall be 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 does not attend unless the meeting invitation is sent by another entity other than the 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 called 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 affects 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.

It is not permissible for the unitholders' assembly to discuss subjects which are not listed in the agenda unless such were emergency matters which occurred after the preparation of the agenda or which was discovered during the meeting, or if the CMA, the Investment Controller, or unitholders holding 5% of the Fund's issued capital requests the same. If it turns out during the discussion that some information related to the presented matters are 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, it 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 shareholders. A proxy issued to attend a specific meeting shall be valid to attend this postponed meeting 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 minimum initial subscription to the Fund for a single subscriber is ten thousand US Dollars (USD 10,000).
2. The total number of **units** subscribed to by a single subscriber, its subsidiaries or affiliates may not exceed ten percent (10%) of the Fund's total issued units, unless a prior written approval is obtained from the **Fund Manager**.
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 or the equivalent thereof in USD), and **the Fund Manager** may not dispose of or redeem these **units** representing the mentioned minimum subscription throughout **the Fund's** Term. The said minimum subscription amount 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 Supervisory Authority**, while the maximum subscription amount for the Fund Manager shall be 25% of the issued units of the Fund.
4. The investor may redeem his investments in the Fund partially or wholly.

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

1. The Fund's units shall be offered for public subscription by an advertisement 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 shall be provided free-of-charge when requested.
3. Subscription to the Fund is available for natural and legal personalities so long as there are no legal impediments.
4. Subscription shall be made during the subscription period through subscription applications submitted by those willing to subscribe to the Fund after filling out their information in the assigned form, including the Fund's name, the Fund's capital, name of the Fund Manager, name of the Custodian, name, address and nationality of the 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 as regards the provisions of these Articles and an undertaking on his part to abide by the same as well as any future amendments 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 Subscription Period approaches the end without covering the minimum units offered for subscription, the Fund Manager may request the Supervisory Authority 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 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 shall be made during the Fund's term through the subscription application submitted by those willing to subscribe to the Fund after filling out the information and submitting the same to the Fund Manager or the Subscription (Sales) Agent no later than one business day ahead of the valuation date, provided the subscription value is actually paid to the Fund's account.
11. 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 personalities.
 - 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 of the owner thereof as well as the supporting documents approved by the competent authorities 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 form satisfying all information and signatures.
 - e) YMC form in Boubyan Capital.
 - f) Customers' Ranking Form.

12. Minimum and Maximum Subscription for investors to the Fund may be modified upon the suggestion of the Fund Manager, subject to obtaining the CMA's approval.
13. The subscriber shall receive from the Subscription (Sales) Agent a signed receipt including the subscriber's name and subscription details.
14. In case of duplicated applications, the subscription application for the bigger number of investment units shall be the only one considered.
15. 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.
16. Subscription shall be concluded and executed as per the announced valuation price for the Fund's NAV.
17. 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 occurrence thereof.
18. Any person who previously subscribed to the Fund may request the subscription or redemption of the value of invested 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.
19. The Custodian, the Investment Controller, the External Auditor and the External 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 AOAs provides for management of third party funds, shall disclose the identity of their customers for whose behalf they own investment units.
23. There are no subscription or redemption fees for the fund.
24. The Fund Manager shall pay to the unitholder the redemption value within four business days from the Valuation Date on which the unit 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 units and refund the value thereof to the heirs as per the legal procedures and the last valuation.

27. Should the Valuation Day coincide a public holiday, an evaluation of the Fund's assets shall 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 assigned 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. Unitholders may submit subscription or redemption requests 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, and 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 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 under 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 shall be provided by the Fund's AoA.

Article (30): Investment Methods, Policies, Risks & Areas

First: Investment Areas

1. 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.
2. 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 by local credit rating agencies licensed by the CMA.
3. The Fund shall invest its assets in Sharia-compliant cash instruments in a way that ensures high liquidity and subject to the following:
4. The maximum limit for the period of any investment in the Fund may not exceed 397 days, with the exception of investments that can be liquidated within five business days.
5. The maximum weighted average of the maturities of the Fund's investments may not exceed 150 days.

In application of this paragraph, 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

Calculation will be as follows: Weighted average maturity =

$$\begin{aligned}
 & (\text{investment ratio 1}) * (\text{maturity 1 "in days"}) \\
 & \quad + \\
 & (\text{investment ratio 2}) * (\text{maturity 2 "in days"}) \\
 & \quad + \\
 & \quad \dots \dots \dots \\
 & \quad + \\
 & (\text{investment ratio n}) * (\text{maturity n "in days"})
 \end{aligned}$$

6. Without prejudice to the provisions of the above paragraph, the Fund may invest up to 15% of its NAV in other money market funds licensed by the CMA or any foreign regulatory authority as per regulatory standards and terms which are, at least, similar to those applied by the CMA, without violating these Articles or any CMA instructions, provided that none of such funds subject of investments are managed by the same Fund Manager.
7. The Fund may not acquire more than 10% of the cash instruments of one issuer, except the cash instruments issued or guaranteed by GCC governments.
8. The Fund's investments in the cash instruments of one issuer may not exceed 15% of the Fund's NAV at the time of investment, except the cash instruments issued or guaranteed by GCC governments.

9. The Fund's investments in deposit equivalents with Islamic banks may not exceed 25% of the Fund's NAV in one entity. However, the Authority may make whatever exceptions it deems appropriate on case-by-case basis.
10. The Fund may not invest in assets other than the cash instruments and the money market funds, e.g., the shares of listed and unlisted companies and real estate properties. Excepted from that shall be the assets which may be owned by the Fund as result of a settlement between a group of creditors and the issuer of cash instruments who fails to honor the payment, provided to immediately notify the CMA to take the necessary action as regards the same.
11. The Fund Manager may suspend redemptions and liquidate the Fund if the net unit value decreases below the nominal value, subject to the Approval of the CMA.
12. In all cases, the Fund Manager shall follow a prudent risk management system and 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.
13. The Fund may not do any of the following:
 - a. Extending a credit facility.
 - b. Buying any securities issued by the Fund Manager or any of its subsidiaries, unless within the rules specified by the Law and its Executive Bylaws.
 - c. Buying any securities for which 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.
 - e. Margin buying of securities.
 - f. Extending finance or providing securities or guarantees.
 - g. Commodity trading.
 - h. Underwriting of issues.
 - i. Cheque discounting.
 - j. Investment agencies and the like of contracts providing for extending funds to third parties to be used in commercial activities are considered prohibited extension of credit in collective investment schemes except for placements with banks or if such is a debt instrument or a financial instrument offered for sale in primary or secondary markets.
14. Without prejudice to clause no. 13 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.
15. Without prejudice to paragraph no. 13 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 undertakes to cover the public or private subscription of a certain security, he may not buy this security for Fund's account.

16. Through its investments, the Fund shall not invest in instruments that contravene with the Islamic Sharia or the CMA's resolutions in that regard.
17. 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 his 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 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 will 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, market conditions and other markets. 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 the Fund's 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 Islamic banks, as well as investing in sukuk offered by government authorities or companies with a well-established business position.
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.

The provisions of this article do not apply during the first year following the issuance of the final license of the Fund.

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 US Dollars, while there could be other investments in international currencies from time to time. Currency risks arise 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 disposing of 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.
- **Islamic Sharia Compliance-Related Risks:** The Fund invests only in investments complying with Islamic Sharia, hence, these risks arise when

one of the investments is not complying with some Sharia controls. The Fund may sustain losses in case of having to dispose of such investments at a low price or in case of missing any performance opportunity which could be higher than such investments. The Fund shall further filter out any non-Sharia compliant income by way of donating the same to charitable societies, which may adversely affect the valuation of the unit's price.

- **Issuer-Related Risks:** Such are the risks of change in the financial conditions of the issuing company for any security due to changes in the administrative structure, products or services in a manner that decreases the value thereof with the Fund.
- **Discount Rate Change Risks:** The net value of the Fund may be negatively or positively affected due to the change of the Central Banks' discount rates which may affect the economic conditions in general and, in turn, may impact the NAV of the funds subject of investment.
- **Legal/Regulatory Risks:** Changes in the regulatory or legal framework (including taxes) may affect the potential profitability or the legality of the investment (this risk is even bigger in emerging markets). Usually, one's rights against the defaulting counterparty may be limited to contractual remedying against the counterparty as per the conditions of the relevant security. The Fund may face difficulties in following in the path of the legal remedying or in obtaining and enforcing judgments against this party, especially if the case is filed before foreign courts or if the party is domiciled abroad. In all cases, the prospectus or the Articles of Association may provide for terms and conditions for the product which could be unfavorable for your interests.

The subscriber's investment in the Fund does not represent guaranteed responsibilities by the Fund Manager or any of his subsidiaries or affiliates, rather, they are subject to the said investment risks.

The Fund manager shall not be liable for any claim (s) whatsoever for any lost opportunity or for any actual or sustained loss by the subscriber except in case of gross negligence or willful misconduct by the Fund Manager.

The subscriber's investment in the Fund is no deposit and shall not be constituted to be a deposit with any local bank.

The investors shall be aware of the risks inherent in their investment in the Fund, so, once they have any concerns about the convenience of the Fund, they shall consult an independent financial advisor.

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 all through 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 more than 50% of the unitholders of such amendments.

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. Upon valuation, in case there are any other amounts in currencies other than the USD, the calculation of the equivalent value in USD shall be taken into consideration, based on the then prevailing exchange rates.
3. All the Fund's liabilities, reserve and contingency items (including any taxes or charges) or cumulative costs and expenses incurred by the Fund shall be deducted.
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 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 his 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 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, the 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:

The Fund Manager shall prepare a periodic report to the 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 each unitholder's account, including any paid dividends subsequent to the date of the last submitted report.
- d. A statement showing the fees of the Fund Manager and service providers.

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 assigned form.

Article (37): Cancellation of License

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 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 articles 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 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 the liquidator as per 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 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. Upon making any communication or disclosure to promote the Fund's Units, disclosure of all related facts and information without overstatement shall 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. The Fund shall bear the direct expenses incurred by the Fund including the fees of the Fund Manager and the Custodian, indirect fees including the fees of the Investment Controller and the Legal Advisors, as well as the costs of announcements stipulated under the Executive Bylaws only, and other expenses related to the Fund which are listed under the Fund's expenses, whereas the Fund Manager shall bear the costs of any other announcements not stipulated under the Executive Bylaws.
3. The Fund Manager shall receive annual management fees not exceeding 1%, 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.
4. There are no sale fees for the initial subscription/subscription or redemption of any of the Fund's units.

5. The Fund shall bear the annual Legal Advisor's fees of KD 1,500 (Only one thousand five hundred Kuwaiti Dinar), 50% thereof to be paid in advance upon signing the agreements, and the other 50% shall be paid by the end of the first six months. These fees are in return for the legal services provided by Legal Advisor for a period of (fifteen) 15 hours of service, and in case of exceeding this period, the Fund shall be charged a fee of KD 120 per each extra hour.
6. In consideration of undertaking all its obligations herein and after completion of the Fund's incorporation procedures and the commencement of its operations, the Custodian shall receive annual fees to be determined at a percentage of the Fund's NAV, according to the following categories:
 - A percentage of 0.05% of the Fund's NAV for amounts up to USD 20 million.
 - A percentage of 0.035% of the Fund's NAV for amounts above USD 20 million up to USD 50 million.
 - A percentage of 0.025% of the Fund's NAV for amounts above USD 50 million.

These fees shall be listed under the Fund's expenses and shall be deducted and directly paid on a quarterly basis.

7. In consideration of undertaking all its obligations herein and after completion of the Fund's incorporation procedures and the commencement of its operations, the Investment Controller shall receive annual fees to be determined at a percentage of the Fund's NAV, according to the following categories:
 - A percentage of 0.05% of the Fund's NAV for amounts up to USD 20 million.
 - A percentage of 0.035% of the Fund's NAV for amounts above USD 20 million up to USD 50 million.
 - A percentage of 0.025% of the Fund's NAV for amounts above USD 50 million.

These fees shall be listed under the Fund's expenses and shall be deducted and paid directly on a quarterly basis.

8. External Auditor's Fees

The fees for the quarterly and the financial year-end auditing of the Fund shall be KD 4,000 (Only four thousand Kuwaiti Dinars).

9. 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.

10. Fees for Keeping the Unitholders Registers

The entity keeping the Unitholders' Register shall receive annual fees amounting to KD 1,000 (One thousand Kuwaiti Dinars), to be paid in advance before receiving the unitholders' information.

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

Article (44): Governing 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 the 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.

In order to comply with the laws and instructions on combating money laundering and financing of terrorism, the Fund Manager may require 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 funds, 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.