

Boubyan USD Liquidity Fund

Articles of Association

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

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Translation

Preamble

This Fund was incorporated under the provisions of Law No. (7) of 2010 Concerning The Establishment of Capital Markets Authority & Organization of Securities Activity, and its Executive Regulations, as amended. Boubyan USD Liquidity Fund was established by the investment owners and the provisions thereof have been set as per these Articles. The Fund was further registered with the Funds' Register at the CMA, and the Fund's AoA are subject to Law no. 7 of 2010 Concerning The Establishment of Capital Markets Authority & Organization of Securities Activity, and its Executive Regulations, 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 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 a Fund whose main objective is to invest in money market instruments to ensure low risks and high liquidity and for the Fund to continue its activity as stated in the Articles of Association.

Custodian	The custodian is a corporate entity 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 entity, 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 Controller	It is a corporate entity licensed by the CMA to practice the business of monitoring and supervision of the 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 for the licensee to ensure their compliance with the Sharia standards as well as the resolutions of the relevant entity.
Legal Advisor	The external Legal Advisor of the Fund.
Subscription Agent (Sales)	It is the natural or corporate entity 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 corporate entity whose name is registered with the Special Register for Unitholders.
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.

Inception Date	The date of Fund 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 date for the last day to accept subscription/redemption requests maximum before 3:00 pm of the Monday which precedes 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 100.
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 desiring 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 stand 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 should 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 Market Fund.

Article (6): Type of Offer of 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.)", which is a Kuwaiti shareholding company established on October 2nd 2007 and which 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 Sharia-compliant manner by investing in short and medium-term cash instruments, wakala and murabaha deposits 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

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 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) to USD 360,000,000 (Only US Dollar Three Hundred Sixty Million). 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 upon subscription. The Fund's capital shall not be less than 5 million Kuwaiti Dinar (or the equivalent thereof from other currencies). If the Fund's capital decreases below

the minimum, the Fund Manager should inform the CMA within 5 business days from such a decrease of capital. 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 should 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). The subscribed amount by any subscriber to **the Fund** may not be less than ten thousand US Dollars (USD 10,000), then the multiples of one thousand US Dollars (USD 1,000).
- 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 Supervisory Authority. This should be announced by 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- In case of duplicated applications for the same subscriber, 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 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 profits 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 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 in the Investment Funds Register with the CMA and ends on the last of December every year.

Article (15): General Duties

Fund's service providers should comply with the following:

- 1- Must be a licensed person or registered persons at the Authority to provide a service. The service provider should have the adequate human resources, technical and financial abilities and capabilities to the sufficient extent to meet the commitments thereof.
- 2- Enter into a contract with the service provider which includes the rights and obligations of the parties thereto, in particular, the fees of the service provider, the bases of calculating it, dates of payment, the procedures to be taken at the termination of the relationship with such service provider.
- 3- Assume care of prudent person when undertaking the responsibilities of a service provider, and cooperate with the other service providers of the fund, and compensate every person harmed as a result of an error committed by the service provider.
- 4- The service provider, except the fund manager, may not deal in the fund's units for its interest or on anyone's behalf.

Article (16): The Fund Manager

The Fund Manager is committed in particular to the following:

- a. Manage the fund's assets in a manner that achieves its investment objectives set forth in the fund Articles of Association.
- b. Take all of investment and other decisions in a manner that achieves the interest of the Fund and its unitholders, and ensure the fair treatment of the unitholder.
- c. Apply the appropriate policies and procedures to prevent or reduce wrongful practices, which may affect the stability and integrity of the market.
- d. Ensure the use of pricing models and appraisal method that are fair, correct, and transparent for each fund managed thereby.
- e. Take appropriate measures to protect and safe keep the Fund's assets.

- f. Maintain records of purchase and sale transactions which occur in the Fund and according to its timing and chronological sequence.
- g. Represent the Fund in its relationship with other and before the court and may sign on its behalf.
- h. Provide an accounting system to record all the fund's financial transactions.
- i. Ensure an adequate system is in place for the settlement of transactions that have been entered into the accounting system with bank accounts and securities accounts opened under the Fund's name with the Custodian.
- j. Ensure sufficient liquidity for the Fund to meet any incurred obligations.
- k. Not to expose the Fund to any unnecessary investment risks as per the Fund's objectives and its investment policy.
- l. Provide all necessary information of the Fund to the Investment Controller to the extent that enables him to perform his duties thereof efficiently and effectively.
- m. Notify the CMA immediately after the occurrence of significant events that may expose the interests of unitholders to risk.
- n. The Fund Manager may not participate in the voting on resolutions of the unitholders assembly, which are related to his personal interests or if the interests thereof are in conflict with the fund's interest.
- o. If the Fund Manager manages more than one fund, he should separate between the transactions related to these funds.
- p. The CMA may replace the Fund Manager if it notices a material breach of his obligations set forth in the Executive Bylaws.
- q. The Fund Manager will 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 will 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 fund's assets 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 should 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 be committed to the following:

1. With taking into consideration the provisions of the module Seven (Client Funds and Assets) of the Executive Bylaws, the custodian is required to keep the fund's assets independent accounts opened and managed thereby, provided that they are independent from his or third parties accounts, and pay care of prudent person in this regards.
2. Collect, keep and deposit cash dividends or any other distributions arising from the Fund's activities.
3. Notify the Fund Manager of any obligations on the Fund's assets and send any notifications received thereby in the period prescribed for it.
4. Execute the instructions of the Fund Manager, within the scope of the Custodian's work.
5. Develop and maintain a record of the unitholders, unless it is kept with a clearing agency.

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, should regulate the below issues:

1. The requirements that enabled the Fund to exercise all the rights related to assets kept by the custodian.
2. The requirements related to the place where the Fund's assets are kept.
3. The manner used in safekeeping and protection of the Fund's assets.
4. The level of professional diligence and responsibility of damage and destruction.
5. Fees and the method of calculating.

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 Law, its Executive Bylaws, these Articles and the instructions of the CMA.

Second: Authorities and Obligations of 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 should particularly committed by the following:

1. Ensure that the Fund Manager complies with the Law, the Executive Bylaws, as well as CMA's decisions and instructions, these Articles of Association, the Prospectus and any other documents issued by the Fund Manager.
2. To appraise the investment shares or unites in such methods and at such times as are specified thereof in the fund's Articles of Association.
3. Ensure that the Fund Manager undertakes the responsibilities thereof, in a manner that achieves the unitholders' interest as per these Articles and the provisions set forth in the Executive Bylaws and ensure that the fund's monies are invested within the methods and policies determined in these Articles.
4. Approve any transactions that involve a conflict of interest.
5. Meet at least twice annually with the executive committee of the Fund in order to review the Fund's compliance with the Law, the Executive Bylaws, the CMA decisions & instructions, the Articles of Association, the Prospectus and any other documents to be issued by the Fund Manager.
6. Notify the CMA of any violations committed by the Fund Manager.

Article (19): External Auditor

A Fund Manager shall appoint an external Auditor whom is registered with the Authority, in order to review and audit the Fund's accounts, in accordance with the International Accounting Standards approved by the Authority. An external Auditor of a Fund shall be appointed for one financial year renewable on an annual basis for a period not exceeding four consecutive financial years. The external Auditor may assume the same function for the same Fund after a period not less than two consecutive years. Fund's external Auditor shall not be the same Auditor for the Fund Manager.

Article (20): Sharia Auditing Scheme

The Fund shall have a Sharia auditing scheme comprising of an internal Sharia Auditing Unit and an External Sharia Auditing Office, to carry out oversight of all Security transactions for the Fund to ensure compliance with the Sharia Standards and the relevant resolutions of the Authority. The External Sharia Auditing Office must be registered with the Authority and shall present its reports to the Fund's Unit holders' assembly .

The Fund Manager may assign the Sharia Audit Officer thereof to carry out the tasks of the Fund's Internal Sharia Audit Unit. The internal Sharia Audit Unit shall ensure that the operations are carried out according to sharia by selectively

examining some of the different daily transactions of the Fund; to ensure that the Fund's transactions are abiding by Sharia Standards and by the relevant resolutions of the Authority.

The Fund Manager who manages a Fund that operates in accordance with sharia standards, shall be entitled to appoint the External Sharia Auditing Office. The Fund's External Sharia Auditing Office shall be appointed for one financial year renewable annually, and for a maximum period of four consecutive financial years. The External Sharia Auditing Office may carry out this role for the same Fund after a period of suspension not less than two consecutive years.

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

- 1- Proof of reviewing the Internal Sharia Audit Unit's report.
- 2- Numbers and dates of field visits carried out to the Fund Manager and the results of such visits.
- 3- A statement about the reviewed and inspected contracts and transactions without prejudice to the confidentiality of such transactions.
- 4- Terms of reference for these contracts and transactions.
- 5- Breaches of sharia, if any, either in the contracts or the transactions and the corrective measures taken for such breaches and the proposed period(s) thereof.
- 6- The entities within the Licensed Person, responsible for carrying out the transactions and the phases of their completion.
- 7- The final sharia opinion.
- 8- The signature of the Sharia Auditor and legal representative of the office.

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 should undertake the following:
 - a. Providing all technical, technological, practical and financial advice related to the Fund management of the Fund Manager when required, without violate the Law, its Executive Bylaws, and its amendments, these Articles or the decisions, 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 when required, without violate the Law, its Executive Bylaws, and its amendments, these Articles or the decisions, regulations and instructions of the CMA.
 - c. Preparing the studies about the Kuwaiti market and submitting the same to Fund Manager, when required, without violate the Law, its Executive Bylaws, and its amendments, these Articles or the decisions, 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 violate the Law, its Executive Bylaws, and its

amendments, 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 should 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 representative thereof.
- b. Act according to the regulations and procedures regulating collective investment schemes.
- c. Exert care of a prudent person to protect his own property when giving investment advice.
- d. Maintain regular records and books according to accounting systems, with relation to collective investment schemes, and to submit the CMA with periodic reports, when required by it.

Article (22): The Executive Committee

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

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

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

In the event of a vacancy in any of positions the fund's executive committee members or any of the service providers, the Fund Manager should notify the CMA within five business days. The fund manager should apply for the vacant position(s) within fifteen business days as of the day of expiry of the notice period as specified in this article. The Fund's records shall be amended in the Fund's register with the Authority in the event of any changes that occur on the Articles of Association or to the service providers. In any event, the Fund Manager must notify the Unit holders within a maximum of five Business Days as of the date of position vacancy or occupation of any of the positions thereof.

Article (24): Posts Limitations

Without prejudice to the responsibilities of the Fund Manager set forth in the provisions of Chapter Three (Conflict of Interests) of Module Eight (Conduct of Business) of the Executive Bylaws, the Fund Manager employees, who are not registered as representatives of a Collective Investment Scheme manager, may occupy the position of a Member of a Board of Directors at a company whose Securities thereof are a part of the Fund's Assets managed by the Fund Manager. Employees of the Fund Manager registered as representatives of a Collective Investment Scheme manager, may not occupy the position of a Member of a Board of Directors at the companies mentioned in the preceding paragraph. In the event where a Fund Manager appoints a Person as a representative of the Collective Investment Scheme manager and from those who are subject to the restriction set out previously in this paragraph, this Person shall be required to resign as Member of a Board of Directors from the company at which the Securities are a part of the assets of a Fund managed by the Fund Manager.

Article (25): Unitholders' Register

The register of the Fund's Unit holders shall be maintained with a Clearing Agency and this register may be maintained with a Custodian if the Fund is not listed, in accordance with the provisions set forth in the Module Four (Securities Exchanges and Clearing Agencies) of the Executive Bylaws. The fees of the entity keeping such record shall be paid from the Fund's monies.

The Clearing Agency or the Custodian shall keep a statement indicating the remaining balance of Units and the Units issued, redeemed, updated, or cancelled and provide the Investment Controller with a copy of the statement.

Article (26): Unitholders' Assembly Provisions

The Fund shall have a Unit holders assembly held at least once annually. Each participant shall be entitled to attend the assembly and vote on its resolutions. Each Unit holder shall have one vote for each investment Unit owned thereby.

The Unit holder assembly shall look into and decide on the following issues:

1. The Fund Manager's report on the Fund's activity and its financial position.
2. The external auditor's report on the fund's audited annual financial statements.
3. The audited annual financial statements of the Fund.
4. The report of the external sharia auditing office.

5. The Investment Controller's report.
6. Amendments to the Articles of Association related to the acquired rights of the unitholders.
7. Dismissal of the Fund Manager.
8. Appointment of a substitute manager.
9. Select the Fund's liquidator and supervise his works.
10. The resolutions of the unitholders assembly shall not be implemented without the approval of the authority.

The Unitholders' Assembly shall be held upon an invitation from the Fund Manager to consider the matters assigned to the assembly. The Fund Manager should call holding the assembly based on a reasoned request submitted by unitholders constituting a minimum of 10% of the Fund's issued capital or upon the request of the investment controller or the external auditor. The agenda shall be prepared by the entity calling for the meeting. If the Fund Manager does not call to hold a Unitholders assembly, in the cases he must do, and if the Fund Manager finds difficulty to call for a meeting for any reason, the Authority may assign the Investment Controller or the Auditor to call for holding the assembly.

The invitation to attend the meeting should include the agenda, time, and place of the meeting, shall be extended by one of the following methods:

- 1- Announcement in two local daily newspapers and the stock exchange at least ten business days prior to the date of holding the meeting.
- 2- Registered mail letters to be sent to the unitholders at least ten business days prior to the date of holding the meeting.
- 3- Emails, Faxes or mobile SMS at least seven business days prior to the date of holding the meeting.
- 4- Hand-deliver the invitation to the Unit holders or representatives thereof at least three Business Days prior to the date of holding the meeting and a photocopy of the invitation shall be notated as received.

For the validity of announcement by the methods referred to in clauses no. 2, 3 or 4 mentioned previously, the participant shall provide the Fund Manager with the data about the residence, email address or fax number, and shall agree to be notified through such methods. In case of any change of any of information mentioned in the above paragraph shall not be considered unless the participant notifies the Fund Manager or the entity maintaining the Unitholders' Register of such change at least five business days prior to the announcement of the participant.

The Fund Manager shall send notices with the agenda, time, and place of the unitholders' assembly meeting at least seven business days prior to the date of holding the meeting to the following:

- 1- The CMA.

- 2- The Investment Controller.
- 3- The entity keeping the record of unit holders' register (the custodian or the clearing agency).
- 4- The external auditor and the external Sharia auditing office, as applicable, if it is decided to present the financial statements to the Unit holders' Assembly.
- 5- The exchange, for announcement of the agenda, the time and the place of the unitholder's assembly.

If the Authority is notified, absence of the representative thereof shall not result in the invalidity of the meeting of the Unit holders assembly. The meeting shall be invalid in the event of absence of anybody referred to in clauses (2), (3), and (4) of the previous Article. The meeting shall be invalid in case of the absence of the Fund Manager, unless the call for holding the meeting is extended by anybody other than the manager. The meeting of the Unit holders assembly shall be chaired by the entity calling for the meeting.

Holding the meeting of the Unit holders assembly shall be invalid unless it is attended by Unit holders constituting 50% of the Fund's issued capital. If this quorum is not achieved, the assembly shall be called for another meeting of the same agenda to be held within a period not more than thirty days as of the date of the first meeting. The second meeting shall be valid whatever the percentage of the capital owned by attendants is. A new call for the second meeting may be not extended, if the date thereof is identified in the call for the first meeting. The resolutions shall be issued by the absolute majority represented in the meeting, excluding the resolutions related to amending the Fund's Articles of Association and related to the rights acquired by Unit holders or in the event of liquidation at the request of the Fund Manager, as these resolutions shall be issued upon approval of the Unit holders owning 50% of the Fund's issued capital.

The Unit holder's assembly may not discuss issues not listed in the agenda, unless they are urgent, and after preparing the agenda, and are revealed during the meeting or if the Authority, the Auditor, or Unit holders owning 5% of the Fund's issued capital so request. In the event that there is insufficient information related to some presented issues, the meeting shall be postponed for a period not more than ten Business Days, if the Unit holders owning 25% of the issued Fund capital so request. The postponed meeting shall be held without the need to take new procedures of invitation.

All unitholders registered with the Fund's register shall be entitled to attend the meeting of the Unit holders assembly in person or represented by a proxy. To be valid, the representation shall be in accordance with a special proxy or an authorization dedicated for that. Such proxy may be dedicated for attendance of one or more meeting of the Unit holders assembly. The proxy issued for a certain

meeting shall be valid for attending the next meeting if it is postponed due to lack of quorum.

The Fund Manager or the entity which called for holding 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 should be made within two weeks from holding the general assembly meeting, provided a copy of attendance proxies should be attached to the meeting minutes.

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

1. The minimum subscription to the Fund for a single subscriber/participant is ten thousand US Dollars (USD 10,000), with the multiples of one thousand US Dollars (USD 1,000).
2. The total number of **units** subscribed to by a single subscriber/participant, its subsidiaries or affiliates may not exceed ten percent (10%) of the Fund's total issued units, unless a **Fund Manager** approval.
3. The Fund Manager shall participate a number of units must not be less than KD 250,000 (Two hundred fifty thousand Kuwaiti Dinars or the equivalent thereof in USD), and **the Fund Manager** may not be acting in those units nor redeem them throughout the duration. Units mentioned above shall be allocated to ensure **the Fund Manager's** commitment not to violate 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 minimum redemption amount is USD 1,000 (One thousand US Dollars) and redemption is permissible in the multiples of USD 1,000 (One thousand US Dollars). The investor may redeem part of his investments in the Fund as per the previously stated limits.

Article (28): Method of subscription, redemption and the transfer of the fund's units

1. The Fund's units should 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 with regard the provisions of the Law, the Executive Bylaws, and the resolutions of the CMA regulating the same.

2. The Fund's AoA should be drafted in Arabic and should 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 initial 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 applicant, the number of units to be subscribed to and their value. Further to that, an undertaking should be submitted by the subscriber where he accepts all the provisions of the Articles of Association which 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 amendments that may be introduced to it in the future.
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 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. 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 should 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 should 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 persons.
 - b) A photocopy of the commercial register 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 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 assigned form fulfilling all information and signatures.
 - e) YMC form in Boubyan Capital.
 - f) Client Classification Form.
12. 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.
 13. The subscriber shall receive from the Subscription (Sales) Agent a signed receipt including the subscriber's name and information.
 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 date for the Fund's NAV.
 17. Subscriber shall notify 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 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.
 19. The Custodian, Investment Controller, Auditor and Sharia Auditor may not subscribe to any number of units for their own accounts.
 20. Fund Manager and 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 provide for management of third party funds, should 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 Unitholder the redemption value within four business days from the Valuation Date on which redemption price is fixed.
25. A printed copy of the AoA should 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 to his heirs, the share of each of the heirs shall not be less than ten thousand US Dollars (USD 10,000). If the share of an heir become less than this limit and the heirs do not reach an agreement on the transfer of the units' ownership in order to maintain this minimum limit, the Fund Manager may liquidate the value of the units and refund the value thereof to the heirs 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 and 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 or the Subscription (Sale) Agent along with the required documents, provided the actual payment of the value of the units required to be purchased to the account of the Fund, 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 should be made before 3:00 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:
 - 1- If the total ratio of all unitholders' redemption applications that have to be fulfilled on any given Valuation 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.

- 2- 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 should 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 guidelines, Policies, Risks and Scopes

First: Investment scopes

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 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 $(\sum_{i=1}^n x_i a_i)$

Whereas: 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 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 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 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 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 should 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 without contravening with the CMA's resolutions in that regard.
17. Without breaching the Fund's AoA, the Fund should 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 & guidelines

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 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 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 should 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 articles 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 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.
- **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 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). 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 will 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 should 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 should 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): Method of Amending the Articles of Association

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 by it. 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 15 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): Mechanism for calculating the Net Asset Value of a Unit

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 should 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 should 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 should 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 should 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): Methods and periods for 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, Investment Controller and the Custodian should 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 unitholders and send the report to them at least on a quarterly basis. Particularly, this report should include the following information:

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

Article (38): Dissolution & Liquidation of the Fund

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

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

Article (39): Liquidation Procedures

Once upon its winding up, the Fund shall be liquidated as per the above article. Within the liquidation term, the Fund shall maintain the corporate entity to the extent necessary to complete the liquidation. The phrase "Under Liquidation" shall be added to the Fund's name and should be written legibly in the correspondences issued by the entity conducting such liquidation. The Fund's

liquidation must be officially announced. The following provisions in the below articles apply to the Fund's liquidation:

All terms of debts due on the Fund shall be cancelled as of the date of Officially Announcing the Fund's dissolution and creditors shall be notified of the beginning of liquidation. The liquidator shall officially notify all creditors of such liquidation and request them to provide applications of debt payment thereto. Creditors may be notified through announcement. In any event, the announcement or notification shall include a deadline for such creditors not less than fifteen business days to submit the applications thereof.

When the Fund is terminated, the Fund Manager's power shall end. However, the manager shall manage such Fund until a liquidator is appointed and practices the powers thereof. The Fund Manager, for third parties, shall be considered as a liquidator until a liquidator is appointed. The service providers shall continue to provide the services thereof within the liquidation period, unless the liquidator decides, after the approval of the Authority, to stop the provision of the services, or replace them with other service providers, or combine some duties assigned to one service provider. The Fund Manager or service providers may appoint a liquidator for the Fund. The liquidator may be appointed amongst the Licensed Persons to manage Collective Investment Schemes, or to manage an Investment Portfolio, or serves as an Investment Controller or a Custodian, or auditors registered at the Authority. In all events, the liquidator shall not be appointed without the approval by the Authority and the liquidator shall not proceed with the works thereof unless the appointment thereof is officially announced.

The liquidator shall be appointed in accordance with a resolution issued by the Unit holders assembly, except in the event in which the Authority decides to appoint such liquidator in accordance to the Executive Bylaws. In the event of selecting the liquidator by the Unit holder's Assembly, the Authority's approval must be obtained prior to the appointment. In all events, the body selecting the liquidator shall specify the fees thereof and the liquidation term, provided that the Fund shall incur these fees. The liquidator may be dismissed upon a resolution issued by the entity appointing the liquidator. In all events, the Authority may, at the request of any Unit holder or a Fund's creditor or on its own, issue a resolution of dismissal of the liquidator if it finds an accepted reason for that. Any resolution of dismissal of a liquidator shall include appointment of an alternative liquidator. The new liquidator shall not proceed with works thereof unless the resolution of appointment thereof as a liquidator is officially announced.

The liquidator shall carry out all the works required for the Fund's liquidation and he shall entitled to:

1. Represent the Fund before the Court and third parties.
2. Provide care of a prudent person to maintain the Fund's assets and rights.
3. Pay the Fund's debts.
4. Sell the Fund's Assets of real estate and movable assets in a public auction, tender, or any other method ensuring to have access to the highest price, unless the appointment resolution sets forth selling in a certain method.
5. Divide the Fund's net Assets amongst the Unit holders.

The liquidator may not proceed with new works unless they are necessary for completing previous works. In addition, the liquidator may not sell the Fund's Assets in one batch; reconcile concerning the rights thereof; accept arbitration in the disputes related to liquidation works; or deal with parties of relevance without the approval of the Unit holders assembly. The actions conducted by the liquidator shall be valid in relation to the Fund, the Unit holders, or third parties, if they are required by liquidation works and within the limits of the powers thereof. If there are many liquidators, actions thereof shall not be binding to the Fund, unless the resolution is issued by the absolute majority and unless the resolution of appointment thereof otherwise states. The Fund Manager shall provide the Fund's accounts and hand over books, documents and assets thereof to the liquidator. In addition, the service providers shall provide the liquidator with any data or information related to the Fund. The liquidator shall, within three months as of proceeding with the assignment thereof, inventory the Fund's Assets and shall identify the financial position thereof, including rights and obligations thereof. The liquidator may seek the help of service providers in this regard. The liquidator shall keep books necessary to register the liquidation and notify the Authority of the Fund's financial position report. The liquidator shall complete liquidation works in the period as specified in the decision of appointment thereof; so if the period is not specified, the Authority shall specify such period at the request of the stakeholders. The period may be extended by a decision issued by the entity selecting the liquidator after reviewing the report thereof including the reasons that prevent completion of the liquidation on the specified period. Any party with a relevant interest may require the Authority to shorten such period.

The liquidator of the Fund shall call the Unit holders assembly meeting to be held within three months as of the end of the financial year, in order to discuss the financial data for the ended year, the Auditor's report, and the annual report of liquidation works and the approval. The liquidator may call the assembly meeting at any time to be held if the liquidation works so require. The liquidator shall collect the rights payable to the Fund by third parties or by the Fund Manager and deposit the collected amounts in a bank account for the Fund in the liquidation phase. The liquidator shall pay the Fund's debts and set aside amounts necessary to pay the disputed debts. The Fund's debts shall be paid according to the following order:

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

The amounts of money remaining after payment of the said debts shall be paid to the ordinary creditors. If such remaining amounts are insufficient to pay all such debts, money shall be divided amongst them pro rata.

After payment of the Fund's debts, the liquidator shall divide the remaining Fund's Assets on the Unit holders. Each participant shall receive a share proportional to the number of Units thereof in the Fund's capital. Furthermore, the liquidator shall provide the Unit holders assembly with a final account of the Fund's liquidation and the division of its assets. The liquidation works shall be completed upon the approval of the final account by the assembly. The liquidator shall apply for cancellation of the registration of the Fund in the Funds register at the Authority after the liquidation is completed. The liquidator shall officially announce the liquidation completion and the completion of liquidation shall not be effective against third party before the date of Official Announcement. The liquidator shall provide a quarterly report to the CMA of 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 not liquidating the same. The CMA may request the liquidator to provide it with any information or reports whenever it deems necessary.

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

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 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. 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 Advisor, as well as the costs of announcements stipulated under the Executive Regulations 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 Regulations.
3. The Fund Manager shall receive annual 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.
4. There are no sale fees for subscription or redemption of any of the Fund's units.
5. The Fund shall bear Legal Advisor's fees of KD 1,500 (Only one thousand five hundred Kuwaiti Dinar), 50% thereof paid in advance upon signing the agreements, and the other 50% 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 fees 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 starting of its operations, the Custodian shall receive annual fixed fees 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 will 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 starting its operations, the Investment Controller shall receive fixed annual fees 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 will be listed under the Fund's expenses and shall be deducted and paid directly on a quarterly basis.

8. External Auditor's Fees

End of the fiscal year audit and quarterly audits cost 4,000 KD (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 1,250 (One thousand, two hundred and fifty Kuwaiti Dinars), to be paid within 15 days from the date of the agreement.

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

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. The 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 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. Fund Manager preserves 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 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.