



ADCB GCC Equity Fund

(An open-ended investment fund operating in accordance with Islamic Shariah principles established pursuant to Resolution No. 164/8/94 of the Board of Directors of the UAE Central Bank, as amended from time to time, and the approval of the Securities and Commodities Authority, and amended in accordance with the provisions of the Chairman of the Authority's Board of Directors' Resolution No. (01/Chairman) of 2023 concerning the Regulation of Investment Funds)

Public Subscription Prospectus

**November 2016
as amended in August 2024**

SUMMARY OF TERMS

This summary should be read with and in reference to the information in the Prospectus, ancillary agreements and the other documents mentioned in this Prospectus.

Fund: ADCB GCC Equity Fund.

Size of the Fund: The minimum number of the Units in the Fund will be 200,000 Units, with a nominal value of AED 100 per Unit, and a total nominal value of AED twenty million.

Duration of the Fund: Unlimited.

Investment Objectives: The Fund aims at achieving capital growth in the long term through investment in compliance with Shariah law in shares of companies traded in the markets of GCC countries.

Dividends Policy: The Fund aims to achieve capital growth on the price of its Units. Any profits of the Fund will be retained for the purpose of reinvesting them or paying the expenses of the Fund or for other purposes related to the Fund. However, in the Fund Manager's sole discretion, the Fund may distribute cash profits to Investors, and any such distribution of profits will be made in July and January of the relevant year.

Sponsor of the Fund: Abu Dhabi Commercial Bank.

Fund Manager: Abu Dhabi Commercial Bank.

Units Registrar: Abu Dhabi Commercial Bank.

Custodian: HSBC Bank Middle East Limited, UAE Branch - United Arab Emirates.

Administrative Manager: APEX Funds Services Limited, Abu Dhabi.

Shariah Supervisory Board: Members of Fatwa and Shariah Supervisory Board affiliated with the Sponsor.

Auditor: KPMG.

Subscription in the Units: During the initial offering period, the Fund will offer Units at a subscription price equal to the nominal value of the Unit which is AED 100 per Unit with Subscription Fees to be paid to the Sponsor from the subscription proceeds equal to one and a half percent (1.5%) of the subscription amount.

After the initial offering period, the Fund will offer Units on a weekly basis at a price equal to the net asset value of the Unit with Subscription Fees to be paid to the Sponsor from the subscription proceeds equal to one and a half percent (1.5%) of the subscription amount. The Units will not be offered in multiple classes, and no fractions of Units will be issued.

Minimum Subscription: The minimum amount required to subscribe for Units is AED 10,000 or any higher amount in AED 1,000 multiples. Investors may subscribe for additional Units in an amount of AED 1,000 or multiples thereof.

Redemption: An Investor wishing to redeem Units must submit a Redemption Notice to the Sponsor before 9:00 a.m. UAE time, at least four (4) working days prior to the relevant Dealing Day. After valuation, the redemption proceeds will be deposited in the Investor's Account within fifteen (15) working days from the relevant Dealing Day after deduction of any fees, including the Redemption Fee and the expenses to be paid on a pro rata basis, if any, and the Performance Fee payable at the time of redemption

Currency: The United Arab Emirates Dirham (AED).

Subscription Fees: Any Investor whose application to purchase Units is accepted must pay Subscription Fees equal to one and a half percent (1.5%) of the Subscription Amount, payable to the Sponsor of the Fund.

Redemption Fees: Redemption fees will be equal to two percent (2%) of the amount set forth in the Redemption Notice, to be paid by any Investor who redeems Units in the Fund.

Fund Manager Fees: The Fund will pay the Fund Manager a Management Fee of two percent (2%) of the Fund NAV per year, and it will also pay annual Performance Fees as more fully described in Fees & Expenses section of the Prospectus.

Custodian Fee: The Fund will pay the Custodian a fee of 0.03% of the Fund NAV with a minimum payment of USD\$ 2500 per month.

Administrator Fee: The Fund will pay the Administrator 7.5 basis points (0.075%) calculated on the Fund's net asset value. The Fee is subject to a monthly minimum of US\$ 2,000. Also an all-inclusive annual fee of US\$ 5,000 will be charged for the preparation of all the required draft quarterly and annual financial statements for the Fund.

Units Registrar Fee: None.

Shariah Supervisory Board Fees: The Fund will pay the Shariah Supervisory Board a fee of AED 150,000 per year.

Costs prior to Fund Offering: Costs in connection with establishing the Fund will not exceed AED 1,500,000.

Registration Fees and other Expenses: None.

Price of the Unit and Calculation of the Unit's Price: The net asset value of the Units will be calculated by the Administrator by deducting all the liabilities of the Fund from the total value of the Assets of the Fund. The net asset value of the Fund and the net asset value of the Units will be determined in AED, and Assets held in other currencies will be exchanged to AED based on the then prevailing exchange rates as determined by the Administrator.

At the Closing Date, each Unit will be issued at an initial price of AED 100. After the Closing Date, the price of the Unit will be calculated by the Administrator at each valuation date, and the net asset value of the Fund will include any distributions, income or profits realized for the Fund within the assets of the Fund.

Investors will receive the following reports:

- one annual report.
- information document for the Fund on a weekly basis.
- additional reports as may be determined by the Fund Manager from time to time.

Risk Factors: The Fund is subject to the fluctuations of the market, and it is also affected by the risks latent in the investment process described in Paragraph [2.5] of the Prospectus. There is no guarantee that the Fund will increase in value or that a market will develop for the Units. Consequently, the value of the Units and the income realized by the investment process could decrease or increase. Upon redemption, the Investors may not receive the value of their original investments. For a detailed description of the risk factors related to the Fund and its activities, please refer to Paragraph [7] of the Prospectus.

Rights of the Owners of the Units: Purchasing Units in the Fund does not grant the Investor the rights vested upon the shareholders in trading companies. It also does not grant any ownership rights, voting rights, control rights or any other rights in the basic assets, except those which are stated in this Prospectus.

Shariah Supervisory Board: All the investments to be made by the Fund must be in compliance with the provisions of Shariah law. The investment program and the auditing standards will be subject to approval by the Shariah Supervisory Board affiliated with the Fund. The

Shariah Supervisory Board will have the right to monitor and adjust the investment activities of the Fund and to supervise to ensure that the Fund is in compliance with Shariah law. The Shariah Supervisory Board, which will be remunerated for its role by the Fund Manager, will consist of members of Fatwa and Shariah Supervisory Board affiliated with the Sponsor, which will consist of the following members:

1. Prof. Dr. Jassim Alshamsi;
2. Dr. Ibrahim Almansoori;
3. Dr. Salim Al-Ali;
4. Dr. Mohd Daud Bin Bakar; and
5. Dr. Osama Saad Bahar.

Compliance with Shariah: All the investments to be transacted by the Fund should be in compliance with the provisions of Shariah law. The Investment Program and the Auditing Standards will be approved by the Shariah Supervisory Board affiliated with the Fund. The Shariah Supervisory Board will have the right to revise the activities of the Fund and to supervise them to ensure that the properties of the Fund are in compliance with the provisions and principles of the Shariah law. Please refer to The Shariah Supervisory Board section of the Prospectus for further details.

IMPORTANT INFORMATION

- This Prospectus has been prepared by the Sponsor to provide prospective investors with information about the Fund. Each prospective investor should read this Prospectus thoroughly and consult with an Advisor before submitting an Application to subscribe for Units in the Fund. The Sponsor is acting on behalf of the Fund in connection with the offering of Units pursuant to this Prospectus and is not responsible to any other person for advising on the suitability of a subscription for Units in the Fund. Each prospective investor will be required to stipulate in its Application that it has not relied upon the Sponsor or any service provider to the Fund for investment, legal or tax advice and that the investor has relied only on its own Advisers for investment, legal and tax advice.
- The Fund operates pursuant to the terms and conditions detailed in this Prospectus. Each prospective investor acknowledges acceptance of these provisions by submitting an Application to subscribe for Units in the Fund to the Sponsor.
- The delivery of this Prospectus does not under any circumstances imply that there has been no change in the affairs of the Sponsor or the Fund since the date hereof, or that information herein is correct as of any time subsequent to the date hereof. This Prospectus will be amended or withdrawn and reissued by the Sponsor if any material change occurs to the information contained in this Prospectus or if such information becomes misleading.
- This Prospectus has been prepared without taking into account the objectives, financial situation or needs of any prospective investor. Therefore, each prospective investor should consult with an Advisor to ensure that investment in the Fund is appropriate for its specific investment objectives, financial situation and particular needs.
- Units in the Fund are not deposits or obligations of, or otherwise guaranteed by, any bank and are not insured by any governmental agency.
- Investment in the Fund carries risk, including the risk that the entire amount invested may be lost. Units are suitable only for investors for whom an investment in the Fund does not constitute a complete investment program and who fully understand and are willing to assume the risks involved in the Fund's investment program.
- The value of Units in the Fund may go down as well as up and there can be no assurance that the Units will appreciate in value or that losses will not be realized. None of the repayment of capital, the payment of income or the performance of any investment in the Fund is guaranteed by the Sponsor, the Fund Manager, the Administrator, the Custodian, or by any affiliate or subsidiary of any of the foregoing. Each prospective investor should carefully review the risks associated with investing in the Fund, as more fully described in Paragraph 7.1 herein.
- A prospective investor may be subject to certain constraints upon investment in the Fund as a result of laws and regulations applicable to such prospective investor. Each prospective investor is responsible for ensuring that it complies with all relevant requirements under any such laws and regulations and for determining whether it is a Restricted Person.

- Units in the Fund will be offered in the United Arab Emirates and may, in the discretion of the Sponsor, be offered in other countries or jurisdictions or through other regulatory authorities. In respect of any such other country or regulatory authorities: (i) this Prospectus constitutes neither an offer to sell nor a solicitation of an offer to buy Units if such offer or solicitation would be unlawful in such other country or if other regulatory authorities considers the person who provides this offer incompetent to do so, or it considers the person to whom this offer has been provided to be unauthorized to invest in the Fund under applicable law, and; (ii) as of the date hereof, neither the Fund nor the Sponsor has been approved or disapproved by any relevant in such other country or jurisdiction, nor has any such regulatory authority endorsed the merits of any offering or the accuracy or adequacy of this Prospectus. The Sponsor may seek such approval or endorsement subsequent to the First Closing Date in its sole discretion.
- Other than as stipulated in this Prospectus, none of the Sponsor, the Fund Manager, service providers to the Fund (including, without limitation, the Administrator, the Custodian and legal counsel) or any of their employees or agents are authorized to make statements or representations regarding matters addressed in this Prospectus. To the extent that any such statement or representation is made it will not be approved, accepted or binding in any manner and should not be relied upon unless specifically authorized in writing by the Sponsor. Furthermore, no modification to or clarification of the terms of this Prospectus is or will be approved, accepted or binding in any manner and should not be relied upon unless specifically authorized in writing by the Sponsor, and after obtaining the consent of the Securities and Commodities Authority to any amendment to be made on this Prospectus.
- This Prospectus is being issued solely to be used by prospective investors in evaluating the offering of Units in the Fund. The information included in this Prospectus is subject to confidentiality and is exclusively for use and retention by such prospective investors. Each person who has received a copy of this Prospectus (whether or not such person purchases Units) is deemed to have agreed:
 - (i) not to reproduce, distribute or make available this Prospectus, in whole or in part, to any other person (other than such person's Advisors) without the Sponsor's express written consent;
 - (ii) if such person has not purchased Units, to return this Prospectus to the Sponsor promptly upon the request of the Sponsor; and
 - (iii) not to disclose any information contained in this Prospectus, except to the extent that such information was:
 - (a) previously known by such person through a source (other than the Fund or the Sponsor) not bound by any obligation to keep such information confidential; or
 - (b) in the public domain through no fault of such person; or
 - (c) acquired by such person hereafter by legitimate means from sources (other than the Fund or the Sponsor) not bound by any obligation to keep such information confidential.

**IMPORTANT NOTICE
TO BE READ BY ALL INVESTORS**

- The purpose of this Prospectus is to inform potential investors about the basic information regarding investing in the Units. Each potential investor should scrutinize and study very carefully all the data contained in this Prospectus in order to decide whether it is appropriate to invest. Each potential investor should consult financial and legal advisors regarding investing in the Fund.
- An investment in the Fund may involve a high degree of risk. Therefore, the Investor should not invest any money in the Fund unless he can endure the loss of his investment. Please see Paragraph [7] de-scribing risk factors.
- This Prospectus contains information that has been provided in accordance with the Issuance and Disclosure Rules of the Authority. The Fund Manager and the Sponsor of the Fund whose names are mentioned in the Prospectus, bear jointly and severally the full responsibility for the accuracy the Prospectus, and they confirm to their best knowledge and belief and after practicing due diligence and making the possible studies, and to a reasonable extent, that there are no other facts or essential information whose non-inclusion in the Prospectus may make any declaration stated therein misleading or influential on the investment decision of potential investors.
- Any amendment to the Prospectus must be approved by the Authority and notified to the public through publication in the daily newspapers according to the rules issued by the Authority.
- This Prospectus has been presented to the Authority for the purpose of offering the Units inside the United Arab Emirates. To the extent that Units are offered in any other country, the Fund Manager will be responsible for following all applicable procedures and taking all necessary measures to obtain the necessary approvals from the concerned authorities in those countries before offering the Units there.
- The Fund and those in charge of its management undertake to comply fully and completely with all the laws, regulations and resolutions applicable in UAE and with those to be issued at any time by the Authority.
- This Prospectus has been accredited by the Authority in United Arab Emirates. The Authority's accreditation of the Prospectus is not to be considered as an accreditation for the investment feasibility or as a recommendation for subscription in the Units, but means only that this Prospectus meets the minimum requirements in accordance with the Issuance and Disclosure Rules applicable at the Authority. The Authority is not responsible for the accuracy, completeness or adequacy of the information stated in this Prospectus, and it will not be responsible whatsoever for any damage or loss that may be sustained by any person due to reliance on this Prospectus or on any part thereof.
- This Prospectus has been issued in November 2016, as amended in August 2024.

TABLE OF CONTENTS

1.	PRELIMINARY MATTERS.....	1
2.	THE FUND.....	5
3.	UNITS	8
4.	FUND MANAGEMENT	9
5.	INVESTMENT IN THE FUND.....	14
6.	FEES AND EXPENSES	20
7.	RISK FACTORS AND CONFLICTS OF INTEREST	23
8.	NOTICES AND COMMUNICATIONS.....	30
9.	TAXATION.....	30
10.	GENERAL INFORMATION	30

APPENDIX 1 APPLICATION FOR UNITS

APPENDIX 2 REDEMPTION NOTICE

1. Preliminary Matters

1.1 Directory

Sponsor / Fund Manager / Investment Manager / Unit Registrar

Abu Dhabi Commercial Bank
Abu Dhabi Commercial Bank Building
Sheikh Zayed Street, P.O. Box 939
Abu Dhabi, United Arab Emirates
Tel: +97128125573
Email: Wissam.M@adcb.com

Administrator

Apex Fund Services Limited,
Abu Dhabi Office 704
Salam HQ Bldg, Al Salam Street
PO Box 27925
Abu Dhabi
United Arab Emirates

Custodian

HSBC Bank Middle East Limited
UAE Branch
Emaar Square, level 3
Building No.5
P.O. Box: 502601
Dubai, United Arab Emirates

Auditor

KPMG
Level 16, Al Nasr Street
P.O. Box 7613, Abu Dhabi, UAE
Tel: +971 (0)4 6343318
Fax: +971 (0)4 627612

Legal Advisor

Simmons & Simmons Middle East LLP
17th Floor, ICD Brookfield Place
DIFC, Dubai
United Arab Emirates

Shariah Supervisory Panel

Members of Fatwa and Shariah Supervisory Board of Abu Dhabi Commercial Bank

All inquiries regarding this Prospectus, the Fund and the offer of Units should be directed to the Sponsor.

1.2 Definitions

“**Abu Dhabi Commercial Bank**” means the public joint stock company incorporated under business license CN-1002016 and licensed by the Authority to act as fund manager.

“**Administration Agreement**” means the agreement between the Sponsor on behalf of the Fund and the Administrator pursuant to which the Sponsor on behalf of the Fund, has appointed the Administrator to act as the administrator of the Fund and to provide certain administrative services to the Fund.

“**Administrator**” means Apex Fund Services Limited, Abu Dhabi or its successor when acting as an administrator of the Fund in accordance with the Administration Agreement, or such other entity appointed as administrator by the Sponsor on behalf of the Fund from time to time.

“**Advisor**” means a professional providing advice on the acquisition, holding and disposal of investments (including, but not limited to, stockbrokers, accountants, bank managers and legal counselors).

“**Advisory Board**” has the meaning given to it in Paragraph 4.3.

“**AED**” means the United Arab Emirates Dirham, the lawful currency of the United Arab Emirates.

“**Annual Report**” means each annual report of the Fund.

“**Application**” means a properly completed subscription for Units in the Fund submitted by each Investor to the Sponsor in

accordance with the form and requirements set forth in this Prospectus.

“**Assets**” means all of the cash, securities, accrued profits, and Investments of the Fund.

“**Auditor**” means KPMG or such other entity appointed as auditor by the Fund, acting through the Sponsor, from time to time.

“**Authority**” means the Securities and Commodities Authority of the UAE.

“**Business Day**” means any day upon which banks are open for business in each of the six GCC countries or any other day as determined by the Sponsor.

“**CME**” means CME Group Index Services LLC.

“**Custodian**” means HSBC Bank Middle East Limited, UAE Branch, or its successor when acting as a Custodian of the Fund in accordance with the custodian Agreement, or such other entity appointed as custodian by the Sponsor on behalf of the Fund from time to time.

“**Custodian Agreement**” means the agreement between the Sponsor on behalf of the Fund and the Custodian pursuant to which the Sponsor on behalf of the Fund has appointed the Custodian to provide custodian services in respect of the Fund.

“**Dealing Day**” means every Wednesday that is a Business Day, the next Business Day if a Wednesday is not a Business Day and any other day designated by the Sponsor.

“**Dow Jones**” means Dow Jones Trademark Holdings, LLC.

“**Fees**” means the fees payable pursuant to Paragraph 6.

“**Financial Year**” means the financial year of the Fund, which ends on 31 December in each year.

“**First Closing Date**” means the first Dealing Day on which Units in the Fund are issued to Investors.

“**Fund**” means the ADCB GCC Equity Fund, an open-ended investment fund established pursuant to the Resolution the approval of the Authority and offered in accordance with the terms of this Prospectus and with Islamic principles as interpreted by the Shariah Supervisory Board.

“**Fund Manager**” means Abu Dhabi Commercial Bank in its capacity as the manager of the Assets in accordance with the Prospectus.

“**Fund NAV**” means the net asset value of the Fund, as calculated in accordance with Paragraphs 5.6 and 5.7.

“**GCC**” means the member countries of the Gulf Cooperation Council which include the Kingdom of Bahrain, the State of Kuwait, the Sultanate of Oman, the State of Qatar, the Kingdom of Saudi Arabia and the United Arab Emirates.

“**Hurdle Rate**” has the meaning given to it in Paragraph 6.4.

“**Index**” has the meaning given to it in Paragraph 2.6.

“**Investment**” means any investment made with Assets.

“**Investment Committee**” has the meaning given to it in Paragraph 4.4.

“**Investment Committee Advisor**” has the meaning given to it in Paragraph 4.4.

“**Investment Guidelines**” has the meaning given to it in Paragraph 2.5.

“**Investment Strategy and Objectives**” means the investment strategy and objectives of the Fund set forth in Paragraph 2.4.

“**Investor**” means each person whose Application to subscribe for Units is accepted and who is subsequently issued Units in the Fund.

“**Investor Account**” means in respect of each Investor, the personal or corporate account held with Abu Dhabi Commercial Bank on behalf of the Investor and identified by the Investor in the Application as the account to be used for purposes of an investment in the Fund as described in this Prospectus.

“**Management Fee**” has the meaning given to it in Paragraph 6.4.

“**Performance Fee**” has the meaning given to it in Paragraph 6.4.

“**Prospectus**” means this prospectus relating to the issuance of Units in the Fund, as it may be amended or supplemented from time to time in accordance with the terms herein.

“**Redemption Fee**” means the fee payable in accordance with Paragraph 6.3.

“**Redemption Notice**” means a written notice in the form set forth in Appendix 2, which notice will be sent to the Sponsor by any Investor wishing to redeem some or all

of its Units in the Fund, and which will be irrevocable unless otherwise permitted in writing by the Sponsor.

“Register” means the authoritative record of the Units held by Investors maintained by the Sponsor in its capacity as the registrar of the Fund, which will set forth details of (i) all subscriptions by Investors for Units, (ii) any Units transferred to other Investors, and (iii) any redemption of Units.

“Resolution” means Chairman of the Securities and Commodities Authority’s Board of Directors Resolution No. (01/Chairman) of 2023 concerning the Regulation of Investment Funds, as amended.

“Restricted Person” means a U.S. Person or any other person subject to constraints upon investment in the Fund as a result of applicable laws and regulations imposed by its state of nationality or domicile.

“Shariah Supervisory Board” shall have the meaning set forth in Paragraph 4.5.

“Sponsor” means Abu Dhabi Commercial Bank in its capacity as establishing party and sponsor of the Fund.

“Subscription Amount” means the total capital contributed to the Fund by an Investor in accordance with its subscription for Units in the Fund, as set forth in its Application.

“Subscription Fee” means the fee payable in accordance with Paragraph 6.2.

“Subscription Price” means (a) on the First Closing Date, AED 100 per Unit, or (b) on subsequent Dealing Days, the price per Unit equal to the Unit NAV as determined at that day’s Valuation Point.

“UAE” means the Federal State of the United Arab Emirates.

“UAE Central Bank” means the Central Bank of the United Arab Emirates, which is the regulatory authority of the Sponsor and the Fund Manager in the UAE.

“UAE Companies Law” means UAE Federal Decree-Law No. 32 of 2021 concerning commercial companies, as amended, or any successor law thereto.

“Unit” means a portion of the Fund to be issued to the Investor.

“Unit NAV” means the net asset value of a Unit, as calculated in accordance with Paragraphs 5.6 and 5.7.

“Units Registrar” means Abu Dhabi Commercial Bank in its capacity as the registrar in accordance with the Prospectus.

“USD” or **“\$”** means the United States Dollar, the lawful currency of the United States of America.

“U.S. Person” means a “U.S. person” as defined in Rule 902 of Regulation S under the United States Securities Act of 1933, as amended.

“Valuation Point” means the close of business on each Dealing Day, at which time the Fund NAV and the Unit NAV will be calculated.

“Zakat” means an obligation in respect of the funds paid for a specified type of purpose and for specified categories.

1.3 Interpretations

References in this Prospectus to the singular will include the plural and vice versa.

References in this Prospectus to the Sponsor or the Fund Manager or any service provider to the Fund will include their respective successors and assignees.

References in this Prospectus to “persons” will include natural persons, corporate bodies, unincorporated associations and any other juridical persons, entities or bodies.

References in this Prospectus to periods of time will be construed in accordance with the Gregorian calendar except where otherwise stated.

2. The Fund

2.1 General

The Fund is an open-ended investment fund established in accordance with the provisions of the Resolution and the approval of the Authority. Units in the Fund generally will be available for purchase or redemption, as applicable, on a weekly basis in accordance with Paragraph 5.3 and 5.5, respectively. Units in the Fund will be available for subscription in the UAE and subject to the Authority’s approval there will be no limit to the number of Units in the Fund that may be issued at any time.

The Sponsor may invest a minimum of AED five million in the Fund as of the First Closing Date, and their investment will be subject to the terms of this Prospectus.

2.2 Fund Structure

The Fund is a portfolio of assets that is established, and supervised at all times by the Sponsor for the benefit of the Investors. Although the Fund is not incorporated under the UAE Companies Law, it has been granted the status of an independent juridical entity as set forth in the Resolution.

Subscription to the Units does not confer upon Investors any voting or other procedural rights, any individual right to receive dividends or other distributions from the Fund or from the underlying assets of the Fund or any other rights with respect to the underlying assets of the Fund, except as expressly set forth in this Prospectus.

Investors collectively own the Assets and participate pro rata in the appreciation or depreciation of the Assets resulting from the gains, losses, income, profits, dividends, if any, and expenses attributable to the activities of the Fund based upon the number of Units they hold. Once an Investor pays the full Subscription Amount and the corresponding Subscription Fee relating to its Application for Units in the Fund, such Investor will not be obliged to contribute any additional capital to the Fund in respect of such Units.

The Fund and the Units are denominated in AED. All payments to the Fund, including Subscription Amounts and corresponding Subscription Fees, must be made in AED and all payments must be net of withholdings, cost of exchange and banking charges. Similarly, the payment of redemption proceeds by the Fund will be made in AED.

All payments to the Fund will be debited from, and all redemption proceeds will be paid to, the applicable Investor Account.

Each Investor shall be responsible for the payment of Zakat.

2.3 Stock Exchange Listing

The Fund and the Units of the Fund will not be listed on any financial market or stock exchange except with approval of the Authority.

2.4 Investment Objective and Strategy

The Fund seeks to provide Investors with a long-term investment in a diversified portfolio of Shariah-compliant GCC region equity securities that are components of the Index at the time of the Fund's investment. In an effort to meet this long-term objective, under normal operating conditions the Fund will invest at least seventy-five percent (75%) of the Assets in the aforementioned equity securities.

2.5 Investment Guidelines

The Fund Manager will adhere to the following guidelines (the "**Investment Guidelines**") in investing the Assets of the Fund under the supervision of the Shariah Supervisory Board. Subject to the prior approval of the Authority, the Sponsor has the right to modify the Investment Guidelines in its sole discretion if it believes doing so is in the best interest of the Fund. The Sponsor will provide prior written notice to Investors of any changes to the Investment Guidelines in accordance with the instructions set forth by the Authority.

- (a) The Fund Manager will seek to achieve the Fund's investment objective by investing the Assets in listed equity securities in the Index at the time of the Fund's investment, but without regard to the weighting of the securities in the Index.
- (b) The Fund Manager may invest up to ten percent (10%) of Assets in individual equities included in the Index, without regards to traditional weighting techniques such as market capitalization weighting or index benchmarking.

- (c) The Fund will hold no more than sixty-five (65) equity securities at any point in time.
- (d) Under normal operating conditions, up to twenty-five percent (25%) of the Assets may at any time be held in the form of cash and/or other short-term investments deemed appropriate by the Fund Manager in its sole discretion. Cash will be invested in a Shariah-compliant manner. Under non-normal operating conditions, including events such as providing liquidity for client transactions or during periods of excessive market volatility, cash and/or other short-term investments may comprise greater than twenty-five percent (25%) but no more than seventy percent (70%) of the Assets.
- (e) The Fund will not utilize leverage to implement its investment strategy and will not short sell securities or buy securities on margin.
- (f) No more than Thirty percent (30%) of the Assets may at any time be held in equity securities in any one ICB Supersector in the Index as defined by Dow Jones.
- (g) No more than fifty-five percent (55%) of the Assets may be held in equities from the Kingdom of Saudi Arabia.
- (h) No more than forty-five (45%) of the Assets may be held in equities from any other country represented in the Index.

2.6 Index

In respect of the Fund, “Index” shall mean the Dow Jones Islamic Market GCC Capped IndexSM which is comprised of companies traded in the GCC region that pass rules-based screens for compliance with Islamic principles as established by the Dow Jones Islamic Market Index Shariah Supervisory Board (see Paragraph 4.5). The Index intends to measure stocks that are accessible to GCC investors. Component weightings are capped within countries and industries to promote diversification. The selection universe for the Index is the Dow Jones GCC Islamic Market IndexSM, which covers approximately ninety-five percent (95%) of the float-adjusted market capitalization of the six GCC countries.

The Sponsor anticipates that the country and sector weights of the Index will be available for third parties to view on the Dow Jones website on a monthly basis; however, Dow Jones will be responsible for the contents and the availability of any such data. Due to the confidential nature of the data, delayed data may be provided.

The “Dow Jones Islamic Market GCC Capped IndexSM” is a product of Dow Jones Indexes, a licensed trademark of CME Group Index Services LLC (“CME”). “Dow Jones®”, “Dow Jones Islamic Market GCC Capped IndexSM” and “Dow Jones Indexes” are service marks of Dow Jones Trademark Holdings, LLC (“Dow Jones”), and have been licensed to CME and sublicensed for use for certain purposes by Abu Dhabi Commercial Bank. The Fund, which is based on Dow Jones Islamic Market GCC Capped IndexSM, is not sponsored, endorsed, sold or promoted by CME, Dow Jones or their respective affiliates, and CME, Dow Jones and their

respective affiliates make no representation regarding the advisability of trading in the Fund.

Dow Jones, CME, and their respective affiliates make no representation or warranty, express or implied, to Investors or any member of the public regarding the advisability of trading in the Fund. Dow Jones’, CME’s, and their respective affiliates’ only relationship to the Sponsor is the licensing of certain trademarks and trade names of Dow Jones and of the Index which is determined, composed and calculated by Dow Jones without regard to the Sponsor or the Fund. Dow Jones and CME have no obligation to take the needs of the Sponsor or Investors into consideration in determining, composing or calculating the Index. Dow Jones, CME, and their respective affiliates are not responsible for and have not participated in the determination of the timing of, prices at, or quantities of the Fund to be sold or in the determination or calculation of the equation by which the Fund is to be converted into cash. Dow Jones, CME and their respective affiliates have no obligation or liability in connection with the administration, marketing or trading of the Fund.

DOW JONES, CME AND THEIR RESPECTIVE AFFILIATES DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF THE INDEX OR ANY DATA INCLUDED THEREIN AND DOW JONES, CME AND THEIR RESPECTIVE AFFILIATES SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN. DOW JONES, CME AND THEIR RESPECTIVE AFFILIATES MAKE NO WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE

SPONSOR, FUND, INVESTORS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR ANY DATA INCLUDED THEREIN. DOW JONES MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE INDEX OR ANY DATA INCLUDED THEREIN OR COMPLIANCE WITH SHARIAH LAW OR OTHER ISLAMIC PRINCIPLES. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL DOW JONES, CME OR THEIR RESPECTIVE AFFILIATES HAVE ANY LIABILITY FOR ANY INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES. THERE ARE NO THIRD PARTY BENEFICIARIES OF ANY AGREEMENTS OR ARRANGEMENTS BETWEEN CME AND THE SPONSOR, OTHER THAN THE LICENSORS OF CME.

3. Units

3.1 Units in the Fund

The minimum number of Units to be issued will be 200,000 Units, with a nominal value of AED 100 per Unit, and a total nominal value of AED twenty million.

The Fund is offering Units at the Subscription Price. The minimum initial subscription amount in the Fund and the minimum additional subscription in the Fund are set forth in Paragraph 5.2.

Units will not be offered in multiple classes and fractional Units will not be issued.

3.2 Ownership of Assets

The Fund is not a commercial company under UAE Companies Law. Investors in the Fund will have no legal rights in or to any of the Investments except as set forth herein. The purchase by an Investor of Units in the Fund does not confer the rights accorded to shareholders of commercial companies, nor does it give rise to or confer any proprietary rights, voting rights, control rights or any other rights in the underlying Assets except to the extent set forth in this Prospectus.

In accordance with the Custodian Agreement, the Custodian will open and maintain a cash account or cash accounts for custodial transactions on behalf of and in the name of the Fund or its nominees and hold all monies received for the account of the Fund in such account or accounts with such banks or other persons on their usual terms and otherwise in such manner as the Fund Manager shall from time to time direct.

Care will be taken to ensure that the Assets are separately identified as being held on behalf of the Fund and the Investors and, to the extent possible, to protect those assets in the event of the insolvency of the Sponsor or any party holding Fund assets. Accordingly, the Sponsor will adopt several measures intended to segregate and protect the Fund's assets, including:

(a) holding the monetary assets in a separate custodial account opened, where permitted, in the name of the Fund, which account will be restricted to transactions of the Fund;

(b) the assets and income of the Fund will be kept separate and not mixed with the assets of the Sponsor or the Fund Manager;

(c) the Fund's accounts will be maintained and audited separately by an external auditor; and

(d) the accounts of the Fund will not be consolidated with the accounts of the Sponsor or the Fund Manager.

3.3 Income Distribution Policy

The Fund aims to achieve capital growth on the price of its Units. Any profits attributable to the Fund will be retained for the purpose of reinvesting them or paying the expenses of the Fund or for other purposes related to the Fund. At the sole discretion of the Fund Manager, the Fund may distribute cash profits to Investors, and any such distribution of profits will be made in July and January of the year.

4. Fund Management

4.1 Management by the Sponsor

Abu Dhabi Commercial Bank is the Sponsor of the Fund, and the Investment Group at the Bank will assume the duties of the Fund Manager and will assume the duties of the Units Registrar of the Fund. Abu Dhabi Commercial Bank has an authorized capital of AED 10,000,000.

Abu Dhabi Commercial Bank aims to contribute to the UAE's national growth and prosperity while also raising the positive profile of Islamic banking globally. Abu Dhabi Commercial Bank is committed to becoming the region's leading financial institution, escalating the development of Islamic banking with a fresh approach to the

industry, new technology and service excellence.

The Sponsor will assume the following duties in its capacity as the Sponsor, the Fund Manager, and the Units Registrar:

(a) Duties of the Sponsor:

- (i) Informing Investors of important developments that may affect the Fund and arranging for the circulation of appropriate information.
- (ii) Liaising with regulatory authorities, including the Authority and the UAE Central Bank.
- (iii) Coordinating the Fund's other service providers, including appointing and dismissing them.
- (iv) Marketing and distributing the Units. The Sponsor may, in its sole discretion, appoint one or more distributors to assist it in marketing and distribution.

(b) Duties of the Fund Manager:

- (i) Investing the Assets in a manner deemed appropriate by the Fund Manager in accordance with this Prospectus and in compliance with Islamic provisions and principles as construed by the Shariah Supervisory Board.
- (ii) Instructing the Custodian to open, maintain and close accounts on behalf of the

Fund, including the custody accounts and brokerage accounts, including brokers that are affiliates of the Sponsor.

- (iii) Issuing instructions and authorizations to the brokers regarding investments and the relevant financial and cash tools of the market.
 - (iv) Possessing, transferring or disposing, and practicing all the rights, powers, privileges and other rights of ownership and possession in relation to the Assets.
 - (v) Instructing the other service providers of the Fund in relation to purchasing, selling, transferring, returning, replacing or maintaining any Assets.
- (c) Duties of the Units Registrar:
- (i) Maintaining the Register.
 - (ii) Receiving Applications and Redemption Notices.
 - (iii) Issuing information about the position of the Units existing in the Fund as a whole to the Investors.

The Sponsor may authorize any employee or another agent of the Sponsor to act on behalf of the Fund in all the matters related to the aforementioned. This authorization will not prejudice the responsibility of the Sponsor for any matter, and this authorization will not result in any additional burdens to be incurred on the Fund.

4.2 Indemnification of the Sponsor

The Sponsor and its directors, members, stockholders, partners, officers or employees will not be liable, in damages or otherwise, to any Investor for:

- (a) any act or omission performed or omitted by any such person in connection with the operation and management of the Fund or for any losses, claims, costs, damages, or liabilities arising therefrom;
- (b) any tax liability imposed on the Fund or any Investor; or
- (c) any losses due to the actions or omissions of any brokers or other agents of the Fund, except if it has been determined by a final decision of a court of competent jurisdiction that such act or failure to perform any task, tax liability or losses resulted from gross negligence, fraud or a willful and material violation of applicable law by the Sponsor. To the extent permitted by applicable law, the Sponsor and its directors, members, stockholders, partners, officers and employees will be indemnified from the Assets and held harmless from and against any and all actual losses, claims, costs, damages or liabilities of any nature whatsoever, including legal fees and other costs and expenses incurred, to which such person may become subject in connection with any matter arising from, related to or in connection with this Prospectus or the operations and management of the Fund, except where found by a final decision of a court of competent jurisdiction to be attributable to the gross negligence, fraud or willful and

material violation of applicable laws of any such person.

4.3 Advisory Board

The Fund may have an Advisory Board consisting of a minimum of two (2) suitably experienced individuals designated from time to time by the Sponsor in its sole discretion. Investors holding substantial Units may be invited to become a member of the Advisory Board. The Fund will not bear any financial burdens of whatever form of the Advisory Board, and such burdens, if any, will be borne by the Sponsor of the Fund. The Advisory Board, the members of which are not involved in the day-to-day management of the Fund, will meet at least quarterly to review the management and performance of the Fund and to discuss and advise on major matters affecting the interests of the Fund. The role of the Advisory Board will be to consult with and advise the Sponsor and the Fund Manager on major matters relating to the Fund. For the avoidance of doubt, it is not the function of the Advisory Board to prescribe asset allocation or to select individual securities for the Fund's portfolio, which shall be within the sole discretion of the Fund Manager, or otherwise to engage in the day-to-day management of the Fund.

No member of the Advisory Board will be liable for any act or omission performed or omitted by such person in connection with the activities of the Advisory Board, except as a result of such member's gross negligence or willful misconduct. Each member of the Advisory Board shall be indemnified from the Assets for any and all actual losses, claims, costs, damages or liabilities of any nature whatsoever, including legal fees and other costs and expenses incurred by it in connection with

the activities of the Advisory Board, provided that such losses were not the result of its gross negligence or willful misconduct.

4.4 Investment Committee

The Fund may have an Investment Committee consisting of a minimum of two (2) suitably experienced individuals designated from time to time by the Fund Manager. The Fund will not bear any financial burdens of whatever form of the Investment Committee, and such burdens, if any, will be borne by the Sponsor of the Fund in its capacity as the Fund Manager.

The Investment Committee will meet on a periodic basis to monitor the performance of the Fund and the activities of the Fund Manager and to make recommendations to the Sponsor regarding the investment program and guidelines of the Fund. The Investment Committee Advisor will sit on the Investment Committee as an observer only and will not participate in making recommendations to the Sponsor.

No member of the Investment Committee will be liable for any act or omission performed or omitted by such person in connection with the activities of the Investment Committee, except as a result of such member's gross negligence or willful misconduct. Each member of the Investment Committee shall be indemnified from the Assets for any and all losses, claims, costs, damages or liabilities of any nature whatsoever, including legal fees and other costs and expenses incurred, incurred by it in connection with the activities of the Investment Committee, provided that such losses were not the result of its gross negligence or willful misconduct.

The ADCB Investment Committee will consist of the following members:

- Chief Investment Officer and Chief Economic Officer, Asset Management (Chairman of the Committee)
- Head – Investment Management, Asset Management

The following employees are accredited to the Investment Funds Management License with the Authority:

- Category Officer
- Portfolio Manager
- Compliance Officer

4.5 The Shariah Supervisory Panel

All investments made by the Fund will be Shariah-compliant and the investment program, as well as the screening criteria, will be approved by the Fund's shariah supervisory Board. The Shariah Supervisory Board will have the right to review and monitor the activities of the Fund to ensure that the Fund's holdings are in compliance with Shariah principles.

The Shariah Supervisory Board, which is compensated for its role by the Fund Manager, will be composed of the Fatwa and Shariah Supervisory Panel of the Sponsor, and comprises the following individuals:

1. Prof. Dr. Jassim Alshamsi;
2. Dr. Ibrahim Almansoori;
3. Dr. Salim Al-Ali;
4. Dr. Mohd Daud Bin Bakar; and

5. Dr. Osama Saad Bahar.

The Dow Jones Islamic Market Index Shariah Supervisory Panel has established the following guidelines (which may be amended from time to time in the sole discretion of the Dow Jones Islamic Market Index Shariah Supervisory Panel) to ensure that the securities in the Index are in compliance with Shariah principles:

- (a) Commodities underpinning Murabaha, Ijara and other Islamic financial instruments must be permitted under Shariah for trading purposes and will not include gold, silver and currencies.
- (b) Securities of companies that operate in the following industries will not be included in the Fund's portfolio:
 - (i) alcoholic beverages;
 - (ii) arms;
 - (iii) pornography and associated industries;
 - (iv) financial companies (other than approved Islamic institutions);
 - (v) gambling;
 - (vi) leisure activities that conflict with Islamic law and traditions;
 - (vii) pork and pork products;
 - (viii) derivatives (other than approved Islamic products); and
 - (ix) tobacco.
- (c) The Fund will not invest in securities of companies that have the following properties:

(i) The company's total profit-bearing debt divided by the trailing 24-month average market capitalization is thirty-three percent (33%) or more.

(ii) The sum of a company's profit-bearing cash and securities divided by the trailing 24-month average market capitalization is thirty-three percent (33%) or more.

(iii) The company's accounts receivables divided by the trailing 12-month average market capitalization is thirty-three percent (33%) or more.

The Sponsor and the Fund Manager will adhere to the above guidelines, as amended by the Dow Jones Islamic Market Index Shariah Supervisory Board, and the Shariah Supervisory Board will supervise the implementation of these guidelines, as amended by the Dow Jones Islamic Market Index Shariah Supervisory Board, in respect of the activities of the Fund to ensure that Investments are in compliance with Shariah principles.

The Shariah Supervisory Panel has the right to forfeit any profit on the Investment(s) earned through a non-Shariah-compliant manner.

4.6 The Custodian

HSBC Bank Middle East Limited, UAE Branch, has been appointed as the custodian of the Assets, which will be held directly by the Custodian or through its agents, sub-custodians, or delegates pursuant to the Custodian Agreement.

HSBC Bank Middle East Limited is regulated by the Jersey Financial Services Commission and has branches in several Middle Eastern countries including Dubai.

HSBC Bank Middle East Limited is an indirect wholly-owned subsidiary of HSBC Holdings Plc, a public company incorporated in England and Wales. HSBC Holdings plc, its subsidiaries and associated companies, is one of the largest banking and financial services organizations in the world with well established businesses in Europe, the Asia Pacific region, the Americas, the Middle East and Africa.

The Custodian will, among other duties, establish accounts for the account of the Fund and provide safe custody of the Assets that are held with the Custodian. The Custodian may in turn appoint agents or sub-custodians for the purpose of holding the Assets as circumstances require.

The Fund will pay the Custodian such fees for its services as the Sponsor and the Custodian may negotiate from time to time including, potentially, an annual fee and asset and transaction based fees.

Pursuant to the Custodian Agreement the Custodian will be indemnified from the Assets for actual losses it incurs in the performance of its duties as Custodian; provided, that the Custodian will not be indemnified for any such loss resulting from its fraud, negligence or willful default pursuant to the Custodian Agreement.

The Custodian is under no duty to supervise compliance with the investment objectives, policies, investment restrictions, or financing restrictions in relation to the Assets.

The Custodian's liabilities to the Sponsor and in relation to the Assets for any cause whatsoever and regardless of the form of the action, will at all times be limited to the direct loss suffered by the Sponsor and/or to the value of the Assets.

The Sponsor, in its sole discretion, may replace HSBC Bank Middle East, UAE Branch, as Custodian. The Sponsor or the Custodian may terminate the Custodian Agreement by giving the other party not less than three (3) months prior written notice.

4.7 The Administrator

Apex Fund Services Limited, Abu Dhabi, has been appointed to provide administration services for the Fund pursuant to the Administration Agreement.

The Administrator is responsible for the general administration of the Fund, which includes amongst other things, arranging calculation of asset valuations and fees, and administration of invested cash. The Administrator's duties include, but are not limited to, the following tasks:

- (a) calculating Fund NAV and Unit NAV;
- (b) calculating the Fees;
- (c) maintaining books of accounts and related records of the Fund; and
- (d) preparing unaudited financial reports and assisting the Auditor in preparing the Annual Report.

The Fund will pay the Administrator such fees for its services as the Sponsor and the Administrator may negotiate from time to time. The Administrator will also be reimbursed by the Fund for its actual out-of-pocket expenses.

Pursuant to the Administration Agreement, the Administrator will be indemnified from the Assets for actual losses it incurs in the performance of its duties as Administrator to the Fund; provided, that the Administrator

will not be indemnified for any such loss resulting from its fraud, negligence or wilful default of the Administration Agreement or bad faith in the performance of its duties.

Pursuant to the Administration Agreement, the Administrator may appoint agents and delegates as it sees fit to perform in whole or in part any of its duties and discretions, provided that the Administrator will remain liable for any acts of such agent or delegate.

The Administrator is under no duty to supervise compliance with the investment objectives, policies, investment restrictions, or financing restrictions in relation to the Assets.

Notwithstanding anything to the contrary in this Prospectus, the Administrator's liability to the Fund and in relation to the Assets for any causes whatsoever and regardless of the form of the action will be limited to the direct loss suffered by the Fund and/or to the value of the Assets.

The Sponsor or the Administrator may terminate the Administration Agreement by giving the other party not less than three (3) months prior written notice.

4.8 The Auditor

The Sponsor, on behalf of the Fund, has appointed KPMG as the Auditor to carry out an independent audit of the Fund on an annual basis. The Auditor also will conduct quarterly unaudited reviews of the Fund.

5. Investment in the Fund

5.1 Eligible Investors

Subscription for Units in the Fund will be available to any person who is not a Restricted Person; provided that each

prospective investor must complete the Application process in accordance with Paragraph 5.3. If a prospective investor is not 21 years of age or if a prospective investor is subscribing to the Fund on behalf of an individual who is not 21 years of age, then such prospective investor must contact the Sponsor and provide documentation sufficient to evidence legal authorization to subscribe to the Fund.

Each prospective investor is invited to meet with the Sponsor to discuss with it, and to ask questions of and receive answers from it, concerning the terms and conditions of this offering of the Units, and to obtain any additional information, to the extent the Sponsor possesses such information or can acquire it without unreasonable effort or expense, necessary to verify the information contained in this Prospectus.

This offering can be withdrawn at any time and is specifically made subject to the terms described in this Prospectus. This offering will continue until terminated by the Sponsor in accordance with this Prospectus. The Sponsor may accept or reject any subscription to purchase the Units being offered hereby in whole or in part. The Sponsor may stop offering Units completely, or may offer Units on a limited basis, for a period of time or permanently.

5.2 Subscription Amounts

An Application for an initial subscription of Units in the Fund may be made in the amount of AED 10,000 or any higher amount in multiples of AED 1,000. Investors may subscribe for additional Units in the Fund in the amount of AED 1,000 or any multiple thereof.

5.3 Subscription Procedures

Each prospective investor, or Investor subscribing for additional Units, must submit an Application for a subscription of Units in the Fund in the form set forth in Appendix 1 to this Prospectus. The Sponsor may accept a completed Application and accompanying Subscription Amount in its sole discretion on the First Closing Date or on any subsequent Dealing Day so long as such Application is received by the Sponsor before 9:00 a.m. UAE time at least four (4) Business Days preceding the First Closing Date or such subsequent Dealing Day.

The Subscription Amount corresponding to each Application (together with the corresponding Subscription Fee) must be deposited in full in the applicable Investor Account prior to or contemporaneous with the submission of the Application, and the Subscription Amount (and the corresponding Subscription Fees) will be debited from such account immediately upon receipt of the Application by the Sponsor. If the Subscription Amount and the corresponding Subscription Fees are received after this time, the Sponsor will treat the Application as an application to subscribe for Units on the following Dealing Day at a subscription price per Unit equal to the Unit NAV as of such Dealing Day.

In the case of Applications submitted to the Sponsor prior to the First Closing Date, all Subscription Amounts and Subscription Fees collected by the Sponsor will be debited from the relevant Investor Account and deposited in a pooled, non-interest bearing account maintained by the Sponsor until the First Closing Date.

Once a prospective investor submits an Application, such Application will be irrevocable unless otherwise permitted by the Sponsor in writing. Upon acceptance of

an Application to subscribe for Units in the Fund, each Investor will receive a confirmation from the Sponsor for its Subscription Amount stating the number of Units purchased and the price per Unit paid. This confirmation will serve as documentary evidence of the purchase of Units in the Fund. Such confirmation will be issued to each Investor within ten (10) days from the Dealing Day upon which the related Application is accepted.

In all cases, the subscription in the Units will not be valid unless approved by the Sponsor and documented in the Register.

5.4 Transfer of Units

An Investor may not transfer all or any portion of its Units in the Fund without the prior written consent of the Sponsor in its capacity as the Units Registrar, and only in the cases of inheritances, donations, transfer of ownership to relatives, judicial judgments and other cases that the Units Registrar finds necessary after obtaining the approval of the Authority. The Sponsor will not consent to any transfer of Units unless:

- (a) the transferor provides sufficient written evidence to the Sponsor that the prospective transferee is eligible to hold Units and is not a Restricted Person;
- (b) no other Investor is likely to be adversely affected as a result of such transfer;
- (c) the transferor sends its transfer request in writing to the Units Registrar in such form as the Sponsor may require; and

- (d) the transferee provides such documentation as the Sponsor may require.

Any sale or transfer of Units to a Restricted Person will result in the mandatory redemption of the related Units. Any sale or transfer of Units shall be subject to a transfer fee payable to the Sponsor equal to 50 basis points (0.5%) of the value of the Units transferred.

5.5 Redemptions

(a) Optional Redemption by an Investor

An Investor may request redemption of all or some of its Units in the Fund on any Dealing Day by delivering a Redemption Notice in the form set forth in Appendix 2 to this Prospectus to the Sponsor before 9:00 a.m. UAE time at least four (4) Business Days preceding such Dealing Day. All Units to be redeemed will be valued at the Valuation Point on the relevant Dealing Day, and redemption proceeds in respect of such redeemed Units will be distributed to a redeeming Investor's Investor Account within fifteen (15) Business Days of such Dealing Day. A redeeming Investor will receive payment for redeemed Units minus the Redemption Fees, if applicable. The redeeming Investor's pro rata portion of all Fees that have accrued but have not been paid will be paid with respect to such Investor's Units upon redemption of the Units.

In the case of redemption by an Investor of some of its Units, the minimum value of the remaining Units of such Investor may be no less than AED 10,000 or such lesser amount as approved in the sole discretion of the Sponsor.

(b) Compulsory Redemption by the Fund Manager

The Sponsor in its capacity as Fund Manager may request to refund compulsorily any Unit at the applicable Unit NAV, in the following circumstances:

- (i) The Units have been purchased (whether directly or indirectly) through or in favor of:
 - any Restricted Person; or
 - any person whose continuous ownership of Units may cause the Fund or other Investors or the Fund Manager to suffer materially adverse consequences or may result in adverse tax consequences for the Fund or the other Investors or to the Fund Manager.
- (ii) Representations and declarations in the Application are incorrect or invalid.
- (iii) The Fund Manager decides in his absolute discretion, that the possession of any Unit by the Investor who owns such Unit violates any applicable laws or may result in tax consequences harmful to the Fund.

In the event of a compulsory redemption in accordance with this paragraph, the Investor will be notified in writing and will be given a grace for a period of ten (10) working days to remedy any irregularity that is subject to remediation. If the Investor fails to respond or if the Fund Manager is not satisfied with any remedial actions, then the Fund Manager has the right to redeem the Units compulsorily at the price of the Unit on the Valuation Day following the expiry date of the grace period given to the Investor. Neither the Fund nor the Fund Manager will,

in any form, bear any responsibility to the Investor due to the compulsory redemption of the Units. The concerned Investor may seek recourse against the Fund Manager before any competent court in the UAE.

(c) Postponement of Units redemptions

In the event that on any Dealing Day the aggregate value of the Units that Investors request for redemption by the Fund pursuant to this Paragraph 5.5 exceeds ten percent (10%) of the Fund NAV, the Fund Manager may abate some or all of the Redemption Notices on such Dealing Day on a pro rata basis or otherwise address the situation in a manner that is equitable to each Investor requesting redemption of Units. Furthermore, in the event that the Sponsor:

- (i) is unable for any reason to fulfill all properly submitted Redemption Notices on a Dealing Day; or
- (ii) determines that the fulfillment of all properly submitted Redemption Notices on a Dealing Day would be detrimental to any redeeming or remaining Investors,

the Sponsor may in its sole discretion postpone fulfillment of some or all such Redemption Notices. In the case of any postponement pursuant to the preceding sentence, the Sponsor will (a) notify each Investor whose Redemption Notice has been postponed and (b) use best efforts to fulfill any such postponed Redemption Notices on subsequent Dealing Days as soon as reasonably practicable and in any event prior to any requests for redemption received subsequent to such postponement; provided, that the Sponsor will not guarantee any such Investor that its Redemption Notice will be fulfilled on any particular subsequent Dealing Day. The Sponsor shall have no responsibility for losses occurring during a period of postponement.

5.6 Accounting and Net Asset Value

Except when the calculation of Fund NAV or Unit NAV is suspended or deferred in accordance with the terms of this Prospectus, the Fund NAV and Unit NAV will be calculated at each Valuation Point.

The Fund NAV at any Valuation Point will be the value of the Assets less the total liabilities of the Fund at such Valuation Point.

The Unit NAV at any Valuation Point will be the amount of the Fund NAV attributable to the Units divided by the total number of the existing Units at such Valuation Point.

The Assets will include cash, securities, accrued profit, and the Investments of the Fund. The liabilities of the Fund will include expenses (including accrued expenses) and any contingencies (including taxation) for which provisions or reserves are required. The liabilities of the Fund will also include amounts due to the Sponsor, the Administrator, the Custodian, and any other third party service providers appointed by the Sponsor on behalf of the Fund, whether such amounts are due for the payment of Management Fees, any other Fees, or otherwise, in accordance with the terms of this Prospectus.

Each of the Fund NAV and the Unit NAV will be calculated to two decimal places. The International Financial Reporting Standards (IFRS) will be the framework applied to the Fund's accounting standards.

In calculating each of the Fund NAV and Unit NAV, the Administrator may rely upon and will not be responsible for the accuracy of financial data furnished to it by any third parties including automatic processing services, brokers, market makers or

intermediaries, and any administrator or valuations agent of other collective investments into which the Fund invests. However, the Administrator will take all reasonable steps wherever possible to independently verify prices including having processes that identify stale pricing as well as pricing variations and fluctuations where relevant. Where accurate pricing of assets is not possible, the Administrator will determine a valuation procedure with the Sponsor.

5.7 Asset Valuation Guidelines

The Administrator will be responsible for the calculation of the Fund NAV.

The Unit NAV will be calculated in accordance with the applicable International Accounting Standards, by using (A) the total assets of the Fund minus (B) the total liabilities of the Fund divided by (C) the total number of the Units existing in the Fund before the applicable Dealing Day.

The Administrator will send to the Fund Manager the Unit NAV, usually within a period of no more than one (1) working day after the applicable Dealing Day.

With no contradiction with the aforementioned in that Paragraph, the Fund NAV and Unit NAV will be calculated at each Valuation Point in accordance with the following guidelines

- (a) The value of the Assets and Investments will be determined on the basis of the official closing price or, where none is available, the last known price on the relevant market. Where an Asset is traded on more than one market, the Fund Manager, in collaboration with the Administrator, may in its sole

- discretion select such price on the principal market on which the asset in question is traded;
- (b) For assets not quoted on a particular market, available valuation reports or other information will be used by the Fund Manager in collaboration with the Administrator to estimate probable realization value;
 - (c) Cash and debt instruments, securities, receivables and any similar instruments will be valued at their then current market value;
 - (d) Any Assets not valued in accordance with the foregoing will be valued at their attributable fair values in accordance with commonly accepted international valuation standards. The Fund Manager, in collaboration with the Administrator and after taking the opinion of the Auditor, may determine in relation to any Asset or any part thereof to apply some more suitable method of valuation when such method of valuation is more appropriate;
 - (e) The Fund NAV and the Unit NAV will be stated in AED. Any assets or liabilities denominated in currencies other than AED will be converted into AED at the then prevailing market rates; and
 - (f) All valuations determined by the Fund Manager in collaboration with the Administrator will be final and binding save in the case of manifest error.

5.8 Suspension of the Net Asset Value Calculation

The Fund Manager in collaboration with the Administrator may suspend or defer the calculation of the Fund NAV and the Unit NAV at any time:

- (a) (a) When a stock market in which a portion of not less than 10% of the Assets is invested is closed, or when dealings on such market are suspended or restricted;
- (b) When foreign exchange controls restrict the Fund's ability to exchange currency for the purchase of Investments or sell Investments, provided that such Investments comprise at least 10% out of the total Assets of the Fund;
- (c) When for any reason the price or value of Assets cannot be ascertained with sufficient accuracy;
- (d) When the Sponsor has elected to terminate the Fund in accordance with this Prospectus;
- (e) When there has been a material and substantial change in the valuation of not less than 10% of the Assets;
- (f) When the business operations of the Sponsor, the Administrator or any other service provider appointed by the Sponsor are substantially interrupted or closed for any reason outside of the control of any such entity; or
- (g) Any other reasons that the Fund Manager deems important and necessary; provided, however, that the Fund Manager must inform the

Authority of the suspension and the reasons therefore, the suspension duration, and the ways to remedy and avoid them in the future, within a period of no more than two (2) working days from the suspension date.

In the event of any suspension or deferral of the calculation of Fund NAV or Unit NAV in accordance with the foregoing conditions, the Fund Manager in collaboration with the Administrator will notify Investors of such suspension or deferral as soon as practical and will make reasonable efforts to bring such period of suspension or deferral to an end as soon as practical. Units may not be subscribed for or redeemed during any such period of suspension or deferral.

5.9 Reporting

The Sponsor in collaboration with the Administrator will provide an Annual Report to the Investors. The Annual Report will include the audited financial statements of the Fund in accordance with IFRS with a supporting audit report. The Annual Report will be made available to Investors within three (3) months following the end of the Financial Year to which it relates.

The Sponsor will provide a fact sheet for the Fund on a weekly basis. The Fund fact sheet will be available on the Sponsor's website. The Fund fact sheet will include, among other things, the most recent Unit NAV. In addition, at a later date, the Sponsor expects to send the most recent Unit NAV to Investors via SMS.

The Sponsor may provide additional reports to Investors from time to time as it deems appropriate with respect to related market conditions and will comply with any

reporting requirements set forth in the Resolution.

The Unit NAV, calculated from the last Valuation Point, may be obtained by Investors from the Sponsor upon request.

5.10 Termination and Liquidation

The activities of the Fund may be terminated and the Fund liquidated and dissolved if the Sponsor determines in its sole discretion that terminating the activities of the Fund is in the best interest of Investors or the Fund but after referring to the Authority and obtaining its approval for the termination or liquidation.

Upon making the foregoing determination, the Sponsor in collaboration with the Administrator will proceed to liquidate the Assets and discharge the liabilities of the Fund. The net proceeds of such liquidation will be distributed to the Investors in accordance with their Units in the Fund. Following the liquidation of the Fund, the Sponsor will cause a final set of duly audited accounts for the Fund to be prepared and distributed to Investors.

6. Fees and Expenses

The Fees and expenses set out in this Prospectus will apply to all Units in the Fund and to the redemption by Investors of those Units unless otherwise noted herein. In addition to all such Fees and expenses the Sponsor reserves the right to charge Investors for costs incurred in connection with:

- (a) any transfer of Units that the Sponsor chooses to permit;
- (b) valuation reports in respect of the Units held by a particular Investor in

addition to those reports that the Sponsor provides to Investors on a periodic basis; and

- (c) any other services provided to Investors in relation to the Fund.

The Sponsor has discretion to reduce, waive or rebate any Fee otherwise applicable to any Investor.

The Administrator will be responsible for calculating and paying all Fees due to service providers to the Fund. Such Fees will be calculated and accrued on each Dealing Day before the calculation of the Fund NAV or each Unit NAV, and such Fees will be payable by the Fund as agreed with the relevant service providers.

6.1 Costs Incurred Prior to First Closing Date

The Investors will bear on a pro rata basis all the expenses related to the formation of the Fund and its preliminary marketing, including the costs of audit, legal and other costs relating to the formation, promotion and initial marketing of the Fund. Such costs may be amortized in consultation with the Auditor and as allowed by law. The Sponsor will have paid these costs in advance, and the Fund will reimburse the Sponsor for these costs. The Sponsor expects that these costs will not exceed a sum of AED 1,500,000.

6.2 Subscription Fee

Each Investor whose Application to purchase Units is accepted will pay a subscription fee to the Sponsor (the “**Subscription Fee**”) equal to one and one half percent (1.50%) of the Subscription Amount contributed by such Investor. The Subscription Fee, which will be paid to the

Sponsor, is in addition to the Subscription Amount.

6.3 Redemption Fee

A redemption fee will be payable to the Sponsor by each Investor redeeming Units in the Fund (“**Redemption Fee**”) within twenty-four (24) months from the Dealing Day relating to the purchase of such Units.

A Redemption Fee of two percent (2%) of the redemption proceeds will be payable by each Investor redeeming Units in the Fund within twelve (12) months from the Dealing Day relating to the purchase of such Units. A Redemption Fee of one percent (1%) will be payable by each Investor redeeming Units in the Fund during the period from twelve (12) months through twenty-four (24) months from the Dealing Day relating to the purchase of such Units. No Redemption Fee will be payable by any redeeming Investor with respect to Units redeemed at any time following the initial twenty-four (24) months from the Dealing Day relating to the purchase of such Units.

Redemption Fees will be deducted from redemption proceeds and will be paid to the Sponsor.

6.4 Management Fees

- (a) Fixed Fees

The Fund Manager will receive an annual management fee (“**Management Fee**”) from the Assets equal to (2%) of the Fund NAV, accruing on each weekly Dealing Day, to be paid in cash in arrears within fifteen (15) days following the end of each calendar quarter. The first Management Fee payable will be calculated from the First Closing Date to the end of the relevant calendar quarter.

Upon termination of the Fund pursuant to the provisions set forth in Paragraph 5.10, the Fund Manager will receive the amount of the Management Fee prorated through the effective date of such termination.

(b) Performance Fee

The Fund will pay at the end of the fiscal year good performance charges to the Fund Manager in case the net assets of the Fund for the Unit has increased at the end of the year by more than (15 %) per year over the same net at the beginning of the year or over the net assets value of the Unit at the first closing date (which is AED /100/).

The good performance charges are to be specified by a rate of (10 %) per year out of the increase in the net assets value of the Unit over the rate of (15 %) which represents the minimum return after which the good performance charges will become due.

At calculating the actual return, a consideration will be taken for the distributed profits distribution through the calculation duration.

The value of the increase for which good performance charges will be due will be calculated by the product of (the increase for which good performance charges for the Unit will be due) X (the total number of the Units existing at the end of each week of the valuation weeks / the number of the valuation weeks).

The good performance charges will be calculated and incurred on the Fund at each valuation date (every week).

At the end of each fiscal year quarter, the matured good performance charges will be calculated for the quarter / half / three

quarters of the years and the whole year. The calculated good performance charges for the duration will be compared with the weekly deducted charges at each valuation date. The weekly deductions will be refunded or increased in the light of the result of the quarterly valuation, where the result of the quarterly valuation is to prevail over the weekly total deductions.

In case of the maturity of good performance charges by the end of the fiscal year, the charges due to the Fund Manager will be paid on annual basis, within fifteen (15) days following the end of the last quarter in the fiscal year.

The first matured amount of these charges will be calculated from the first closing date till the end of the fiscal year of the Fund, for a period of (6) months minimum; otherwise, the calculation will be carried over to the end of the following fiscal year. The matured amount will be specified taking into account the period from the first closing date till the end of the fiscal year for which good performance charges will be calculated.

6.5 Custodian Fees

In accordance with the Custodian Agreement, the Fund will pay the Custodian fees equal to 0.03% per year of the Fund NAV (determined prior to adjusting for fees on the Fund), to be calculated and accrued on each Dealing Day (and before calculating the Unit NAV). The minimum fee payable will be USD \$ 2,500 per month, to be paid to the Custodian on the last day of each month.

6.6 Administrator Fees

The Fund will pay the Administrator 7.5 basis points (0.075%) calculated on the Fund's net asset value. The Fee is subject to

a monthly minimum of US\$ 2,000. Also an all-inclusive annual fee of US\$ 5,000 will be charged for the preparation of all the required draft quarterly and annual financial statements for the Fund.

6.7 Units Registrar Fees

The Fund will not pay any fees to the Units Registrar.

6.8 Shariah Supervisory Board Fees

The Fund Manager will pay the Shariah Supervisory Board an annual fee which will accrue on a weekly basis and be paid on quarterly basis.

6.9 Other Operation Expenses

In addition to the aforementioned, the Fund will bear all the continuous operation expenses and the other expenses of the Fund, including but not limited to the expenses of preparing, printing and distributing the annual reports and any notifications or other correspondences to be sent to the Investors and other Reports requested by the Central Bank or the Authority, in addition to all the fees of the transactions and the other expenses related to the purchase and sale of investments, including the commissions, price differences, bank charges and any other costs to be paid normally in connection with trading in securities, and also the fees and charges of the Auditor and the legal advisors. The Fund would also be responsible for the costs incurred due to any claim, lawsuit, arbitration, mediation or dispute related to the operations of the Fund, and the amount of damages resulting from any judgment or settlement.

Each Fund service provider is responsible for all costs and expenses incurred in

connection with his duties (including but not limited to salaries, utilities, office space, telephones and computers).

7. Risk Factors and Conflicts of Interest

7.1 Risk Factors

The investment program of the Fund entails substantial risk. There can be no assurance that the investment objectives of the Fund will be achieved or that the value of Units will not decrease.

Any investment entails some level of risk. Each prospective investor in the Fund should carefully compare its ability to withstand risk with the potential for volatility in the value of Units. Each prospective investor should consider the following list of risk factors, which does not purport to be a complete explanation of the risks involved in an investment in the Fund.

Such risks include, but are not limited to:

- (a) **Company-Specific and Market Risk:** The success of the Fund's activities may be affected by the success or failure of the companies in which the Fund invests and by general economic and market conditions, such as market and other trends, profit rates, availability of credit, volatility, inflation rates, economic uncertainty, changes in laws, national and international political circumstances and other factors. Market risk is higher in the equity markets in which the Fund invests than in markets with less volatile securities.
- (b) **Difficult Market Conditions:** Assets may not be readily realizable

and no market may formally exist. While the Sukuk market has grown significantly in recent years, Investors should note that there may be times when the market is illiquid and it is difficult to sell an Asset. Furthermore, expected profits on Investments may increase on a wider basis and there may be higher trading costs than normally associated with trading conventional debt instruments.

(c) **Control Risk:** Investors in the Fund will have no:

- (i) legal or proprietary ownership rights in or to any of the Assets; and
- (ii) voting, control, management rights or any other rights in the administration or operation of the Fund, the Assets, the Sponsor or the Fund Manager.

(d) **Custodian and Broker Risks:** Assets may be held by the Custodian and its sub-custodians, on behalf of the Fund. In some circumstances, assets may be held by the Custodian or its sub-custodian in a nominee structure. The use of a Custodian, and its sub-custodian, and their nominee structure represents some potential risks:

- (i) in terms of the legal ownership structure of the Assets; and
- (ii) in the event that the Custodian, any sub-custodian, or nominee holding encounters financial

difficulties which impair the operational capabilities or the capital position of the Fund. Care will be taken to ensure that the Assets are separately identified as being held on behalf of the Fund and its Investors and, to the extent possible, to protect those Assets in the event of the insolvency of the Sponsor or any party holding Fund Assets. Notwithstanding such care, it is possible, under the laws of the UAE, or another relevant jurisdiction, that a court may not protect the Assets in the event that the Sponsor or a party holding Fund Assets becomes insolvent. The Custodian, sub-custodians, brokers or nominees are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to the Assets are subject to substantial limitations and uncertainties. Investors should assume that the insolvency of any such persons may result in the loss of all or a substantial portion of the Assets held by or through such persons.

(e) **Trading Accounts:** The Custodian may, on the instruction of the Sponsor or the Fund Manager, leave shares in trading accounts in various stock exchanges/ depositories for the

purchase and sale of Investments in the name of the Fund where the shares are credited into the trading account. The Custodian will monitor and reconcile the level of Investments held in such trading accounts. However, the Custodian will not be responsible for any loss suffered by the Fund for shares held in these trading accounts.

(f) **Liquidity Risk:** The purchase or sale of certain Assets may not be possible at the time the Fund wishes to deal in such Assets and/or may require the Fund to deal at unfavorable prices or sell Assets at a discount price relative to its perceived market value. There may be no active market for some of the securities and other Assets in which the Fund invests. Any changes to the composition of securities in the Index may increase such risk.

(g) **Index Risk:** The Index and the Investments of the Fund may be concentrated in securities of a limited number of issuers. Changes in the financial condition of an issuer, changes in specific economic or political conditions that affect a particular issuer, and changes in general economic or political conditions can affect the value of an issuer's securities. Such issuer-specific changes may have an impact on the securities held by the Fund. The composition of the Index will change as securities are listed or delisted or as new securities are included in the Index. When this occurs the weighting or composition of the securities owned by the Fund may be changed as considered

appropriate by the Sponsor or the Fund Manager in accordance with the Investment Strategy and Objective. The Fund may continue to hold equity securities after such securities are removed from the Index. There are a relatively low number of issuers whose securities compose the Index and, accordingly, the effect of any changes to the issuers whose securities compose the Index may have a substantial effect on the value of the affected constituent securities as the Fund, and other funds in which the Index composes all or a portion of the investment strategy, either sell or purchase the affected security in accordance with their respective investment guidelines.

(h) **Inflation Risk:** Inflation may undermine the real return on an investment in the Fund.

(i) **Regulatory Risk:** Investments may be adversely affected by changes to legislation or government policy in the GCC countries or other jurisdictions where Investments are domiciled or do business. Future developments in the rules and regulations governing investment vehicles and investments in the GCC countries may adversely affect the securities markets in such jurisdictions by imposing new restrictions on trading or transferring securities. It is impossible to predict when any new regulations will be announced or implemented or what effect they will have on GCC or securities markets and on investment vehicles that are domiciled in and subject to the laws of GCC or

jurisdictions. Legal systems in GCC countries are undergoing rapid change and in some contexts law in GCC countries may be underdeveloped. This may lead to significant risks for Investors, including but not limited to risks related to the ownership and transferability of Assets. The legislative framework in certain markets where the Fund may invest is only beginning to develop the concept of legal/formal ownership and of beneficial ownership or interest in debt instruments. Consequently the courts in such markets may consider that any nominee or custodian as registered holder of securities would have full ownership thereof and that a beneficial owner may have no rights whatsoever in respect thereof.

(j) **Limited Operating History:** The Fund has no operating history and the Sponsor only has a limited operating history in respect of the same type of fund on which prospective investors can evaluate the likely performance of the Fund. The past investment performance of the Sponsor or the Fund Manager should not be construed as an indication of the future results of an investment in the Fund. The Fund's investment program should be evaluated on the basis that there can be no assurance that the Sponsor's or Fund Manager's assessments of the prospects of investment will prove accurate or that the Fund will achieve its investment objectives.

(k) **Investment Restrictions:** The Shariah restrictions placed on

investments may result in the Fund not performing as well as mutual funds with similar objectives but not subject to such restrictions. The Fund's Shariah investment guidelines which disallow investments in certain sectors and securities and subject companies to several religious and financial filters generally provide a narrow choice of companies in which investments could be made and therefore a less diversified portfolio. Shariah precepts also disallow engaging in certain categories of financial transactions and assets and consequently the Fund is not permitted to use interest-paying debt instruments that maximize current income on excess cash, hedge currencies and undertake certain types of risks. In addition, operating within the restrictions of Shariah may impose structural requirements that could increase costs and taxes. Such restrictions may result in higher volatility and lower returns, primarily due to higher costs.

(l) **Shariah Compliance:** Certain investments and structures in which the Fund may invest may be later deemed by the Shariah Supervisory Board to no longer comply with Shariah for various reasons, such as human error, corporate actions such as mergers or acquisitions, or accounting ratio issues. In such circumstances, the Fund will be required to liquidate such positions on short notice or within a set period under market conditions, including pricing, which may not necessarily be favorable to the Fund or which may have an adverse effect on the

financial performance of the Fund as a whole.

(m) **Legal Risk:** Any company within the Fund's permissible investment universe is exposed to possible legal action by government regulatory authorities, private investors and individuals. The impact of any lawsuit or ensuing litigation could have an adverse effect on the future financial health of the company and its ability to honor its contractual debt obligations and hence the value of its securities may decline and that may affect the value of the Fund's investment in that company.

(n) **Reliance on Key Personnel:** The Fund's future profitability will in large part depend upon the business and investment acumen of key personnel of the Sponsor and the Fund Manager. Any of the members of the investment team may leave or acquire responsibilities unrelated to the operation and management of the Fund, the Sponsor or the Fund Manager. Such departures or changes in responsibilities could have an adverse impact on the performance of the Fund.

(o) **Emerging Market:** Investments in emerging financial markets such as the GCC countries may provide less detailed financial information and/or reporting in respect of the companies in such markets, and disclosure regarding such companies may be infrequent or insufficient, which may complicate accurate valuation of certain Investments. The securities markets in emerging markets such as the GCC countries generally pose

certain risks and considerations not typically associated with investments in established markets, including:

- (i) the risk of nationalization, the expropriation of assets or confiscatory taxation;
- (ii) social, economic and political uncertainty caused by or including war;
- (iii) dependence on certain exports or imports and the corresponding importance of international trade;
- (iv) governmental involvement in and influence or control over sectors of the economy;
- (v) potential fluctuations in currency exchange rates;
- (vi) less developed or non-existent private property, capital markets and corporate laws and regulations regarding the protection of investors and the fiduciary duties of officers, directors and employees of companies;
- (vii) less securities regulation and less predictability regarding existing securities regulation.

(p) **No Secondary Market:** It is unlikely that a secondary market will develop in respect of the Units in the Fund. Investors generally will only be able to dispose of their Units by means of redemptions, which are subject to restrictions.

- (q) **Lack of Diversification:** The Fund's Investments may be concentrated in a limited number of GCC industries, issuers, and/or strategies. Accordingly, the Fund's performance may become more susceptible than a diversified portfolio to fluctuations in value or loss resulting from adverse economic or business conditions that affect those industries, issuers, or strategies. Accordingly, Investors should expect that the Fund's performance may be subject to high volatility
- (r) **Valuation:** Securities to be held by the Fund may trade with bid-ask spreads that may be significantly wide. If valuations should prove to be significantly different from the price at which the Fund can trade, Investors could be adversely affected.
- (s) **Cash Concentration:** A portion of the Assets may be in cash or cash equivalents as described in Paragraph 2.5. There can be no assurance that attempts to mitigate downside risk and preserve capital by investing in cash or cash equivalents will be successful. Investments in cash or cash equivalents do not have the same potential for appreciation in value as other investment opportunities. Therefore, the Fund may be prevented from achieving its objective during any period in which its Assets are not substantially invested in accordance with its principal investment strategies. Moreover, investments in cash or cash equivalents, although generally safer than investments in equity securities, may still lose value.
- (t) **Possible Effects of Substantial Redemption; Limitations on Redemption:** Substantial redemptions of Units by Investors (including Investors that may hold a disproportionate share of outstanding Units at any given time) may require the Fund to liquidate the Assets more rapidly than otherwise desirable to raise necessary cash to fund redemptions which could adversely affect the Fund NAV. Illiquidity in certain securities could make it difficult for the Fund to liquidate positions to satisfy redemption requests on favorable terms, which may affect the Fund NAV. In some circumstances, the Sponsor may find it necessary to limit the right of Investors to redeem their Units.
- (u) **No Dividends:** The Fund does not intend to pay dividends. Accordingly, an investment in the Fund may not be suitable for prospective investors seeking periodic returns for financial or tax planning purposes. The Sponsor reserves the right to declare and pay special dividends, but does not anticipate such dividends being paid except in unusual circumstances.
- (v) **Potential Conflicts of Interest:** Each of the Sponsor and the Fund Manager are either individually or through affiliates engaged in many businesses with interests in the global fixed income, currency, commodity, equity and other markets in addition to those related to the Fund. Such additional businesses and

interests may give rise to potential conflicts of interest. A description of certain of such potential conflicts of interest is set forth under “Conflicts of Interest” below.

- (w) **Frequent Trading and Turnover:** The Sponsor or Fund Manager may make frequent trades in order to implement the Fund’s investment program. Frequent trades typically result in high transaction costs, which could have an adverse effect on the performance of the Fund. In addition, the turnover rate within the Fund may be significant, potentially involving substantial brokerage commissions, fees and other transaction costs, which could have an adverse effect on the Fund’s performance.

The foregoing list of risk factors does not purport to be a complete enumeration of the risks involved in an investment in the Fund. Prospective investors should read this Prospectus in its entirety and consult with their own Advisors before deciding to subscribe for units.

7.2 Potential Conflicts of Interest

Abu Dhabi Commercial Bank and its affiliates engage in a broad spectrum of activities involving banking, financial investments and advisory services. Instances may arise in which the interests of the Sponsor, the Fund Manager or their respective affiliates conflict with the interests of the Fund.

Subject to its duty to devote reasonable time and effort to the affairs of the Fund, the Sponsor and the Fund Manager may engage in any other management or investment management activities and related

businesses and may in the course of such engagements provide services that are identical or similar to those provided to the Fund. The Sponsor and the Fund Manager may give advice and take action in the performance of such duties for other clients that differ from advice given and action taken with respect to the affairs of the Fund. The Sponsor and the Fund Manager, their respective affiliates, employees and clients may invest, for their own accounts or on behalf of others, in securities of companies that may be held by the Fund. There is no limitation with respect to the Sponsor’s or the Fund Manager’s other activities or investments or with respect to other investment funds or portfolios managed by the Sponsor or the Fund Manager. The Fund will not be entitled to compensation related to such activities or investments. These are considerations of which Investors should be aware, and which may cause conflicts that could disadvantage the Fund.

Conflicts of interest may arise in the allocation of investment opportunities among investment funds and other accounts operated and managed by the Sponsor, the Fund Manager or their respective affiliates. The Sponsor and the Fund Manager will seek to allocate investment opportunities believed appropriate for the Fund and other investment funds or accounts they operate or manage in a manner that they consider, in their sole discretion and consistent with their obligation to each fund or account, to be reasonable.

The Sponsor and the Fund Manager may combine purchase or sale orders on behalf of the Fund with orders for other accounts for which the Sponsor or the Fund Manager or any of their respective affiliates provides investment services, including accounts in which the Sponsor or the Fund Manager or

any of their respective affiliates may have beneficial interests.

The Sponsor and the Fund Manager will not deal with service providers to the Fund who are their affiliates, in a manner that is more favorable to such affiliated service providers than the manner in which they would deal with any unaffiliated independent service provider.

Present and future activities of the Sponsor, in addition to those described in this Paragraph 7.2, may give rise to additional conflicts of interest.

By having made an investment in the Fund, an Investor is deemed to have acknowledged and assented to the existence of potential conflicts of interest relating to the Sponsor and the Fund Manager and to the operations of the Fund in the face of these potential conflicts.

8. Notices and Communications

Notices and communications will be given to each Investor at the postal address or email address provided in its Application.

Annual Reports and other notices and information relating to the Fund may be reviewed by Investors at the following website: www.adcb.com

9. Taxation

9.1 General

This Prospectus does not summarize the possible tax consequences of the acquisition, holding or disposal of Units in each of the jurisdictions in which prospective investors reside. Each prospective investor should consult its own professional advisors about the potential tax, exchange control or other

consequences of subscribing for, holding and disposing of Units under the laws of its country of citizenship, domicile or residence.

9.2 UAE

As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Fund is made will endure indefinitely. The following information is based on the law and practice currently in force in the UAE and, accordingly, is subject to changes therein.

The Fund Manager will apply to the UAE Federal Tax Authority (the “FTA”) to ensure the Fund receive status of Qualifying Investment Fund (“QIF”). If the Fund does not meet the QIF conditions, the Fund investment earnings will be taxed at a rate of 9%. If this occurs, this tax will detrimentally impact the Net Asset Value and applicable redemption price of the Units held by Investors. If the Fund meets the QIF conditions, Investors who are taxable persons are required to include their proportionate share of the “net income available for distribution”.

Investors may incur corporate tax obligations as a result of their investment in the Fund, taking into account the specific conditions of each investor. Since implementing the corporate tax law in the UAE is a complex process, we urge potential investors to obtain independent tax advice to determine their tax obligations before investing in the Fund.

10. General Information

10.1 Confidential Information

The Sponsor shall be entitled to retain any information it receives in such manner as it shall, in its absolute discretion, consider appropriate. The Sponsor reserves the right to engage such agents as in its absolute discretion it shall consider appropriate for the purpose of complying with its obligations pursuant to applicable laws and regulations.

The Sponsor will treat non-public information received from Investors as confidential and will not disclose such information other than:

- (a) to its professional advisors or other service providers where the Sponsor considers such disclosure necessary or appropriate in the normal course of business or to enable it to conduct its affairs; or
- (b) where such disclosure is required by any applicable law or order of any court of competent jurisdiction or pursuant to any direction, request or requirement (whether or not having the force of law) of any central bank, governmental or other regulatory or taxation agency or authority.

By submitting an Application for Units, each prospective investor is deemed to consent to any such disclosure.

10.2 Amendment

The Sponsor reserves the right, upon due notification to the Investors and receipt of approval from the Authority, to amend the provisions of this Prospectus.

10.3 Governing Law

This Prospectus and the terms and conditions contained herein, including all Appendices shall be governed by, and construed in accordance with, the laws of

the UAE to the extent that such laws do not contradict the Islamic principles as interpreted by the Shariah Supervisory Board, in which case the latter will apply. As set forth in the Application, each Investor irrevocably submits to the non-exclusive jurisdiction of the courts of Abu Dhabi in respect of these matters, which does not prevent an action being taken against an Investor in any other jurisdiction.

10.4 Anti-Money Laundering

In order to comply with laws or regulations aimed at the prevention of money laundering in the relevant jurisdictions of operation, the Sponsor has adopted and is committed to maintaining anti-money laundering and “Know Your Client” procedures, and will require subscribers to provide evidence to verify their identity and source of funds. The Sponsor may delegate the maintenance of its anti-money laundering procedures (including the acquisition of due diligence information) to a suitable person.

The Sponsor reserves the absolute right to request such information as is necessary to verify the identity of each prospective investor, the person or entity on whose behalf the prospective investor is providing the Subscription Amount and any proposed transferee of Units.

In the event of delay or failure on the part of the applicant or proposed transferee of Units in producing any information required for verification purposes, the Sponsor may refuse to accept the Application or transfer, as the case may be, and in the former case any funds received will be returned without profit to the account from which they were originally debited. In addition, the Sponsor reserves the absolute right to return the Subscription Amount (and the corresponding Subscription Fees) to a

prospective investor in the event that that or another third party refuses to accept such funds for anti-money laundering purposes or any other reason.

The Sponsor reserves the right to refuse to make any redemption payment to an Investor if the Sponsor suspects or is advised that the payment of redemption proceeds to such Investor might result in a breach of applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or if such refusal is considered necessary or appropriate to ensure the compliance by the Sponsor with any such laws or regulations in any applicable jurisdiction.

Appendix 1

APPLICATION FOR UNITS -- ADCB GCC EQUITY FUND

INSTRUCTIONS

Signed Applications, together with any additional required documentation, should be delivered to the Sponsor at the following address:

Abu Dhabi Commercial Bank

Abu Dhabi Commercial Bank Building

Sheikh Zayed Street, P.O. Box 939

Abu Dhabi, United Arab Emirates

Tel: +97128125573

Failure to provide the original Application along with the documentation required for anti-money laundering purposes may result in a delay in the acceptance of the Application.

An authorized signatory list must be provided at the time of account opening for the investing entity in whose name the account is being opened.

Any changes to the original account details must be received in original format and signed by no fewer than two authorized signatories, in the case of a company, on corporate letterhead, and in the case of an individual, unless otherwise specified below, all account signatories must authorize every instruction.

DECLARATIONS

I/We, having received and considered a copy of the Prospectus, hereby confirm that this Application is based solely on the current Prospectus and agree to be bound by the terms of the Prospectus and this Application.

I/We apply for the Units issued in relation to this Application to be entered in the Register in my/our name(s) as principal, solely for

investment, and confirm that they are not, without the written approval of the Sponsor, being purchased for subdivision, resale or distribution, or for the direct or indirect account or benefit of any other person, entity, nominee or agent, and agree that my/our subscription shall become effective only upon its acceptance, in whole or in part, by the Fund.

INTERPRETATION

Defined terms used in the Application (including the attached forms) which are not defined herein will have the meanings set out in the Prospectus.

APPLICATION FOR UNITS

I/We declare my/our understanding that this Application represents an irrevocable offer on my/our side to subscribe for the Units specified herein. I/We understand and agree that the Sponsor reserves the right, in its absolute discretion, to accept or reject this offer to subscribe for Units, without being under any obligation to give any reasons, as a whole or in part, before or after the receipt of the Subscription Amount and fees.

In connection with the purchase of Units, I/we meet all suitability standards described in the Prospectus or as otherwise imposed on me/us by applicable law.

I/We have been furnished with, and have carefully read and fully understand, the Prospectus, and acknowledge that the information contained in the Prospectus is not intended to provide investment, tax, legal or accounting advice.

Any capital used by me/us to purchase Units will not directly or indirectly be derived from activities that may contravene applicable laws

and regulations, including anti-money laundering laws and regulations.

I/We confirm that I am/we are in agreement with the distribution policy as outlined in the Prospectus. I/We understand that the investment cannot be withdrawn from the Fund except by way of redemption of the Units in accordance with the terms outlined in the Prospectus and I/we have no right to demand distribution from the Fund prior to the Fund's termination other than by redemption of Units. I/We understand and agree that the Units may be subject to compulsory redemption in accordance with the terms of the Prospectus.

I/We understand that, if this Application is accepted, I/we will receive a confirmation stating the number of Units purchased and the price per Unit paid. Such confirmation will serve as documentary evidence of the purchase of Units and will be issued to me/us within 30 days of the Dealing Day upon which my/our Application is accepted.

INFORMATION TO INVESTORS

I/We have been given the opportunity to:

(a) ask questions of, and receive answers from, the Sponsor concerning the terms and conditions of the offering of Units and other matters pertaining to an investment in the Fund; and

(b) obtain any additional information necessary to evaluate the merits and risks of an investment in the Fund that the Sponsor can acquire without unreasonable effort or expense. In considering a subscription for Units, I/we have evaluated the risks and merits of such investment, including the risks set forth in Paragraph 7.1 of the Prospectus, and am/are able to bear the economic risk of such investment, including a complete loss of capital, and, in addition, have not relied upon any representations made by, or other information (whether oral or written) furnished by, or on behalf of, the Sponsor, any service provider to the Fund, or any director, officer, employee, agent or affiliate of the Sponsor or any such service provider, other than as set forth in the Prospectus and this

Application. I/We have carefully considered and have, to the extent I/we believe necessary, discussed with my/our own legal, tax, accounting and financial Advisors the suitability of an investment in the Fund in light of my/our particular tax and financial situation, and have determined that the Units being purchased hereunder are a suitable investment for me/us.

INDEPENDENT ADVICE

With regard to the tax, legal, currency and other economic considerations related to my/our investment in the Fund, I/we have only relied on the advice of, or have only consulted with, my/our own professional Advisors, including my/our own tax Advisor, concerning the tax consequences to me/us of an investment in the Fund and I/we have neither received nor relied upon any advice in relation to the tax, legal, currency and other economic considerations related to my/our investment in the Fund from the Sponsor, the Fund Manager, the Administrator and any other service provider to the Fund.

To the extent applicable, execution and performance by me/us of this Application will not conflict with or result in any breach of or default under our memorandum and articles of association or other constitutional document or instrument or any other agreement, document or instrument to which I/we are a party or by which I/we or any of my/our assets are bound and is not prohibited by any applicable statute, regulation, rule, directive, case law, judicial, executive or administrative order or decree; in each case under the laws and regulations of my/our country of residence and/or establishment, nor is any governmental consent or filing required of me/us for the execution, delivery or performance by me/us of this Application.

I/We (either alone or together with any independent Advisors I/we have appointed in connection with evaluating the merits and risks of investing in the Fund) have sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of purchasing the

Units and have determined that the Units are a suitable investment for me/us. I/we are aware that an investment in the Fund involves substantial risks and I/we are able to bear the economic risk of an investment in the Fund, including a complete loss of such investment.

FEES

I/We consent to the Fees described in the Prospectus.

INSTRUCTIONS

I/We hereby authorize the Sponsor to accept and execute any instructions, (including, but not limited to, any instructions regarding subscriptions, switches, transfers or redemptions of Units or any payment in relation to the same or otherwise) in respect of Units to which this Application relates, given by me/us in written form, by fax, telephone or electronic means. I/We hereby agree to indemnify each of the Administrator and the Sponsor and agree to keep each of them indemnified against any loss of any nature whatsoever arising to either of them as a result of either of them acting upon instructions given in writing by me/us, *i.e.*, fax instructions confirmed by me/us in writing. The Sponsor may rely conclusively upon, and will incur no liability in respect of, any action taken upon any notice, consent, request, instruction or other instrument believed in good faith to be genuine or to be signed by properly authorized persons. I/We understand that this authority does not apply to notifications of change of name and notifications of death, transfers, and deeds of pledge and the use of powers of attorney where original documentation must be delivered in hard copy to the Sponsor.

CONDITIONS SPECIFIC TO JOINT REGISTERED HOLDERS

Joint registered holders of Units shall own the Units jointly and each of them shall own equal proportions of such Units, unless it has been agreed to otherwise according to separate instructions issued and signed by the joint registered holders and delivered to the Sponsor.

Each of the joint registered holders must subscribe for Units in person, and no authorization issued by one of the joint registered holders will be accepted for subscription on behalf of joint registered holders.

Joint registered holders will be treated equally, and the applicants should abide by the conditions set forth in this Application.

Instructions regarding Units belonging to joint registered holders must be given in accordance with the following:

- (a) each of the joint registered holders must sign any instruction or they must appoint one of the joint registered holders to act on behalf of each of them by notifying the Sponsor in writing of such appointment;
- (b) each joint registered holder will be notified by the Fund Manager about any sale or purchase in the Units; and
- (c) in event of the death or disqualification of one of the joint registered holders, the other registered holder(s) must notify the Sponsor of the death or disqualification within 10 Business Days of the date of the occurrence. Upon receipt of such notification, all activities will be suspended with respect to investment management of the Units or their transfer or redemption until the Sponsor receives a decree from the relevant court or a duly certified limitation of succession directing the distribution of the Units. The unaffected Investor will receive his Units, and the portion of the decedent/disqualified Investor's Units will be divided in accordance

with instructions from the relevant court.

SPONSOR AND APPOINTMENT OF FUND MANAGER

I/We agree that the Sponsor shall have the powers and authority enumerated in Paragraph 4.1 of the Prospectus, including, without limitation, the authority to enter into and perform the Administration Agreement and Custodian Agreement on behalf of the Fund.

THE FUND

I/We expressly and irrevocably appoint the Fund Manager to act during the life of the Fund as my/our portfolio manager and agent and empower the Fund Manager, in its capacity as my/our agent, to invest, subject to the provisions of the Prospectus, the funds subscribed by me/us hereunder, collectively, with funds subscribed by other Investors. Without prejudice to the foregoing, the Fund Manager is authorized and empowered to do and carry out the following on my/our behalf:

- (a) to represent my/our interests as an Investor in all aspects before all competent regulatory and government authorities, departments and agencies;
- (b) to acquire, hold, and register the Assets on behalf of the Investors in the name of the Fund Manager or its agent;
- (c) to deal with banks to obtain part funding for leveraging the acquisition of Assets;
- (d) to do all acts, deeds and things necessary or incidental to the funds provided by the Investors and the acquisition and/or disposition of Assets;
- (e) to appear before all courts of all categories, mediation authorities or bodies and arbitration proceedings and to appoint lawyers in connection with claims and demands arising out of or relating to any investments and Assets;
- (f) to appear before the appropriate authorities and to admit and execute sale deeds and/or other

conveyances and documents and papers in connection with the acquisition, sale or other disposition for value of the Assets;

(g) to take or carry out all steps, legal formalities and other procedures, to the extent reasonably possible under law, to protect any investments and the Assets; and

(h) to do all reasonable acts, deeds and things reasonably possible under law to protect the rights and interests of the Investors.

REPRESENTATIONS AND WARRANTIES

I/We hereby represent and warrant to, and agree with, the Sponsor, the Administrator, the Custodian and the Fund that the following statements are true as of the date of this Application and will be true as of each date on which I/we purchase any additional Units in the Fund:

If we are a corporation, limited liability company, trust, partnership or other entity: We are duly organized, validly existing and in good standing under the laws of our jurisdiction of organization and all other jurisdictions where we are authorized to conduct business, and the execution, delivery and performance by us of this Application and the Prospectus are within our corporate or other powers, as applicable, have been duly authorized by all necessary corporate or other action on our behalf, require no action by or in respect of, or filing with, any governmental body, agency or official (except as disclosed in writing), and do not and will not result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any provision of any charter, by-laws, trust agreement, mortgage, deed of trust, credit, note or evidence of indebtedness, or any lease or other agreement, or any license, permit, franchise or certificate, regulation, law, judgment, order, writ, injunction or decree to which we are a party or by which we or any of our properties is bound. This Application has been duly executed and delivered by us and constitutes a valid and binding agreement, enforceable against us in accordance with its terms, except as enforceability may be limited

by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law); or

If I/We am/are (a) natural person(s): The execution, delivery and performance by me/us of this Application is/are within my/our legal right, power and capacity, require no action by or in respect of, or filing with, any governmental body, agency or official (except as disclosed in writing), and do not and will not result in a breach of any of the terms, conditions or provisions of, or constitute a default under, any provision of applicable law or regulation or of any judgment, order, writ, injunction or decree or any agreement or other instrument to which I/we am/are a party or by which I/we or any of my/our properties is bound. This Application has been duly executed and delivered by me/us and constitutes a valid and binding agreement, enforceable against me/us in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

I/We confirm that, being a person, I am/we are over 21 years of age. I/We confirm that I am/we are not a Restricted Person and am/are not acquiring Units on behalf of, or for the benefit of, a Restricted Person, nor do I/we intend to transfer any Units which I/we may purchase to any Restricted Person.

In connection with the purchase of Units, I/we have complied with all applicable laws imposed by the jurisdiction of my/our residence or organization, including having obtained in conformity with any legal requirements all necessary authorizations and licenses required in order to subscribe for Units.

I/We confirm that to the best of my/our knowledge, this subscription for and the purchase of Units by me/us will not violate any

securities laws, codes, regulations or laws of similar nature and importance or any other laws of any jurisdiction to which this could be related.

I/We hereby certify and declare that I/we understand and agree that the Units have not been and may not be registered or listed in any jurisdiction in the near future.

I/We understand that if any of my/our representations, warranties, agreements or certifications contained in this Application are untrue, the Sponsor, in its sole discretion, may require a retroactive redemption of all or part of the Units.

I/We agree that the foregoing representations and warranties will be deemed to be reaffirmed by me/us at any time I/we purchase or otherwise acquire additional Units and such purchase or acquisition will be evidence of such reaffirmation, and if any of the foregoing representations or warranties cease to be true or accurate, or if they become misleading, I/we will promptly notify the Fund of the facts pertaining to such changed circumstances.

I/We declare that the information contained in the declarations completed above is true and correct.

The applicant(s) warrant(s) that, if he/they sign(s) the Application form on behalf of somebody else, he/they have/has due authority to do so on behalf of that other person, and such person will also be bound accordingly and will be deemed also to have given the confirmations, warranties, undertakings and authorities contained herein and undertakes to enclose the power of attorney or a copy thereof duly certified with this Application form.

INDEMNITIES

I/We agree that the Fund shall indemnify the Sponsor from losses as more fully set forth in Paragraph 4.2 of the Prospectus and I/We understand that such indemnity shall be paid for from the Assets.

I/We hereby agree to indemnify and keep indemnified the Fund, the Sponsor and the Sponsor's officers, advisors, agents and employees, from and against any and all costs, claims, demands, liabilities, expenses, damages or losses, including, without limitation, consequential losses and loss of profit, and all profit, penalties and legal and other professional costs and expenses due to or arising out of any breach of the representations or warranties by the applicant in or pursuant to this Application.

DISCLOSURES BY THE INVESTOR

I/We acknowledge that, owing to anti-money laundering requirements operating within their respective jurisdictions, the Sponsor, its directors, the Administrator, the Custodian and any distributor which may be appointed (as the case may be) may require further identification of the applicant(s) before the Application can be processed and the Sponsor, its directors, the Administrator, the Custodian and any distributor which may be appointed will be held harmless and indemnified against any loss arising as a result of a failure to process the Application if such information has been requested by the parties referred to and has not been provided by me/us.

I/We confirm that:

(a) I/we will promptly provide to the Sponsor such information as such persons may reasonably request from time to time in order to comply with any applicable anti-money laundering legislation and regulations;

(b) to the extent applicable, we will promptly provide such other evidence as is reasonably requested by the Sponsor, including any opinions by appropriate local counsel confirming our legal status, and we understand that, if our status as a single legal person is not established to the satisfaction of the Sponsor, then our subscription may be rejected; and

(c) I/we will promptly provide the Sponsor with such information as it may reasonably request from time to time with respect to my/our citizenship, residency, ownership or control

(both direct and indirect) so as to permit the Sponsor to evaluate and comply with any regulatory and tax requirements or any anti-money laundering regulations applicable to the Fund, my/our investment in the Fund or any proposed investments of the Fund.

ASSIGNMENT

I/We agree that I/we may not transfer, exchange or assign any Units subscribed for except in accordance with this Application and the Prospectus, and any purported transfer or assignment in violation of this Application or the Prospectus shall be null and void.

I/We agree that this Application is not transferable or assignable by me/us without the prior written consent of the Sponsor.

CONFIDENTIALITY AND DATA PROTECTION

The applicant(s) hereby consent(s) to the transmission by the Sponsor of any personal data available on the Register to the Sponsor, the Administrator, any service provider and any distributor of the Fund. The applicant(s) acknowledge(s) that the Sponsor has taken reasonable measures to ensure confidentiality of the data so transmitted. The applicant(s) hereby expressly recognize(s) that the Sponsor or any of the relevant entities will have no liability with respect to any unauthorized third party receiving knowledge of or having access to such personal data, except in the case of gross negligence or serious misconduct by the Sponsor or any of their respective employees or officers.

The applicant(s) agree that all information provided in this Application form will be treated confidentially by them, the Fund and the Sponsor. However, the Fund and the Sponsor may present this Application form and the information provided herein or in relation hereto to such third parties as deemed advisable if:

(a) called upon to establish that the offer and sale of the Units is exempt from registration under applicable law;

(b) the information is requested by any regulatory agency with jurisdiction over the Fund or the Sponsor; or

(c) the information is relevant to an issue in any action, suit or proceeding to which the Fund and/or the Sponsor or any of their respective affiliates is a party or by which they are or may be bound.

NOTICE

I/We consent to any notice or other document to be sent by the Sponsor to me/us as an Investor (including any notice or other document previously sent), by electronic means, including, but not limited to, email, swift or posting such notice or other document on a website notified to me/us by post or email.

Notices may be given by hand, email, fax or registered post to either party at each of their respective addresses as set out in this Application or such other address as one party shall notify in writing to the other party and any such notice or other document shall be deemed to have been received upon sending of notice if sent by email, or upon receipt of a fax report confirming receipt of the document if sent by fax, or 72 hours after mailing by registered pre-paid post.

GENERAL

I/We hereby agree that if any provision contained herein is, or turns to be illegal, invalid or unenforceable under any applicable law, the remaining provisions shall remain in full force and effect (as shall that provision under any other law).

This Application (including any Schedules):

(a) contains the entire agreement between the parties with respect to the subject matter of this Application, and there are no representations,

covenants or other agreements except as stated herein;

(b) may be executed in any number of counterparts, each of which when executed and delivered shall be deemed an original, and all the counterparts together shall constitute one and the same instrument; and

(c) shall be governed by and construed in accordance with the laws of Abu Dhabi and the federal laws of the UAE.

I/We understand and agree that any dispute arising out of or in connection with the Prospectus, this Application and the offer or purchase of Units, including, without limitation, any question regarding existence, validity or termination, shall be referred to and finally and exclusively resolved by the courts of Abu Dhabi.

I/We hereby irrevocably submit to the non-exclusive jurisdiction of said courts without limiting or preventing any action from being taken against me/us in any other jurisdiction.

Details of Investment

SUBSCRIPTION AMOUNT: _____

SUBSCRIPTION FEE: _____

TOTAL AMOUNT: _____

Notes:

- * Subscription Amounts and corresponding Subscription Fees must be paid in AED.
- * Payments due hereunder shall be net of all withholdings, costs of exchange and banking charges.
- * Subscription Amount of AED 10,000 or multiples of USD 1,000 above USD 10,000.
- * Cash to 2 decimal places only (example: AED 20,000.00).
- * Please separate thousands using a comma (example: AED twenty thousand = 20,000.00).
- * Subscription Fee is 0.75% of Subscription Amount.
- * No fractional Units will be issued.

Bank Account for Subscription and Redemption of Units

Bank Name:	Abu Dhabi Commercial Bank
Bank Address:	Sheikh Zayed street P. O. Box: 939, Abu Dhabi, UAE Tel: +97128125573
Name on Investor Account:	
Investor Account Number:	

--	--

The prospective investor acknowledges and agrees that, under the terms and conditions of the Prospectus, the Total Amount set out in this form must be deposited in full in the Investor Account identified above prior to or simultaneously with the submission of this Application. If the Total Amount set out above is received after this time, the Sponsor will treat this Application as an application to subscribe for Units on the following Dealing Day at a subscription price per Unit equal to the Unit NAV as of such Dealing Day. The Total Amount set out above will be debited from the Investor Account identified above immediately upon receipt of this application by Abu Dhabi Commercial Bank.

I/We have made arrangements for the Total Amount set out above to be deposited in the Investor Account identified above prior to or simultaneously with the submission of this Application. I/We hereby instruct Abu Dhabi Commercial Bank to debit this amount from such account immediately.

Investor Registration Details		
Registered Name		
Joint Registered Name(s) (if any)		
Account Designation		
Registered Address (P.O. Box or C/O will not be accepted)		
Mailing Address (if different)		
Contact Name		
Profession		
Country		
Nationality		
Date of Birth/Establishment		
Source of Funds		
Contact Details	Mobile Telephone	
	Fax	
	Email	
Joint Registered Holders:	<input type="checkbox"/>	We declare that the Sponsor is authorized to act upon instructions signed by any one of us in respect of subscriptions, redemptions or transfers.
Joint registered holders should select one of the following options. If no option is selected, the signatures of all account holders will be required.	<input type="checkbox"/>	We declare that the Sponsor is authorized to act only upon instructions signed by all of the joint register applications in respect of subscriptions, redemptions or transfers.

Authorized Signatories

I/We agree to be bound by the declarations, representations, consents and indemnities set out in this Application:

Signature (1)	
Capacity of Authorized Signatory	_____
Name of Authorized Signatory (1)	_____
Date	_____
Signature (2)	
Capacity of Authorized Signatory	_____
Name of Authorized Signatory (2)	_____
Date	_____

IMPORTANT INFORMATION. To be valid, this Application must be signed by the applicants and in the case of joint applicants, each must sign. In the case of a corporation, the Application must be signed by its duly authorized signatory.

If the Application is signed under power of attorney, the power of attorney or a copy duly certified must be provided in support of the signature.

Anti-Money Laundering – Know Your Customer Requirements

Under applicable law and/or its policies covering anti-money laundering, the Sponsor is required to obtain the following documentation to verify the identity, permanent address and tax residency status of all new clients. Please note that the Application may not be accepted until all the relevant information has been received. Additional confirmation of identity or authority of the applicant or the source of funds may be required in certain circumstances.

In all cases, the Sponsor reserves the right to request additional information and documents.

Documentation which may be required for all Individual Applicants:

A certified copy of a passport and/or official identification document with photograph, name, date and place of birth, nationality, identification number, expiration date and signature of the holder.

A certified copy of a document evidencing permanent and current residential address (e.g., a copy of a recent utility bill). P.O. Box mailing addresses are not acceptable.

Written confirmation that the prospective investor is acting on his or her own behalf and not as a nominee or on behalf of another (such confirmation is included in the Application form).

Documentation which may be required for Companies/Entities:

A copy of the most recent financial report (or equivalent document).

An original or certified true copy of the articles of association/incorporation and its amendments (if any).

An original or certified true copy of a current and dated list of all authorized signatories on the company letterhead.

A certified true copy of identification documents of the authorized signatories.

An original or certified true copy of evidence of registration.

An original or certified true copy of a list of shareholders owning more than five percent (5%) of the share capital of the company or entity.

An original or certified true copy of a list of directors or board members of the company or entity.

Documentation which may be required for Trusts:

A certified true copy of the initial trust deed.

A certified true copy of any subsequent deeds of amendment or variation.

A certified true copy of identification documents of the ultimate beneficiaries.

A certified true copy of the list of trustees/settlers/protectors (depending on each specific case) along with their identification documents (depending on whether they are individuals or entities).

Documentation which may be required for Pension Fund Accounts:

If located in an equivalent country or territory (excluding trust structures):

Evidence of regulation/registration.

An original or certified true copy of a current and dated list of all authorized signatories on the pension fund letterhead.

If located in an equivalent country or territory (in the form of a trust):

A certified true copy of the initial/definitive trust deed and following deeds of amendment.

An original or certified true copy of a current and dated list of all authorized signatories on the letterhead.

Identification documents of the Trustee(s) (depending on their legal type).

If located in a non-equivalent country or territory, please contact the Sponsor for a specific list of required documents.

For all other legal entities:

Please contact the Sponsor for a specific list of required documents.

Note 1: Equivalent countries and territories are those classified as such by the Sponsor from time to time.

Note 2: Certified true copies must be effected either by authorized signatory/ies of a regulated financial institution located in an equivalent country, or by an embassy/consulate, notary, trade registry, court of competent jurisdiction or any other public authority empowered to certify documents. The stamp of the certifying institution must be clearly affixed on the true copy of the documents.

Appendix 2

REDEMPTION NOTICE -- ADCB GCC EQUITY FUND

Signed Redemption Notices should be delivered to the Sponsor at the following address:

Abu Dhabi Commercial Bank
Abu Dhabi Commercial Bank Building
Sheikh Zayed Street, P.O. Box 939
Abu Dhabi, United Arab Emirates
Tel: +97128125573

All redemption proceeds will be sent to the applicable Investor Account as described in the Prospectus.

INVESTOR NAME:

DEALING INSTRUCTIONS

Pursuant to Paragraph 5.5 of the Prospectus, I/we wish to redeem from the ADCB GCC Equity Fund, in the cash amount or Units as indicated:

CASH AMOUNT: _____

AUTHORIZED SIGNATORIES

Signature (1)

Capacity of Authorized Signatory

-OR-

NUMBER OF UNITS: _____

Notes:

- * Please separate thousands using a comma (example: AED twenty thousand = 20,000.00).
- * Cash to two decimal places only (example: AED 20,000.00).
- * The applicable Redemption Fee and any other applicable Fees will be deducted from the proceeds of the redemption.
- * In the case of a partial redemption, the minimum balance of the remaining Units must be at least AED 10,000 unless otherwise approved by the Sponsor.
- * The minimum cash amount that may be redeemed is AED 1,000.
- * Pursuant to Paragraph 3.1 of the Prospectus, if the cash amount set out above results in fractions of the Units being redeemed, the Sponsor shall redeem such number of Units as will most closely reflect the cash amount indicated by the Investor.

Name of Authorized Signatory _____
(1)

Date _____

Signature (2)

Capacity of Authorized Signatory _____

Name of Authorized Signatory _____
(2)

Date _____

IMPORTANT INFORMATION. To be valid, this Redemption Notice must be signed by the Investor, and in the case of joint Investors, unless otherwise specified in the initial Application for Units, each must sign. In the case of a corporation, this Redemption Notice must be signed by the company secretary or another authorized officer.

If the Redemption Notice is signed under power of attorney, the power of attorney or a copy duly certified must be furnished in support of the signature.