

## **Doha Bank (Q.P.S.C.)**

### **AI HAYER Fund – Class A**

A Fund established in accordance with the Law No (25) of year 2002 (the “**Law**”), the Minister of Economy and Commerce Decision No (69) of year 2004 for issuing the executive bylaws for the investment funds (the “**Directive**”), and is registered in the Investment Funds Register at the Ministry of Economy and Commerce under registration certificate number 57042 and is licensed by the Central Bank under license number IF/15/2011 and available for up to 100 (One Hundred) Qatari and non-Qatari individuals and established legal entities.

## **ARTICLES OF ASSOCIATION**

Relating to an offer between 50,000 and 10,000,000 Units for US\$ 100,000 for the first subscription and US\$ 10,000 for each further subscription

### **Founder**

DOHA BANK (Q.P.S.C.)

### **Fund Manager**

Aventicum Capital Management (Qatar) LLC

### **INVESTMENT CUSTODIAN**

Standard Chartered Bank, Qatar Branch

### **AUDITORS**

KPMG

## ARTICLE 1

### Name of the Fund

The name of the Fund is the AL HAYER Fund – Class A

## ARTICLE 2

### Name and Address of the Founder

The Founder of the Fund is as follows:

Doha Bank (Q.P.S.C.), a Qatari Public Shareholding Company (C.R. No 7115; QCB License no. B.S.D./11/1979) established under the laws of Qatar and having its principal office at Corniche Street, West Bay, P.O. Box 3818, Doha, Qatar.

## ARTICLE 3

### Name and Address of the Fund Manager

The name of address of the Fund Manager of the Fund is as follows:

Aventicum Capital Management (Qatar) LLC  
Tornado Tower, West Bay PO Box 23146, Doha, Qatar

## ARTICLE 4

### Name and Address of the Investment Custodian

The name and address of the Investment Custodian is as follows:

Standard Chartered Bank, Qatar Branch  
Securities Services, Burj Doha 17/F, Al Corniche Street  
P.O. Box 29  
Doha, Qatar.

## ARTICLE 5

### Type of Fund

- (a) The Fund is an open-ended investment fund established by the Founder in accordance with the Law, the **Directive**, regulations of the Central Bank, and these Articles.
- (b) The Fund is registered in the Investment Funds Register at the Ministry of Economy and Commerce under registration certificate number 57042 and is licensed by the Central Bank under license number IF/15/2011.
- (c) These Articles of Association ("**Articles**") set out the terms and conditions that shall apply to the Fund, its Unit Holders, the Founder, the Fund Manager, the Investment Custodian and the Auditor.
- (d) The preliminary expenses incurred in setting up the Fund (including without limitation the preparation of these Articles and its initial agreements with the Fund Manager, and Investment Custodian) and in connection with the initial issue of the Units shall, except and to the extent that it may be otherwise agreed by the Founder and the Fund Manager, be paid by the Founder on behalf of the Fund and will be amortized and repaid to the Founder by the Fund over the Fund's first financial year and the amount so paid shall, in the accounts of the Fund, be charged against income or capital as determined by the Founder.

- (e) The Fund shall be denominated in US\$.
- (f) Subject to the discretion of the Founder, Units in the Fund will be open for subscription and redemption on a monthly basis on each Valuation Day.
- (g) As at the date of incorporation of the Fund, it is not the Founder's intention to list the Fund on any stock exchange. However, in the event that the Founder determines that it is in the best interests of the Fund, an application may be made, at any time following the first year of the Fund's operation, to list the Units on the QE or such other exchange as the Founder deems appropriate.

## **ARTICLE 6**

### **Purpose and Objects of the Fund**

The purpose and objects for which the Fund is established:

- (a) To carry on the business of an investment fund in accordance with these Articles, the Law, the Directive and any other relevant laws and regulations and in furtherance of that purpose to invest the capital and other assets of the Fund, with the principal investment objective of medium to long-term capital appreciation, primarily in the listed shares and other securities of companies established or operating in GCC countries and other countries approved by the Founder and Fund Manager. In addition the assets of the Fund may be invested in initial public offerings of shares of companies in these countries, money market and fixed income instruments, bank deposit accounts, sovereign bond issues of GCC countries, other funds and unit trusts both investing predominantly in securities of companies listed on Qualifying Exchanges.
- (b) To deposit money in any currency with such financial institutions on such terms as may seem expedient.
- (c) To employ experts to investigate and examine into the conditions, prospects, value, character, and circumstances of any business, concern or undertaking, or of any assets, properties or rights held or to be held as an investment or asset of the Fund.
- (d) To accumulate any capital gains and other income which will be added to the value of the Fund and employed for any of the purposes of the Fund.

## **ARTICLE 7**

### **Term of the Fund**

The Fund will commence on the date of its registration in the Investment Fund Register in the Ministry of Economy and Commerce. The term of the Fund will be twenty five (25) years or, with the consent of the Central Bank, another similar extended period or the other longer period as the Founder determines, provided that the Fund may be liquidated prior to the end of its term in accordance with Article 25 of these Articles.

## **ARTICLE 8**

### **Fund Capital**

- (A) The capital of the Fund will not be less than US\$1,000,000 comprising 10,000 Units and up to US\$1,000,000,000 comprising 10,000,000 Units, both at a nominal price of US\$100 per Unit. The Founder has the right to increase or reduce the Fund capital in accordance with Article 8 (D), upon receipt of the approval of the Central Bank.
- (B) If there is any over subscription during any other period in which Units are available for subscription in the Fund the Founder may, following receipt of the approval of the Central Bank, increase the capital of the Fund by the amount the Founder determines is necessary and

otherwise in accordance with any maximum limit on a capital increase specified in these Articles.

- (C) Any decision by the Founder to approve the increase or reduction in the capital of the Fund must be approved by the Board of Directors of the Founder, or such person to whom the Board of Directors has delegated power to act on its behalf on such issues, and must also be approved by the Central Bank.

## **ARTICLE 9**

### **Minimum and maximum subscription limits for one subscriber**

- (A) The minimum first subscription is US\$ 100,000.
- (B) For each further subscription the minimum subscription is US\$ 10,000. These amounts may be amended from time to time by the Founder. All the subscription amounts are excluding any subscription fees
- (C) The maximum investment for any one Unitholder, apart from the Founder, is limited to 20 percent of the issued Units. The Founder may not own Units which exceed in value 70 percent of the Net Asset Value of the Fund.
- (D) Notwithstanding sub-paragraph (C) above, the Founder from time to time and upon the Central Bank's approval may determine the minimum amount in value or number of Units which may be held by a Unitholder provided that any such determination shall not oblige any person registered as a Unitholder prior to such determination being made to either dispose of any such Units or to acquire additional Units.
- (E) Units may not be issued to more than 100 (One Hundred) Qatari and non-Qatari individuals and established legal entities.

## **ARTICLE 10**

### **Subscription for Units**

- (a) The Units of the Fund shall be offered by the Founder pursuant to the terms of the Prospectus.
- (b)
  - (i) The Founder may, on such day or days as the Founder may determine, issue Units at the Subscription Price per Unit determined in accordance with Article 12(b)(vii) or (d).
  - (ii) In relation to any a Valuation Day, the Founder and the Investment Custodian shall review each subscription form together with the relevant information and documentation and, if accepted by them, allocate Units to the successful Subscribers. Subscribers will be notified of the acceptance or rejection of their subscriptions and successful subscribers will be sent statement of holdings within fifteen days of the relevant Valuation Date. The Founder may scale down any or all applications.
  - (iii) The subscription form (together with such information and documentation as the Founder may from time to time require) in relation to a Subscription must be received by the Investment Custodian no later than two Business Days prior to the relevant Valuation Day or at such other time as the Founder may from time to time specify.
  - (iv) Payment of the Subscription Price for Units (together with any subscription fee) shall be made at such time and in such manner as the Founder may from time to time determine either generally or in any specific case but in any event shall be received by the Investment Custodian no later than the close of business on the relevant Valuation Day.
  - (v) The Founder may specifically appoint one or more third parties to act as placing agents for the Fund.

- (vi) Any monies paid in respect of the rejected or scaled down applications shall be returned to applicants at their risk within 15 days from the Valuation Date.
- (c) Each subscription of Units in the Fund shall be effected on the relevant Valuation Day or as the Founder may from time to time determine.
- (d) (i) Each allotment of Units on any Valuation Day shall be made at a Subscription Price per Unit determined by the Investment Custodian on the relevant Valuation Day and not more than a sum ascertained by:
  - (A) calculating the Net Asset Value of the Fund concerned for this purpose under Articles 15(a) and (b) on the Valuation Day (if the Valuation Day falls at the beginning of an official Qatari holiday, the calculation shall be done on the next Business Day following that Valuation Day);
  - (B) dividing the amount calculated under sub-paragraphs (A) above by the total number of Units outstanding at that time; and
  - (C) rounding the resulting sum up to the nearest two decimal places of a US\$.

Any Subscription Price determined by the Fund Manager in accordance with the Net Asset Value calculated by the Investment Custodian shall not be adopted unless it is approved in writing by the Founder.
- (ii) For the purpose of this Article 10:
  - (A) Units, which have been allotted by reference to a particular Valuation Day, shall be deemed to have been issued at the commencement of business on the Business Day immediately following the day on which they are actually allotted.
  - (B) Units which have been redeemed in accordance with Article 14 shall be deemed to have been redeemed on the Redemption Date falling immediately after the day on which the redemption request is received.
- (iii) Upon payment in full of the Subscription Price and any subscription fee, a Subscriber shall not be liable to make any further payment and no further liability can be imposed on him in respect of the Units for which he is a Unitholder.
- (iv) No Units will be allotted during any period when the determination of the Net Asset Value is suspended pursuant to Article 15(g) and no Units will be issued during any such period except those which have been allotted prior to the commencement of such period.

## ARTICLE 11

### Unitholder Register

- (a) The Investment Custodian shall keep a register of the Unitholders in the Fund (the **Unitholder Register**), which shall contain, amongst other things, their names, nationalities, domiciles and the number of Units owned by each Unitholder. Any disposal or assignment of Units by a Unitholder and the date and details of such disposal or assignment shall also be recorded in the Unitholder Register.
- (b) No person shall be recognized by the Founder or the Investment Custodian as a Unitholder in the Fund, unless this person is registered as such in the Unitholder Register.
- (c) Unitholders also have the right to request the Investment Custodian to provide them with a statement of the number of units owned by the Unitholders on the date of request. The Investment Custodian will provide to the Founder and each of the Investors a holding statement on a monthly basis. In case of any discrepancy, the data recorded in the Unitholder Register prevails.

- (d) The sale or purchase of a Unit shall not be considered effective against the Fund or a third party unless entered in the Unitholder Register as required under Article 11. The Founder or the Investment Custodian may suspend the registration of Units during the period when the Net Asset Value determination is suspended. The Founder, or the Investment Custodian may refuse to register a sale or purchase of Units in the following circumstances:
- (i) if the sale, purchase or transfer of ownership, contravenes the provisions of these Articles or of any relevant law or regulations or does not have the prior written consent of the Founder.
  - (ii) if any amount payable by the relevant Unitholder in respect of the Units has not been paid to the Fund or if, following such sale, purchase or transfer a Unitholder will not fulfil the minimum holding requirements in respect of Units in the Fund, or if such act has led to exceed the maximum holding requirements in respect of Units in the Fund.
  - (iii) if the Subscriber or purchaser submits insufficient or incorrect information.

## ARTICLE 12

### Redemption of Units

- (a) Subject to provisions of Article 9 and subject as hereinafter provided, the Investment Custodian will, following receipt by it or its authorised agent of a request in writing (in such form as the Founder may from time to time determine) by a holder of Units, redeem Units at the Redemption Price on each Valuation Date.
- (b) Redemption requests must be received by the Investment Custodian no later than seven Business Days prior to the relevant Valuation Day. Redemptions for the same will be made within fifteen Business Days following of the relevant Valuation Day, provided that no redemption proceeds will be paid out until the Investment Custodian has received the original redemption form of any telexed or faxed redemption request.
- (c) Any redemption of Units for which the Investment Custodian has received a redemption request pursuant to Article 14(a) shall be made on the Redemption Date falling immediately after the day on which the redemption request is received.
- (d) Upon the redemption of a Unit pursuant to these Articles, a Unitholder shall no longer be entitled to any rights in respect of the Units thereof and his name shall be removed from the Unitholder Register in relation to the redeemed Units. If at any time the Founder determines that it would be:
- (i) detrimental to the financial, taxation, material, legal or regulatory interests of the Fund or its Unitholders as a whole; or
  - (ii) be in breach of any restrictions outlined in these Articles or the Prospectus,

For a Unitholder to continue to hold Units in the Fund, the Founder may, on giving the Unitholder not less than seven days' written notice prior to any Valuation Day, require that the Unitholder surrender for redemption all or part of the Units held by that Unitholder.

The Redemption Amount in relation to such Units shall be paid out of the assets of the Fund.

- (e) The Investment Custodian must, subject to the Founder's decision, on any Valuation Day, compulsorily redeem the Units held by any Unitholder whose total holding of Units is less than 50 Units for Retail Investors and 2,500 Units for other investors. Such Units will be redeemed at the Redemption Price applicable on that Valuation Day and shall be paid out of the assets of the Fund.
- (f) The Redemption Price for each Unit on a particular Valuation Day will not be greater than the Subscription Price for a Unit applicable on the same Valuation Day and shall be ascertained by the Investment Custodian by:

- (i) calculating the Net Asset Value of the Fund in accordance with Articles 15(a) and (b) for the particular Valuation Day;
- (ii) dividing the resulting amount by the total number Units outstanding at that time; and
- (iii) rounding the resulting sum down to the nearest whole cent.

Any Redemption Price determined by the Investment Custodian shall not be adopted unless it is approved in writing by the Founder.

- (g) If the Investment Custodian receives requests for redemptions of more than 10% of the Units greater than subscriptions that are received for new Units for a Valuation Day, the Investment Custodian may, and must if directed by the Founder, only redeem up to 10%, or the higher percentage directed by the Founder, more than subscriptions that are received for new Units on that Valuation Day, first redeeming the Units that the Founder requires a Unitholder to surrender for redemption under Article 12(d) and secondly redeeming Units on a pro rata basis among the other Unitholders that are entitled to have their Units redeemed. If any redemption request is not satisfied in full on a Valuation Day the balance of all the redemption requests will be carried forward to the next Valuation Day, subject to the same restriction in this provision. The redemption requests carried forward will be given priority over subsequent redemption requests.

## **ARTICLE 13**

### **Calculation of Net Asset Value, Subscription Price and Redemption Price**

- (a) The Net Asset Value of the Fund shall be determined by the Investment Custodian in US\$ monthly as of the close of business on each Valuation Day and on any other day as the Founder may, from time to time, request and shall be determined in accordance with the provisions of this Article.
- (b) The Net Asset Value will be calculated in accordance with International Financial Reporting Standards (IFRS) as follows:
  - (i) the value of the Fund's assets (including without limitation, any unamortised expenses); less
  - (ii) the liabilities of the Fund (including, without limitation, its accrued fees and expenses) and the amount in respect of contingent or projected expenses as the Founder determines to be fair and reasonable.
- (c) Investments will be valued as follows:
  - (i) Investments listed on a stock exchange will be valued at their last bid price as derived or reported by Reuters or any other reporting or information system in common use.
  - (ii) Any items denominated in a currency other than US\$ will be translated at prevailing exchange rates as determined by the Investment Custodian and agreed with the Founder as the case may be. The value of all assets and liabilities denominated in a currency other than US\$ will be converted to US\$ at the exchange rate on the relevant Valuation Day.
  - (iii) Investments in other funds and unit trusts will be valued at the last net asset value published by the managers of the funds.
  - (iv) Liabilities, debt instruments and deposits will be valued with accrued interest or at market prices as appropriate.
- (d) If the Founder considers that by reason of market illiquidity, repatriation restrictions or otherwise the Fund could not reasonably be expected to realise an investment at such value, it may adopt or approve such other valuations as it considers fair in the circumstances. However, all

valuations will be in accordance with International Financial Reporting Standards (IFRS) and subject to the approval of the Central Bank.

- (e) The Net Asset Value per Unit as of any Valuation Day is calculated by ascertaining the Net Asset Value of the Fund and dividing such sum by the number of Units in issue.
- (f) The Investment Custodian must determine the Subscription Price in accordance with Article 10(d) or the Redemption Price in accordance with Article 12(g) for Units in the Fund which would be applicable to all existing and potential subscribers and Unit Holders.
- (g) The Founder may (but shall not be obliged to) declare a temporary suspension of the determination of the Net Asset Value, the Subscription Price and the Redemption Price on any Valuation Day:
  - (i) when one or more exchanges or other regulated markets which provide the basis for valuing a significant portion of assets of the Fund are closed other than for or during holidays or if dealings therein are restricted or suspended or where trading is restricted or suspended in respect of securities forming a material part of the Fund's assets;
  - (ii) when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Fund, including (without limitation) delays in settlement or registration of securities transactions, the disposal of assets of the Fund is not reasonably practicable without materially and adversely affecting and prejudicing the interests of continuing Unitholders, or if, in the opinion of the Founder, a fair price cannot be calculated for the assets of the Fund;
  - (iii) in the case of a breakdown of the means normally used for calculating the Net Asset Value or valuing a significant portion of investment of the Fund or if for any reason the value of any asset or assets of the Fund which is material in relation to Net Asset Value (as to which the Founder shall have sole discretion) may not be determined as rapidly and accurately as required; or
  - (iv) if, as a result of foreign exchange restrictions or other restrictions affecting the transfer of funds, transactions on behalf of the Fund are rendered impracticable, or if purchases, sales, deposits and withdrawals of the assets of the Fund cannot be effected at the normal rates.
- (h) Any such suspension shall be publicised in at least two local newspapers on the Business Day which immediately follows the suspension decision, and thereafter there shall be no determination of the Net Asset Value, the Subscription Price or the Redemption Price until the Founder shall declare the suspension at an end except that the suspension shall terminate in any event of the first Business Day on which:
  - (i) the condition giving rise to the suspension shall have ceased to exist; and
  - (ii) no other condition described in Article 15 (g) exists.
- (i) If, on any Valuation Date, there is a suspension of the determination of the Net Asset Value, the issue and redemption of Units on the Valuation Day will also be suspended and all subscription forms and redemption requests will be retained and carried over to the first Valuation Day which occurs following the lifting of the suspension. If a suspension lasts for more than seven (7) days, Unitholders and any exchange on which the Fund is then listed shall be notified in writing by the Founder of the suspension. Any person which has subscribed for, or issued a redemption request in respect of, Units will be permitted to withdraw the subscription form or redemption request (as the case may be) during the suspension of the calculation of Net Asset Value. If the subscription form or redemption request is not withdrawn during the suspension period, it will be dealt with on the first Valuation Day following termination of the suspension in accordance with these Articles.

## ARTICLE 14

### Fees and Expenses of the Fund

The fees and expenses of the Fund will be as follows:

- a) Subscription Fee - A subscription fee of up to 1 percent of the Subscription Amount is payable to the Founder. This fee may be waived or refunded at the discretion of the Founder.
- b) Founding and Investment Management Fee - The Fund will pay to the Fund Manager a management fee accruing monthly being the greater of \$50,000 a year or 1.50 per cent per annum of the Net Asset Value, before payment of redemptions for the Valuation Day, calculated using the Net Asset Value of the Fund on the last Business Day of each calendar month if a Valuation Day, and if not a Valuation Day, determined using the Net Asset Value of the Fund as of the immediately preceding Valuation Day and payable Quarterly. This management fee, provided the Fund Manager receives not less than \$50,000 PA, will be shared 50:50 between the Fund Manager and the Founder or as otherwise agreed between them.
- c) Custody Fee - The Fund will pay the Investment Custodian in arrears, the following fees, calculated on the last Business Day of each calendar month if a Valuation Day, and if not a Valuation Day, determined using the Net Asset Value of the Fund as of the immediately preceding Valuation Day:

Market	Transaction Fees	Safe Keeping Fees
Qatar	USD 30	6 basis points per annum
UAE (DFM and ADX)	USD 36	8 basis points per annum
Oman	USD 36	8 basis points per annum
Bahrain	USD 36	8 basis points per annum
KSA	USD 40	12 basis points per annum
Kuwait	USD 40	12 basis points per annum

- The safe keeping fees will be charged on a monthly basis on the market value of the portfolio
  - One basis point equals to one hundredth of one percent (i.e 0.01 %)
- d) Administration Fee - The Fund will pay to the Investment Custodian an administration fee in arrears calculated using the Net Asset Value of the Fund on the last Business Day of each calendar month if a Valuation Day, and if not a Valuation Day, determined using the Net Asset Value as of the immediately preceding Valuation Day at a rate of 0.07% per annum of the Net Asset Value and fixed amount of US\$ 7000 as agreed under the Fund Administration Service Agreement with the Investment Custodian. This fee is payable on a monthly basis. The Fund pays the Administrator and the Investment Custodian fees for its services as agreed from time to time by the Fund and the Administrator and the Investment Custodian. The Administrator and the Investment Custodian are entitled to be reimbursed by the Fund for all reasonable out-of-pocket expenses.
  - e) Registrar Fee - The Fund will pay to the Investment Custodian in arrears by monthly instalments a registrar fee of US\$6,000 minimum per annum in addition to a separate fee will be charged for each subscription, transfer and redemption for or of Units as agreed under the Registrar Agreement with the Investment Custodian.

- f) Redemption Fee - A redemption fee of an amount up to 1% of the Net Asset Value of the Units being redeemed will be payable to the relevant Unitholder from the redemption proceeds of Units redeemed. This redemption fee will be shared 50:50 between the Founder and the Fund Manager. This redemption fee may be waived at the discretion of the Founder.
- g) Miscellaneous Fees and Expenses - A fee will generally be charged by brokerage companies for the execution of buy and sell orders for or on behalf of the Fund. Any part of such fees may be rebated by the brokerage companies in certain circumstances on the basis of the total business provided to such brokerage company by the Fund and the amount of any such rebate will be paid to the Fund.
- h) The Fund will pay all brokerage and commissions and other dealing costs, stamp duties, taxes, foreign exchange costs, bank charges, registration fees relating to investments, insurance and security costs, any out of pocket expenses of the Founder and Fund Manager, and all fees and out of pocket expenses of the auditor, and legal and certain other expenses incurred in the administration of the Fund and in the acquisition, holding and disposal of investments and in connection with obtaining a listing of the Units on any exchange. The Fund will also pay the costs of preparing, printing and distributing all valuations, statements, accounts and reports together with the expenses of preparing and publishing the Net Asset Value, the Subscription Price and the Redemption Price.
- i) Organisational Costs - All fees and expenses incurred on or prior to the date of the Articles in connection with the establishment of the Fund, the Initial Offer and the preparation and publication of this document, and all legal costs and all out of pocket expenses paid by the Founder on behalf of the Fund will be paid to the Founder by the Fund over the Fund's first financial year.
- j) All fees payable are calculated on the NAV for the period before any fees are deducted for that period except for Performance Fee - In Addition, the Fund will pay performance fee, at a rate of 15% of the amount by which the annual rate of return achieved by the Fund exceeds 10% per annum calculated on pro rata basis. For these purposes the initial Net Asset Value per Unit shall be USD 100.00 for the first financial year. Subsequent periods should be 12 months each and the base price for subsequent performance fee years will be the Net Asset Value per Unit at the commencement of such period. The performance fee will be paid within 14 days following the Valuation Day occurring at the end of each financial year. Any performance fee payable will be shared 50:50 between the Fund Manager and the Founder or as otherwise agreed between them.

## **ARTICLE 15**

### **Investment Policy**

- (a) The Fund Manager shall undertake the following in relation to any proposed investment:
  - (i) investment analysis;
  - (ii) financial analysis;
  - (iii) industry selection;
  - (iv) security selection shall include the determination of companies with successful track record, strong strategic position, real earning potential, the use of fundamental and technical analysis and the employment of valuation models.
  - (v) optimisation of risk and return profile.
- (b) Investment of the Fund's assets is subject to the following restrictions, each calculated on the basis of the Net Asset Value of the Fund as of the immediately preceding Valuation Date:
  - (i) Not more than 20 per cent of the Net Asset Value of the Fund would be invested in the securities of any single listed issuer or issuer about to list;

- (ii) Not more than 40 per cent of the Net Asset Value of the Fund would be invested in securities of issuers or other investments located in a single country, except for Saudi where the limit would be 75%;
- (iii) Not more than 20 per cent of the Net Asset Value of the Fund would be invested in initial public offers of issuers or pre-listing public offers;
- (iv) Not more than 50 per cent of the Net Asset Value of the Fund would be invested in cash, debt instruments or money market investments;
- (v) Not more than 40 per cent of the Net Asset Value of the Fund would be invested in sovereign bond issues of GCC countries and bonds of listed issuers established in GCC countries where in the Fund manager's opinion there is high volatility in equity markets;
- (vi) Not more than 40 per cent of the Net Asset Value of the Fund would be invested in other investment funds or unit trusts;
- (vii) The Fund would not be invested in:
  - (A) real estate;
  - (B) any investment fund of which the Fund Manager is a manager or custodian;
  - (C) securities of the Fund Manager, Investment Custodian or any of their respective subsidiaries or affiliates; or
  - (D) any asset or investment that may expose it to unlimited liability;
- (viii) The Fund would not:
  - (A) lend any money or give any guarantee or indemnity in connection with the debts of others; or
  - (B) deal short or on a margin basis in relation to any asset.

None of these restrictions listed above shall require the realisation of any assets of the Fund where any of the restrictions are breached during the one month period commencing on any Closing Date when Subscriptions were received, as a result of any event outside the control of the Fund occurring after the relevant investment was made or upon any exercise of conversion rights attached to any investments held by the Fund, but the Fund Manager must as soon as reasonably possible, having regard to the interests of Unitholders, the object of preserving the Net Asset Value of the Fund and the viability of selling or buying assets for the best reasonable price, act to restore the Fund to a position where it complies with these restrictions.

If the Fund breaches a restriction for any other reason, the Fund Manager must as soon as possible, but in any event within 5 Business Days after such breach is identified, restore the Fund to a position where it complies with these restrictions. If the Fund sustains a loss it would not have otherwise sustained had the restriction not been breached because of negligence of the Fund Manager and had it not had to take immediate steps upon identification of such breach to restore the Fund to a position where it complies with these restrictions, then the Fund Manager must pay to the Fund the amount of its loss as determined by the Auditor, within 7 days of the determination.

The Fund Manager must notify the Founder of any restriction being breached, the reason for the breach, the remedial action that the Fund Manager intends to take and the amount and calculation of any loss it determines that the Fund has sustained as a result of the breach.

Any relaxation of such restrictions shall comply with all applicable laws and regulations of any exchange to which the Fund is subject.

The Fund is permitted to raise financial accommodation of up to 25% of its Net Asset Value for the purposes of increasing short or long term liquidity or for financing of redemption of the fund units and not for financial support purposes.

The Fund may not enter into derivative transactions.

The principal investment objective in the management of the Fund's investments will be medium to long-term capital appreciation.

- (c) The Founder, the Fund Manager, and the Investment Custodian will at all times maintain confidentiality in relation to the operations of the Fund and the interests of the Unitholders in the Fund provided that this shall not be construed as limiting the access of the applicable regulatory authorities (including Central Bank, and any other appropriate regulatory authorities) to the Fund's records for the purpose of regulatory supervision.

## **ARTICLE 16**

### **Rights, Duties and Responsibilities of the Founder**

- (a) These Articles shall be binding on the Founder.
- (b) The Founder will appoint legal counsel for the Fund to advise in relation to the Prospectus and the investments of the Fund.
- (c) The Founder shall nominate one or more individuals to represent it in relation to the Fund and in its dealings with the Fund Manager, and the Investment Custodian and any other third parties. The nominated individuals may represent the Founder in all matters concerned with the running of the Fund in the normal course of its business, including the execution of contracts and other documentation.
- (d) The Founder shall appoint, subject to the requirements of with these Articles, the Law and the Directive, a Fund Manager for the Fund to be responsible for the management of the Fund's investment portfolio and for the day-to-day management of the Fund, subject to supervision by and subject to the specific directions of the Founder. The remuneration of the Fund Manager shall be payable by the Fund.
- (e) The Founder shall reserve the right to remove the Fund Manager at any time subject Central Bank's approval provided that the Founder shall not remove any Fund Manager unless and until he has appointed a successor Fund Manager who has been approved by the Qatar Central Bank which complies with the requirements set out in the Directive and these Articles.
- (f) The Fund Manager may appoint, following consultation with the Founder and in compliance with these Articles, the Law and the Directive one or more investment advisors to advise the Fund Manager in respect of investments by the Fund. The remuneration of any such investment adviser shall be payable by the Fund Manager.
- (g) The Founder shall appoint an Investment Custodian in accordance with these Articles, the Law and the Directive to be responsible for the administration of the Fund, maintaining the Unitholder Register, acting as transfer agent for the Fund, providing safe custody of the assets of the Fund and performing such other duties upon such terms as the Founder may from time to time (with the agreement of the Investment Custodian) determine. The remuneration of the Investment Custodian shall be payable by the Fund.
- (h) The Founder shall have regular meetings with the Fund Manager, and the Investment Custodian, and shall monitor their work and check their compliance with the laws and regulations, these Articles and the Prospectus.
- (i) The Founder shall appoint a secretary for the Fund to organize and prepare the minutes of meetings between the Founder, the Fund Manager, or the Investment Custodian. Minutes of these meetings shall be entered in a Minutes book. The Founder and each of the attendees of the meeting shall sign the minutes. Anyone who objects to any resolution adopted in the

meeting shall have his objection recorded in the minutes. Those attendees who sign the minutes of any meeting shall be responsible for the accuracy thereof.

- (j) The Founder must provide the Central Bank when required with periodical reports about the outcomes of his oversight and supervision over the Fund's activities. The Founder must also notify the Central Bank of any breaches of the Law, the Directive, these Articles, the Central Bank's instructions, and the instructions of the Anti-Money Laundering Law. In addition, the Founder must notify the Central Bank of the actions it has been taken to remedy the breaches.
- (k) The Founder shall undertake and be responsible for all Anti-Money Laundering requirements under the Qatari Anti Money Laundry law [Law 4 of 2010] in addition to the Central Bank's instructions to banks. The Founder will develop an Investor Acceptance Policy (IAP) and an Investor Due Diligence (IDD).
- (l) The Founder shall otherwise perform and comply with its various obligations under the Law.

## **ARTICLE 17**

### **Rights, Duties and Responsibilities of the Fund Manager**

- (a) These Articles shall be binding on the Fund Manager.
- (b) The Fund Manager shall at all times comply with the eligibility requirements set out in the Articles and, in relation to its management of the Fund, with the provisions of the Law, the Articles, the Central Bank regulations and all other laws and regulations of Qatar or any other relevant jurisdiction.
- (c) Except where a task has been specifically reserved to be undertaken by the Founder, or the Investment Custodian, the Fund Manager has the necessary power to fully realize the objects of the Fund outlined in Article 6.
- (d) In accordance with the Law, the Fund Manager shall represent the Fund before the courts and in its relations with third parties and shall have the right to execute contracts and other documents on its behalf.
- (e) The Fund Manager shall nominate one or more individuals to represent it in its relations with the Founder, and the Investment Custodian and any other third parties. The signature of the nominated individuals shall bind the Fund Manager in all matters concerned with the running of the Fund affairs in the normal course of its operations.
- (f) The Fund Manager shall manage the Fund in accordance with the policies, rules, provisions and guidelines imposed in these Articles, the Prospectus and the Investment Management Agreement.
- (g) The Fund Manager shall provide the Founder with regular reports about the Fund in addition to any document or information that the Founder may request to enable it to monitor the management of the Fund.
- (h) The terms of appointment of the Fund Manager shall provide that the Fund Manager may not retire unless and until the Founder has appointed a successor Fund Manager which satisfies the requirements of these Articles. Such successor must be appointed within a period of 90 calendar days from the Fund Manager's submission of a notice of its intention to retire.
- (i) Any individual delegated by the Fund Manager to be involved in the management of the Fund shall abide by all investment and risk management policies stated in these Articles and the Prospectus and shall be bound by the provisions of these Articles and the Prospectus.
- (j) All transactions executed by the Fund Manager for and on behalf of the Fund must be in accordance with the objectives and restrictions specified in these Articles and the Prospectus.

- (k) The Fund Manager and any other person involved in the management of the Fund shall check investment limits and restrictions before undertaking any transaction. The Fund Manager shall report to the Founder, and the Investment Custodian any breach of the investment limits or restrictions immediately upon becoming aware of such breach.
- (l) The Fund Manager shall ensure that all investments by the Fund are undertaken in the name of the Fund and will, or must ensure that the Investment Custodian will, maintain the register and safe custody of all documents and certificates in relation of securities ownership and other investments made by the Fund.
- (m) The Fund Manager shall keep proper records and books of account with respect to all the transactions, assets and liabilities of the Fund so as to enable the accounts of the Fund to be prepared.
- (n) The books of account shall be kept at the head office of the Fund Manager or at such other place or places as the Fund Manager shall think fit, and shall, at all times, be open to the inspection of the Founder, but no person other than the Founder, Fund Manager, the Investment Custodian, the Auditor or an officer, clerk, accountant or other person whose duty requires and entitles him to do so, shall be entitled to inspect the books, accounts, documents or records of the Fund, except as provided by the Law or the Directive or otherwise authorized by the Founder.
- (o) The Fund Manager shall provide the Founder and, if required by law or regulation, the Qatar Central Bank, with any prepared written report before issuing it.
- (p) The Fund Manager shall provide to the Founder any document or information held by it that helps the Founder in monitoring and supervising the Fund.
- (q) The Fund Manager, whenever it is necessary, shall provide to Unitholders any material information that may affect the investments of the Unitholders of the Fund.

## **ARTICLE 18**

### **Rights, Duties and Responsibilities of the Investment Custodian**

- (a) The Investment Custodian shall comply with the provisions of these Articles relating to the services provided to the Fund and the Directive shall be binding on the Investment Custodian.
- (b) The role and responsibilities of the Investment Custodian as set out in the Service Agreements and the Prospectus of the Fund will apply to the role and responsibilities applicable to the Investment Custodian under these Articles.
- (c) The Investment Custodian shall undertake the duties and responsibilities designated to it as set out in these Articles, the Fund Administration Services Agreement, the Registrar Agreement and the Custodian Agreement (the "Service Agreements"), and the Directive including, without limitation:
  - (i) safeguard and supervise the money and assets of the Fund and open and maintain the appropriate accounts and records.
  - (ii) execute the transactions and obligations of the Fund in accordance with the instructions of the Fund Manager.
  - (iii) periodically review all the transactions carried out by the Fund Manager for and on behalf of the Fund and ensure that the rights of Unitholders in relation to their Units and the assets of the Fund are recorded and protected as provided in these Articles and the Directive.
  - (iv) undertake, when required to do so, the valuation of the Fund and the Units in accordance with the Law, the Directive and these Articles.

- (v) advise the Founder of any breaches by the Fund Manager revealed to it during the course of performing its duties.
- (d) The Investment Custodian may not own, directly or indirectly, any Units in the Fund.
- (e) The Founder may remove the Investment Custodian at any time provided that, prior to any such removal, the Founder shall have appointed a successor to the Investment Custodian (as appropriate) upon prior approval of the Qatar Central Bank that satisfies the requirements of the Directive and these Articles.
- (f) The Investment Custodian shall provide the Founder with any document or information that helps the Founder monitor or supervise those entities' activities in relation to the Fund.
- (g) The books of accounts shall be kept at the office of the Investment Custodian, or at such other place or places as Investment Custodian shall think fit, and shall at all times be open to the inspection of the Founder, but no person, other than the Founder, Qatar Central Bank, Fund Manager, Investment Custodian or Auditor or other person whose duty requires and entitles him to do so, shall be entitled to inspect the books, accounts, documents or writings of the Fund, except as provided by the Directive or the Law or otherwise authorized by the Founder.
- (h) The Investment Custodian shall provide the Founder with a copy of any report issued by them prior to publication of such report. The Investment Custodian may not publish a report without the consent of the Founder.
- (i) Pursuant to the Service Agreements the Investment Custodian:
  - (i) shall not be liable to the Fund, the Founder or the Fund Manager or any third party for any indirect, consequential, exemplary, incidental, special or punitive damages, including lost profit damages arising from the Fund, the Founder or the Fund Manager's use of the Investment Custodian's services except for those damages that result from the negligence wilful default or fraud by the Investment Custodian his agents or representatives in carrying out the duties assigned to them as Investment Custodians according to the Articles of Association or the Service Agreements or from a breach of the Law, the Directive or the Instructions to banks of the Central Bank .
  - (ii) shall not participate in transactions and activities, or make any payments denominated in US dollars, which, if carried out by a US person, would be subject to sanctions by The Office of Foreign Assets Control of the US Department of the Treasury.
  - (iii) and their respective agents, sub-custodians or delegates they may appoint, (each of them a 'protected party'), are entitled to be indemnified and held harmless from and against all actions, proceedings, claims, demands, losses, costs and expenses whatsoever (including the fees and expenses of legal advisors) incurred or sustained by the protected party in relation to the activities of the Fund, unless such action, proceeding, claim, demand, cost or expense were incurred or sustained as a result of the protected party's fraud, wilful default or negligence in the performance of their obligations under the Service Agreements, breach of the Law, the Directive or the Instructions to banks of the Qatar Central Bank.
  - (iv) shall appoint such sub-custodians, agents and delegates as they think fit to perform in whole or in part any of their duties (included in such appointment are powers of sub-delegation .
- (j) The Investment Custodian shall not be liable to any person whatsoever (including to the Founder, the Fund or any unit holders) in respect of any assets which are outside the effective and exclusive control of the Investment Custodian.
- (k) The Founder and the Fund acknowledge that there are particular difficulties in establishing the authenticity of fixed income securities and unlisted securities. Accordingly, although the Investment Custodian will endeavour to confirm that, on its face, an instrument and/or securities' certificate appears genuine, the Investment Custodian will exert reasonable due

diligence to verify the validity and correctness of these securities but will not be liable for any defect in such validity or authenticity.

- (l) The Investment Custodian shall use reasonable care in calculating the Net Asset Value of the Fund. The Investment Custodian may rely upon, and will not be responsible or liable for the accuracy of, financial data furnished to it by third parties including automatic processing services, brokers, market makers or intermediaries, the Fund Manager, and any administrator or valuations agent of other collective investments into which the Fund invests provided that reasonable care is used in verifying the accuracy of such data.
- (m) The Founder, the Fund or the Fund Manager may from time to time open accounts with any bank or other persons in its name as it deems advisable and the Investment Custodian shall, upon receipt of and pursuant to the Instructions, place cash held by or to its order with such bank or other persons. Notwithstanding any other provisions herein contained the Investment Custodian shall not be responsible for the safekeeping of cash deposited with or remaining in any such account or accounts and will not be liable for any loss occasioned by reason of the liquidation, bankruptcy or insolvency of such bank or other persons.
- (n) The Investment Custodian may on the instruction of the Founder 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 Fund will not be responsible for any loss to the value of these shares held in these trading accounts as such shares are no longer under the effective and exclusive control of the Investment Custodian and have been placed in trading accounts accessible by third party brokers.
- (o) The Investment Custodian, and its employees and agents (i) are not directly involved with the business affairs, organization sponsorship, investment objective and strategy, policy, investment restrictions, financing restriction, borrowing restrictions or operating guidelines of the Fund or investment management of the Founder, the Fund Manager or the Fund; and (ii) are not responsible for the preparation of these Articles and the Prospectus and therefore accept no responsibility for any information contained in these Articles and the Prospectus, except descriptions herein and therein of the Investment Custodian, and their provision of custodial, administrative and registrar services to the Fund.

## **ARTICLE 19**

### **The Rights and the Obligations of Unitholders**

- (a) The liability of each Unitholder in relation to each Unit owned is limited to the Subscription Price (plus any subscription fee payable).
- (b) The provisions and rules of these Articles, the Investment Management Agreement, the Administration Agreement, the Registrar Agreement and the Custodian Agreement and each Unitholders subscription form in relation to its subscription to the Units shall be binding on each Unitholder as if he had been a party thereto and had covenanted to be bound by the terms thereof and such provisions and rules authorize and require the Founder, the Fund Manager, and the Investment Custodian to do things required of them under the terms thereof.
- (c) Each Unit of the Fund shall confer equal rights and liabilities on its holder to those conferred on each other holder of a Unit. A Unitholder shall in particular, enjoy the following rights:
  - (i) to receive a proportionate share of all the assets of the Fund at the time of liquidation;
  - (ii) to request the Fund Manager provide to it any report or financial information which the Fund Manager is required to provide to Unitholders or otherwise publish; and
  - (iii) subject to the restrictions on transfer and redemption, to dispose of or redeem the Units which it owns.

- (d) A Unitholder shall not be held liable for the debts and obligations of the Fund except to the extent of the nominal value of its Units.
- (e) Pledging of the Fund assets:
- (i) No creditor of a Unitholder or heir of a Unitholder may:
- (A) take or assert a lien, pledge, charge or any other form of security interest over or in respect of any assets or investments of the Fund;
- (B) request the division or sale of any assets or investments of the Fund; or
- (C) otherwise interfere in the management of the Fund or the assets or investments of the Fund.
- In exercising any right which a creditor or heir may purport to have in relation to any Unit, such creditor or heir shall not be entitled to any further information than would otherwise be publicly available.
- (ii) Fund assets and investments may not be pledged for the recovery of any debts due from any Unitholder. A Unit in the Fund may be pledged by a Unitholder and such pledge may be noted by an entry in the Unitholder Register pursuant to receipt of a notice of pledge signed by the Unitholder and the secured party. The interest of the secured party in the Unit will not be cancelled except by written notice from the secured party and the Fund Manager and the Investment Custodian will not agree to the transfer or redemption of Units so pledged without the prior written consent of the secured party.

## ARTICLE 20

### Fund Reports

- (a) In providing reports in respect of the Fund, the Fund Manager shall endeavour to provide to Unitholders and any other recipient:
- (i) a good and fair description of the Fund's business, operations, activities and financial position;
- (ii) a good reference for internal and external audit; and
- (iii) a reliable basis from which to assess the performance of the Fund and, in relation to the Unitholders, their investment in the Units.
- (b) Any report issued by the Fund Manager shall be in accordance with the requirements of these Articles, the Prospectus, the Law and the Directive.
- (c) The Fund Manager's annual report containing the Net Asset Value of the Units shall be published in at least two local newspapers, one of which shall be in Arabic and the other one in English.
- (d) Reports:
- (i) **Quarterly Financial Reports:** It is the responsibility of the Fund Manager to prepare quarterly financial reports. However the Fund Manager has delegated this responsibility to the Investment Custodian and therefore:
- The Investment Custodian, with the assistance of the Fund Manager, shall prepare quarterly reports on the Fund's activities and its financial data, to be reviewed by the Fund's Auditor within 30 (thirty) days from the lapse of each quarter (the "Quarterly Financial Reports"); and

- The Fund Manager, shall provide the Central Bank with copies of all such Quarterly Financial Reports at least 10 (ten) days before their publication. containing:
  - (A) a summary of all transactions performed on behalf of the Fund during the relevant quarter;
  - (B) the Net Asset Value of the Fund as at the most recent Valuation Day
  - (C) the Subscription Price and the Redemption Price as at the most recent Valuation Day;
  - (D) any other information relating to the financial position, operations and activities of the Fund which the Fund Manager or the Investment Custodian wishes to disclose in relation to the Fund;
  - (E) confirmation of compliance by the Fund Manager with the investment and risk policies specified in these Articles;
  - (F) financial position and explanations of the Fund;
  - (G) the income statement and explanations;
  - (H) realised return rates;
  - (I) statement of cash flow;
  - (J) statement of changes in Net Asset Value of investment Unitholders;
  - (K) disclosures of the accounting policies and risk management;
  - (L) report of the auditor; and
  - (M) any other information or data that the Founder may determine from time to time must be included in such report.
  
- (ii) **Annual Financial Statements:** It is the responsibility of the Fund Manager to prepare audited annual financial statements. However the Fund Manager has delegated this responsibility to the Custodian and therefore: The Custodian, with the assistance of the Fund Manager, shall prepare an annual financial statement for the Fund, audited by the Auditor, in accordance with IFRS issued at the end of the month of February after the end of the financial year of the Fund and should contain:
  - (a) The financial position and explanations of the fund;
  - (b) the income statement and explanations;
  - (c) realized return rates;
  - (d) statement of cash flows;
  - (e) statement of changes in asset value of investment documents' holders;
  - (f) disclosures of the accounting policies and risk management;
  - (g) report of the auditor; and
  - (h) any other information relating to the financial position, operations and activities of the Fund which the Fund Manager or the Investment Custodian wishes to disclose in relation to the Fund

The Fund Manager shall provide the Central Bank with a copy of the audited annual financial report of the fund and the report of the auditor with the audit results (Management Letter) within at least one month before the publishing date set in the Executive Regulations (two months of the fiscal year end). The annual financial report may be issued and published if the Central Bank does not furnish any comments during this period.

The Fund Manager shall publish the audited annual financial statement in at least two local newspapers, one of which shall be in Arabic and the other one in English

## **ARTICLE 21**

### **Financial Year and Financial Reporting Standards**

- (a) The first financial year of the Fund shall commence on the date on which the Fund commences its operations and shall end on the 31<sup>st</sup> day of December 2013. Thereafter, the financial year of the Fund shall commence on January 1<sup>st</sup> and shall end on 31<sup>st</sup> December of each year.
- (b) When the fund launches its activities during the fiscal year, the first financial period of the fund can be extended for more than twelve months and for a period not exceeding eighteen months, provided that Central Bank is notified.
- (c) All financial statements and accounts for the Fund shall be prepared in accordance with International Financial Reporting Standards (IFRS).

## **ARTICLE 22**

### **Amendment of Documents**

- (a) No amendment, alteration or addition may be made to the Investment Management Agreement, the Administration Agreement, the Registrar Agreement or the Custodian Agreement unless approved by the Central Bank and the Founder's Board of Directors or such person to whom the Board of Directors has delegated power to act on its behalf on such issues, PROVIDED ALWAYS THAT no such approval shall be required for any amendment, alteration or addition which is required solely to implement any change or amendment in the law, the Directive or any other relevant law or regulation, or any amendment related to the interpretation of the law or Directive or any other relevant law or bylaw.
- (b) Amendments in these articles can be made by the Founder subject to Qatar Central Bank approval.

## **ARTICLE 23**

### **Termination and Liquidation of the Fund**

- (a) The Fund shall be terminated and liquidated in accordance with these Articles, the Law and the Directive in the following circumstances:
  - (i) expiry of the term fixed for the Fund;
  - (ii) completion of the objective for which the Fund was established;
  - (iii) if a court ruling is passed requiring, or the Central Bank requests, the termination and liquidation of the Fund;
  - (iv) liquidation of the Founder, or if the Founder is declared bankrupt (unless a third party assumes the role of the Founder in relation to the Fund after having obtaining the approval of Central Bank to do so);
  - (v) Unitholders owning at least 50% of the Units request that the Fund be terminated and Unitholders owning at least 75% of the Units approve the termination in writing or in a special general meeting; or
  - (vi) the Founder otherwise believes it is in the best interests of the Fund or the Unitholders that the Fund be liquidated.

- (b) The liquidation of the Fund after its termination shall be in accordance with the following provisions:
- (i) Immediately following the occurrence of any one or more of the circumstances set out in paragraph (a) above:
    - (A) If any of the events in paragraph 25(a) occur, the Founder shall notify the Central Bank in order for the Central Bank to take the necessary action to issue a resolution regarding the termination or liquidation of the Fund, notify the Central Bank about the liquidation procedures to be followed and the liquidator to be appointed according to the liquidation procedure;
    - (B) Upon issuance of resolution of the Fund's termination of the Fund and during the liquidation, the Founder shall provide the Central Bank with a periodical report at least every month which contains the outcomes of the liquidation and the liquidation procedures, and also provide any of the expert reports if such experts have been employed.
    - (C) If the Central Bank requests the termination of the Fund, the Founder will announce the Central Bank's request by recording it in the register of funds at the Ministry of Business and Economy and Commerce within one week of the resolution;
    - (D) the Founder shall publish the decision to terminate and liquidate the Fund in at least two local newspapers, one of which shall be in Arabic and the other one in English within two weeks of the resolution;
    - (E) the Founder shall, in the absence of the appointment of a liquidator by a court order, appoint a suitably qualified person or entity as the liquidator of the Fund and its assets;
    - (F) the Fund shall cease taking any further subscriptions or accepting redemption requests; and
    - (G) none of the Founder, the Fund Manager, or the Investment Custodian may enter into any new transactions in the name of the Fund or commit its assets and/or money in any new investments in relation to any such transactions (although they may complete transactions to the extent that they are legally bound to do so).
  - (ii) Each of the Founder, the Fund Manager, and the Investment Custodian shall continue in their roles in relation to the Fund and will remain obligated to the Fund, the Unitholders and any third parties until completion of the liquidation of, or the appointment of a liquidator for, the Fund
  - (iii) During the period of its liquidation, the Fund shall keep its legal identity to the extent necessary for the proceedings in liquidation and there shall be added to the name of the Fund during the period of liquidation the expression "under liquidation"
  - (iv) Immediately upon appointment, the liquidator shall take an inventory of the Fund's assets and liabilities and shall issue a detailed list thereof and financial statements in relation to the Fund to be signed by the liquidator and the Fund Manager.
  - (v) The liquidator may not embark on any new investments or other activities for the Fund save those necessary to complete any transactions which is legally obliged to complete and, unless the liquidator has been appointed by court order, may not sell the assets of the Fund except with the prior written consent of the Founder.
  - (vi) The liquidator shall sell the movable and immovable assets of the Fund either by public auction or any other manner unless his deed of appointment specifies a different

procedure for sale. The liquidator shall pay off the debts of the Fund and provide for payment of contingent or disputed debts.

- (vii) After payments of all debts resulting from the liquidation process and after satisfaction of debts owing to the Fund's creditors (including the payment of fees and expenses of the Fund), all proceeds received from the liquidation of the Fund's assets shall be distributed amongst all Unitholders on a pro rata basis calculated by reference to the number of Units each Unitholder holds in the Fund.
- (c) The liquidator shall submit to the Founder an interim report every six months on the liquidation.
- (d) Within one month of publishing the resolution of the Fund termination, the Founder shall provide the Central Bank with the audited financial accounts of the Fund for the period of the date of the last audited financial annual report till the date of the liquidation.
- (e) Within one month of the end of the liquidation process, the Founder shall provide the Central Bank with the liquidator's final report about the proceedings followed to liquidate the Fund, the unit price which was adopted to settle the Unitholders' rights, and the appointment of an approved auditor to audit and advice upon the liquidation proceedings.
- (a) Once all assets of the Fund have been liquidated and the proceeds distributed in accordance with this Article, the liquidator shall submit to the Founder the final statement for account of the liquidation process along with a copy to the Central Bank. The liquidation process will be completed upon the approval of such final account by the Founder and the auditor. The liquidator shall declare the completion of the liquidation process in the Investment Fund Register held at the Ministry of Economy and Commerce and in two local newspapers of which one must be in English and the other Arabic, and shall de-register the Fund from the Investment Fund Register at the Ministry of Economy and Commerce.
- (f) The Founder must keep the Fund's books of accounts and documents and records for a period of 10 years commencing on the date on which the Fund is de-registered from the Investment Fund Register held at the Ministry of Economy and Commerce.

## **ARTICLE 24**

### **Auditor**

- (a) The Founder shall, from time to time, request bids for the position of Auditor to the Fund from among those licensed to practice the audit profession in the State of Qatar. Such bids shall be assessed on the basis of qualifications, experience and price by the Founder
- (b) The successful bidder shall be appointed by the Founder to be the Auditor of the Fund for an initial period of one year. If, at the end of that year, the Founder wishes to renew the appointment it may do so subject to a limit on successive appointments of five years. The Auditor shall carry out its duties in accordance with the provisions and rules of these Articles, the Law and the Directive.
- (c) The Auditor shall have the right to review, at any time, the books, records and other documents of the Fund held by the Founder, the Fund Manager, the Investment Custodian or any other party. As well, it shall have the right to demand any details or clarifications from any such person or entity it deems necessary, and to verify the assets and liabilities of the Fund. If, at any time, it is unable to obtain the information or documentation it requires the Auditor shall advise the Founder in writing of such difficulties.
- (d) The Auditor will submit a written report in respect of the Fund's financial position and accounts to the Founder within one (1) month of the end of each financial year. The auditor's report should include the following:
  - (i) whether it was provided with the information and documentation it deemed necessary for the performance of its duties as the Auditor of the Fund;

- (ii) whether the subscription procedures for the Fund are in accordance with these Articles, the Law and the Directive;
  - (iii) whether the balance sheet and profit and loss account present a true and fair view of the financial position of the Fund in accordance with International Financial Reporting Standards (IFRS) and are otherwise in compliance with the requirements of these Articles, the Law and the Directive.
  - (iv) if the Fund maintains, on a continuous basis, full and accurate financial records.
  - (v) if the records relating to the assets of the Fund and valuations of those assets were carried out in accordance with International Financial Reporting Standards (IFRS).
  - (vi) if the duties and responsibilities of the Fund Manager, and the Investment Custodian have been carried out in accordance with these Articles, the Law and the Directive.
  - (vii) if the periodic reports prepared by the Fund Manager provide true and accurate financial information in respect of the Fund and its investments and comply with International Financial Reporting Standards (IFRS).
  - (viii) if there were, to the best of its knowledge based on the information available to it, any breaches of these Articles, the Law or the Directive during that financial year which was, or may be, harmful to the operations and financial position of the Fund.
- (e) The Auditors will provide any information it is reasonably able to provide which requested by the Founder.
  - (f) The Auditors will provide any report issued by it in relation to the Fund to the Founder and to the Central Bank.

## **ARTICLE 25**

### **Disputes**

These Articles shall be governed by and construed in accordance with the laws of the State of Qatar. Any dispute rising from or connected with these Articles shall be referred to Qatari courts for final determination.

## **ARTICLE 26**

### **Indemnity**

- (a) The Fund indemnifies and holds harmless the Founder and the Fund Manager and their respective agents (each of them a 'protected party'), from and against all actions, proceedings, claims, demands, costs and expenses whatsoever (including the fees and expenses of legal advisors) incurred or sustained by the protected party in relation to the activities of the Fund, unless such action, proceeding, claim, demand, cost or expense were incurred or sustained as a result of the protected party's negligence, fraud, wilful default, breach of these Articles, the Prospectus, the Law, the Directive or the Instructions to banks of the Qatar Central Bank.'
- (b) Except to the extent otherwise set out in these Articles, the Law and the Directive, the Fund Manager shall not be responsible for any loss, liability, cost, claim, damage, expense, demand, tax, levy, impost or other duties suffered or incurred by the Fund as a result of any advice given or transaction effected under these Articles (including without limitation any loss or damage caused by a depreciation in value of any Investment or any adverse tax consequence) other than loss, liability, cost, claim, damage, expense, demand, tax, levy, impost or other duties arising directly as a consequence of the misuse of power, negligence or default of the Fund Manager or any of its directors, officers, employees, agents or delegates.

## ARTICLE 27

### Notices

All notices or documents or other communications addressed or posted in accordance to these Articles shall be written in Arabic and English and the Arabic language text shall be the official language and the base for the interpretation of any disputed provision. These notices shall be considered posted, served and deemed in effect if:

- (a) it was sent to the address or contact details as registered in the Unitholder Register, and in the case of correspondence with the Fund Manager the address shall be:

Tornado Tower, West Bay PO Box 23146, Doha, Qatar

- (b) (i) it was delivered personally to the authorized representative of the person whom the notice is sent to;
- (ii) it was sent by prepaid guaranteed post service.
- (iii) it was sent by fax provided a transmission record is generated simultaneously with such facsimile transmission indicating complete transmission of the communication.

## ARTICLE 28

### General Provisions

- (a) These Articles shall be deposited and published in accordance with the provisions of the laws of the State of Qatar.
- (b) The Law and the Directive shall apply where no specific provisions is made in these Articles. Further, all the amendments to the Law and the Directive shall be considered integral provisions to these Articles or amending to them, as the case may be.
- (c) These Articles have been issued after the approval of the Ministry of Economy and Commerce (Registration number of the Fund: 57042 and the approval of the Central Bank (License number of the Fund: I.F/15/2011)).
- (d) The Fund's director for the purposes of article 7 of (the Law is not a director or executive director of the Founder).
- (e) The Fund may share relevant information of the Investors, for the purposes of satisfying internal compliance and anti-money laundering procedures, with the Fund's associates including the Founder, Fund Manager, and Investment Custodian
- (f) If a provision of these Articles and a term of a contract relating to the Fund with the Investment Custodian, or the Fund Manager cover the same subject or are inconsistent, the provisions of these Articles prevail.

## ARTICLE 29

### Definitions

In these Articles the following terms (not otherwise defined or described) have the following meanings:

**Fund Administration Service Agreement**

The agreement between the Founder, the Fund and the Investment Custodian pursuant to which the Founder, acting on behalf of the Fund has appointed the Investment Custodian to act as the administrator of the Fund and to provide certain administrative services to the Fund.

**Articles**

These Articles of Association of the Fund, as amended from time to time.

<b>Auditor</b>	KPMG or the other entity appointed from time to time by the Founder to act as auditor to the Fund.
<b>Business Day</b>	Any day on which banks in Qatar are open for normal banking
<b>Central Bank</b>	Qatar Central Bank.
<b>Closing Date</b>	In relation to any Subscription, the Valuation Day on which Units are issued to subscribers.
<b>Custodian Agreement</b>	The agreement between the Founder, the Fund and the Investment Custodian pursuant to which the Founder, acting on behalf of the Fund has appointed the Investment Custodian to act as the Investment Custodian, of the Fund and to provide Investment Custodian services to the Fund.
<b>Founder</b>	Doha Bank (Q.P.S.C.), in its capacity as founder of the Fund.
<b>Fund</b>	The AL HAYER Fund – Class A, a fund incorporated under the laws of Qatar, (Law no. 25 of 2002).
<b>Investment Custodian</b>	<p>Standard Chartered Bank, acting through its Qatar Branch has been appointed by the Fund as administrator to the Fund pursuant to the terms of the Fund Administration [Services] Agreement.</p> <p>Under the supervision of the Directors, the Administrator will be responsible for providing certain fund administration services to the Fund in accordance with the provisions of the Fund Administration Services Agreement. These include the calculation of the Net Asset Value of the Fund and the Net Asset Value per Interest and transfer agency services in connection with the subscription and redemption of Interests in the Fund.</p>
<b>Fund Manager</b>	Aventicum Capital Management (Qatar) LLC or such other entity appointed from time to time by the Founder to be the fund manager for the Fund.
<b>GCC</b>	Gulf Cooperation Council.
<b>Minimum Subscription</b>	For the first subscription US\$ 100,000 and for each further US\$ 10,000. These amounts may be amended from time to time by the Founder. The mentioned amounts exclude any subscription fee.
<b>Net Asset Value</b>	The net asset value of the Fund or per Unit, as the context may require, calculated as described in Articles 13(a) and (b).
<b>Non-Qualified Person</b>	<p>Any person:</p> <ul style="list-style-type: none"> <li>(a) in a jurisdiction in which the offer or invitation is not authorised or permitted;</li> <li>(b) in a jurisdiction in which the person making the offer or invitation is not qualified to make the offer or invitation;</li> <li>(c) in a jurisdiction to whom it is unlawful to make the offer or invitation; or</li> <li>(d) whose possession of Units obliges the Founder to register the Fund or Units or seek approval for them, in a place other than Qatar to comply with laws outside of Qatar.</li> </ul>

<b>Qualifying Exchange</b>	QE, the securities exchanges of GCC and other countries approved by the Founder and Fund Manager.
<b>Quarterly or Quarter</b>	Each three month period ending on the last day of March, June, September, and December.
<b>QE</b>	The Qatar Exchange.
<b>Redemption Amount</b>	The product of the Redemption Price and the number of a Unit Holder's Units which are redeemed. This amount excludes the Redemption Fee.
<b>Redemption Date</b>	Each Valuation Date determined by the Founder to be a date on which redemptions will be permitted of Units in the Fund unless redemptions are suspended.
<b>Redemption Price</b>	The price at which Units will be redeemed both in respect of redemptions at the option of Unitholders and in respect of compulsory redemptions at the option of the Fund and calculated as described in Article 12(g).
<b>Registrar Agreement</b>	The agreement between the Founder, the Fund and the Investment Custodian pursuant to which the Founder, acting on behalf of the Fund, has appointed the Investment Custodian to act as the registrar, of the Fund and to provide certain registrar services to the Fund.
<b>Retail Investors</b>	Qatari and non-Qataris natural persons, whether or not Founder's customers.
<b>Subscription Amount</b>	The amount paid or payable for all Units allocated to a subscriber.
<b>Subscription Price</b>	The price at which Units are being offered in respect of any Valuation Day, calculated as described in Article 10(d).
<b>Unit</b>	Each Unit in the Fund.
<b>Unitholders</b>	The registered holders of Units from time to time who shall at no time exceed 100 Unitholder
<b>USD or US\$</b>	The lawful currency of the United States of America.
<b>Unitholder Register</b>	The register of Unitholders referred to in Article 13.
<b>Valuation Day</b>	The last Business Day in each calendar month on which the QE is open for business or the other days the Founder may nominate as a Valuation Day.

Also, headings do not affect interpretation and unless the context otherwise requires; the singular includes the plural and vice versa; a gender includes the other genders; person includes a firm, juristic entity, corporation, authority or association; a reference to any instrument includes a reference to that instrument as varied from time to time; a reference to a person includes its successors, representatives and permitted assigns; a reference to a time is a reference to a time in the Gregorian calendar; anything after including or includes does not limit what might else be included; and a reference to any law or by-law includes all amendments to it and any law by-law enacted in substitution for it and all instruments, official directives, decrees or guidelines issued under it and in force.

**FOUNDER**

Doha Bank (Q.P.S.C.)

**FUND MANAGER**

Aventicum Capital Management (Qatar) LLC

**INVESTMENT CUSTODIAN**

Standard Chartered Bank, Qatar Branch

**AUDITORS**

KPMG