

# PROSPECTUS

## ADIB ISLAMIC PUBLIC FUND OPEN-ENDED PCC PLC

An open-ended protected cell company incorporated under the laws of the Dubai International Financial Centre (“DIFC”) with registered number 4630 and registered as a Public Fund under the laws of the DFSA with effect from 18 April 2021

**Azimut (DIFC) Limited**  
(Fund Manager)

**August 2021**

This Prospectus relates to a Public Fund established and existing in accordance with the Collective Investment Law No. 2 of 2010 and the Collective Investment Rules of the Dubai Financial Services Authority (“DFSA”).

**The DFSA does not accept responsibility for the content of the information included in the Prospectus, including the accuracy or completeness of such information. The liability for the content of the Prospectus lies with the Fund and other persons, such as experts, whose opinions are included in the Prospectus with their consent. The DFSA has also not assessed the suitability of the Participating Shares to which the Prospectus relates to any particular investor or type of investor and has not determined whether they are Shari’a compliant.**

**If you do not understand the contents of this Prospectus or are unsure whether the Participating Shares to which the Prospectus relates are suitable for your individual investment objectives and circumstances, you should consult an authorised financial advisor.**

**The Participating Shares to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of such Participating Shares should conduct their own due diligence.**

## IMPORTANT NOTICES

This prospectus (“**Prospectus**”) is intended solely for use, on a confidential basis, by those persons to whom it has been delivered for the purpose of enabling the recipient to evaluate an investment in shares in ADIB Islamic Public Fund Open-Ended PCC Plc (the “**Fund**”). Unless the context otherwise requires, words and expressions defined in Section 8 shall have the same meanings where used in this Prospectus.

## RESPONSIBILITY

The Fund Manager and the Directors, whose names appear on page (vii), accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Fund Manager and the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Advisor and the Promotor, whose names appear on page (vii) shall not be responsible for the information contained in this Prospectus.

## PROTECTED CELL COMPANY STRUCTURE

The Fund is established as an open ended protected cell company in accordance with the provisions of the PCC Regulations. As a protected cell company, the Fund is permitted to create one or more Protected Cells in order to segregate the assets and liabilities of the Fund held on behalf of such Protected Cell from the assets and liabilities of the Fund held on behalf of other Protected Cells, or which are not held on behalf of any Protected Cell. The assets and liabilities of each Protected Cell shall be segregated from the assets and liabilities of the other Protected Cells. The shareholders in respect of a Protected Cell shall only be entitled to share in the assets and liabilities of the Protected Cell and shall not be entitled to share in the assets and liabilities of any other Protected Cell. Notwithstanding the segregation of assets and liabilities between Protected Cells, the Fund is a single legal entity and no Protected Cell constitutes a legal entity separate from the Fund itself (see further in the section titled “Risk Factors” under the headings “Protected Cell Status” and “Cross Liability Issues”).

The Fund may create multiple classes and/or series for the account of any Protected Cell. Accordingly, references to (i) the Fund and (ii) any Protected Cell will, where relevant, be construed as including references to the Fund for the account of the relevant Protected Cell. All Shares within each class and/or series in a Protected Cell will rank *pari passu* save as provided for in this Prospectus and relevant Supplement.

On the creation of any new Protected Cell or the creation of any new Class of Shares in respect thereof, the Directors will prepare a new or revised Supplement, as the Directors may in their absolute discretion deem appropriate, setting out the relevant details of each Protected Cell or new Class of Shares issued thereunder, as the case may be. The Directors will not be obliged to provide holders of Shares in respect of one Protected Cell with notification of the creation of any other Protected Cells, the creation of any new class or series within a Protected Cell, or of the terms applicable thereto.

Each Protected Cell may have different terms and conditions from those of the other Protected Cells and such terms and conditions will be set out in the relevant Supplement relating to such

Protected Cell. Each Supplement will form part of and should be read in the context of, and together with, this Prospectus. In the event of any inconsistency between the provisions of this Prospectus and the relevant Supplement, the Supplement will prevail.

## **TRANSFER RESTRICTIONS**

The Shares may not be sold, transferred, assigned, hypothecated or otherwise disposed of, in whole or in part, except as provided in the articles of association of the Fund, as amended and/or restated from time to time (the “**Articles**”). The Fund has the right compulsorily to redeem the Shares. Investors may redeem their Participating Shares subject to and in accordance with the provisions of this Prospectus, the relevant Supplement and the Articles. There is no public or other market for the Shares and none is expected to develop.

## **RISKS**

An investment in the Fund involves a high degree of risk and is suitable only for investors who fully understand and who can bear the risks of such an investment for an indefinite period and who can afford a total loss of their investment. In addition, potential investors should be aware that there will be occasions when the Fund Manager, the Promotor, the Advisor and/or their respective affiliates may encounter conflicts of interest in connection with the Fund. All potential investors must carefully read the Section entitled “Certain Risk Factors and Potential Conflicts of Interests” in this Prospectus before making an investment in the Fund.

## **MODIFICATION AND WITHDRAWAL OF OFFER**

The Fund Manager reserves the right to modify, withdraw or cancel any offering made pursuant to this Prospectus, and any Supplement, at any time prior to consummation of the offering and to reject any subscription, in whole or in part, in its sole discretion.

## **OFFERING MATERIALS**

No offering materials will or may be employed in the offering of Shares except for this Prospectus, any Supplement and the documents summarized herein. No person has been authorized to make representations or give any information with respect to the Fund or the Shares except for the information contained in this Prospectus. Potential investors should not rely on information not contained in this Prospectus, any Supplement or the documents summarized herein.

## **CONFIDENTIALITY**

Recipients, by their acceptance and retention of this Prospectus, acknowledge and agree to preserve the confidentiality of the contents of this Prospectus, any Supplement and all accompanying documents and to return this Prospectus and all such documents to the Promotor, the Fund Manager or the Administrator if the recipient does not purchase any Shares. Neither this Prospectus, nor any Supplement or any of the accompanying documents may be reproduced in whole or in part, nor may they be used for any purpose other than that for which they have been submitted, without the prior written consent of the Fund.

## **CURRENT LAW**

This Prospectus and any Supplement are based on the law and practice applicable to investment funds of the type described in this Prospectus, or any Supplement, currently in force in the DIFC to the extent they do not conflict with the Shari'a rules and principles as set out in the Shari'a Standards (the "**Standards**") of the Accounting and Auditing Organization for Islamic Financial Institutions (the "**AAOIFI**"). In the event of any inconsistency between this Prospectus and the Standards, the Standards shall prevail and this Prospectus shall be amended to avoid any such inconsistency.

### **NO ADVICE**

Investors are not to construe the contents of this Prospectus and any Supplement as legal, business or tax advice. Each prospective investor should consult its own attorney, business advisor, Shari'a advisor and tax advisor as to legal, business, Shari'a, tax and related matters concerning this offering.

### **OFFERING RESTRICTIONS**

The distribution of this Prospectus and any Supplement and the offer and sale of the Participating Shares in certain jurisdictions may be restricted by law. Prospective investors should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business with respect to the acquisition, holding or disposal of Shares, and any foreign exchange restrictions that may be relevant thereto. This Prospectus and any Supplement do not constitute an offer to sell or a solicitation of an offer to buy Shares in any jurisdiction to any person to whom it is unlawful to make such an offer or sale. Prospective investors should review Appendix A hereto for a list of offering restrictions in certain jurisdictions.

None of the Fund, any Protected Cell, the Fund Manager, the Promotor or the Advisor is making any representation to any offeree or investor in the Fund regarding the legality of investment by such offeree or investor under applicable investment or similar laws.

### **ARTICLES**

This Prospectus and any Supplement are subject to and qualified in their entirety by reference to the Articles and the Subscription Agreement which should be reviewed for complete information concerning the rights, privileges and obligations of investors in the Fund. In the event that the description or terms in this Prospectus or any Supplement are inconsistent with or contrary to the descriptions in or terms of the Articles or the Subscription Agreement, the Articles and the Subscription Agreement shall prevail.

### **SOURCE OF INFORMATION**

Certain of the information contained in this Prospectus or any Supplement is based on, or derived from, published sources or information provided by third parties. None of the Fund, the Fund Manager, the Promotor, the Advisor or any of their respective directors, officers, shareholders, affiliates, employees or agents assume or accept any responsibility for the accuracy or completeness of such information.

## FORWARD LOOKING STATEMENTS

This Prospectus and any Supplement may contain forward-looking statements relating to future events or the future performance of the Fund. In some cases, forward-looking statements can be identified by terminology such as “anticipate,” “believe,” “continue,” “estimate,” “expect,” “intend,” “may,” “plans,” “projects,” “should,” “will,” the negative of such terms or other comparable terminology. These statements are only predictions. Actual events or results may differ materially. In evaluating these statements, prospective investors should specifically consider various factors, including the risks outlined in the Section herein entitled “Certain Risk Factors and Potential Conflicts of Interest”. These factors may cause actual events or results to differ materially from any forward-looking statement.

## SHARI’A NOTICE

The Fund is classified as an Islamic Fund for the purposes of the DFSA Rulebook.

All operations of the Fund, or any Protected Cell, will be conducted in accordance with the applicable rules and principles of Shari’a and the Islamic Finance Rules module of the DFSA Rulebook and the principles of Shari’a as set out in the Standards, in each case with guidance and oversight from the Shari’a Supervisory Board (as defined below).

All investments made by each Protected Cell shall be in accordance with the relevant Shari’a Investment Guidelines and Shari’a Operational Guidelines as approved by the Shari’a Supervisory Board and attached to the relevant Supplement.

Any earnings prohibited by Shari’a will be donated to one or more charitable organisations selected by the Fund Manager with the approval of the Shari’a Supervisory Board. Zakat is the responsibility of the Shareholders.

All shareholders of a Protected Cell shall rank *pari passu* as amongst themselves and no class of shares of the Protected Cell shall grant the shareholders therein any preference over the rights of any other shareholder in the Fund.

This Prospectus and the Articles have been reviewed and approved by the Shari’a Supervisory Board.

The Shari’a approval process which relates to the Fund has been carried out in accordance with the legislation applicable in the Dubai International Financial Centre.

## PROSPECTUS

This document, including any Supplement, is the Prospectus of a Public Fund and contains information valid as at the date of its signing by the Fund Manager and the Directors. This Prospectus shall expire one year after the date of this Prospectus. No Participating Shares shall be issued on the basis of this Prospectus after such expiry date.

A copy of this Prospectus and any Supplement is available free of charge from the offices of the Fund Manager.

## INVESTOR INFORMATION REQUESTS

Copies of the Prospectus, any Supplement, the Articles and the Subscription Agreement may be found on the following website: [sukukfund@adib.com](mailto:sukukfund@adib.com)

Each prospective investor will also be afforded the opportunity to ask questions of, and receive answers from, the Fund Manager concerning the terms and conditions of the offering, the Shares and the information set forth herein, and to obtain any additional information or documents, including a copy of the Articles and the Subscription Agreement. Inquiries should be directed to:

**Azimut (DIFC) Limited**

Unit 16-45, Level 16, Central Park Tower  
Dubai International Financial Centre  
PO Box 506944  
Dubai, United Arab Emirates  
Tel: +971 4 703 8111  
Email: [funds@azimut.ae](mailto:funds@azimut.ae)

and

**Abu Dhabi Islamic Bank PJSC**

PO Box 313  
Abu Dhabi, United Arab Emirates  
Tel: +971 2 6100 600

Email: [sukukfund@adib.com](mailto:sukukfund@adib.com)

## **DIRECTORY**

### **Directors**

Giorgio Medda  
Tony Hchaime

### **Fund**

#### **ADIB Islamic Public Fund Open-Ended PCC Plc**

c/o Azimut (DIFC) Limited  
Unit 16-45, Level 16, Central Park Tower  
Dubai International Financial Centre  
PO Box 506944  
Dubai, United Arab Emirates

### **Fund Manager**

#### **Azimut (DIFC) Limited**

Unit 16-45, Level 16, Central Park Tower  
Dubai International Financial Centre  
PO Box 506944  
Dubai, United Arab Emirates

### **Advisor**

#### **Abu Dhabi Islamic Bank PJSC**

PO Box 313  
Abu Dhabi, UAE

### **Auditor**

#### **Grant Thornton**

Rolex Tower, 23rd Floor  
Sheikh Zayed Road  
P.O. Box 1620  
Dubai, United Arab Emirates

### **Administrator**

#### **Apex Fund Services (Dubai) Limited**

Office 101, Level 1, Building 5  
Gate Village  
Dubai International Financial Centre  
PO Box 506534  
Dubai, United Arab Emirates  
Email: [adibglobalsukukfund@apexfunddubai.ae](mailto:adibglobalsukukfund@apexfunddubai.ae)  
Tel: +9714 4289221

### **Shari'a Supervisory Board**

Dr. Mohamed Ali Elgari  
Dr. Esam Mohammed Ishaq  
Dr. Nizam Mohammed Saleh Ya'qoubi

### **Legal Counsel**

#### **Dechert LLP**

Unit S804, South Tower  
Emirates Financial Towers  
Dubai International Financial Centre  
PO Box 506675  
Dubai, United Arab Emirates

### **Custodian**

#### **The Northern Trust Company**

50 Bank Street  
London, E14 5NT  
United Kingdom

### **Promotor**

#### **Abu Dhabi Islamic Bank PJSC**

PO Box 313  
Abu Dhabi, UAE

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## 1. EXECUTIVE SUMMARY

This summary is qualified in its entirety by the more detailed information included, or referred to, in this Prospectus and/or the relevant Supplement.

### 1.1 Introduction

ADIB Islamic Public Fund Open-Ended PCC Plc is incorporated in the DIFC as an open-ended protected cell company and is a Public Fund, an Islamic Fund and an Umbrella Fund pursuant to the laws of the DFSA.

The investment objective, investment strategy and investment restrictions of each Protected Cell will be specified in the supplement to the prospectus in respect of each Protected Cell (the “**Supplement**”).

The Fund has appointed Azimut (DIFC) Limited to act as its fund manager (the “**Fund Manager**”). The Fund Manager is a company limited by shares incorporated in the DIFC on 31 July 2013 and licensed by the DFSA as of 22 August 2013 to carry on the financial service of, inter alia, Managing a Collective Investment Fund (as defined in General module of the DFSA Rulebook). The Fund Manager has an endorsement on its license to conduct Islamic Financial Business by Operating an Islamic Window.

The Fund Manager is controlled by Azimut Holding s.p.a. (“**AZH**”), a joint stock company incorporated in Italy.

The Fund Manager has appointed Abu Dhabi Islamic Bank PJSC to act as the advisor and promotor in respect of the Fund.

### 1.2 Summary of Principal Terms

<b>Fund</b>	ADIB Islamic Public Fund Open-Ended PCC Plc
<b>Fund Domicile</b>	Dubai International Financial Centre
<b>Fund Manager</b>	Azimut (DIFC) Limited
<b>Advisor</b>	Abu Dhabi Islamic Bank PJSC
<b>Directors</b>	Giorgio Medda and Tony Hchaimé
<b>Investment Objective</b>	The investment objective, investment strategy and investment restrictions of each Protected Cell will be specified in the relevant Supplement.
<b>Fund Term</b>	Indefinite
<b>Minimum Subscription</b>	The minimum subscription amount for each Protected Cell will be set out in the relevant Supplement.

<b>Management Fee</b>	The Fund will pay the Fund Manager a management fee in respect of each Protected Cell as specified in the relevant Supplement.
<b>Administrative Fee</b>	The Fund will pay the Fund Manager an administrative fee in respect of each Protected Cell as specified in the relevant Supplement.
<b>Advisory Fee</b>	The Fund will pay the Advisor an advisory fee in respect of each Protected Cell as specified in the relevant Supplement.
<b>Marketing Fee</b>	The Fund will pay the Advisor a marketing fee in respect of each Protected Cell as specified in the relevant Supplement.
<b>Subscription and Other Fee</b>	Subscription fee and/or any other applicable fee (including for the avoidance of doubt any service fees) payable by Participating Shareholders, if any, will be set out in the relevant Supplement.
<b>Legal Counsel</b>	Dechert LLP
<b>Administrator</b>	Apex Fund Services (Dubai) Limited
<b>Custodian</b>	The Northern Trust Company
<b>Auditor</b>	Grant Thornton
<b>Promotor</b>	Abu Dhabi Islamic Bank PJSC
<b>Shari'a Supervisory Board</b>	Dr. Mohamed Ali Elgari Dr. Esam Mohammed Ishaq Dr. Nizam Mohammed Saleh Ya'qoubi

## 2. MANAGEMENT AND GOVERNANCE

### 2.1 Fund Manager

The Fund has appointed Azimut (DIFC) Limited, a company limited by shares incorporated in the DIFC on 31 July 2013 and licensed by the DFSA, to act as its fund manager pursuant to a fund management agreement between the Fund, the Fund Manager and the Advisor (the “**Fund Management Agreement**”).

The Fund Manager is licensed by the DFSA to carry on the financial services of (a) Arranging Deals in Investments, (b) Advising on Financial Products; (c) Dealing in Investments as Agent; (d) Dealing in Investments as Principal, (e) Arranging Credit and Advising on Credit (f) Arranging Custody, (g) Providing Custody, (h) Managing Assets; and (i) Managing a Collective Investment Fund, each as defined in the General module of the DFSA Rulebook and subject to the restrictions and/or conditions of its license.

The Fund Manager has an endorsement on its license to conduct Islamic Financial Business by Operating an Islamic Window. The Fund Manager does not have a Retail Client endorsement.

The issued and paid up share capital of the Fund Manager is US\$ 8,300,000.

On 1 July 2017 New Horizon Capital Management Limited merged with the Azimut Group, Italy’s leading independent asset manager. Azimut Group (“**Azimut**”) is listed on the Milan Stock Exchange, has more than USD 65 billion of assets under management as at 31 July 2020 and is present in 17 locations worldwide. Azimut acquired 80% of New Horizon Capital Management Limited’s partner’s shares following regulatory approval and the company’s name was changed to AZ New Horizon Limited. In July 2018 Azimut acquired the remaining 20% of AZ New Horizon Limited’s partner’s shares and its name was further changed to Azimut (DIFC) Limited.

#### *Duties*

The Fund Manager will manage the Fund, each Protected Cell, and the Fund Property in accordance with the Fund Management Agreement, this Prospectus, any Supplement, the Articles, the CIL, CIR, the PCC Regulations, IFBL and IFR.

#### *Fees and Expenses*

Under the Fund Management Agreement, the Fund will pay the Fund Manager the Management Fee and the Administrative Fee (please see the section in this Prospectus entitled “Summary of Principal Terms” for details of fees).

The Fund Manager shall be responsible for all of its overhead costs including the salaries and other remuneration benefits of its directors, employees and agents and rent,

utilities and office supplies. The Fund will reimburse the Fund Manager as soon as practicable for any Fund Expenses and Organizational Expenses incurred by it.

#### *Termination and Removal of Fund Manager*

The Fund Management Agreement may be terminated by the Fund Manager and the Fund Manager may resign in certain circumstances including (i) following the second anniversary of the Initial Closing Date, by giving not less than 90 days' prior notice in writing to the Fund, (ii) at any time, if the Advisor or the Fund (as applicable) commits any material breach of its obligations under the Advisory Agreement or the Fund Management Agreement (as applicable) and such breach is not cured (if capable of remedy) within forty-five (45) days after receiving a notice from the Fund Manager setting out such breach in reasonable detail, (iii) at any time, in accordance with Section 4 "Reserved Matters"; or (iv) at any time, if the Advisor is Grossly Negligent or is engaged in fraud or wilful misconduct in connection with the performance of its obligations under the Advisory Agreement, provided however that the Fund Manager may only voluntarily retire where (a) a replacement fund manager has been appointed to the Fund in accordance with the CIL and the CIR; or (b) upon an application made by the Fund Manager to a Court, the Court has appointed a temporary fund manager to the Fund, in accordance with article 25(1) of the CIL.

The Fund Management Agreement may be terminated by the Fund and the Fund Manager may be removed and replaced:

- (a) at any time from the Initial Closing Date until the second anniversary of the Initial Closing Date (the "**Minimum Period**"), by giving not less than 180 days' notice in writing to the Fund Manager should the performance of the Fund (or a Protected Cell) fall below certain performance criteria as further detailed in the Fund Management Agreement;
- (b) at any time, following the end of the Minimum Period, by giving at least one year prior written notice to the Fund Manager (or such shorter notice period agreed to in writing by the Fund Manager);
- (c) at any time by notice in writing to the Fund Manager if (i) the Fund Manager commits any material breach of its obligations under the Fund Management Agreement and such breach is not cured (if capable of remedy) within forty-five (45) days after receiving a notice from the Fund, setting out such breach in reasonable detail; or (ii) the Fund Manager is Grossly Negligent or is engaged in fraud or wilful misconduct in connection with the performance of its obligations under the Fund Management Agreement;
- (d) at any time if the Fund Manager ceases to be authorised or regulated by the DFSA with appropriate licenses to the extent that such licenses are relevant to the performance of its duties under the Fund Management Agreement and, where such licenses are capable of renewal, fails to renew such licenses within thirty (30) days of their renewal date;

- (e) at any time, upon an order of Court pursuant to article 25(2) of the CIL; or
- (f) at any time by notice in writing to the Fund Manager, if the Fund Manager is wound up or enters into liquidation;

subject to the approval of the Shareholders by Special Resolution and the approval of the DFSA in accordance with article 35(6) of the CIL.

The Fund Management Agreement shall be automatically terminated in accordance with Section “Substitution” below and as further detailed in the Fund Management Agreement.

#### *Liability and Indemnification*

Pursuant to the Fund Management Agreement, to the fullest extent permitted by applicable law, none of the Fund Manager or its directors, officers, employees, Affiliates, advisors or agents (each, a “**Fund Manager Indemnified Party**”) shall be liable to the Fund, the Promotor, the Advisor, any Protected Cell or any Shareholder for any action taken or not taken by it or for any action taken or not taken by any other person with respect to the Fund, the Promotor, the Advisor, any Protected Cell or the Investments and/or in connection with any of the services under the Fund Management Agreement, provided that, any Fund Manager Indemnified Party seeking to rely on such provision was neither Grossly Negligent nor engaged in fraud or wilful misconduct in respect of such action taken or not taken.

Pursuant to the Fund Management Agreement, to the extent permitted by applicable law, each Protected Cell will indemnify, upon demand, each Indemnified Party, against any and all Losses which a Fund Manager Indemnified Party sustains or incurs in respect of the relevant Protected Cell and/or in connection with its activities for and/or on behalf of such Protected Cell, except for Losses incurred by a Fund Manager Indemnified Party that are primarily attributable to such person’s Gross Negligence, fraud or wilful misconduct.

#### *Substitution*

Shareholders may, by Special Resolution, replace the Fund Manager with a duly licensed fund manager, including an Affiliate of ADIB (the “**ADIB Manager**”), to act as fund manager for the Fund, subject to DFSA approval in accordance with the laws of the DFSA.

If the Fund Manager is replaced by ADIB Manager, upon such replacement :

- (a) the Fund Management Agreement and the Advisory Agreement will immediately terminate;
- (b) the Fund and ADIB Manager will enter into a fund management agreement pursuant to which ADIB Manager will be appointed to act as the fund manager of the Fund;

- (c) the Fund, ADIB Manager and ADIB will enter into a promotor agreement pursuant to which ADIB shall be appointed as the promotor in respect of the Fund;
- (d) the Fund, ADIB Manager and ADIB will enter into an advisory agreement pursuant to which ADIB will be appointed to act as an advisor of the Fund;
- (e) ADIB Manager, the Fund and Azimut (DIFC) Limited will enter into an investment management pursuant to which Azimut (DIFC) Limited will be appointed as investment manager for the First Cell on terms and conditions substantially similar to the terms and conditions provided in the Fund Management Agreement (in particular, regarding fees and termination rights); and
- (f) ADIB Manager may enter into additional investment management agreement(s) on mutually acceptable terms with one or more additional investment managers (including Azimut (DIFC) Limited) in respect of any Protected Cell other than the First Cell on a cell-by-cell basis.

#### *Assignment*

The Advisor may assign any of its rights and obligations under the Advisory Agreement and the Fund Management Agreement, at ADIB's own discretion, to a duly licensed Affiliate of ADIB, including a DFSA licensed entity.

## **2.2 Directors of Fund Manager**

The directors of the Fund Manager are:

### **Mr. Serdar Aktasli**

Serdar is a director and Senior Executive Officer of Azimut (DIFC) Limited.

Serdar started his business career in the investment management and research division at UBS Zurich in 1995. Two years later he was appointed as the Legal & Compliance Officer at UBS Asset Management in Zurich. In 1999, Serdar joined Vontobel Group, a leading Swiss Private Banking Group in Zurich, to build the Legal, Compliance and Risk department within the asset management division. In 2003 he took over the function as the Group's Head of Compliance / Chief Compliance Officer and was appointed as a member of the Finance & Risk Management Committee. His responsibility comprised all of the Vontobel group's banks, securities and asset management firms in Switzerland, Europe, Middle East, Far East and the US and had various management responsibilities with the Group. Serdar holds a Master of Arts degree in Business Administration (1993) and a Master of Arts in Law (1995), both from the University of St Gallen (HSG, Switzerland). He is a Chartered EFFAS Financial Analyst (2000) and a Graduate of the London Business School Senior Executive Programme (2012).

### **Gabriele Blei**

Gabriele is a co-CEO and Member of the Board of Directors of Azimut Holding s.p.a. He is Chairman of the Board of Directors of AZ International Holdings S.A. After gaining his BA in Business Studies at the University of Westminster in 2002, Gabriele went on to achieve a Master of Science in Banking and International Finance from the Cass Business School at London University (2003). Before being appointed as Head of Business Development within Azimut Group, he held a number of executive roles across Europe. These include being Partner and Fund Manager at Sofia SGR Italy, an independent asset management company; and being an equity analyst with Intermonte SIM Italy before becoming Head of Business Development and Investor Relations with AZ Funds Management in Luxembourg in 2008.

### **Giorgio Medda**

Giorgio is a co-CEO and Member of the Board of Directors of Azimut Holding s.p.a. He is General Manager and Member of the Board of Directors of AZ Fund Management S.A. He is also a Member of Azimut Group's International Operations Executive Committee and Member of the Board of Directors of AZ International Holdings S.A.. Since 2015, he is Azimut Group's Regional Head of Turkey and MENA region. From 2012 to 2015 he acted as the CEO of Azimut Portföy Yönetim A.S., Istanbul. From 2007 to 2012 Giorgio was a Portfolio Manager at Azimut Capital Management SGR, Milan. Prior to joining Azimut, he acted as an Equity Research Sales Analyst for Mediobanca, Milan (1999-2000) and Credit Suisse First Boston, London (2000-2007). Giorgio holds a BA from the University Commerciale Luigi Bocconi Milan.

### **Alessandro Palmarella**

Alessandro is a director of Azimut (DIFC) Limited.

Alessandro's career has led him to specialize increasingly in the management and advisory services of private and institutional clients' wealth. After two decades with a major Swiss bank (UBS) where he had the opportunity to hold leading positions in sales and distribution of equity products, Alessandro moved to a Geneva based Family Office as a Fund Manager of Japanese and South East Asian equities and convertible bonds. This position helped him to develop a very opportunistic approach in managing funds. Capitalizing on his long lasting experience he decided to start his own hedge fund back in 2008 along with a partner. Rapidly the funds' assets under management rose above USD 150'000'000. In 2010 the fund won an award from 'Hedge Fund Review' as the best European event driven fund.

### **Murat Salar**

Murat Salar graduated from Ankara Tevfik Fikret Higs School in 1989 and from Middle East Technical University Department of Economics in 1994. Between 1994-1996 Murat worked at PWC Istanbul office as an auditor. Starting from 1996 until 2010 he worked with AYatırım and Alternatif Yatırım Ortaklığı as AGM, General Manager and Board Member. He was a Shareholder and Board Member at Osmanlı Menkul between 2010 and 2011. From 2011 to 2015, he was the General Manager and Board Member of Azimut Bosphorus Capital. In 2015 he became Board Member for Azimut Portföy. From 2016 until now he is the General Manager and Board Member for Azimut Portföy.

### **Mattia Sterbizzi**

Mattia is senior executive officer and director of Azimut (ME) Limited. He is also regional legal manager MENA & APAC for the Azimut group. He further acts as board member of AZ International Holdings S.A., Azimut Portfooy A.Ş., AN Zhong (AZ) Investment Management Ltd, Azimut Egypt Asset Management S.A.E., and AZ Sestante Ltd. From 2014 to 2018 he has been legal/product manager of AZ Fund Management S.A. Before joining Azimut Group in 2014, Mattia worked in the function as associate at Studio Legale Vita Samory, Fabbri e Associati (2004 – 2008) and senior associate at Orrick, Herrington & Sutcliffe Law Firm (2009 – 2014). Mattia holds a J.D. from the Università degli Studi di Milano and is a Member of the Italian Bar Association.

### **Massimo Guiati**

Massimo is CEO and Portfolio Manager at AZ Investment Management, part of the AZIMUT Group, the largest independent, public listed asset management company in Italy. Massimo set up the Hong Kong company operations in 2011 to support the management and distribution of AZIMUT products in the Asia Pacific Region. Massimo has been the CIO of An Zhong (AZ) Investment Management Hong Kong since 2011. In May 2019, Massimo was also appointed as Chief Executive Officer of Azimut Holding SpA. His 17 years of investment experience include senior roles with AZ Fund Management SA in Luxembourg and with Euromobiliare Asset Management in Italy. Prior to Euromobiliare, he was at Bear Stearns International in London. He previously worked at Societe Generale, London, and Amikon Investment, London. Massimo earned his Degree in Economics at Università di Economia e Commercio di Pavia, Italy.

### **Ahmed Abouelsaad**

Ahmed Abou El Saad is Chairman at Rasmala Egypt Asset Management. Previously, he was head of asset management at Naeem Holding and head of capital markets at MI Bank. Mr. Abou El Saad has also served as head of surveillance at the Cairo and Alexandria Stock Exchange, where he was on the executive committee that works on introducing new instruments and regulations to the market. He is president of CFA Society Egypt, secretary general of the Egyptian Investment Management Association, and a member of the board of directors of the Egyptian Exchange. Mr. Abou El Saad has a bachelor of arts from Alexandria University, an MBA from the Arab Academy for Science and Technology, and a professional certificate in project finance and investment appraisal from the Harvard Institute for International Development.

## **2.3 Management Team of Fund Manager**

The key members of the management team of the Fund Manager (the “**Management Team**”) are:

### **Serdar Aktasli - Senior Executive Officer**

See bio above.



### **Giorgio Medda - Co-CEO Azimut Group & Global Head Asset Management**

See bio above.

### **Mattia Sterbizzi - Director**

See bio above.

### **Ilona Zudikova - Compliance Officer and Money Laundering Reporting Officer**

Ms. Zudikova holds a Bachelor Degree in BA & Management from Vilnius University (Lithuania) and an International Diploma in Governance Risk and Compliance by the International Compliance Association (UK). Ms. Zudikova has 6 years' experience as a compliance professional in the UAE both for authorized firms and consulting firms. Previously she held business development and executive management staff at several corporates in the UAE and Lithuania. Mrs Zudikova will be working in conjunction with the Compliance and Money Laundering Reporting Function of AZ Fund Management S.A., the Luxembourg based management company within the Azimut Group, and the Compliance and Money Laundering Reporting Function of Azimut Capital Management SGR S.p.A., the Italy based management company within the Azimut Group.

Ms. Zudikova reports to the Senior Executive Officer and the Board. Ilona has direct access to the Board.

### **Kathleen Joy Z. De Jesus - Finance Officer**

Ms. De Jesus is a Certified Public Accountant and holds a Bachelor Degree in Accountancy from San Beda University (Philippines). Prior to working at Azimut (DIFC) Limited, Ms. De Jesus has worked for 2 years in a DIFC recognized and regulated auditing firm where she handled DFSA regulated entities. She also worked for 6 years as an Associate Manager in a mid-tier auditing firm in the Philippines where she handled different types of industries including financial institutions, manufacturing companies and service oriented companies.

Ms. De Jesus reports directly to the Senior Executive Officer of Azimut (DIFC) Limited.

## **2.4 Directors of Fund**

The Fund shall have at least two directors (the “**Directors**”), one of which shall be appointed as the Chairman (the “**Chairman**”). The Chairman shall have a casting vote.

Tony Hchaimé shall be appointed as a Director and the Chairman and Giorgio Medda shall be appointed as a Director.

The Directors (and any additional Directors) and the Chairman may, in accordance with Article 35(1)(b) of the CIL, be appointed, removed and replaced by the Shareholders, provided however that Giorgio Medda shall not be removed or replaced as Director for so long as Azimut (DIFC) Limited is the Fund Manager.

## **Giorgio Medda**

See Section 2.1 above.

## **Tony Hchaime**

Mr. Hchaime joined ADIB in 2015 as Head of ECM and Advisory, a role he still occupies. Furthermore, Mr. Hchaime has been tasked with leading the establishment of ADIB's asset management activities. Prior to joining ADIB in 2015, Mr. Hchaime held senior-level roles in investment and asset management organizations. Between 2008 and 2012, Mr. Hchaime was based in the DIFC as SEO and Head of Middle East for the D. E. Shaw Group, a global leading asset management firm with US\$45 billion in assets under management. At the D. E. Shaw Group, Mr. Hchaime was responsible for originating and executing investment transactions across a wide range of asset classes, in addition to assisting in the concept development and establishment of new funds and investment products. Between 2012 and 2015, Mr. Hchaime was co-founder and co-managing partner of Arabica Investments, a Dubai-based private equity firm with proprietary and third party investments in the UAE and East Africa. Prior to 2008, Mr. Hchaime held various positions with leading institutions in investment banking, including Lehman Brothers (London/Dubai) and Samba (Saudi Arabia).

### *Liability and Indemnification*

The Articles contain provisions for the indemnification of each of the Directors and officers of the Fund, the Fund Manager and the Advisor, to the fullest extent permitted by the laws of the DIFC, against any actual loss, liability, damages, actions, proceedings or claims incurred or sustained in connection with he or she being or having been a Director, Fund Manager, the Advisor or an officer of the Fund except where such actual loss, liability, damages, actions, proceedings, or claims arises as a result of their own fraud, Gross Negligence or wilful misconduct. Furthermore, the Articles provide that subject to any provision of the laws of the DIFC to the contrary, the Directors, the Fund Manager, the Advisor and officers of the Fund, shall not be liable for any actual loss, liability, damages, actions, proceedings or claims to or of the Fund at any time unless caused by their own fraud, Gross Negligence or wilful misconduct.

### *Fees and Expenses*

The Fund shall not pay fees to the Directors (except for any independent director).

The Fund shall reimburse the Directors for reasonable travel and other expenses incurred in connection with their activities as directors of the Fund.

## **2.5 Oversight Committee**

The Fund Manager shall appoint an oversight committee (the “**Oversight Committee**”) to monitor the Fund Manager and to report to the Fund Manager and the DFSA in

accordance with the CIL and CIR and which shall consist of at least three (3) individuals who meets the independence and suitability criteria set out in the CIL and CIR.

The current members of the Oversight Committee are Marc Nassim, Esra Ada Vural and Ralf Preyer.

### **Marc Nassim**

Dr. Marc Nassim is a Partner and Managing Director at Awad Capital, an independent M&A and Investment Banking Advisory firm established in the DIFC and regulated by the DFSA. Marc's main focus is the coverage of large GCC based Corporates, Institutional clients and Family Businesses which he advises on strategic regional and international transactions. He was most recently Head of Corporate Development at Dar Al Mal, an Alternative Asset Management firm and prior to that, a Partner with AR Investment Partners, a consulting and advisory boutique. Before that, Marc was Head of Clients & Markets, Financial Advisory Services for Deloitte Corporate Finance in the Middle East for 8 years. Prior to joining Deloitte, he gained experience in M&A and private equity, with leading European institutions. Marc has a PhD in corporate finance (summa cum laude) from the Université d'Aix-Marseille (France), a postgraduate degree in financial management from IAE Grenoble (France) and a Masters in Money & Banking from Université Saint-Joseph (Lebanon). He is fluent in Arabic, English and French.

### **Esra Ada Vural**

Esra Ada Vural is CEO of Nüve Capital Danışmanlık A.Ş., a consulting firm advising on capital markets and asset management topics in Turkey. Esra was previously Deputy General Manager of Üründül Enerji Yatırımları A.Ş. a leading independent power producer with operations across Turkey, Eastern Europe, Central Asia and the Middle East, overseeing the corporate finance department. Before moving to the corporate world, she has been working for the Capital Market Board of Turkey for 17 years, out of which the last 3 she served as Head of Institutional Department with a direct responsibility on regulation and supervision of asset management companies in Turkey. She has been the leading manager of the team drafting the new regulation for collective investment schemes, pension funds and portfolio management companies after the enactment of the new Capital Market Law in Turkey in 2014.

### **Ralf Preyer**

Ralf Preyer started his investment banking career after studying in Switzerland as a trader for Erste Bank in 1989, and subsequently moved to London in 1992 to work at various investment firms for several years, including as proprietary trader at UBS London. Since 2000 he is an independent adviser in the fields of corporate finance, transactional advisory and real estate investments and holds several board memberships in firms in Austria, Eastern Europe and UAE. From 2015 to 2017, Ralf was a member of the board of directors and authorized individual of New Horizon Capital Management Ltd, Dubai. Ralf holds a Degree in Economics & Computer Science from Universität Zürich, Switzerland, as well as an Options and Futures Diploma from

INSEAD Business School, Fountainbleau, France. Furthermore, Ralf is a full member with license to trade equities and bonds listed on the Vienna Stock Exchange and is licensed as SFA-registered Securities Representative (UK) since 1992.

The Fund will pay the members of the Oversight Committee an aggregate annual fee of up to US\$ 24,000, payable quarterly in advance.

## **2.6 Shari'a Supervisory Board**

The Fund Manager has appointed a Shari'a Supervisory Board in respect of the Fund, and any Protected Cell (unless otherwise provided in the relevant Supplement), consisting of the following members:

### **Dr. Mohamed Ali Elgari (Chairman)**

Dr. Elqari is a Member of the AAOIFI Shari'a Council and of numerous Shari'a Boards of Islamic Banks including those of Abu Dhabi Islamic Bank, Arab National Bank, Banque Saudi Fransi, Bank Al Jazira, Citi Islamic Investment Bank, HSBC, Islamic Development Bank, National Commercial Bank, Riyadh Bank, Samba Financial Group, Saudi British Bank and Saudi Holland Bank. Dr. Elqari also sits on the Shari'a Boards of International Islamic Fund Market, Islamic Dow Jones Index, Merrill Lynch and Saudi American Bank and is an expert at the Islamic Jurisprudence Academy of OIC and the Islamic Jurisprudence Academy of the Islamic World League. Dr. Elqari is a member of the editorial board of several academic publications in the field of Islamic finance and jurisprudence and has written several books and published numerous articles on Islamic finance. Dr. Elqari holds a PhD in Economics from the University of California, USA, was a former professor of Islamic Economics, director of the Centre for Research in Islamic Economics at King Abdulaziz University, Jeddah, the Kingdom of Saudi Arabia, and is the recipient of many Islamic finance awards including KLIFF Award and Euromoney's Award for most outstanding contribution to Islamic finance.

### **Dr. Esam Mohammed Ishaq**

Sheikh Esam is a Member of the AAOIFI Shari'a Council. He graduated from McGill University, Montreal, Canada in 1983 and has been a member of the Shari'a supervisory boards of various financial institutions including: Abu Dhabi Islamic Bank, Al Baraka Islamic Bank, Al Hilal Bank (Abu Dhabi), Al Meezan Islamic Bank, ADNTC, Al Hilal Takaful, Islamic Finance House (Abu Dhabi), and the Maldives Monetary Authority. Sheik Esam is a member of the Higher Shari'a Authority-CBUAE, member of Shari'a Panel of International Islamic Financial Markets and Chairman of the Shari'a Supervisory Boards of Seerah Investment Bank, Investment Dar Bank, Family Bank and EcoIslamic Bank.

### **Dr. Nizam Mohammed Saleh Ya'qoubi**

Dr. Nizam is a Member of the AAOIFI Shari'a Council and has a Masters degree from the University of McGill, Montreal, Canada (Economics and Comparative Religion). Dr. Nizam holds several academic degrees under the guidance of a number of Shari'a scholars within and outside Bahrain. He is a Member of the AAOIFI Shari'a Council, Member of the Internal Shari'a Supervisory Committee of Abu Dhabi Islamic Bank,

Chairman of the Shari'a Board of Mawarid Finance Company Dubai, Member of the Higher Shari'a Board of Central Bank of Bahrain, Member of the Shari'a Committee of Saadiq (Standard Chartered Bank), Member of the Central Shari'a Committee of HSBC (Saudi), Member of the Islamic Supervisory Boards for the Islamic Investment Banking Unit of The Ahli United Bank (UK) PLC, London, and several other Islamic banks and institutions. The numerous awards received by Dr. Nizam include the First Degree Award of Capability for Islamic services within and outside Bahrain 2007 from the King of Bahrain, the Euro Money Award for innovation in Islamic banking supervision, and the 2007 Malaysia Award for contribution to Islamic banking.

## 2.7 Advisor

The Fund Manager has appointed Abu Dhabi Islamic Bank PJSC (the “**Advisor**”), a public joint-stock company incorporated in the UAE, as its advisor in respect of the Fund and each Protected Cell pursuant to an advisory agreement (the “**Advisory Agreement**”) between the Fund Manager, the Fund and the Advisor.

The Advisor was established in the Emirate of Abu Dhabi by virtue of Amiri Decree No. 9 of 1997 and pursuant to commercial license no. CN-1001923 dated 3 November 1997 issued by the Abu Dhabi Department of Economic Development in accordance with Federal Law No. 8 of 1984 Concerning Commercial Companies and the laws amending the same.

The Advisor is registered as an Islamic bank with the Central Bank of the UAE.

### *Termination of the Advisory Agreement*

Each of the Fund, the Advisor and the Fund Manager may terminate the Advisory Agreement in the event of termination of the Fund Management Agreement (refer to Section 2.1 above) or if a party to the Advisory Agreement is wound up or enters into liquidation.

In the event that the Advisory Agreement is terminated by reason of the removal of the Fund Manager or the termination of the Fund Management Agreement, the Fund shall (a) appoint a new fund manager subject to the approval of the DFSA and the Advisor; and (b) re-appoint or procure the re-appointment of the Advisor upon the same terms and conditions as set out in the Advisory Agreement.

### *Fees and Expenses*

Under the Advisory Agreement, the Fund will pay the Advisor an advisory fee in respect of each Protected Cell as specified in the Advisory Agreement and Supplement in respect of the relevant Protected Cell.

### *Liability and Indemnification*

Pursuant to the Advisory Agreement, to the extent permitted by applicable law, none of the Advisor or its directors, officers, employees, affiliates, advisors or agents (each,

an “**Advisor Indemnified Party**”) shall be liable to the Fund, any Protected Cell, the Fund Manager or any Shareholder for any action taken or not taken by it or for any action taken or not taken by any other person with respect to the Fund, any Protected Cell or the Fund Manager and/or in connection with any of the services under the Advisory Agreement, provided that, any Advisor Indemnified Party seeking to rely on such provision was neither Grossly Negligent nor engaged in fraud or wilful misconduct in respect of such action taken or not taken.

Pursuant to the Advisory Agreement, to the extent permitted by applicable law, the Fund, and each Protected Cell will indemnify, upon demand, each Indemnified Party, against any and all Losses which an Advisor Indemnified Party sustains or incurs in respect of the Fund, the relevant Protected Cell or in connection with its activities for and/or on behalf of the Fund and/or such Protected Cell or any of the services provided under the Advisory Agreement, except for Losses incurred by an Advisor Indemnified Party that are primarily attributable to such person’s Gross Negligence, fraud or wilful misconduct.

Pursuant to the Advisory Agreement, to the extent permitted by applicable law, the Fund Manager shall indemnify, upon demand, each Advisor Indemnified Party, against any and all Losses which any Advisor Indemnified Party sustains or incurs as a result of or in connection with any material misrepresentation, misstatement or omission by the Fund Manager or any of its Affiliates in respect of the Fund, any Protected Cell and the activities performed in its capacity as Fund Manager of the Fund and/or any Protected Cell, except for any Losses incurred by an Advisor Indemnified Party that are primarily attributable to such person’s Gross Negligence, fraud or wilful misconduct.

ADIB’s roles are being the Advisor and Promotor of the Fund. The roles involve (i) marketing and distributing the Fund to investors; and (ii) providing advice with respect to the Fund and each Protected Cell, including advising on the acquisition, Shari’a compliant financing, monitoring and realization of each Protected Cell’s investment. These roles do not include making investment decisions on behalf of the Fund, any Protected Cell and/or any Protected Cell’s investment hence ADIB is not responsible for any decision and/or action taken or not taken in this respect by the Fund Manager, that is not affiliated and is not supervised by ADIB.

#### *Assignment*

The Advisor may assign any of its rights and obligations under the Advisory Agreement and the Fund Management Agreement, at ADIB’s own discretion, to a duly licensed Affiliate of ADIB, including a DFSA licensed entity.

## **2.8 Administrator**

Apex Fund Services (Dubai) Limited has been appointed by the Fund to act as the administrator of the Fund (the “**Administrator**”) pursuant to the terms of an administration agreement between the Fund and the Administrator (the “**Administration Agreement**”).

The Administrator is part of the Apex Group, a global provider of fund administration services with 36 offices across the globe, ISAE 3402/SSAE18 audited, independently owned with over US\$560 billion under administration. Apex Group provides specialist fund administration, share registrar, corporate secretarial services and directors to funds and collective investment schemes globally.

In accordance with the Administration Agreement, the Administrator provides certain administrative services to the Fund including (a) calculating the net asset value of the Fund and the Shares; (b) verifying the identity of investors for the purposes of anti-money laundering regulations; (c) preparing and submitting to the Fund and the Fund Manager all ancillary documentation that are used for the annual audit and the preparation of financial statements; and (d) such other services as may be agreed by the Fund Manager in connection with the administration of the Fund.

The Administrator is a service provider to the Fund and will not have any responsibility or authority to make investment decisions, nor render investment advice, asset valuation with respect to the assets of the Fund. The Administrator has no responsibility for monitoring compliance by the Fund with any investment policies to which they are subject. The Administrator is responsible and liable only for the administration services that it provides to the Fund pursuant to the Administration Agreement. The Administrator accepts no responsibility or liability for any losses suffered by the Fund as a result of any breach of such investment policies by the Fund.

In calculating the net asset value of the Fund, the Administrator may rely, upon information and communications received by the Administrator from any source, including the Fund Manager, or any other person, firm or corporation whatsoever, where it is reasonable to do so and the Administrator shall not (in the absence of fraud, Gross Negligence or wilful misconduct on the part of the Administrator) be liable for any loss suffered by the Fund, the Fund Manager or any Participating Shareholders by reason of any error in such calculations by the Administrator resulting from any inaccuracy in any such information.

The Administrator is under no duty to supervise compliance with the investment objectives, policy, investment restrictions, financings restrictions or operating guidelines in relation to the Fund and will not participate in transactions and activities.

The Administration Agreement contains limitations of liability and indemnities operating in favour of the Administrator, its successors and permitted assigns and their respective directors, officers, shareholders, employees and agents, present and future, in the absence of fraud, Gross Negligence (as defined therein) or wilful misconduct. Either party may terminate the Administration Agreement upon ninety (90) days' prior written notice or forthwith in certain circumstances.

Each Protected Cell will pay the Administrator an administration fee as set out in the relevant Supplement. Each Protected Cell will reimburse the Administrator for any actual out of pocket and third party expenses.

## 2.9 Custodian

The Northern Trust Company has been appointed by the Fund to act as the custodian of the Fund and each Protected Cell (the “**Custodian**”) pursuant to the terms of a custodian agreement between the Fund and the Custodian.

The Custodian is authorised by the Prudential Regulation Authority of the United Kingdom and regulated by the Financial Conduct Authority (“**FCA**”) of the United Kingdom (FCA registration number 122020).

The Fund will pay the Custodian US\$3,500 for the custody account and US\$1,500 per separate cash account (if required) per annum.

The Fund will pay the Custodian an annual custody fee between 0.75bps and 50bps per annum of the Net Asset Value of securities and assets held by the Custodian depending on the safe keeping location.

The Fund will also pay the Custodian a settlement fee between US\$5.00 and US\$175.00 per transaction depending on the safe keeping location.

The Fund will pay the Custodian between US\$10 and US\$50 for cash movements depending on the transaction type.

The Fund will reimburse the Custodian for any out-of-pocket and third party expenses.

Upon the written recommendation of the Advisor and subject to the prior written approval of the Board, the Fund Manager shall appoint one or more additional custodians.

Each Protected Cell may have several custodians and may have different custodians than other Protected Cells.

## 2.10 Auditor

Grant Thornton has been appointed to act as the auditor of the Fund and each Protected Cell (the “**Auditor**”) pursuant to the terms of an agreement between the Fund and the Auditor.

The Audit Principal appointed by the Auditor is Mr Darren Yule whose professional address is Grant Thornton, Rolex Tower, 23rd Floor, Sheikh Zayed Road, P.O. Box 1620, Dubai, United Arab Emirates.

The Auditor may be replaced, from time to time by Special Resolution of the Shareholders in accordance with the CIL and the Articles and subject to the approval of the DFSA.

The Fund will pay the Auditor an annual fee of up to US\$10,000.



## **2.11 Promotor**

The Fund Manager has appointed Abu Dhabi Islamic Bank PJSC (the “**Promotor**”) to market and distribute the Fund to investors pursuant to the Advisory Agreement.

The Promotor was established in the Emirate of Abu Dhabi by virtue of Amiri Decree No. 9 of 1997 and pursuant to commercial license no. CN-1001923 dated 3 November 1997 issued by the Abu Dhabi Department of Economic Development in accordance with Federal Law No. 8 of 1984 Concerning Commercial Companies and the laws amending the same.

The Promotor is registered as an Islamic bank with the Central Bank of the UAE.

The Promotor is registered with the UAE Securities and Commodities Authority and is licensed to promote funds in the UAE.

The Fund Manager shall not market or distribute the Fund (other than via Abu Dhabi Islamic Bank PJSC) to Retail Clients.

### *Fees and Expenses*

The Fund will pay the Advisor a marketing fee in respect of each Protected Cell as specified in the Supplement in respect of the relevant Protected Cell.

**THE ABOVE IS ONLY A BRIEF SUMMARY OF CERTAIN MATERIAL PROVISIONS OF CERTAIN OF THE MATERIAL CONTRACTS, WHICH SUMMARY IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE PROVISIONS OF SUCH MATERIAL CONTRACTS.**

## **3. INVESTMENT OBJECTIVES AND STRATEGY**

### **3.1 Investment Objective**

The investment objective, policy and strategy for each Protected Cell will be set out in the relevant Supplement.

All operations of the Fund, or any Protected Cell, shall be conducted in compliance with the applicable rules and principles of Shari’a and the Islamic Finance Rules module of the DFSA Rulebook and the principles of Shari’a as set out in the Standards of the AAOIFI.

### **3.2 Investment Restrictions**

Investment restrictions applicable to each Protected Cell (if any) are set out in the relevant Supplement.

In accordance with the DFSA Rulebook, no Protected Cell may invest in another Protected Cell.

**POTENTIAL INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS PROSPECTUS AS LEGAL, BUSINESS, SHARI'A OR TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN ADVISORS AS TO LEGAL, BUSINESS, SHARI'A OR TAX AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE FUND.**

#### **4. SUMMARY OF PRINCIPAL TERMS**

The following is a summary of the terms of the Fund. This summary is by its nature incomplete and therefore is qualified in its entirety by information contained elsewhere in this Prospectus, the relevant Supplement, the Articles and the Subscription Agreement, each as may be amended and/or supplemented from time to time and each of which will be provided to each prospective investor prior to subscription. In the event that the description of terms in this summary of terms is inconsistent with or contrary to the description in, or terms of, the relevant Supplement, the Articles or the Subscription Agreement, the terms of the relevant Supplement, the Articles and the Subscription Agreement will prevail. The relevant Supplement, the Articles and the Subscription Agreement should be read in their entirety by investors prior to any decision to invest in the Fund. Prospective investors should also carefully consider the information contained in this Prospectus, and any relevant Supplement, in the section entitled "Risk Factors and Potential Conflicts of Interest".

**The Fund** ADIB Islamic Public Fund Open-Ended PCC Plc is an open-ended protected cell company incorporated in the DIFC.

The Fund may establish any number of Protected Cells at the discretion of the Directors, subject to prior notification to the DFSA. The Fund shall initially establish one (1) Protected Cell upon its incorporation.

The Fund is established as a Public Fund, an Islamic Fund and an Umbrella Fund.

**Investment Objective and Strategy** The investment objective and investment strategy of each Protected Cell will be specified in the relevant Supplement of each Protected Cell.

All operations of the Fund, or any Protected Cell, shall be conducted in compliance with the applicable rules and principles of Shari'a and the Islamic Finance Rules module of the DFSA Rulebook and the principles of Shari'a as set out in the Standards of AAOIFI.

**Investment Restrictions** Investment restrictions of each Protected Cell will be specified in the relevant Supplement of each Protected Cell.

In accordance with the DFSA Rulebook, no Protected Cell may invest in another Protected Cell.

**Fund Manager** The Fund has appointed Azimut (DIFC) Limited, a company limited by shares incorporated in the DIFC, to act as its fund manager (the “**Fund Manager**”) pursuant to the Fund Management Agreement between the Fund, the Fund Manager and the Advisor.

The Fund Manager shall manage the Fund, including the Fund Property, and each Protected Cell, subject to the terms and conditions set out in the Fund Management Agreement and the Reserved Matters (as defined below), this Prospectus, any Supplement, the Articles, the CIL, CIR, the PCC Regulations, IFBL and IFR.

The Fund Manager is licensed by the DFSA to carry on certain financial services including, inter alia, Managing a Collective Investment Fund. The Fund Manager has an endorsement on its license to conduct Islamic Financial Business by Operating an Islamic Window.

**Directors** Giorgio Medda and Tony Hchaime

The Directors (and any additional Directors) and the Chairman may, in accordance with Article 35(1)(b) of the CIL, be appointed, removed and replaced by the Shareholders by Special Resolution; provided however that Giorgio Medda shall not be removed or replaced as Director for so long as Azimut (DIFC) Limited is the Fund Manager.

**Advisor** The Fund Manager has appointed Abu Dhabi Islamic Bank PJSC, a public joint-stock company incorporated in the UAE, as its advisor (the “**Advisor**”) in respect of the Fund pursuant to the Advisory Agreement between the Fund Manager, the Fund and the Advisor.

**Oversight Committee** The Fund Manager shall appoint an oversight committee consisting of at least three (3) individuals who meet the independence and suitability criteria set out in the CIL and CIR.

For further details on the composition of the Oversight Committee, please refer to Section 2.5 above.

**Reserved Matters** The Fund Manager shall not carry out any of the following matters (the “**Reserved Matters**”) without the prior written approval of the Board of the Fund (the approval of a

Reserved Matter by the Board shall require the approval of the Chairman) and the prior written recommendation of the Advisor:

- (a) the appointment or removal of any member of the Shari'a Supervisory Board, an auditor, custodian, administrator of the Fund, or any Protected Cell, or any change to the agreement with any such service provider;
- (b) any change to the investment objectives, investment strategy or investment restrictions of a Protected Cell;
- (c) any amendment to the valuation policy of the Fund Manager;
- (d) the incurrence of any financing by the Fund and/or any Protected Cell and/or creation of any security over securities held by the Fund and/or any Protected Cell;
- (e) any change to the Prospectus and/or any Supplement in respect of a Protected Cell; and
- (f) the establishment of a new Protected Cell, the issuance of any Supplement in respect of a new Protected Cell or liquidation of an existing Protected Cell.

In the event that the Board and the Advisor do not provide written approval or recommendation (as applicable) in respect of a Reserved Matter (except in respect of the appointment or removal of any member of the Shari'a Supervisory Board) within ten (10) Business Days (or in the case of clauses (b) and (c) below, within one (1) day) of the Fund Manager providing a written request to the Board and the Advisor for such written approval or recommendation (setting out in reasonable detail the reason for such request), the Fund Manager may immediately resign and terminate the Fund Management Agreement if, subject to the Fund Manager obtaining a legal opinion from a DIFC legal counsel, the Fund Manager reasonably believes that refraining from carrying out such Reserved Matter would:

- (a) constitute a material breach of the Fund Manager's obligations under the Prospectus, any Supplement, the Articles and/or Fund Management Agreement;

- (b) constitute a material breach of the laws or regulations applicable to the Fund, any Protected Cell and/or the Fund Manager in relation to the management of the Fund, or any Protected Cell (including in particular, the Fund Manager's requirements to comply with the DFSA Rulebook, the laws of the DIFC or the UAE, or the terms of its DFSA license or authorizations); or
- (c) cause the Fund Manager to transact with or be associated with a person subject to the United Nations, Office of Foreign Assets Control or European Union sanctions.

The Fund shall pay to the Fund Manager, no later than fifteen (15) days after the date of resignation of the Fund Manager, a compensation in an amount equal to the amount of Management Fee and Administrative Fee paid to the Fund Manager during the six (6) months immediately preceding the notification of resignation by the Fund Manager.

### **Participating Shares**

This Prospectus relates to an offering of non-voting (except in respect of any matters specifically reserved for the approval of the Shareholders under the CIL, CIR and/or the Articles), participating, redeemable shares of nominal value US\$0.01 each (together the "**Participating Shares**") to Eligible Investors. Each person that is issued Participating Shares will become a shareholder of the relevant Protected Cell (each, a "**Participating Shareholder**", and collectively, the "**Participating Shareholders**") and shall be bound by the terms of the Articles.

Participating Shares will be offered in one or more Classes, as determined from time to time by the Directors, with each Class corresponding to a particular Protected Cell. Unless otherwise stated in the relevant Supplement, the Directors may create additional Classes within Protected Cells in their sole discretion.

A register listing all of the Participating Shareholders shall be available for inspection by Participating Shareholders at the registered office of the Fund Administrator during the normal business hours.

Participating Shares do not confer any right to receive notice of, attend, speak or vote at general meetings of the

Fund except in respect of any matters specifically reserved for the approval of the Shareholders under the CIL, CIR and/or the Articles.

**Management Shares** The Fund shall issue voting, non-participating shares of nominal value US\$0.01 in the capital of the Fund (the “**Management Shares**”). All the Management Shares are held by the Fund Manager or a replacement fund manager of the Fund duly approved by the DFSA.

**Dividends** The dividend and distribution policy for each Protected Cell is as set out in the relevant Supplement. Unless otherwise stated in the relevant Supplement, the Protected Cells intend to pay dividends on a quarterly basis.

**Eligible Investors** Participating Shares shall not be offered to or purchased by Restricted Persons.

Participating Shares may be offered to and purchased by “Professional Clients” and “Retail Clients” as defined in the Collective Investment Law, DIFC Law No. 2 of 2010.

A Protected Cell may have additional restrictions in respect of who may purchase Participating Shares which shall be set out in the relevant Supplement.

The Directors, in their sole discretion, may decline to accept the subscription of a prospective investor, for any reason or for no reason, even if it satisfies the Fund’s eligibility requirements.

**Minimum Initial Subscription** Unless otherwise stated in the relevant Supplement, the minimum subscription amount for Participating Shares is US\$1,000 per investor.

**Initial Offering Period** The initial offering period (each, an “**Initial Offering Period**”) of each Protected Cell will be specified in the relevant Supplement of each Protected Cell.

The initial closing date of the first Protected Cell shall be herein referred to as the “**Initial Closing Date**”.

**Subscriptions** Unless otherwise stated in the relevant Supplement, the subscription policy for each Protected Cell is as set out below.

During the Initial Offering Period, Participating Shares will be issued at the subscription price of US\$100 per share and

thereafter, will be offered on each Subscription Day at a subscription price equal to the prevailing Net Asset Value per Participating Share of the relevant Class as at the relevant Subscription Day, or if such day is not a Valuation Day, as at the immediately preceding Valuation Day (the “**Subscription Price**”).

**Subscription Day** Unless otherwise stated in the relevant Supplement, in respect of any Valuation Day, the Business Day (other than a Sunday) immediately following such Valuation Day and/or such other day or days as the Fund Manager may from time to time determine either generally or in any particular case (each, a “**Subscription Day**”).

**Valuation Day** Unless otherwise stated in the relevant Supplement, each Business Day and such other day or days as the Fund Manager may from time to time determine either generally or in any particular case (each, a “**Valuation Day**”).

**Subscription Procedure** Prospective investors will be required to complete and return a duly completed and executed subscription agreement in such form as approved by the Directors (the “**Subscription Agreement**”) (together with any information and document requested under the Subscription Agreement) to the Administrator, with a copy to the Fund Manager, and must be received, in the case of subscriptions during the Initial Offering Period, no later than 5pm (UAE time) on the last Business Day of the Initial Offering Period or such earlier or later time as determined by the Fund Manager either generally or in any particular case, and thereafter, no later than 5pm (UAE time) one (1) Business Day prior to the relevant Subscription Day or such earlier or later time as determined by the Fund Manager either generally or in any particular case. Subscription monies and subscriptions fees (if applicable) in cleared funds must be received on or prior to 5pm (UAE time) on the Subscription Settlement Day. If the Subscription Agreement or subscription monies are received after the relevant deadline, the subscription will (unless otherwise determined by the Fund Manager) be treated as a request for subscription on the next Subscription Day.

The Board reserves the right to reject or accept subscriptions in whole or in part in its absolute discretion and without assigning any reason therefore, in which event subscription monies shall be refunded, without interest.

Subscriptions may only be made in US\$, or, in the absolute discretion of the Directors, in another currency and/or in kind. In the event that a subscription in a currency other than US\$ is accepted by the Directors, the Fund shall exchange such subscription monies for US\$ at the spot rate prevailing that will be agreed upon at the time of subscription and such exchange shall be at the sole risk and cost of the relevant subscriber.

Subscription Agreements will (save as determined by the Fund Manager) be irrevocable and must be sent (together with any information and document requested under the Subscription Agreement) by facsimile, email, registered post or courier to the Administrator at its address set out in the Subscription Agreement, with a copy to the Fund Manager. If given by facsimile or email initially, the original Subscription Agreement must be sent to the Administrator by post or courier. Failure to provide the original Subscription Agreement may, at the discretion of the Fund Manager or the Administrator, result in the cancellation of the allotment of the Participating Shares. None of the Fund, the Fund Manager and the Administrator shall be responsible for any mis-delivery or non-receipt of any facsimile or email. Facsimiles and emails sent to the Administrator shall only be effective when actually received by the Administrator.

The Administrator will acknowledge receipt of any subscription request on behalf of the Fund, and in the event no acknowledgement is received from the Administrator within five (5) days of submitting the request, the applicant should assume that the subscription request has not been received and they should contact the Administrator via email or telephone.

Fractions of Participating Shares will be issued up to eight decimal places where the balance of the subscription monies for Participating Shares represents less than the Subscription Price.

Confirmations will be sent to applicants on approval of their application as soon as practicable after the Initial Offering Period or the relevant Subscription Day, setting out details of the Participating Shares they have been allotted.

Participating Shares will be issued only in registered form.

## **Redemptions**

Unless otherwise stated in the relevant Supplement, the



redemption policy for each Protected Cell is as set out below.

Subject to any restrictions set out in this Prospectus, the Supplement and/or the Articles, a Participating Shareholder may redeem some or all of his or her Participating Shares as of each Redemption Day at Redemption Price, provided that, the Redemption Notice is received by the Administrator by 5pm (UAE time) at least one (1) Business Day prior to the proposed Redemption Day except in certain circumstances set out below.

**Redemption Price**

Unless otherwise stated in the relevant Supplement, the Participating Shares shall be redeemed at a price (the “**Redemption Price**”) equal to the Net Asset Value of Participating Shares of the relevant Class calculated as at the relevant Redemption Day, or if such day is not a Valuation Day, as at the immediately preceding Valuation Day after adjustment for:

- (a) any accrual of Management Fee, Administrative Fee, Advisory Fee, and Marketing Fee due; and
- (b) any other applicable fee as set out in the relevant Supplement (including for the avoidance of doubt any deferred service fee).

**Redemption Day**

Unless otherwise stated in the relevant Supplement, in respect of any Valuation Day, the Business Day (other than a Sunday) immediately following such Valuation Day, and/or such other day or days as the Fund Manager may from time to time determine either generally or in any particular case (each, a “**Redemption Day**”).

**Redemption Procedure**

Redemption Notices will (save as determined by the Directors or the Fund Manager) be irrevocable and must be sent by facsimile, email, registered post or courier to the Administrator at its address set out in the Redemption Notice, with a copy to the Fund Manager.

If given by facsimile or email initially, the original Redemption Notice must be sent to the Administrator by post or courier. No redemption proceeds will be paid to the redeeming Participating Shareholder until the Administrator has received the duly completed and signed Redemption Notice (together with any information and document requested by the Administrator in accordance with the applicable laws and regulations). Neither the Fund

nor the Administrator shall be responsible for any mis-delivery or non-receipt of any facsimile or email. Facsimiles and emails sent to the Administrator shall only be effective when actually received by the Administrator. The Administrator will acknowledge receipt of any redemption Notice on behalf of the Fund, and in the event no acknowledgement is received from the Administrator within five (5) days of submission, the Participating Shareholder should assume that the Redemption Notice has not been received and should contact the Administrator via email on [adibglobalsukukfund@apexfunddubai.ae](mailto:adibglobalsukukfund@apexfunddubai.ae) or telephone on + 971 4 4289221 to confirm the status of their request.

If the Redemption Notice is received after the deadline for receipt of requests for redemption for any particular Redemption Day, it shall (unless otherwise determined by the Fund Manager) be treated as a request for redemption on the next Redemption Day.

In the event that a Participating Shareholder has multiple subscriptions for Participating Shares on different Subscription Days, a redemption by such Participating Shareholder will be made on a “first-in, first-out” basis, unless otherwise agreed by the Fund Manager.

**Redemption Proceeds**

The Fund will generally pay a redeeming Participating Shareholder the redemption proceeds within ten (10) Business Days after the relevant Redemption Day, based upon the Net Asset Value per Participating Share of the relevant Class.

Cash payments will be remitted by wire transfer to the account designated by the Participating Shareholder in the Redemption Notice.

No charge will accrue on the redemption proceeds pending payment.

**Exchange Right**

Participating Shares of a Protected Cell may be exchanged for Participating Shares of another Protected Cell, subject to the approval of the Directors and the Shari’a Supervisory Board.

**In Kind Distributions**

Unless otherwise specified in the relevant Supplement, redemption payments will be made in US\$ or in the absolute discretion of the Directors, in kind, or partly in cash and partly in kind. In kind distributions may be comprised of,

among other things, interests in special purpose vehicles holding the actual investment or of participation interests in the actual investment that will remain held in the Fund.

**Compulsory Redemptions**

Unless otherwise stated in the relevant Supplement, upon written notice to a Participating Shareholder, the Fund has the right to compulsorily redeem (a “**Compulsory Redemption**”) all or some of the Participating Shares held by a Participating Shareholder at the Net Asset Value per Participating Share as at the day of redemption, or if such day is not a Valuation Day, as at the Valuation Day immediately prior to the date such redemption is to take effect if the Directors for any reason determine in their discretion to do so. Without prejudice to its general powers to redeem compulsorily for any reason, the Directors intend to compulsorily redeem Participating Shares where:

- (a) the Participating Shares are held by or for the benefit (directly or indirectly) of any Restricted Person; and
- (b) any of the representations given by a Participating Shareholder in its Subscription Agreement were not true or have ceased to be true.

**Redemption Restrictions**

Unless otherwise stated in the relevant Supplement, if Redemption Notices are received by the Fund in respect of any Redemption Day in relation to Participating Shares with an aggregate Net Asset Value of more than 20% of the Net Asset Value of the Fund, the Fund Manager may, if it determines in good faith that it would otherwise materially adversely affect non-redeeming Participating Shareholders, reduce each request for redemptions pursuant to such Redemption Notices pro rata, as between those Participating Shares sought to be redeemed, so that only Participating Shares with an aggregate Net Asset Value equal to 20% (or such higher percentage as the Fund Manager in its discretion may determine) of the Net Asset Value of Fund are redeemed on any Redemption Day.

A redeeming Participating Shareholder whose request for a redemption of Participating Shares is reduced will be deemed to have submitted a Redemption Notice to have the remaining balance of the Participating Shares as specified in the original Redemption Notice redeemed on the next following Redemption Day without the need to submit a further Redemption Notice. Such deemed submitted Redemption Notice shall not have priority over other submitted Redemption Notices, provided always that

redemptions on any such subsequent Redemption Day shall always be subject to the discretion of the Directors to reduce each request for redemptions pursuant to each Redemption Notice on a pro rata basis as aforesaid to ensure that no more than 20% of the Net Asset Value of the Fund shall be redeemed on any Redemption Day, unless the Directors determine otherwise

**Suspension of  
Redemptions  
and  
Subscriptions**

The Directors may postpone or suspend (a) the determination of the Net Asset Value of the Fund, any Protected Cell and/or the Participating Shares of any one or more Classes (and the applicable Valuation Day), (b) the issue of Participating Shares of any one or more Classes (and the applicable Subscription Day), and/or (c) the redemption (in whole or in part) of Participating Shares of any one or more Classes held by Participating Shareholders (and the applicable Redemption Day), where due to exceptional circumstances, including upon any of the following circumstances, it is in the interests of the Shareholders to do so (and in each case for the whole or any part of a period):

- (a) when any stock exchange on which Investments held by the Fund are quoted is closed except for ordinary holidays and weekends, or during periods in which dealings are restricted or suspended;
- (b) during the existence of any state of affairs as a result of which in the opinion of the Directors, the disposal of Investments held by the Fund would not be reasonably practicable or might prejudice the non-redeeming Participating Shareholders of the Fund;
- (c) during any breakdown in the means of communication normally employed in determining the price or value of any Investments held by the Fund or of current prices in any stock market on which Investments held by the Fund are quoted, or when for any other reason the prices or values of any Investments held by the Fund cannot reasonably be promptly and accurately ascertained;
- (d) when the transfer of funds involved in the realisation or acquisition of any Investments held by the Fund cannot, in the opinion of the Directors, be effected at normal rates of exchange; and
- (e) during which the Directors determine in good faith

that there exist any circumstances that render the calculation of the Net Asset Value, acceptance of subscriptions for Participating Shares, redemptions, repurchases or payment of the Redemption Price, impracticable.

The Fund may withhold payment to any person whose Participating Shares have been tendered for redemption until after any suspension has been lifted. If a redemption request is not withdrawn by a Participating Shareholder following declaration of a suspension, the redemption will be completed on the next Redemption Day following the date that such suspension is ended, unless the Directors determine otherwise, on the basis of the Net Asset Value per Participating Share as at such Redemption Day.

### **Transfers**

Participating Shares shall not be transferred to Restricted Persons.

No Participating Shares may be transferred, assigned or disposed of without the prior written consent of the Directors or their authorised agents which shall not be withheld unreasonably. The Directors will in all cases as a condition of granting such consent, require such potential transferee to complete and return a duly completed and executed Subscription Agreement (together with any information and document requested under the Subscription Agreement). Subject as aforesaid, Participating Shares are transferable by written instrument signed by the transferor, but transfers will not be effective until registered in the Register of Participating Shareholders of the Fund. Participating Shareholders wishing to transfer Participating Shares must complete and sign the transfer instrument in such form as approved by the Fund Manager (together with a Subscription Agreement and any information and documents requested under the Subscription Agreement) in the exact name or names in which the Participating Shares are registered, indicating any special capacity in which they are signing and supply the details to the Fund.

### **Management Fee**

The Fund will pay the Fund Manager a management fee in respect of each Protected Cell as specified in the relevant Supplement (the “**Management Fee**”).

Unless otherwise stated in the relevant Supplement, the Management Fee is exclusive of VAT and shall be calculated daily (based on the Net Asset Value as at the relevant Valuation Day) and payable monthly in arrears on

the last day of each calendar month. Any new or existing Shareholder that subscribes for Participating Shares at any time other than the first day of a calendar month will be assessed a pro-rated portion of the Management Fee with respect to such subscription.

**Administrative Fee**

The Fund will pay the Fund Manager an administrative fee in respect of each Protected Cell as specified in the relevant Supplement (the “**Administrative Fee**”).

Unless otherwise stated in the relevant Supplement, the Administrative Fee is exclusive of VAT and shall be calculated daily (based on the Net Asset Value as at the relevant Valuation Day) and payable monthly in arrears on the last day of each calendar month. Any new or existing Shareholder that subscribes for Participating Shares at any time other than the first day of a calendar month will be assessed a pro-rated portion of the Administrative Fee with respect to such subscription.

**Advisory Fee**

The Fund will pay the Advisory an advisory fee (the “**Advisory Fee**”) in respect of each Protected Cell as specified in the relevant Supplement.

Unless otherwise stated in the relevant Supplement, the Advisory Fee is exclusive of VAT and shall be calculated daily (based on the Net Asset Value as at the relevant Valuation Day) and payable monthly in arrears on the last day of each calendar month. Any new or existing Shareholder that subscribes for Participating Shares at any time other than the first day of a calendar month will be assessed a pro-rated portion of the Advisory Fee with respect to such subscription.

**Marketing Fee**

The Fund will pay the Advisor a marketing fee in respect of each Protected Cell as specified in the relevant Supplement (the “**Marketing Fee**”).

Unless otherwise stated in the relevant Supplement, the Administrative Fee is exclusive of VAT and shall be calculated daily (based on the Net Asset Value as at the relevant Valuation Day) and payable monthly in arrears on the last day of each calendar month. Any new or existing Shareholder that subscribes for Participating Shares at any time other than the first day of a calendar month will be assessed a pro-rated portion of the Administrative Fee with respect to such subscription.

<b>Performance Fee</b>	The Fund may pay to the Fund Manager a performance fee in respect of any Protected Cell as specified in the relevant Supplement.
<b>Subscription Fee</b>	Subscription fee and/or any other similar fee payable by Participating Shareholders, if any, will be set out in the relevant Supplement.
<b>Variation of Terms</b>	The Directors reserve the right to agree with any Participating Shareholder (through a side letter or otherwise) to waive or modify any of the terms set out herein with respect to such Participating Shareholder (including those relating to fees) without providing notice to, or obtaining the consent of, any other Participating Shareholder (other than a Participating Shareholder whose rights are adversely affected by such waiver or modification). Such modification or waiver may be effected through the establishment of a separate Class of Participating Shares. Such modification or waiver may require the consent of the Fund Manager, the Advisor or other third party service provider. In accordance with the CIL, the entry into side letters is qualified by the requirement of the Directors to treat investors fairly and equally.
<b>Organizational Expenses</b>	<p>Each Protected Cell shall bear all costs and expenses associated with its establishment and launch (the “<b>Organizational Expenses</b>”), including without limitation, DFSA fees and professional fees and expenses in connection with the preparation of the relevant Supplement.</p> <p>Any Organizational Expenses which are not directly attributable to any Protected Cell, including, without limitation, DFSA fees and professional fees and expenses in connection with the preparation of the Prospectus, shall be allocated to the Protected Cells on a pro-rata basis.</p> <p>Each Protected Cell will reimburse each of the Fund Manager and the Advisor as soon as practicable for any Organizational Expenses incurred by it on behalf of the Protected Cell immediately after the establishment of the Protected Cell.</p>
<b>Fund Expenses</b>	Unless otherwise stated in the relevant Supplement, each Protected Cell shall bear all expenses incidental to its operations and business (the “ <b>Fund Expenses</b> ”), including without limitation, (i) the Management Fee, the Administrative Fee, the Advisory Fee, the Marketing Fee,

and any other fee provided for in the relevant Supplement, (ii) the Administrative Expenses, (iii) the Transactional Expenses, and (iv) all transactional costs including brokerage, banking, sales and purchase commissions and charges and exchange fees, fees and charges of custodians and clearing agencies, income taxes, withholding taxes, transfer taxes and other governmental charges and duties, any costs incurred in respect of meetings of the Directors (including its committees) and meetings, if any, of Shareholders, fees of the Protected Cell's legal advisers and the Administrator's, Auditor's, Shari'a Supervisory Board's, Oversight Committee's and Directors' fees and expenses, the costs of maintaining the Fund's registered office in the DIFC and the registration of the Fund and the relevant Protected Cell as a Public Fund with the DFSA, the costs of printing and distributing any offering materials and any reports and notices to shareholders, disbursements incurred in respect of marketing and offering Participating Shares (including reasonable travel and accommodation expenses), brokers' fees and expenses, research fees and expenses and the costs of winding down and liquidating the Protected Cell.

Any costs and expenses of the Fund which are not directly attributable to any Protected Cell, including but not limited to the registered office fee, meetings of the Directors, Directors' fees, legal fees and DFSA fees, shall be allocated to the Protected Cells on a pro-rata basis.

Each of the Fund Manager and the Advisor is responsible for providing and paying for all office personnel, office space and office facilities required for the performance of its services to the Fund.

Each Protected Cell will reimburse each of the Fund Manager and the Advisor as soon as practicable for any Fund Expenses incurred by them.

Each Protected Cell will pay the relevant Fund Expenses out of the relevant Protected Cell Assets.

**Net Asset  
Valuations**

The Net Asset Value of each Protected Cell and the Net Asset Value per Participating Share shall be calculated, in US\$, by the Administrator (appointed by the Fund pursuant to the Administration Agreement) as at the close of business on the relevant Valuation Day (or at such other times as the Directors (or such other persons as aforesaid) may determine). The Subscription Price and Redemption Price



(following the Initial Offering Period) will be available upon request from the Fund Manager or the Administrator.

The Net Asset of the Fund will be equivalent to all the assets of the Fund less all the liabilities of the Fund as at the Valuation Day. The Net Asset of a Protected Cell will be equivalent to all the assets of the Protected Cell less all the liabilities of the Protected Cell as at the Valuation Day.

The Net Asset Value per Participating Share of any Class is determined by dividing the value of the assets of the Protected Cell attributable to the Participating Shares of the relevant Class less all liabilities attributable to the Participating Shares of such Class by the number of such Participating Shares as at the relevant Valuation Day, the result being rounded to the nearest cent.

The value of the assets of the Fund and Protected Cells shall be determined by the Fund Manager. Assets will be valued in accordance with the Fund Manager's valuation policy, where applicable pursuant to the relevant Supplement or where the assets are not quoted on a recognised exchange.

The Fund Manager may, subject to prior approval of the Directors, permit any other method of valuation to be used if it considers that such method of valuation better reflects value generally or in particular markets or market conditions and is in accordance with good accounting practice.

The Directors may object to a valuation of the assets of the Fund and/or Protected Cells undertaken by the Fund Manager and, in this event, the Directors may appoint an independent third party valuer to value the assets of the Fund and/or the relevant Protected Cell(s).

The Directors shall determine which accounting principles shall apply to the calculation of the Net Asset Value. To the extent that the Directors have not determined otherwise, or to the extent feasible, expenses, fees and other liabilities will be accrued in accordance with International Financial Reporting Standards ("IFRS"). Reserves (whether or not in accordance with IFRS) may be established for estimated or accrued expenses, liabilities or contingencies.

All valuations will be binding on all persons and in no event shall the Directors, the Administrator or the Fund Manager incur any individual liability or responsibility for any

determination made or other action taken or omitted by them in the absence of manifest error or bad faith.

Prospective investors should be aware that situations involving uncertainties as to the valuation of positions could have an adverse effect on the Fund's net assets if the Administrator's or the Fund Manager's judgements regarding appropriate valuations should prove incorrect.

**Financial Year** The financial year of the Fund (the “**Financial Year**”) ends on December 31 of each calendar year.

**Fund Currency** Cash distributions to Participating Shareholders will be made in US\$ (or in the currency of the relevant Class of Participating Shares as set out in the relevant Supplement). The financial statements of the Fund will be prepared in US\$.

**Reports to Participating Shareholders** Financial statements of each Protected Cell will be prepared by the Fund Manager in accordance with IFRS and shall be audited by the Auditor in accordance with the International Auditing and Assurance Standards Board.

The Fund Manager shall provide to Participating Shareholders of the relevant Protected Cell (with a copy to the Advisor), with respect to each Protected Cell, an annual report in accordance with Rule 9.4.5 of the CIR, which shall contain (a) the full audited financial statements, (b) the Fund Auditor's report in accordance with Rule 9.3.8(b) of the CIR, (c) the Fund Manager's report in accordance with Rule 9.4.9 of the CIR, and (d) a comparative table in accordance with Rule 9.4.10 of the CIR, to all Participating Shareholders within four (4) months of the end of each Annual Accounting period in accordance with Rule 9.4.2 of the CIR, with the first Annual Accounting Period commencing on the date of registration with the DFSA and ending twelve months later, and Annual Accounting Periods thereafter covering the period between each subsequent Financial Year end.

The Fund Manager shall provide an interim report, with respect to each Protected Cell, in accordance with Rule 9.4.4 of the CIR, to all Participating Shareholders (with a copy to the Advisor) within two (2) months of the end of each Interim Accounting Period in accordance with Rule 9.4.2 of the CIR, being six (6) months after the registration of the Fund with the DFSA and six (6) months after the anniversary of each Annual Accounting Period.

The Administrator shall provide, with respect to each Protected Cell, net asset value statements to the Advisor and all Participating Shareholders of the relevant Protected Cell on a monthly basis within three (3) Business Days of the end of the relevant month.

Copies of the most recent annual and interim reports may be inspected and obtained at the registered office of the Fund Manager.

**Shari'a Review**

Shari'a reviews of each Protected Cell will be undertaken by the Shari'a Supervisory Board in accordance with AAOIFI GSIFI No 2.

The Shari'a Supervisory Board shall prepare, with respect to each Protected Cell, an interim and an annual report relating to the Fund operations which complies with AAOIFI GSIFI No 1.

The Fund Manager shall deliver a copy of the interim report prepared by the Shari'a Supervisory Board to Participating Shareholders of the relevant Protected Cell in accordance with CIR 9.4.4 (with a copy to the Advisor) and shall include the annual report of the Shari'a Supervisory Board in the annual report required under CIR Rule 9.4.5.

**Shareholders Meetings**

The Fund Manager shall convene at least one general meeting of the Shareholders in every 12 month period from the date of the Fund's registration with the DFSA. Shareholders shall be given not less than fourteen (14) days advance notice in writing of each such meeting.

**Liability and Indemnification**

The Articles contain provisions for the indemnification of each of the Fund's directors and officers to the fullest extent permitted by the laws of the DIFC against any loss, liability, damages, actions, proceedings or claims incurred or sustained in connection with he or she being or having been a Director or an officer of the Fund except where such loss, liability, damages, actions, proceedings, or claims arises as a result of their own fraud, Gross Negligence or wilful misconduct. Furthermore, the Articles provide that subject to any provision of the laws of the DIFC to the contrary, the Directors and officers shall not be liable for any loss, liability, damages, actions, proceedings or claims to or of the Fund at any time unless caused by their own fraud, Gross Negligence or wilful misconduct.

Pursuant to the Fund Management Agreement and the Advisory Agreement, none of the Fund Manager, the Advisor or their respective directors, officers, employees, Affiliates, advisors or agents (each, an “**Indemnified Party**”) shall be liable to the Fund, the Promotor, the Advisor, any Protected Cell or any Shareholder for any action taken or not taken by it or for any action taken or not taken by any other person with respect to the Fund, any Protected Cell or the Investments and/or in connection with any of the services under the Fund Management Agreement or the Advisory Agreement (as the case may be), provided that, any Indemnified Party seeking to rely on such provision was neither Grossly Negligent nor engaged in fraud or wilful misconduct in respect of such action taken or not taken.

Pursuant to the Fund Management Agreement and the Advisory Agreement, to the extent permitted by applicable law, each Protected Cell will indemnify, upon demand, each Indemnified Party, against any and all Losses which an Indemnified Party sustains or incurs in respect of the relevant Protected Cell and/or in connection with its activities for and/or on behalf of the relevant Protected Cell, except for any Losses incurred by an Indemnified Party that are primarily attributable to such person’s Gross Negligence, fraud or wilful misconduct.

**Fund Term** The Fund shall commence its operations on the date on which the Fund is registered with the DFSA. The term of the Fund shall be indefinite.

Unless otherwise set out in the relevant Supplement, the term of each Protected Cell shall be indefinite.

**Winding-Up of Fund** The Fund, or a Protected Cell (as applicable), shall be wound up in the following circumstances:

- (a) court order to wind up the Fund;
- (b) a Special Resolution directing the Fund Manager to wind up the Fund, or the Protected Cell; or
- (c) otherwise in accordance with the Companies Law, the CIL and/or the CIR.

**Risk Factors and Potential Conflicts of** Potential investors should be aware that an investment in the Fund involves a high degree of risk and is suitable only for investors who fully understand and who can bear the risks

**Interest** of such an investment for an indefinite period and who can afford a total loss of their investment. In addition, potential investors should be aware that there will be occasions when the Directors, the Fund Manager, the Promotor, the Advisor and/or their respective affiliates may encounter potential conflicts of interest in connection with the Fund.

**All potential investors must carefully read the section entitled “Risk Factors and Potential Conflicts of Interest” in this Prospectus before making an investment in the Fund.**

**Administrator** Apex Fund Services (Dubai) Limited

**Custodian** The Northern Trust Company

Upon the written recommendation of the Advisor and subject to the prior written approval of the Directors, the Fund Manager shall appoint one or more additional custodians in respect of each Protected Cell.

**Auditor** Grant Thornton

**Promotor** Abu Dhabi Islamic Bank PJSC

**Legal Counsel** Dechert LLP

**Shari’a  
Supervisory  
Board** Dr. Mohamed Ali Elgari  
Dr. Esam Mohammed Ishaq  
Dr. Nizam Mohammed Saleh Ya’qoubi

## **5. ARTICLES AND SHARES**

### **5.1 Articles**

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Articles. Under the terms of the Articles, the liability of the Shareholders is limited to the amount, if any, unpaid on the Shares.

### **5.2 Share Capital**

The authorized share capital of the Fund is US\$100,000 divided into:

- (a) 9,999,900 Participating Shares being non-voting (except in respect of any matters specifically reserved for the approval of the Shareholders under the CIL, CIR and/or the Articles),

participating, redeemable shares of nominal value US\$0.01 each divided into classes as the Directors may determine. The Participating Shares being issued pursuant to this Prospectus and/or any Supplement do not have the right to receive notice of, attend, speak or vote at general meetings of the Fund except in respect of any matters specifically reserved for the approval of the Shareholders under the CIL, CIR and/or the Articles. Participating Shares are not redeemable at the option of the holder and are subject to compulsory redemption and forfeiture in certain circumstances. Dividends may, in the absolute discretion of the Directors, be paid to the holders of the Participating Shares out of the reserves available for distribution, subject to and in accordance with this Prospectus, any relevant Supplement and the Articles. In a liquidation, after the payment of the capital paid on the Management Shares, the assets available for distribution are to be distributed to the holders of the Participating Shares *pari passu* in proportion to the net asset value per Share of the Shares held; and

- (b) 100 Management Shares being voting, non-participating, shares of nominal value US\$0.01 each all of which have been issued and are held by the Fund Manager. Management Shares carry one vote per share but do not carry any right to dividends. In a liquidation the Management Shares rank only for a return of the nominal amount paid up on those shares before any payment to the holders of the Participating Shares and any other shares ranking *pari passu* with the Participating Shares in a liquidation.

Subject to the terms of the Articles, authorised but unissued Shares may be issued at the discretion of the Directors and there are no pre-emption rights with respect to the issue of additional Shares.

The Fund may by Special Resolution of the holder(s) of the Management Shares increase or reduce its authorised share capital.

### **5.3 Amendments**

Subject to the below, the Articles may be amended by a Special Resolution of the holder(s) of the Management Shares.

The Fund Manager, the Directors or the Auditor may be replaced and changes to the Articles, this Prospectus or any Supplement in respect of investment, financing powers may be made, if an appropriate Special Resolution has been passed by the Shareholders at a meeting convened by the Shareholders solely for that purpose pursuant to Article 35(1) of the CIL and the DFSA has approved any such proposed change pursuant to Article 35(6) of the CIL.

The Fund Manager must, by way of Special Resolution, obtain the prior approval of the Shareholders for any proposed change to the Fund, or any Protected Cell, that is a fundamental change (as defined in A 3.1.1(2) of the CIR).

Any other materially significant change, such as changes to the Articles, this Prospectus or any Supplement which may adversely affect the Shareholders may be made if an appropriate Ordinary Resolution has been passed by a simple majority of the Shareholders at a meeting convened for that purpose pursuant to Article 35(2) of the CIL.

If the Fund Manager considers on reasonable grounds that a change, including a change to the Articles, this Prospectus or any Supplement, is not one that falls within Article 35(1) or (2) of the CIL (or A 3.1.1(2) of the CIR) and will not adversely affect the Shareholders' rights, such change may be made by the Fund Manager without recourse to the Shareholders other than to notify them after the change has been effected. The Fund Manager will generally endeavor to give prior notice when possible but without liability.

The Fund Manager must give prior written notice to the Shareholders in respect of any proposed change to the operation of the Fund, or to the Shareholders of the relevant Protected Cell in respect of any proposed change to the operation of such Cell, where the change constitutes a significant change (as defined in A 3.1.2(2) of the CIR).

The Fund Manager must inform the Shareholders, or the Shareholders of the relevant Protected Cell (as the case may be), in an appropriate manner and timescale of any notifiable changes (as defined in A 3.1.3(2) of the CIR) that are reasonably likely to affect, or have affected, the operation of the Fund, or relevant Protected Cell (as the case may be).

#### **5.4 Variation of Rights**

The rights attached to the Participating Shares may only be materially adversely varied or abrogated with the consent in writing of the holders of at least seventy five per cent (75%) of the nominal value of the Shares of that class or by Special Resolution passed at a separate meeting of the holders of Shares of that class approving the variation or abrogation.

The rights attaching to the Participating Shares shall be deemed not to be varied or abrogated by the creation, allotment or issue of further shares ranking *pari passu* with the Participating Shares or ranking behind the Participating Shares, the redemption or repurchase of any Participating Shares or any modification of the fees payable to any service provider to the Fund.

All the provisions of the Articles as to general meetings of the Fund apply to every such separate meeting, except that the necessary quorum at any such meeting is one or more persons holding or representing by proxy at least one third of the issued Shares of the relevant Class.

#### **5.5 Winding-Up**

The Fund, or a Protected Cell, may be wound up, at any time, by:

- (a) court order;
- (b) a Special Resolution directing the Fund Manager to wind up the Fund; or
- (c) otherwise in accordance with the Law, the CIL, the CIR and/or the PCC Regulations.

Upon such determination being made, the Fund Manager will:

- (a) advise the Shareholders in writing that such determination has been made and will set out the Fund Manager's plans for the liquidation of the assets of the Fund, or the Protected Cell, and distribution of the Fund assets to the Shareholders;
- (b) publish a notice of the winding up or termination in one English and one Arabic language national newspaper and if the Fund has a website, on the Fund's website;
- (c) cease to issue, sell, cancel or redeem Shares or to invest or obtain financing for the Fund, or any Protected Cell, and proceed to wind up the Fund, or any Protected Cell, in accordance with the CIL, the CIR and the PCC Regulations; and
- (d) as soon as practicable after the Fund, or the Protected Cell, falls to be wound up, apply the Protected Cell Assets or the General Assets (as the case may be) in accordance with the PCC Regulations, the CIL, the DFSA Rulebook, the DIFC Insolvency Law and the Insolvency Regulations, in satisfaction of the claims of the Protected Cell Creditors and/or the General Creditors (as the case may be). The Fund Manager shall in relation to the assets available for distribution among Shareholders of a particular Protected Cell, make in the books of the Fund such transfers to and from the Separate Accounts relating to such Protected Cell as may be necessary in order that the effective burden of creditors' claims in respect of such Protected Cell may be shared among holders of Participating Shares of different Classes or Series in such Protected Cell as the liquidator in his absolute discretion may think equitable.



The shareholders in respect of a Protected Cell shall only be entitled to share in the assets and liabilities of the Protected Cell and shall not be entitled to share in the assets and liabilities of any other Protected Cell.

Protected Cell Assets, if any, shall be paid to the holders of Participating Shares of the relevant Class or Series in proportion to the Net Asset Value of the Participating Shares held, subject to a deduction from those Participating Shares in respect of which there are money due, of all money due to the Protected Cell for unpaid calls, or otherwise.

Upon a winding-up of the Fund, and after paying therefrom or retaining adequate provision for all liabilities properly so payable and for the costs of the winding up, the Fund Manager shall distribute the balance of the General Assets in the following priority:

- (a) first, to the holders of Management Shares, an amount equal to the capital paid up on such Management Shares; and
- (b) second, the balance shall be paid to the holders of Participating Shares in proportion to the Net Asset Value of Participating Shares held, subject to a deduction from those Participating Shares in respect of which there are monies due, of all monies due to the Fund for unpaid calls, or otherwise.

Any unclaimed net proceeds or other cash (including unclaimed distribution payments) held by the Fund Manager after the expiration of twelve months from the date on which they became payable shall be paid by the Fund Manager into court, subject to the Fund Manager having a right to retain any actual expenses incurred by it relating to that payment.

Upon completion of the winding up of the Fund or any Protected Cell, the Fund Manager shall notify the DFSA in writing of that fact and at the same time the Fund Manager must require the DFSA to revoke the relevant registration.

**THE STATEMENTS CONTAINED IN THIS PROSPECTUS CONCERNING THE ARTICLES, THE SHARES AND RELATED MATTERS ARE ONLY A SUMMARY, DO NOT PURPORT TO BE COMPLETE, AND IN NO WAY MODIFY OR AMEND THE ARTICLES. PROSPECTIVE INVESTORS MUST CAREFULLY READ THE ARTICLES AND CONSULT WITH THEIR OWN LEGAL COUNSEL CONCERNING THEIR RIGHTS AND OBLIGATIONS BEFORE SUBSCRIBING FOR SHARES.**

## **6. CERTAIN RISK FACTORS AND POTENTIAL CONFLICTS OF INTEREST**

Potential investors should be aware that an investment in the Fund or any Protected Cell involves a high degree of risk and is suitable only for investors who fully understand and who can bear the risks of such an investment for an indefinite period and who can afford a total loss of their investment. In addition, potential investors should be aware that there will be occasions when the Fund Manager, the Promotor, the Advisor and/or their respective Affiliates may encounter potential conflicts of interest in connection with the Fund. Potential investors should carefully evaluate the following considerations and other risks before making an investment in the Fund or any Protected Cell. This Section shall be read in connection with the “Risk Factors And Potential Conflicts Of Interest” section of the relevant Supplement.

### **6.1 Certain Risk Factors**

#### **No Guarantee**

There can be no guarantee that the Fund, or any Protected Cell, will achieve its investment objective or that investors will receive a return of their capital. There can be no guarantee that implementation of the investment objective and strategy of the Fund, or any Protected Cell, will not result in losses to the investors.

#### **Absence of Operating History**

The Fund, or any Protected Cell, is a newly formed entity and does not have an operating history upon which investors may base an evaluation of its likely performance. The past performance of any professionals engaged by the Fund, any Protected Cell or the Fund Manager cannot be construed as an indication of the future results of an investment in the Fund or any Protected Cell.

#### **Protected Cell Status**

The Fund is established as a protected cell company under DIFC law. As a matter of DIFC law, the assets of one Protected Cell, as applicable, are not available to meet the liabilities of another. However, the Fund is a single legal entity which may operate or have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation.

#### **Cross Liability Issues**

Where more than one class or series is issued in respect of a particular Protected Cell, Shareholders of any class or series (as applicable) may be compelled to bear the liabilities incurred in respect of the other classes or series of such Protected Cell, which such Shareholders do not themselves own, if there are insufficient assets in respect of such other classes or series to satisfy those liabilities. Accordingly, there is a risk that liabilities of one class or series within a particular Protected Cell may not be limited to that particular class or series (as applicable) and may be required to be met out of one or more other classes or series of that particular Protected Cell.

#### **Non-Voting Interests**

Investors will have no right to vote (except in respect of any matters specifically reserved for the approval of the Shareholders under the CIL, CIR and/or the Articles) or participate in the management of the Fund or any Protected Cell. Accordingly, no person should purchase any Participating Shares unless he is willing to entrust all aspects of management of the Fund and any Protected Cell to the Fund Manager.

### **Distributions in Kind**

Although under normal circumstances, the Fund, or any Protected Cell, intends to make distributions in cash, it is possible that under certain circumstances (including the termination of the Fund or any Protected Cell or where investments are or become illiquid) distributions may be made in kind and could consist of securities or other investments for which there is no readily available public market.

### **Illiquid Assets**

The Fund, or any Protected Cell, subject to provisions of the relevant Supplement, may invest in illiquid assets and there can be no assurance that the Fund, or any Protected Cell, will be able to realize positive returns on such investments in a timely manner, if at all. The investments, which are not traded on any organized exchange and for which no liquid market exists, may not be able to be sold or otherwise disposed of or, if sold, may not be able to be disposed of at a price perceived by the Fund, or any Protected Cell, to represent fair value or in the timeframe desired by the Fund or may result in distributions in kind to the Participating Shareholders. If the Fund, or any Protected Cell, attempts to sell or otherwise dispose of any such investment, such transaction may require additional time and other selling expenses than the sale of marketable securities and may be subject to contractual or other selling restrictions that further adversely affect sales price. Accordingly, the Fund, or any Protected Cell, may never realize any return on such investments.

### **Risks linked to investment in Shari'a alternatives for derivative products**

The Shari'a alternatives for derivative products, which require a prior approval of the Shari'a Supervisory Board, include a number of risks and constraints. The risks of these products heavily depend on the positions taken by the Fund. In some cases the loss is limited to the amount invested, while in other cases it may be considerable.

The use of Shari'a- alternatives for derivatives using the Shari'a structures that are approved by the Shari'a Supervisory Board.

In some cases, the use of the above instruments can have a financing effect. This financing adds additional risks because the losses may be disproportionate to the amount invested in these instruments. These instruments are highly volatile and their market values may be subject to significant fluctuations.

### **Financing**

The Fund, or any Protected Cell, does not intend to use leverage except for hedging purposes as set out in this Prospectus and/or relevant Supplement. To the extent that the Fund, or any Protected Cell, does obtain financing, the Fund, or any Protected Cell,

may finance its capital because the Fund Manager and the Advisor jointly believe that the use of financing may enable the Fund, or any Protected Cell, to achieve a higher rate of return. Accordingly, the Fund, or any Protected Cell, may pledge its securities in order to obtain financing for additional funds for investment purposes. The Fund, or any Protected Cell, may also finance its investment in Shari'a alternatives derivative instruments as approved by the Shari'a Supervisory Board. The amount of Shari'a compliant financing which the Fund, or any Protected Cell, may have outstanding at any time may be substantial in relation to its capital.

While Shari'a compliant financing presents opportunities for increasing the Fund's or Protected Cell's total return, it has the effect of potentially increasing losses as well. Accordingly, any event which adversely affects the value of an investment by the Fund or any Protected Cell would be magnified to the extent the Fund or any Protected Cell is financed. The cumulative effect of the use of Shari'a compliant financing by the Fund or any Protected Cell in a market that moves adversely to the Fund or Protected Cell investments could result in a substantial loss to the Fund or the Protected Cell which would be greater than if the Fund or the Protected Cell was not financed.

### **Limited Diversification**

If the Fund's or Protected Cell's investment portfolio is concentrated in a small number of investments, the portfolio may be subject to a greater level of volatility. Also, the use of a single Fund Manager applying generally similar trading programs could mean lack of diversification and, consequentially, higher risk.

### **Reliance on Fund Manager**

Although the Directors have the ultimate authority and responsibility for the management of the Fund and any Protected Cell, all decisions relating to the investment of the Fund's assets has been delegated to, and will be made by, the Fund Manager, who will therefore have total trading authority over the Fund and any Protected Cell. The Fund's expertise in trading is therefore largely dependent on the continuation of an agreement with the Fund Manager and the services and skills of their officers and employees. The loss of the Fund Manager's services (or that of one of their key personnel) could materially and negatively impact the value of the Fund or any Protected Cell as it may lead to the loss of the use of any proprietary investment methodology developed by the Fund Manager.

### **Effect of Redemptions**

If significant redemptions of Participating Shares in the Fund are requested, it may not be possible to liquidate the Fund's investments at the time such redemptions are requested or to do so at prices that reflect the true value of such investments. In addition, although it is expected that on winding up, the Fund would liquidate all of its investments and distribute cash to its Participating Shareholders, there can be no assurance that this will occur.

### **Counterparty Default**

The Fund or any Protected Cell will, in certain circumstances, be fully subject to the default of a counterparty. Minimal counterparty credit rating per exposure amount for each Protected Cell may be specified in the relevant Supplement.

### **Restrictions on Transfers and Redemptions**

There is currently no public market for the Participating Shares and it is unlikely that any active secondary market for any of the Participating Shares will develop. The Participating Shareholders might be able to dispose of their Participating Shares only by means of redemptions on the relevant Redemption Day at the Redemption Price, in the absence of an active secondary market. The risk of any decline in the Net Asset Value during the period from the date of notice of redemption until the Redemption Day will be borne by the Participating Shareholder(s) requesting redemption. In addition, the Directors have the power to suspend and limit redemptions and the payment of redemption proceeds. There are also restrictions on transferring Participating Shares. The Fund has the right to compulsorily redeem Participating Shares.

### **Market Risk**

Any investment made in a specific group of securities is exposed to the universal risks of the securities market. However, there can be no guarantee that losses equivalent to or greater than the overall market will not be incurred as a result of investing in such securities.

### **Economic Conditions**

Changes in economic conditions, including, for example, market rates (as a benchmark), inflation rates, employment conditions, competition, technological developments, political and diplomatic events and trends, and tax laws can affect substantially and adversely the business and prospects of the Fund or any Protected Cell. None of these conditions is within the control of the Fund, any Protected Cell or the Fund Manager and/or the Advisor and no assurances can be given that the Fund, any Protected Cell, the Fund Manager or the Advisor will anticipate these developments.

### **Currency Risks**

The base currency of the Fund, and any Protected Cell, is the US\$, unless otherwise stated in the relevant Supplement. Shares in the Fund and any Protected Cell will be issued and redeemed in the US\$ unless otherwise provided in the relevant Supplement. However, the Fund's or any Protected Cell's assets may be invested in securities and other investments that are denominated in currencies other than US\$ and the income and gains received may be denominated in several different currencies. Accordingly, the value of an investment may be affected favourably or unfavourably by fluctuations in exchange rates which may cause the value of investments to go up or down and may have an adverse effect on the price and value of, and income from, investments. The Investment Objectives and Policy of the Fund, or any Protected Cell may allow for the Management Team to enter into Shari'a compliant currency hedging transactions that are in advance approved by the Shari'a Supervisory Board but the Management Team

will not actively seek to hedge such exposure to currency fluctuations as part of their day to day management of the Fund, or any Protected Cell. In addition, prospective subscribers whose assets and liabilities are primarily denominated in currencies other than the US\$ should take into account the potential risk of loss arising from fluctuations in the rate of exchange between the US\$, Euro and such other currencies.

### **Credit Trends**

The value of specific investments may decline due to developments in the trends of particular industries and/or the financial conditions of the credit parties underlying the sukuk. These conditions may result in the Fund sustaining loss on certain investments, particularly if the Fund is required to liquidate investments during adverse markets conditions.

### **Term of Investment**

The Fund's or Protected Cell's investment strategy indicates that its portfolio will be concentrated in securities with a view to medium to long-term income generation. Accordingly, an investor should generally consider such investment objectives and strategies and should note, for example, the possible consequences of early redemption.

### **Emerging Markets**

Each Protected Cell may invest in emerging markets only if this is allowed by the relevant Supplement. Transactions on emerging markets make the investor take considerable additional risks, as the regulation of these markets does not provide for the same guarantees as far as protection of investors is concerned. The risks linked to the political-economic situation of the issuer's country of origin must be considered too.

In some countries there is a risk of asset expropriation, confiscation tax, political or social instability or diplomatic developments which could affect investments in those countries. Information on certain securities, instruments and investments may be less accessible to the public and entities may not be subject to requirements concerning auditing of accounts, accounting or recording comparable to those some investors are used to.

While generally increasing in volume, some financial markets have, for the most part, substantially less volume than most developed markets and securities of many companies are less liquid and their prices are more volatile than securities of comparable companies in largest markets. In many of these countries, there are also very different levels of supervision and regulation of markets, financial institutions and issuers, in comparison to developed countries. In addition, requirements and limitations imposed in some countries to investments by foreigners may affect the performance of the Fund or any Protected Cell. Any change in laws or currency control measures subsequent to an investment can make the repatriation of funds more difficult. Risk of loss due to lack of adequate systems for the transfer, pricing, accounting and custody of securities may also occur. The risk of fraud related to corruption and organised crime is significant.

Systems to settle transactions in emerging markets may be less well organised than in developed countries. There is a risk that the settlement of transactions be delayed and that liquid assets or securities of the Fund or any Protected Cell are jeopardised because of the failure of such systems. In particular, market practice may require that payment be made before receipt of the securities purchased or that a security be delivered before the price is received. In such cases, default of a broker or bank through which the transaction was to be made will result in a loss for the Fund that invests in emerging countries securities.

The economics of many emerging or frontier market countries can be heavily dependent on international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, managed adjustments on relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade and international economic developments generally.

### **Risks of custody**

The assets of the Fund, or any Protected Cell, are held by the Custodian(s) and the Fund, or any Protected Cell, is exposed to the risk of loss of assets held as a result of insolvency, negligence or fraudulent transaction by the Custodian. Minimal credit rating of a custodian may be specified in the relevant Supplement.

### **Operational risks**

The operations of the Fund or any Protected Cell (including investment management) are carried out by the service providers mentioned in this Prospectus. In the event of bankruptcy or insolvency of a service provider, investors may experience delays (for example, delays in the processing of subscriptions, conversions and redemption of Participating Shares) or other disruptions.

### **Legal and Regulatory Risks**

Legal and regulatory changes could occur that may adversely affect the Fund or any Protected Cell. None of these conditions is within the control of the Fund, any Protected Cell or the Fund Manager and no assurances can be given that the Fund, any Protected Cell or the Fund Manager will anticipate these developments.

Companies in the MENA region are generally not subject to regulations comparable to those in more developed countries with respect to such matters as transactions with Affiliates, insider trading rules, tender offer regulation, shareholder proxy requirements and the timely disclosure of material information. In certain of the target countries, minority shareholders are afforded limited protection and management or controlling shareholders may be able to take actions against the interests of minority shareholders, which would result in share dilution and may be detrimental for the Fund or any Protected Cell. Further, in certain countries of the MENA region, local market participants may have access to more information than is available to the Fund or any Protected Cell. In addition, existing laws and regulations are sometimes inconsistently and unreliably applied and enforced in some of the countries of the MENA region.

### **Tax Risks**

Applicable taxation laws, treaties, rules or regulations or the interpretation thereof may always change, possibly with retrospective effect. Changes in the tax treatment of investments and special purpose vehicles and unanticipated withholding taxes or other taxes may affect anticipated cash flows. The Fund, or any Protected Cell, may use a variety of investment structures to obtain exposure to the underlying assets on a case by case basis. Whilst the Fund, or any Protected Cell, will seek to enhance the tax efficiency of such investment structures in their jurisdictions of incorporation, the tax laws, however, may change or be subject to differing interpretations. Accordingly, the tax consequences of a particular investment or structure may change after the investment has been made or the structure has been established with the result that the Fund, or any Protected Cell, could become subject to taxation (including by way of withholding tax) in respect of its investments and the income, profit and gains derived therefrom in a manner or to an extent that is not currently anticipated. Any such change may have an adverse effect on the net asset value of the Fund, any Protected Cell and their interests.

### **Tax Reporting and Withholding**

Certain countries have adopted tax laws which require reporting and/or withholding in certain circumstances in connection with an investor's acquisition, holding and/or disposal of an investment in the Fund or any Protected Cell. Depending on the nature of the requirements, these tax laws impose (or may impose in the future) reporting and/or withholding obligations. To the extent that the Fund, or any Protected Cell, determines to incur the costs of compliance with tax or other laws, the Directors may require that investors whose acquisition, holding or disposal triggers the compliance requirements to share *pro rata* the cost to the Fund of doing so with other such investors.

### **Third-Party Litigation**

The Fund's, or any Protected Cell's, investment activities subject it to the risks of becoming involved in litigation by third parties. The expense of defending against claims by third parties and paying any actual amounts pursuant to settlements or judgments would be borne by the Fund or the relevant Protected Cell, would reduce net assets and could require investors to return to the Fund, or any Protected Cell, distributed capital and earnings. The Directors and the Fund Manager and others are entitled to be indemnified by the Fund, or any Protected Cell for actual amounts, in connection with such litigation, subject to certain limitations.

### **Cyber Security**

The Fund, any Protected Cell and their service providers may be subject to operational and information security risks resulting from cyberattacks. Cyberattacks include, among other things, stealing or corrupting data maintained online or digitally, denial of service attacks on websites, the unauthorised release of confidential information and various other forms of cybersecurity breaches. Cyberattacks affecting the Fund, or any Protected Cell, and its service providers may adversely impact the Fund or any Protected Cell. For instance, cyberattacks may interfere with the processing of investor transactions, impact the ability to calculate the Net Asset Value, cause the release of private investor information or other confidential information, impede trading, subject



the Fund, or any Protected Cell, and its service providers to regulatory fines and/or financial losses and cause reputational damage. Similar types of cybersecurity risks are also present for other market participants, which may have material adverse consequences for the Fund, or any Protected Cell, and may cause the Fund's, or Protected Cell's, investments to lose value. The Fund, or any Protected Cell, and its service providers may incur additional costs relating to cybersecurity preparations, and there can be no guarantee that such preparations, though taken in good faith and reasonably designed to safeguard the Fund's, any Protected Cell's, the Fund Manager's and others' informational systems, would be successful at preventing such attacks. Cyberattacks are viewed as an emerging risk and the scope of the risk and related mitigation techniques are not yet fully understood and are subject to continuing change.

### **Shari'a-Compliant Risks**

Shari'a-compliant Investments involve additional risks and costs than would otherwise be the case.

Shari'a compliance of the Fund, or any Protected Cell, and the Investments are based on the Shari'a resolutions and guidance of the Shari'a Supervisory Board. Investors are reminded that, as with any Shari'a views, differences in opinion are not uncommon. Investors should obtain their own independent Shari'a advice as to the Shari'a permissibility of the Fund, or any Protected Cell, and the Investments.

There can be no assurance that the Fund Manager will be able to identify or source suitable Shari'a-compliant Investments which may lead to a less diversified portfolio of assets which may affect the performance of the Fund and returns to investors.

The Fund, or any Protected Cell, may be required to take certain remedial action in the event that the Shari'a Supervisory Board determines that an Investment is not Shari'a-compliant including but not limited to disposing of the whole or a part of an Investment and/or donating monies generated from non-Shari'a-compliant Investments to a charity under the supervision of the Shari'a Supervisory Board.

### ***COVID-19 Risk***

In December 2019, an outbreak of a contagious respiratory virus now known as COVID-19 occurred. COVID-19 has since spread globally and, in March 2020, the World Health Organization declared COVID-19 a pandemic. The spread of COVID-19 has resulted in governmental authorities in many countries and states (including in the People's Republic of China and Hong Kong, the United States and Europe) taking extreme measures to arrest or delay the spread, including the declaration of states of emergency, restrictions on movement, border controls, travel bans and the closure of offices, schools and other public amenities such as bars, restaurants and sports facilities. This has resulted in a major disruption to businesses both regionally and globally.

## **6.2 Conflicts of Interest**

Pursuant to Rule 8.3.1 of the CIR, the Fund Manager must take reasonable steps to ensure that in any dealing in relation to the Fund Property such dealings do not give rise to a conflict of interest. Where a conflict of interest arises, whether in dealings with

Related Parties or otherwise, the Fund Manager must disclose to the Participating Shareholders the nature of the conflict and how the conflict will be managed.

The Fund Manager must not enter into any Related Party Transaction unless such Related Party Transaction is in accordance with the requirements in Rule 8.3.2 of the CIR.

For the purposes of the CIR, “**Related Parties**” are:

- (a) the Fund Manager;
- (b) the Fund’s governing body;
- (c) the Custodian;
- (d) persons providing oversight of the Fund;
- (e) the Fund’s advisors;
- (f) holders of 5% or more of the Fund’s Shares; or
- (g) any Associate of any person in (a) to (f).

Pursuant to Rule 8.3.2(2), the Fund Manager must ensure that any Related Party Transaction is on terms at least as favourable to the Fund as any comparable arrangement on normal commercial terms negotiated at arm’s length with an independent third party.

Pursuant to Rule 8.3.2(3), before entering into a Related Party Transaction:

- (a) issue to the Participating Shareholders a circular containing the details of the proposed transaction; and
- (b) obtain their approval by Special Resolution in respect of the proposed transaction if the total consideration or value of the transaction is five per cent (5%) or more of the most recent Net Asset Value as disclosed in the latest published audited accounts of the Fund.

Pursuant to Rule 8.3.2(4), the Fund Manager must: (a) if Participating Shareholders’ prior approval is required under Rule 8.3.2(3)(b), issue a notice to Shareholders providing details of the results of the Shareholders’ voting at the general meeting as soon as practicable after the meeting; (b) include, in the Fund’s next published interim or annual report, a brief summary of the Related Party Transaction, and certification that the requirements in these Rules have been met for the transaction; and (c) include, in the annual report of the Fund, the total value of any Related Party Transactions, their nature and the identities of the Related Parties with whom such transactions were made. Where there is no such transaction conducted during the financial year covered by the annual report, an appropriate negative statement to that effect must be made in the annual report.

### *General Conflict of Interest*

There may be occasions when the Fund Manager, the Advisor, the Promotor and/or their respective Affiliates may encounter potential or actual conflicts of interest in connection with the Fund.

In particular, Giorgio Medda is also a Director of the Fund Manager. Tony Hchaime is a senior employee of the Advisor.

The Fund can give no assurance that conflicts of interest will be resolved in favour of the Shareholders. Whenever an actual conflict of interest exists or arises the Board will endeavour to ensure that it is resolved fairly and may take such actions as may be necessary or appropriate to diminish or avoid the conflict. By acquiring Shares, each Shareholder will be deemed to have acknowledged the existence of such actual and potential conflicts of interest, to have consented thereto, and to have waived any claim in respect of the existence of any such conflict of interest.

### *Other Activities of Management*

The Fund Manager, the Promotor, the Advisor and their respective shareholders, directors, officers, employees, agents and Affiliates (“**Interested Parties**” and each an “**Interested Party**”) may be involved in other financial, investment or other professional activities which may on occasion cause conflicts of interest with the Fund. Except as expressly provided in this Prospectus and/or the Articles, an Interested Party may engage, and shall not be restricted from engaging in, any activity whatsoever permitted by applicable law including but not limited to (i) establishing, managing and/or advising other investment funds including those having investment objectives similar to those of the Fund; (ii) serving as directors, officers or agents of other investment funds; (iii) alone or in conjunction with others, acting as manager, adviser or promotor of any company in which the Fund has a legal or beneficial interest on such terms as it deems appropriate; (iv) buying, holding and dealing in any investments for its own account notwithstanding that similar investments may be held by the Fund; (v) investing in the Fund; (vi) contracting or entering into any financial or other transaction with any investor in the Fund or with any entity any of whose securities are held by or for the account of the Fund; and (vii) receiving commissions and benefits which it may negotiate in relation to any sale or purchase of any investments of the Fund affected by it for the account of the Fund and which may or may not be for the benefit of the Fund.

### *Diverse Investor Group*

Shares may have conflicting investment, tax or other interests with respect to their investments in the Fund. The conflicting interests of individual Shares may relate to or arise from, among other things, the nature of Investments made by the Fund, the structuring or the acquisition of Investments, the timing of disposition of Investments, and the tax status of each of the Shares. As a consequence, conflicts of interest may arise in connection with decisions made by the Fund Manager, including with respect to the nature or structuring of Investments, which may be more beneficial for one Shareholder than for another Shareholder. In selecting and structuring investments appropriate for the Fund, the Fund Manager will consider the investment and tax

objectives of the Shareholders as a whole, and not the investment, tax, or other objectives of any Shareholder individually.

#### *Legal Counsel*

Dechert LLP acts as counsel to the Fund and the Fund Manager. In connection with the offering of Shares and ongoing advice to the Fund and the Fund Manager, Dechert LLP will not be representing Shareholders. No independent counsel has been retained to represent the Shareholders.

In preparing this Prospectus, Dechert LLP has relied upon information furnished to it by the Fund Manager and did not investigate or verify the accuracy or completeness of the information set forth herein concerning the Fund, the Fund Manager and the Advisor.

**THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN THIS OFFERING. POTENTIAL INVESTORS MUST READ THE ENTIRE PROSPECTUS INCLUDING ALL ATTACHMENTS AND MUST CONSULT THEIR OWN PROFESSIONAL ADVISORS, BEFORE DECIDING TO INVEST IN THE FUND.**

## **7. CERTAIN LEGAL, TAX AND REGULATORY MATTERS**

### **7.1 Certain Regulatory Matters**

#### **7.1.1 Fund**

The Fund is registered with the DFSA as a Public Fund, and is a Domestic Fund, an Umbrella Fund and an Islamic Fund under the CIR.

The Fund Manager registered the Fund with the DFSA as a Public Fund with effect from 18 April 2021.

The Participating Shareholders are not liable for the debts of the Fund, unless the applicable legislation prescribes otherwise.

#### **7.1.2 Fund Manager**

The Fund Manager is regulated by the DFSA and is licensed to carry out certain financial services including Managing a Collective Investment Fund (as defined in the DFSA Rulebook). The Fund Manager has an endorsement on its license to conduct Islamic Financial Business by Operating an Islamic Window. The Fund Manager does not have a Retail Client endorsement.

Pursuant to the CIL, the Fund Manager shall:

- (a) manage the Fund including the Fund Property in accordance with the Articles and its most recent Prospectus;

- (b) perform the functions conferred on it by the Articles and by or under the CIL; and
- (c) comply with any conditions or restrictions imposed by the DFSA including those on its license or in respect of the Fund; and comply with any requirements or limitations imposed under the CIL or CIR including any limits relating to financial interests it or any of its associates may hold in the Fund.

Pursuant to the CIL, in exercising its powers and carrying out its duties, the Fund Manager shall:

- (a) act honestly;
- (b) exercise the degree of care and diligence that a reasonable person would exercise if he were in the Fund Manager's position;
- (c) act in the best interests of the Participating Shareholders and, if there is a conflict between the Participating Shareholders' interests and its own interests, give priority to the Participating Shareholders' interests;
- (d) treat the Participating Shareholders who hold interests of the same class equally and Participating Shareholders who hold interests of different classes fairly;
- (e) not improperly make use of information acquired through being the Fund Manager in order to: (i) gain an advantage for itself or another person; or (ii) cause detriment to the Participating Shareholders in the Fund;
- (f) ensure that Fund Property is: (i) clearly identified as Fund Property; and (ii) held separately from the property of the Fund Manager and the property of any other Fund it manages;
- (g) report to the DFSA any breach of the CIL or relevant provisions of any other law administered by the DFSA, or of any rules made under those laws, that: (i) relates to the Fund; and (ii) has had, or is likely to have, a materially adverse effect on the interests of Participating Shareholders; as soon as practicable after it becomes aware of the breach;
- (h) comply with any other duty or obligation as may be prescribed by or under the CIL or any other legislation administered by the DFSA;
- (i) carry out or comply with any other duty, not inconsistent with any DIFC law, that is conferred on the Fund Manager by Articles;

- (j) take reasonable steps to ensure that its officers, employees and agents comply with their obligations listed in the CIL; and
- (k) otherwise carry out its duties in accordance with the CIL and the CIR.

The Fund Manager is permitted from time to time to delegate certain activities or outsource certain functions in accordance with the CIR and IFR. However, the Fund Manager continues to retain responsibility for such delegated activities and functions.

## **7.2 Anti-Money Laundering**

‘Authorised Firms’ under the Anti-Money Laundering, Counter-Terrorist Financing and Sanctions Module of the DFSA Rulebook are required to maintain adequate policies, procedures, systems and controls in place to prevent the activity of money laundering and terrorist financing.

The Fund itself is not a ‘Relevant Person’ for the purposes of the AML Rules, however the Fund Manager is, since it is an ‘Authorised Firm’. The Fund Manager therefore is required to comply with the requirements of the AML Rules, which (in addition to maintaining adequate policies, procedures, systems and controls in place), include appointing an Anti-Money Laundering Reporting Officer who has been assessed by the DFSA as fit and proper, to be responsible for the Fund Manager’s compliance with the requirements under the AML Rules.

Under the AML Rules, the DFSA requires prompt reporting of any suspicious transactions and activities in relation to money laundering or terrorist financing to the Financial Intelligence Unit of the UAE Central Bank with a notification to the DFSA. Where there is a breach of the AML Rules, the Fund Manager may be subject to investigations by the DFSA and any sanctions it is authorised to impose, as the DFSA deems appropriate.

Federal Law No. 4 of 2002 Regarding Criminalisation of Money Laundering together with other UAE criminal laws, applies in the DIFC and as such, any breach under that legislation would result in the criminal liabilities. However, anti-money laundering regulations of the UAE Central Bank, the UAE Ministry of Economy and the federal securities regulator the Securities and Commodities Authority do not apply in the DIFC and so do not apply to the Fund Manager.

In accordance with AML Rules, the Administrator will require a detailed verification of the identity of each subscriber to the Fund and the source of payment. The Fund Manager and the Administrator reserve the right to request such documents and information as is necessary to verify the identity of a subscriber. In the event of delay or failure by a subscriber to produce any documents or information required for verification purposes, the Administrator will refuse to accept the application and the subscription monies relating thereto.

By subscribing to the Fund, subscribers consent to the disclosure by the Fund and the Administrator of any information about them to regulators and others upon request in connection with money laundering and similar matters in the UAE and in other jurisdictions.

### **7.3 Certain Tax Considerations**

No taxes currently apply to the holders of the Shares in the DIFC, including dividend tax, capital gains tax, stamp duty or other tax.

It is the responsibility of all persons interested in purchasing Shares to inform themselves as to any tax consequences from their investing in the Fund and the Fund's operations or management, as well as any foreign exchange or other fiscal or legal restrictions, which are relevant to their particular circumstances in connection with the acquisition, holding or disposition of Shares. Prospective investors should therefore seek their own separate tax advice in relation to their holding of Shares and accordingly none of the Fund and the Fund Manager accept any responsibility for the tax consequences of any investment into the Fund by an investor.

#### **FATCA**

The Foreign Account Tax Compliance provisions of the U.S. Internal Revenue Code (“**FATCA**”) generally impose a reporting and 30% withholding tax regime with respect to (i) certain U.S. source income (including interests and dividends) and gross proceeds from the sale or other disposition of property that can produce U.S. source interests or dividends (“withholdable payments”) and (ii) “passthru payments” (generally, withholdable payments and payments that are attributable to withholdable payments) made by foreign financial institutions (“**FFIs**”). As a general matter, FATCA is designed to require U.S. Persons' direct and indirect ownership of certain non-U.S. accounts and non-U.S. entities to be reported to the IRS. FATCA withholding generally applies to payments made after July 1, 2014 with withholding on foreign passthru payments made by FFIs not taking effect before 2017.

The U.S. is implementing an intergovernmental approach to FATCA based on bilateral agreements with other countries. Under the intergovernmental approach, an FFI that satisfies the conditions imposed under a bilateral agreement and any applicable implementing legislation generally will report FATCA information to its local governmental authorities rather than the IRS. The local governmental authorities will then report such information to the IRS in compliance with the bilateral exchange of information agreement. Under the intergovernmental approach, however, the FFI generally will not be subject to the regular FATCA reporting and withholding obligations.

Each Shareholder is urged to consult its tax advisors regarding the effect of FATCA in its particular circumstances.

#### **CRS**

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard (“CRS”) to address the issue of offshore tax evasion on a global basis. Aimed at maximizing efficiency and reducing cost for financial institutions, the CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. The UAE government has committed to implement the CRS. As a result, the Fund will be required to comply with the CRS due diligence and reporting requirements, as adopted by the UAE government. Shareholders may be required to provide additional information to the Fund to enable the Fund to satisfy its obligations under the CRS. Failure to provide requested information may subject such Shareholder to liability for any resulting charges and/or compulsory redemption of its Shares.



## 8. DEFINITIONS

In this Prospectus, the words set out below have the meanings set opposite to them, if not inconsistent with the subject or context.

<b>“AAOIFI”</b>	means the Accounting and Auditing Organization for Islamic Financial Institutions.
<b>“ADIB Manager”</b>	has the meaning ascribed to it in Section 2.1 herein.
<b>“Administration Agreement”</b>	has the meaning ascribed to it in Section 2.7 herein.
<b>“Administrative Fee”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Administrative Expenses”</b>	means the costs and expenses of the administration of the Fund, including but not limited to (a) legal, tax, advisory, accounting, auditors’ and valuers’ fees and expenses, (b) brokers’ commissions (if any), (c) fees and expenses of the Administrator, Custodian and Shari’a Supervisory Board, (d) all taxes and corporate fees payable to governments or agencies, (e) communication expenses with respect to investor services and all expenses of preparing, printing and distributing financial and other reports, proxy forms, offering memoranda and similar documents, (f) the cost of takaful, (g) litigation and indemnification expenses and extraordinary expenses not incurred in the ordinary course of business, and (h) fees and expenses of the Board and the Oversight Committee.
<b>“Administrator”</b>	has the meaning ascribed to it in Section 2.7 herein.
<b>“Advisor”</b>	has the meaning ascribed to it in Section 2.5 herein.
<b>“Advisor Indemnified Party”</b>	has the meaning ascribed to it in Section 2.7 herein.
<b>“Advisory Agreement”</b>	has the meaning ascribed to it in Section 2.5 herein.
<b>“Advisory Fee”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Affiliate”</b>	means, when used with respect to a specified Person, any other Person which, directly or indirectly, controls, is controlled by or is under common control with such specified Person, where “control” (including “controlling,” “controlled by” and “under common control with”) of such specified Person shall mean

the possession, direct or indirect, of the power to direct or cause the direction of the management, policies or affairs of such specified Person, whether through the ownership of equity, by contract or otherwise.

<b>“AML Rules”</b>	means the Anti-Money Laundering, Counter-Terrorist Financing and Sanctions Module of the DFSA Rulebook, as amended from time to time.
<b>“Annual Accounting Period”</b>	has the meaning ascribed to it in CIR 9.4.2 (2).
<b>“Anti-Money Laundering Legislation”</b>	means the AML Rules, the Federal Decree-Law No. (20) of 2018 On Anti-Money Laundering and Combating the Financing of Terrorism and Financing of Illegal Organisations and implementing regulation, Cabinet Decision No. (10) of 2019 Concerning the Implementing Regulation of Decree Law No. (20) of 2018 On Anti-Money Laundering and Combating the Financing of Terrorism and Illegal Organisation, and the Penal Code of the United Arab Emirates.
<b>“Articles”</b>	has the meaning ascribed to it in the Section herein entitled “Important Notices”.
<b>“Audit Principal”</b>	has the meaning ascribed to it in the “Glossary Module” of the DFSA Rulebook.
<b>“Auditor”</b>	has the meaning ascribed to it in Section 2.10 herein.
<b>“Board”</b>	means the board of directors of the Fund, from time to time.
<b>“Business Day”</b>	means any day (except Friday and Saturday) on which banks in the UAE are open for business.
<b>“Chairman”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“CIL”</b>	means the Collective Investment Law, DIFC Law No. 2 of 2010, as amended from time to time.
<b>“CIR”</b>	means the Collective Investment Rules module of the DFSA Rulebook, as amended from time to time.
<b>“Companies Law”</b>	means the Companies Law, DIFC Law 5 of 2018, the Companies Regulations and the PCC Regulations, as amended from time to time.
<b>“Companies Regulations”</b>	means the DIFC Companies Regulations issued pursuant to the provisions of the Companies Law, as amended from time to

	time.
<b>“Compulsory Redemptions”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Custodian”</b>	has the meaning ascribed to it in Section 2.9 herein.
<b>“DFSA Rulebook”</b>	means, collectively, the rules issued from time to time by the board of directors of the DFSA pursuant to Article 23 of the Regulatory Law, DIFC Law No. 1 of 2004 (as amended).
<b>“Directors”</b>	means the directors of the Fund from time to time.
<b>“Domestic Fund”</b>	has the meaning given in the CIL.
<b>“Eligible Investor”</b>	means such persons as determined by the Board to be eligible to hold Shares, provided that, each such person shall not be a Restricted Person.
<b>“Financial Year”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“First Cell”</b>	means ADIB GLOBAL SUKUK FUND, the initial protected cell established by the Fund.
<b>“Fund”</b>	has the meaning ascribed to it in Section 1.1.
<b>“Fund Expenses”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Fund Manager”</b>	has the meaning ascribed to it in Section 1.1 herein.
<b>“Fund Management Agreement”</b>	has the meaning ascribed to it in Section 2.1 herein.
<b>“Fund Manager Indemnified Party”</b>	has the meaning ascribed to it in Section 2.1 herein.
<b>“Fund Property”</b>	means the Fund’s property as defined in the Glossary Module of the DFSA Rulebook.
<b>“General Assets”</b>	means the assets of the Fund which are not Protected Cell Assets as defined in the DFSA Rulebook and the PCC Regulations.
<b>“General Creditor”</b>	means a creditor of the Fund who is not a Protected Cell Creditor as defined in the DFSA Rulebook and the PCC Regulations.

<b>“Grossly Negligent” or “Gross Negligence”</b>	in relation to a person means a standard of conduct beyond negligence whereby that person acts with reckless disregard for the consequences of a breach of a duty of care owed to another.
<b>“Initial Closing Date”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“IFBL”</b>	means the Law Regulating Islamic Financial Business DIFC Law No. 13 of 2004 including any statutory modification or re-enactment thereof for the time being in force.
<b>“IFR”</b>	means the DFSA Islamic Finance Rules of the DFSA Rulebook including any amendment or restatement thereof for the time being in force.
<b>“IFRS”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Indemnified Party”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Initial Offering Period”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Interested Party” and “Interested Parties”</b>	have the meanings ascribed to them in Section 6.2 herein.
<b>“Interim Accounting Period”</b>	has the meaning ascribed to it in CIR 9.4.2 (4).
<b>“Investment”</b>	means any asset and/or investment held by the Fund, or any Protected Cell, from time to time.
<b>“Islamic Fund”</b>	has the meaning given in the CIL.
<b>“Losses”</b>	means actual expenses (including reasonable legal fees), claims, costs, damages, losses (including, without limitation, from and against any judgment, settlement, legal fees and other costs or expenses incurred in connection with the defence of any action or threatened action or proceeding), or liabilities.
<b>“Management Fee”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Management Shares”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Management</b>	means the team described in Section 2.3 herein.

<b>Team”</b>	
<b>“Marketing Fee”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Minimum Period”</b>	has the meaning ascribed to it in Section 2.1 herein.
<b>“Net Asset Value”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Ordinary Resolution”</b>	means a resolution of a duly constituted general meeting of the Fund’s Shareholders passed by a simple majority of the votes cast on behalf of the Shares entitled to vote through or on behalf of the Shareholders present in person or by proxy and voting at the meeting. It includes any unanimous written resolution of Shareholders entitled to vote, expressed to be an ordinary resolution;
<b>“Organizational Expenses”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Oversight Committee”</b>	has the meaning ascribed to it in Section 2.5 herein.
<b>“Participating Shares”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Participating Shareholder(s)”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“PCC Regulations”</b>	the DIFC Protected Cell Companies (PCC) Regulations issued pursuant to the provisions of the Companies Law;
<b>“Person”</b>	means a natural person, corporation, company, partnership, trust, unincorporated organization, association, or any other entity which has legal personality.
<b>“Professional Client”</b>	has the meaning given in the Conduct of Business Module of the DFSA Rulebook.
<b>“Promotor”</b>	has the meaning ascribed to it in Section 2.11 herein.
<b>“Protected Cell”</b>	a protected cell in the Fund established in accordance with the provisions of the PCC Regulations.
<b>“Protected Cell Assets”</b>	means the assets of the Fund held within or on behalf of any Protected Cell as defined in the DFSA Rulebook and the PCC Regulations.
<b>“Protected Cell</b>	means a creditor of the Fund who is a creditor of a Protected

<b>“Creditor”</b>	Cell as defined in the DFSA Rulebook and the PCC Regulations.
<b>“Public Fund”</b>	has the meaning given in the CIL.
<b>“Prospectus”</b>	has the meaning ascribed to it in the Section herein entitled “Important Notices”.
<b>“Redemption Day”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Redemption Price”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Reserved Matters”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Restricted Person”</b>	<p>means any person holding Shares (or any person who, if they were to hold Shares, would hold Shares):</p> <p>(a) in breach of the law or requirements of any country of governmental authority; or</p> <p>(b) in circumstances (whether directly or indirectly affecting such Person and whether taken alone or in conjunction with any other Person, connected or not, or any other circumstances) which, in the opinion of the Board, might result in the Fund incurring any liability to taxation or suffering any other pecuniary, legal or administrative disadvantage which the Fund might not otherwise have incurred or suffered.</p>
<b>“Retail Client”</b>	has the meaning ascribed to it in the Glossary Module of the DFSA Rulebook.
<b>“Shareholder”</b>	means any holder of Participating Share(s) or Management Share(s).
<b>“Shares”</b>	means the Participating Shares and the Management Shares of the Fund.
<b>“Special Resolution”</b>	means a resolution passed by a majority of not less than 75% of the votes validly cast (whether on a show of hands or on a poll) for and against the resolution at a general meeting or class meeting of Shareholders, of which notice specifying the intention to propose the resolution as a special resolution has been duly given.

<b>“Standards”</b>	means the rules and principles of Shari’a as set out in the Shari’a Standards of the Accounting and Auditing Organization for Islamic Financial Institutions.
<b>“Subscription Agreement”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Subscription Day”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“Subscription Price”</b>	has the meaning ascribed to it in Section 4 herein
<b>“Subscription Settlement Day”</b>	means, unless otherwise stated in the relevant Supplement, in respect of any Subscription Day, the second Business Day immediately following such Subscription Day and/or such other day or days as the Fund Manager may from time to time determine either generally or in any particular case.
<b>“Supplement”</b>	has the meaning ascribed to it in Section 1.1 herein.
<b>“Transactional Expenses”</b>	means the actual fees and expenses, direct or indirect, in connection with transactions made or proposed to be made by or on behalf of the Fund, including but not limited to (a) legal, tax, Shari’a, advisory, accounting, auditors’ and valuers’ fees, (b) bank fees and investment bankers’ fees, (c) external consultants’ fees, (d) other professional fees and expenses, (e) all introduction and similar fees, and (f) all other actual costs and expenses in connection with sourcing, acquiring, holding, monitoring, financing and disposing of Investments. Transactional Expenses shall include any and all actual fees incurred in connection with any transactions that are not consummated.
<b>“UAE”</b>	means the United Arab Emirates.
<b>“Umbrella Fund”</b>	has the meaning given in the CIL.
<b>“U.S.”</b>	means the United States of America.
<b>“USD” or “US\$”</b>	means the lawful currency of the U.S.
<b>“Valuation Day”</b>	has the meaning ascribed to it in Section 4 herein.
<b>“VAT”</b>	means value added tax.

**APPENDIX A**  
**OFFERING RESTRICTIONS IN CERTAIN JURISDICTIONS**

The provisions set forth in this Appendix (other than the disclaimers for the UAE and the Kingdom of Saudi Arabia) were not prepared by Dechert LLP and is not responsible for the contents of such provisions.

**NOTICE FOR PROSPECTIVE INVESTORS OF THE KINGDOM OF BAHRAIN**

All applications for investment should be received, and any allotments should be made, in each case from outside the Kingdom of Bahrain. This Prospectus, and any Supplement, have been prepared for private information purposes of intended investors only who will be high net worth individuals and institutions. The Fund represents and warrants that it has not made and will not make any invitation to the public in the Kingdom of Bahrain and that this Prospectus, and any Supplement, will not be issued, passed to, or made available to the public generally. The Central Bank of Bahrain has not reviewed, nor has it approved, this Prospectus, any Supplement, or the marketing of the Shares in the Kingdom of Bahrain. Accordingly, the Shares may not be offered or sold in the Kingdom of Bahrain to residents thereof except as permitted by Bahrain law. The Central Bank of Bahrain is not responsible for the performance of the Fund.

**NOTICE FOR PROSPECTIVE INVESTORS OF THE KINGDOM OF SAUDI ARABIA**

This Prospectus, and any Supplement, may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Investment Funds Regulations issued by the Saudi Arabian Capital Market Authority (“CMA”). The CMA does not make any representation as to its accuracy or completeness. It disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Prospectus or any Supplement. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the Shares. If you do not understand the contents of this Prospectus, or any Supplement, you should consult an authorized financial advisor.

**NOTICE FOR PROSPECTIVE INVESTORS OF THE STATE OF KUWAIT**

The Shares have not been licensed as a private offering in Kuwait by the Capital Markets Authority in accordance with Law No. 7 of 2010 concerning Establishing Capital Markets Authority and Organizing Securities Activities and its Executive Bylaws. No Shares will be marketed or offered in or from the State of Kuwait to investors.

**NOTICE FOR PROSPECTIVE INVESTORS OF THE SULTANATE OF OMAN**

The information contained in this Prospectus, or any Supplement, neither constitutes a public offer of securities in the Sultanate of Oman as contemplated by the Commercial Companies law of Oman (Sultani decree 4/74) or the Capital Market Law of Oman (Sultani decree 80/98), nor does it constitute an offer to sell, or the solicitation of any offer to buy non-Omani securities in the Sultanate of Oman as contemplated by article 6 of the Executive Regulations to the Capital Market Law (issued via ministerial decision no 4/2001). Additionally, this Prospectus,



or any Supplement, is not intended to lead to the conclusion of any contract of whatsoever nature within the territory of the Sultanate of Oman.

#### **NOTICE FOR PROSPECTIVE INVESTORS OF THE STATE OF QATAR**

In the State of Qatar, the offer contained herein is made on an exclusive basis to the specifically intended recipients thereof for personal use only and shall in no way be construed as a general offer for the subscription for interests to the public or an attempt to do business, as a bank, investment company or otherwise in the State of Qatar.

The Fund is not registered in the State of Qatar, and this offering has not been approved or licensed by the Qatar Central Bank or any other relevant licensing authorities in the State of Qatar and does not constitute a public offer of securities in the State of Qatar under Qatari law.

#### **NOTICE FOR PROSPECTIVE INVESTORS OF THE UAE**

The UAE Securities and Commodities Authority (“**Authority**”) is not responsible for the accuracy, completeness or sufficiency of the information contained in this Prospectus, or any Supplement, and shall not be liable for any loss or damage sustained by any person as a result of reliance on this Prospectus, or any Supplement, or the performance of the obligations and duties of any party concerned with the Fund.

No marketing, distribution, advertising or publication (or other form of promotion) in respect of the Fund or the Participating Shares has been or will be made in or from the United Arab Emirates, other than in compliance with the laws of the United Arab Emirates (including, without limitation, Chairman of the SCA Board of Directors Decision No. (3 / R.M) of 2017 Concerning the Organization of Promotion and Introduction (“**Financial Promotion Regulations**”)).

This Prospectus, or any Supplement, relates to an offering (as defined in the Financial Promotion Regulations) of a Foreign Fund (as defined in the SCA Board of Directors’ Chairman’s Decision No. (9/R.M) of 2016 Concerning the Regulations as to Mutual Funds (“**Mutual Fund Regulations**”)).

It is intended that the Fund be registered for promotion in the United Arab Emirates with the Securities & Commodities Authority of the United Arab Emirates, in accordance with the Mutual Fund Regulations, by Azimut (DIFC) Limited as the legal representative of the Fund for such purposes. The Participating Shares are being made available to qualified investors and non-qualified investors (as defined in the Financial Promotion Regulations).

# **SUPPLEMENT TO PROSPECTUS**

## **ADIB ISLAMIC PUBLIC FUND OPEN-ENDED PCC PLC**

An open-ended protected cell company incorporated under the laws of the DIFC with registered number 4630 and registered as a Public Fund under the laws of the DFSA with effect from 18 April 2021

## **ADIB GLOBAL SUKUK FUND**

**August 2021**

This Supplement relates to a Public Fund established and existing in accordance with the Collective Investment Law No. 2 of 2010 and the Collective Investment Rules of the Dubai Financial Services Authority (“DFSA”).

**The DFSA does not accept responsibility for the content of the information included in the Supplement, including the accuracy or completeness of such information. The liability for the content of the Supplement lies with Fund and other persons, such as experts, whose opinions are included in the Supplement with their consent. The DFSA has also not assessed the suitability of the Securities to which the Supplement relates to any particular investor or type of investor and has not determined whether they are Shari’a compliant.**

**If you do not understand the contents of this Supplement or are unsure whether the Participating Shares to which the Supplement relates are suitable for your individual investment objectives and circumstances, you should consult an authorised financial advisor.**

**The Participating Shares to which this Supplement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of such Participating Shares should conduct their own due diligence.**

## IMPORTANT NOTICES

This supplement (“**Supplement**”) to the prospectus of ADIB Islamic Public Fund Open-Ended PCC Plc (the “**Fund**”), as amended and/or supplemented from time to time (the “**Prospectus**”) is intended solely for the use on a confidential basis by those persons to whom it has been delivered by the Fund for the purpose of enabling the recipient to evaluate an investment in non-voting, redeemable, participating shares (the “**Participating Shares**”) in ADIB Global Sukuk Fund (the “**Protected Cell**”), a protected cell of the Fund. Unless the context otherwise requires, capitalized terms not defined herein shall have the meaning set out in the Prospectus.

This Supplement forms part of, and must be read together with, the Prospectus including but not limited to the general description of (a) the Fund and its management; (b) the risk factors and conflicts of interest; and (c) the subscription and redemption policies and restrictions.

## RESPONSIBILITY

The Fund Manager and the Directors, whose names are set out in the Prospectus, accept responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Fund Manager and the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information. The Advisor and the Promoter shall not be responsible for the information contained in this Supplement.

## CONFIDENTIALITY

Recipients, by their acceptance and retention of this Supplement, acknowledge and agree to preserve the confidentiality of the contents of this Supplement and all accompanying documents and to return this Supplement and all such documents to the Promotor, the Fund Manager or the Administrator if the recipient does not purchase any Participating Shares. Neither this Supplement nor any of the accompanying documents may be reproduced in whole or in part, nor may they be used for any purpose other than that for which they have been submitted, without the prior written consent of the Fund.

## CURRENT LAW

This Supplement is based on the law and practice applicable to investment funds of the type described in this Supplement, currently in force in the DIFC to the extent they do not conflict with the rules and principles of Shari’a as set out in the Shari’a Standards of the Accounting and Auditing Organization for Islamic Financial Institutions (the “**Standards**”). In the event of any inconsistency between this Supplement and the Standards, the Standards shall prevail and this Supplement shall be amended to avoid any such inconsistency.

## NO ADVICE

Investors are not to construe the contents of this Supplement as legal, business or tax advice. Each prospective investor should consult its own attorney, business advisor and tax advisor as to legal, business, tax and related matters concerning this offering.

## OFFERING RESTRICTIONS

The distribution of this Supplement and the offer and sale of the Participating Shares in certain jurisdictions may be restricted by law. Prospective investors should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business with respect to the acquisition, holding or disposal of Participating Shares, and any foreign exchange restrictions that may be relevant thereto. This Supplement does not constitute an offer to sell or a solicitation of an offer to buy Participating Shares in any jurisdiction to any person to whom it is unlawful to make such an offer or sale.

None of the Fund, the Protected Cell, the Fund Manager, the Promotor or the Advisor is making any representation to any offeree or investor in the Fund, or the Protected Cell, regarding the legality of investment by such offeree or investor under applicable investment or similar laws.

## ARTICLES

The Prospectus and this Supplement are subject to and qualified in their entirety by reference to the Articles and the Subscription Agreement which should be reviewed for complete information concerning the rights, privileges and obligations of investors in the Fund or the Protected Cell. In the event that the description or terms in this Supplement are inconsistent with or contrary to the descriptions in or terms of the Articles or the Subscription Agreement, the Articles and the Subscription Agreement shall prevail.

## SHARI'A NOTICE

The Protected Cell is classified as an Islamic Fund for the purposes of the DFSA Rulebook.

All operations of the Protected Cell will be conducted in accordance with the applicable rules and principles of Shari'a and the Islamic Finance Rules module of the DFSA Rulebook and the principles of Shari'a as set out in the Standards, in each case with guidance and oversight from the Shari'a Supervisory Board.

All investment made by the Protected Cell shall be in accordance with the Shari'a Investment Guideline and Shari'a Operational Guidelines as approved by the Shari'a Supervisory Board of the Fund and attached hereto as Schedule (the "**Shari'a Guidelines**").

Any earnings prohibited by Shari'a will be donated to one or more charitable organisations under the supervision and with the approval of the Shari'a Supervisory Board. The payment of the Zakat relevant to the Protected Cell is the responsibility of the Shareholders.

All shareholders in the Protected Cell shall rank *pari passu* as amongst themselves and no class of shares of the Cell shall grant the shareholders therein any preference over the rights of any other shareholder in the Cell.

This Prospectus, this Supplement and the Articles have been reviewed and approved by the Shari'a Supervisory Board.

The Shari'a approval process which relates to the Protected Cell has been carried out in accordance with the applicable rules and principles of Shari'a and the Islamic Finance Rules module of the DFSA Rulebook and the principles of Shari'a as set out in the Standards, in each

case with guidance and oversight from the Shari'a Supervisory Board.

### **INVESTOR INFORMATION REQUESTS**

Copies of the Prospectus, the Supplement, the Articles and the Subscription Agreement may be found on the following website: [sukukfund@adib.com](mailto:sukukfund@adib.com).

Each prospective investor will also be afforded the opportunity to ask questions of, and receive answers from, the Fund Manager concerning the terms and conditions of the offering, the Participating Shares and the information set forth herein, and to obtain any additional information or documents.

Inquiries should be directed to:

**Azimut (DIFC) Limited**

Unit 16-45, Level 16, Central Park Tower  
Dubai International Financial Centre  
PO Box 506944  
Dubai, United Arab Emirates  
Tel: +971 4 703 8111  
Email: [funds@azimut.ae](mailto:funds@azimut.ae)

and

**Abu Dhabi Islamic Bank PJSC**

PO Box 313  
Abu Dhabi, United Arab Emirates  
Tel: +971 2 6100 600  
Email: [sukukfund@adib.com](mailto:sukukfund@adib.com)

## SUMMARY OF TERMS

The following is a summary of the terms of the Protected Cell. To the extent that the information contained in this Supplement conflicts with information contained in the Prospectus, the information contained in this Supplement will prevail.

<b>Protected Cell</b>	ADIB Global Sukuk Fund, a protected cell of the Fund.
<b>Investment Objectives</b>	With a view to enhancing the value of its assets in the medium/long term, the Protected Cell shall normally invest in "Sukuk" which are Shari'a compliant securities instruments (the achieved periodical distribution can be based on floating-rate, fixed-rate, index-linked, and may include convertible securities), among others government and/or supranational securities, corporate securities and/or convertible securities, all of which are compliant with the rules and principles of Shari'a as interpreted by the Shari'a Supervisory Board of the Fund.
<b>Investment Strategy</b>	<p>The Protected Cell will primarily invest in Sukuk which issuers will normally have their registered offices in an emerging country belonging to the Middle-East and Asian areas or will carry out a significant part of their business in such countries.</p> <p>The remaining part of the portfolio will not be subject to any restriction in terms of countries and geographical areas.</p> <p>Moreover, the Protected Cell will not be subject to any restrictions in terms of sectors, currencies, duration or issuer's rating.</p> <p>The Protected Cell may keep up to 20% of its total assets, at any time, in non-remunerated Shari'a-compliant cash accounts and Shari'a-compliant money market instruments as approved by Shari'a Supervisory Board.</p> <p>Under particular market conditions and for the purpose of liquidity management, the Protected Cell may invest up to 100% of its net asset value in Shari'a-compliant certificates instrument that meet such requirement providing that it is approved by the Shari'a Supervisory Board in accordance with the Shari'a Guidelines.</p> <p>All operations of the Protected Cell will be conducted in accordance with the applicable rules and principles of Shari'a and the Islamic Finance Rules module of the DFSA Rulebook and the principles of Shari'a as set out in the Standards, in each case with guidance and oversight from the Shari'a Supervisory Board.</p>

All investments made by the Protected Cell will be validated by the Shari'a Supervisory Board in accordance with the latest Shari'a Guidelines approved by the Shari'a Supervisory Board.

### **Investment Restrictions**

The Protected Cell's investment restrictions will be as follows:

- (i) The Protected Cell may not invest directly in real property.
- (ii) The Protected Cell may not acquire either precious metal or certificates representing them.
- (iii) The Protected Cell may invest no more than 10% of its net assets in units or shares of other investment vehicles provided that the said investment vehicles are Shari'a-compliant.
- (iv) The Protected Cell may invest no more than 10% of its net assets in Shari'a compliant transferable securities or money market instruments issued by the same entity.
- (v) The Protected Cell may not invest more than 20% of its net assets in deposits made with the same entity.

There will be no credit rating restrictions in respect of any investment made by the Protected Cell. However, the Fund Manager will undertake an in-depth credit review of each investment prior to investing in such security or instrument.

Cash in the Protected Cell may be deposited overnight (or longer if required) on a wakala account on terms approved by the Shari'a Supervisory Board.

The Protected Cell shall invest at least 70% of its net assets in debt securities and/or money market instruments with fixed and/or variable income issued by governments, supranational institutions and/or governmental bodies, and/or Sharia-compliant companies.

The issuers of the above securities will normally be established in emerging markets in the Middle East or Asia and/or doing a considerable part of their business in these countries.

The regulatory bodies for the above-mentioned issuers of securities will be ordinary or associate members of the International Organization of Securities Commissions ("IOSCO").

The Protected Cell may invest up to 100% of its net assets in debt securities and money market instruments with a sub-investment grade rating at the time of purchase.

A debt security rated investment grade at the time of acquisition which subsequently becomes sub-investment grade, or rated sub-investment grade at the time of acquisition which subsequently becomes distressed or in default, will not be sold unless, in the opinion of the Fund Manager, it is in the interest of the investors to do so. When market conditions do not allow sufficient investments with an attractive return potential and risk profile to be identified, the Protected Cell may invest up to 25% of its net assets in Sharia-compliant cash accounts and Sharia-compliant certificates of deposit issued by first-class international banking institutions. Such instruments will be validated by the Shari'a Supervisory Board pursuant to the Shari'a guidelines set out in Schedule of this Supplement and in compliance with the investment restrictions described in this Supplement.

The Protected Cell will not invest more than 10% of its net assets in Sharia-compliant money market instruments issued by the same issuer.

The Protected Cell may also invest up to 10% of its net assets in Sharia-compliant contingent convertible bonds (CoCo bonds). The Protected Cell may also invest up to 10% of its net assets in units of Sharia-compliant investment funds. Profit rate swaps can be used to lengthen or reduce duration.

The Protected Cell shall not invest in asset-backed securities (ABSs), mortgage-backed securities (MBSs), or defaulted securities, or those experiencing any difficulty at the time of purchase.

The Protected Cell's investments in Islamic financial instruments will at all times be compliant with the Shari'a guidelines and investment restrictions set out in Schedule of this Supplement.

**Currency Exposure and Currency Hedging:** The Base currency of the Protected Cell is the US dollar and it does not intend to systematically hedge the currency risk against the other currencies of its portfolio investments.

**Leverage Effect:** The Protected Cell aims at maintaining a leverage effect equal to 0%, calculated on the total of all derivative financial instruments' notional amounts.

## **Financing**

The Protected Cell does not intend to use financing except in respect of Shari'a compliant financings as approved by the Shari'a Supervisory Board.



<b>Initial Offering Period</b>	The period commencing on September 1 <sup>st</sup> , 2021 and ending on October 28 <sup>th</sup> , 2021 (the “ <b>Initial Closing Date</b> ”), or such other date as the Directors may from time to time determine (the “ <b>Initial Offering Period</b> ”).
<b>Fund Manager</b>	Azimut (DIFC) Limited
<b>Directors of Fund</b>	Giorgio Medda and Tony Hchaim
<b>Advisor</b>	Abu Dhabi Islamic Bank PJSC
<b>Oversight Committee</b>	<p>The Fund Manager shall appoint an oversight committee consisting in respect of the Fund of at least three (3) individuals who meet the independence and suitability criteria set out in the CIL and CIR.</p> <p>For further details on the composition of the Oversight Committee, please refer to Section 2.5 of the Prospectus.</p>
<b>Shari’a Supervisory Board</b>	<p>Dr. Mohamed Ali Elgari  Dr. Esam Mohammed Ishaq  Dr. Nizam Mohammed Saleh Ya’qoubi</p>
<b>Participating Shares</b>	This Supplement relates to an offering of “ <b>Class A Shares</b> ”, “ <b>Class B Shares</b> ”, “ <b>Class C Shares</b> ”, and “ <b>Class D Shares</b> ”, each being non-voting (except in respect of any matters specifically reserved for the approval of the Shareholders under the CIL, CIR and/or the Articles), participating, redeemable shares of nominal value US\$0.01 (the “ <b>Participating Shares</b> ”) for each Participating Shares in respect of the Protected Cell to Eligible Investors.
<b>Base Currency</b>	<p>The base currency of the Protected Cell is the US Dollar (<b>USD</b> or <b>US\$</b>).</p> <p>Class A Shares and Class B Shares shall be denominated in USD and Class C Shares and Class D Shares denominated in United Arab Emirates Dirham (<b>AED</b>).</p>
<b>Minimum Initial Subscription</b>	<p>The minimum initial subscription amount per Class of Participating Shares is US\$1.00 in the case of Class A Shares and Class B Shares (or AED5.00 in the case of Class C Shares and Class D Shares).</p> <p>The minimum subsequent subscription amount per Class of Participating Shares is US\$1.00 in the case of Class A Shares and Class B Shares (or AED5.00 in the case of Class C Shares and Class D Shares).</p>

**Dividends –  
Reinvestments**

The Protected Cell shall distribute revenues, calculated according to the Shari'a criteria, to Participating Shareholders of Class A Shares and Class C Shares and shall reinvest the revenues for the Participating Shareholders of Class B Shares and Class D Shares.

Revenue will be distributed quarterly, according to the following reference periods: 1 January - 31 March; 1 April - 30 June; 1 July - 30 September; 1 October - 31 December.

**Management Fee**

The Protected Cell shall pay the Fund Manager a management fee (the "**Management Fee**"), payable monthly, in an amount equal to 0.10% per annum of the Net Asset Value per Share in each Class in respect of the Protected Cell, before any reserves or accruals for the Management Fee, the Administrative Fee, the Advisory Fee, and the Marketing Fee for the current month and after deduction of the fees (if any) payable to "All Funds".

The Management Fee is exclusive of VAT and shall be calculated daily (based on the Net Asset Value as at the relevant Valuation Day) and payable monthly in arrears on the last day of each calendar month. Any new or existing Shareholder that subscribes for Participating Shares at any time other than the first day of a calendar month will be assessed a pro-rated portion of the Management Fee with respect to such subscription.

**Administrative Fee**

The Protected Cell shall pay the Fund Manager an administrative fee (the "**Administrative Fee**"), payable monthly, in an amount equal to 0.25% per annum of the Net Asset Value per Share in each Class in respect of the Protected Cell, before any reserves or accruals for the Management Fee, the Administrative Fee, the Advisory Fee, and the Marketing Fee for the current month.

The Administrative Fee is exclusive of VAT and shall be calculated daily (based on the Net Asset Value as at the relevant Valuation Day) and payable monthly in arrears on the last day of each calendar month. Any new or existing Shareholder that subscribes for Participating Shares at any time other than the first day of a calendar month will be assessed a pro-rated portion of the Administrative Fee with respect to such subscription.

**Advisory Fee**

The Protected Cell will pay the Advisor an advisory fee (the "**Advisory Fee**") in an amount equal to 0.10% per annum of the Net Asset Value per Share in each Class in respect of the Protected Cell before any reserves or accruals for the Management Fee, the Administrative Fee, the Advisory Fee, and the Marketing Fee for the current month.

The Advisory Fee is exclusive of VAT and shall be calculated daily (based on the Net Asset Value as at the relevant Valuation Day) and payable monthly in arrears on the last day of each calendar month. Any new or existing Shareholder that subscribes for Participating Shares at any time other than the first day of a calendar month will be assessed a pro-rated portion of the Advisory Fee with respect to such subscription.

**Marketing Fee**

The Protected Cell shall pay the Advisor a marketing fee (the “**Marketing Fee**”), payable monthly, in an amount equal to 0.55% per annum of the Net Asset Value per Share in each Class in respect of the Protected Cell, before any reserves or accruals for the Management Fee, the Administrative Fee, the Advisory Fee, and the Marketing Fee for the current month.

The Marketing Fee is exclusive of VAT and shall be calculated daily (based on the Net Asset Value as at the relevant Valuation Day) and payable monthly in arrears on the last day of each calendar month. Any new or existing Shareholder that subscribes for Participating Shares at any time other than the first day of a calendar month will be assessed a pro-rated portion of the Marketing Fee with respect to such subscription.

**TA Administration Fee**

The Protected Cell will pay the Administrator an administration fee (the “**TA Administration Fee**”) in an amount equal to the higher of (i) US\$3,250 per month and (ii) 5.5-7.5 bps per annum of the Net Asset Value of the Protected Cell which is to be calculated and accrued as at each Valuation Day.

The Protected Cell will also pay the Administrator other fee as detailed in the Administration Agreement. The Protected Cell will reimburse the Administrator for any actual out-of-pocket and third party expenses.

**No Performance Fee**

No performance fee will be paid in respect of the Protected Cell.

**Subscription Price**

During the Initial Offering Period, Participating Shares will be issued at the subscription price of US\$100 in the case of Class A Shares and Class B Shares (or its equivalent in AED in the case of Class C Shares and Class D Shares) per Participating Share and thereafter, will be offered on each Subscription Day at a subscription price equal to the prevailing Net Asset Value per Participating Share of the relevant Class as at the relevant Subscription Day, or if such day is not a Valuation Day, as at the immediately preceding Valuation Day.

**Subscription Day**

In respect of any Valuation Day, the Business Day (other than a Sunday) immediately following such Valuation Day and/or such other day or days as the Fund Manager may from time to

time determine either generally or in any particular case (each, a “**Subscription Day**”).

<b>Valuation Day</b>	Each Business Day and such other day or days as the Fund Manager may from time to time determine either generally or in any particular case (each, a “ <b>Valuation Day</b> ”).
<b>Redemptions</b>	Subject to any restrictions set out in the Prospectus and/or the Articles, a Participating Shareholder may redeem some or all of his or her Participating Shares as of each Redemption Day at the Redemption Price, provided that, the Redemption Notice is received by the Administrator by 5pm (UAE time) at least one (1) Business Day prior to the proposed Redemption Day except in certain circumstances set out below.
<b>Redemption Day</b>	In respect of any Valuation Day, the Business Day (other than a Sunday) immediately following such Valuation Day, and/or such other day or days as the Fund Manager may from time to time determine either generally or in any particular case (each, a “ <b>Redemption Day</b> ”).
<b>In-Kind/Cash Distributions</b>	Redemption payments will be made in US\$ in the case of Class A Shares and Class B Shares (or in AED in the case of Class C Shares and Class D Shares) or, in the absolute discretion of the Directors, in kind, or partly in cash and partly in kind as set out in the Prospectus.
<b>Compulsory Redemption</b>	The Protected Cell has the right to compulsorily redeem all or some of the Participating Shares held by a Participating Shareholder as set out in the Prospectus.
<b>Redemption Restrictions</b>	The redemption of Participating Shares may be restricted as set out in the Prospectus .
<b>Suspension of Redemptions and Subscriptions</b>	The Directors may postpone or suspend (a) the determination of the Net Asset Value of the Protected Cell and/or the Participating Shares of any one or more Classes (and the applicable Valuation Day), (b) the issue of Participating Shares of any one or more Classes (and the applicable Subscription Day), and/or (c) the redemption (in whole or in part) of Participating Shares of any one or more Classes held by Participating Shareholders (and the applicable Redemption Day) as set out in the Prospectus.
<b>Termination and Removal of the Fund Manager</b>	The Fund Management Agreement may be terminated by the Fund and the Fund Manager may be removed and replaced in accordance with the terms and conditions provided in the Prospectus and the Fund Management Agreement.

<b>Transfers</b>	Participating Shares may only be transferred, assigned, pledged or disposed of with the prior written consent of the Directors or their authorised agents which shall not be withheld unreasonably as set out in the Prospectus.
<b>Subscription Fee</b>	No subscription fee and/or service fee is payable by Participating Shareholders.
<b>Fund Expenses and Organizational Expenses</b>	The Protected Cell will bear all Fund Expenses and Organizational Expenses associated with, or allocated to, the Protected Cell, as set out in the Prospectus.
<b>Term</b>	Indefinite
<b>Promotor</b>	Abu Dhabi Islamic Bank PJSC
<b>Administrator</b>	Apex Fund Services (Dubai) Limited
<b>Auditor</b>	Grant Thornton
<b>Custodian</b>	The Northern Trust Company
<b>Legal Counsel</b>	Dechert LLP
<b>Certain Risk Factors and Potential Conflicts of Interest</b>	Potential investors should be aware that an investment in the Protected Cell involves a high degree of risk and is suitable only for investors who fully understand and who can bear the risks of such an investment for an indefinite period and who can afford a total loss of their investment. In addition, potential investors should be aware that there will be occasions when the Fund Manager, the Advisor, the Promotor, the Directors and/or their respective affiliates may encounter potential conflicts of interest in connection with the Protected Cell.

**ALL POTENTIAL INVESTORS MUST CAREFULLY READ THE SECTION ENTITLED “CERTAIN RISK FACTORS AND CONFLICTS OF INTEREST” IN THE PROSPECTUS BEFORE MAKING AN INVESTMENT IN THE PROTECTED CELL.**

## **SCHEDULE**

### **SHARI'A GUIDELINES**

All operations of the Protected Cell, shall be conducted in compliance with the applicable rules and principles of Shari'a and the Islamic Finance Rules module of the DFSA Rulebook, the principles of Shari'a as set out in the Shari'a Standards of the AAOIFI and the Shari'a guidelines attached as Appendix A and Appendix B.

**APPENDIX A**  
**SHARI'A INVESTMENT GUIDELINES**

**ADIB GLOBAL SUKUK FUND**  
**SHARI'A INVESTMENT GUIDELINES**

The below are the Shari'a Investment Guidelines as approved by the Shari'a Supervisory Board. Any potential departures from these guidelines due to certain unique conditions or unusual situations will require the Shari'a Supervisory Board prior approval before implementation.

**PART 1: TYPE OF SECURITIES**

The eligible financial instruments which the Protected Cell can purchase are only the following Shari'a-compliant ones:

- **Sukuk**

Sukuk are investment certificates that provide evidence of an investment/funding into an underlying asset or a project which is typically an income generating project or asset. The types of Sukuk that are permissible for the Protected Cell Company to invest in would include:

1. Sukuk Ijarah
2. Sukuk Musharakah
3. Sukuk Mudarabah
4. Sukuk Istithmar
5. Sukuk Wakalah

(as long they meet the Shari'a requirements of the Shari'a Supervisory Board)

All these types of Sukuk must represent an undivided ownership of the Sukuk investors in the underlying income producing assets. The profits payable to Sukuk investors are to be generated from these assets.

The above list is not meant to be exhaustive. As the Sukuk market is always evolving, the Protected Cell would be allowed to invest in newly introduced Sukuk structures if they are deemed as Shari'a-compliant by the Shari'a Supervisory Board and as long as the tradability ratio is maintained.

- **Shari'a deposit/investment**

This will include all dealings and transactions using Murabaha based commodity trading and other Shari'a-compliant liquidity instruments to obtain a fixed income return through a special arrangement.

1. Commodity Murabahah
2. Tawarruq
3. Mudarabah investment account

4. Wakalah investment account
5. Shari'a-compliant Government Investment Issues (Mudarabah and Musharakah certificates)

- **Shari'a-compliant asset backed securities**

Shari'a-compliant asset-backed securities would include any form of Shari'a-compliant securitisation based on a true sale concept where the cash flow related to the underlying assets is based on the transactions that use the following Shari'a contracts:

1. Ijarah
2. Musharakah

- **Shari'a-compliant mortgage-backed securities**

Shari'a-compliant mortgage-backed securities would include any form of Shari'a-compliant securitisation of which the underlying mortgage pools are based on the following Shari'a contracts:

1. Ijarah Muntahiya bi Tamleek (Lease with ownership transfer)
3. Musharakah Mutanaqisah (Diminishing partnership)

### **Restriction**

Any Shari'a-compliant instruments that are not mentioned in this guideline will have to be submitted to the Shari'a Supervisory Board for approval prior to investment.



## **PART 2: FINANCIAL ACTIVITIES OTHER THAN DIRECT INVESTMENTS**

### **1. CASH MANAGEMENT**

- (a) *The Protected Cell shall keep its cash in Islamic Money Market instruments, Islamic accounts or wherever not applicable, a non-interest bearing account. However, the Protected Cell shall at all times, use its best effort to search for and utilize a Shari'a compliant product in all instances.*
- (b) *The Protected Cell shall only avail Shari'a compliant covered drawing financing facility subject to the approval of the Shari'a Supervisory Board.*
- (c) *non-invested cash assets of the Protected Cell may be invested in Sharia' compliant short-term investment products with one or more Islamic financial institutions or Islamic window operations as approved by the Shari'a Supervisory Board.*

### **2. USE OF SHARI'A COMPLIANT HEDGING TECHNIQUES**

All Shari'a compliant hedging activities and use of Shari'a compliant structured instruments for the Protected Cell's investments activities shall only be used after written approval of the Shari'a Supervisory Board to ensure that they are Shari'a compliant. Accordingly, only Shari'a compliant hedging products shall be applied and such Shari'a compliant hedging product shall only be used for risk management purposes and not for investment purposes.

### **3. USE OF SHARI'A ALTERNATIVES OF DERIVATIVES PRODUCTS**

The Protected Cell shall not subscribe to conventional derivatives product either for hedging or investment purposes. Such conventional derivatives product include; options, forwards, futures, swaps, securities lending, etc. However, the Protected Cell may utilize Shari'a-alternatives for derivatives which adhere to the Shari'a principles as determined by the Shari'a Supervisory Board.

**APPENDIX B**  
**SHARI'A OPERATIONAL GUIDELINES**

**ADIB GLOBAL SUKUK FUND**  
**SHARI'A OPERATIONAL GUIDELINES**

**A. Overview of Parties and Responsibilities**

**1. AZIMUT (DIFC) LIMITED**

Azimut (DIFC) Limited (“**Azimut**”) is the Fund Manager for the ADIB Global Sukuk Fund (the “**Fund**”). Azimut is responsible for selecting investments that meet the investment guidelines and policies to assure that the Protected Cell is adhering to the Shari'a Investment Guidelines as determined by the Shari'a Supervisory Board, including the review of any proposed companies for compliance with the Shari'a Investment Guidelines as set out in the Prospectus and Appendix A of this Supplement.

**2. THE SHARI'A SUPERVISORY BOARD**

The Shari'a Supervisory Board is responsible for issuing the initial fatwa approving the Protected Cell as being Shari'a compliant and suitable for Shari'a compliant investors and for carrying out ongoing reviews thereafter to ensure the continuing compliance of the Protected Cell with the principles of Shari'a. The Shari'a Supervisory Board will also advise the Fund Manager on other areas that are identified by them as having ramifications for the Protected Cell from a Shari'a perspective.

**B. Objective**

1. The purpose of these Shari'a Operational Guidelines (the “**Operational Guidelines**”) is to detail the services and standards agreed between the Parties to ensure the Protected Cell adheres to the Shari'a Investment Guidelines as stated in the Prospectus and complies with Shari'a principles in its ongoing investment and operational activities.

**C. Selection of Securities**

**1. Universe of Sharia'-compliant Securities**

Azimut shall ensure that the Protected Cell complies with Shari'a investment principles as determined by the Shari'a Supervisory Board by investing in securities provided that there is a Fatwa issued confirming the Shari'a compliant status of the Sukuk from the Shari'a Board of the Sukuk issuer.

For formality purposes, prior to purchasing/investing in any Sukuk, the Protected Cell shall notify Shari'a Supervisory Board of its intention to purchase the specific Sukuk, as per the following requirements:

- a) Sukuk at the Secondary Market:

The Protected Cell shall provide the Shari'a Supervisory Board with the name of the security and its ISIN for the Shari'a Supervisory Board's review and approval and that the Shari'a Supervisory Board, after conducting its internal assessment, shall provide its formal approval via email or, if not possible due to any inevitable circumstances, at least by verbal confirmation (via a call initiated by the Protected Cell to any of the Shari'a Supervisory Board's consultants) – to be then confirmed in writing as soon as practicable – to such proposed investment within a reasonable period of time as mutually agreed between the parties. In the case the approval was given by way of verbal confirmation, a formal approval via email should then be provided by the Shari'a Supervisory Board to ratify the verbal approval given.

b) Sukuk at the primary market:

The Protected Cell shall provide the Shari'a Supervisory Board with the information regarding the Sukuk which shall be in the form of the information memorandum or prospectus or fatwa as issued by any parties to the Sukuk and the Shari'a Supervisory Board, after conducting its internal assessment shall provide its formal approval via email or if not possible due to any inevitable circumstances, at least by verbal confirmation (via a call initiated by the Protected Cell to any of the Shari'a Supervisory Board's consultants) to such proposed investment within a reasonable period of time as mutually agreed between the parties. In the case the approval was given by way of verbal confirmation, a formal approval via email should then be provided by the Shari'a Supervisory Board to ratify the verbal approval given.

The Shari'a Supervisory Board will notify the Protected Cell accordingly whether there is any objection to such purchase/investment via email confirmation.

**D. Annual Reviews for the Purpose of Annual Shari'a Compliance Certificate**

2. At the end of December of each calendar year, and by no later than 15 Business Days after the end of the period, Azimut shall prepare a compliance report (the "**Compliance Report**") which will be sent to the Shari'a Supervisory Board by email transmission.
3. The Shari'a Supervisory Board shall issue an Annual Shari'a Compliance Certificate (the "**Compliance Certificate**") to Azimut by email transmission within 15 business days after its receipt of the Compliance Report. The Compliance Certificate shall indicate whether the Fund is in compliance with Shari'a principles and the Shari'a Investment Guidelines as specified in Appendix B above or whether any aspects are considered to be not compliant within the Fund's annual calendar year. Any compliance issue that may be notified to Azimut by the Shari'a Supervisory Board must be rectified in a timely manner and no later than 90 days following the notice. Please refer to **Schedule A** for more information on the procedures related to the Annual Review.

## SCHEDULE A

### 1. MONTHLY REVIEW

Azimut shall send the Monthly Report by email transmission to the following persons at the Shari'a Supervisory Board within 15 business days after the end of each calendar month

NAME	ROLE
Dr. Mohamed Ali Elgari	Chairman
Dr. Esam Mohammed Ishaaq	
Dr. Nizam Mohammed Saleh Ya'qoubi	

The Shari'a Supervisory Board shall send its notifications on the Monthly Report by email transmission to the following persons at Azimut within 10 days of its receipt of the Quarterly Report

NAME	ROLE	EMAIL ADDRESS
Serdar Aktasli	SEO	serdar.aktasli@azimut.ae
Ilona Zudikova	Compliance Officer	ilona.zudikova@azimut.ae

### 2. ANNUAL REVIEW

Azimut shall send the Compliance Report by email transmission to the following persons at the Shari'a Supervisory Board within 15 business days after the end of the month of December of each calendar year

NAME	ROLE
Dr. Mohamed Ali Elgari	Chairman SSB
Dr. Esam Mohammed Ishaaq	
Dr. Nizam Mohammed Saleh Ya'qoubi	

The Shari'a Supervisory Board shall send the Compliance Letter by email transmission to the following persons at Azimut within 15 days of its receipt of the Compliance Report