

1.23.123	42,14	+0,30	1,52%
1.23.123	27,07	+0,17	3,52%
1.23.123	21,18	+0,26	0,89%
1.23.123	27,33	-1,14	-4,08%
1.23.123	311,58	+13,53	3,32%

## PRINCIPAL MEMORANDUM

### TFI ASSET MANAGEMENT PROGRAMME (SPC)

TFI Asset Management Programme (SPC) is a segregated portfolio company ("**SPC**") incorporated as an exempted company with limited liability in the Cayman Islands. By statute, a special segregated portfolio company ensures that the risks and liabilities of one particular portfolio (referred to hereafter as a "**Sub-Fund**") would be isolated from the other portfolios or sub-fund. Therefore, the SPC is permitted to provide to investors several investment products in different sub-fund respectively.

This Principal Memorandum, when read together with the relevant Supplemental Memorandum relating to a particular Sub-Fund, sets out the terms on which the relevant Shares issued by the SPC to the Sub-Fund are made available to eligible investors.

The date of this Principal Memorandum is 22 May 2024

This document contains important information and should be read carefully before investing. If you have any questions about the content of this Principal Memorandum or any Supplemental Memorandum in relation to a sub-fun(s) you should consult your broker, intermediary, bank manager, legal adviser, financial accountant or other independent financial adviser. The value of Shares in any Sub-Fund and any income from them may go down as well as up and accordingly an investor may not get back the full amount invested. An investment in a Sub-Fund may not be suitable for all investors. Please refer to the "Risk Factors" section for more information. This Principal Memorandum does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. The Fund has been designed for investors seeking returns that comply with Shariah principles. However, the Fund is open to Islamic and non-Islamic investors alike.

## IMPORTANT NOTICES

This principal memorandum ("**Memorandum**") is intended solely for the use on a confidential basis by those persons to whom it has been delivered by TFI Asset Management Programme (SPC) (the "**Fund**") for the purpose of enabling the recipient to evaluate an investment in certain non-voting, participating, redeemable Shares issued in respect of segregated portfolios of the Fund (each such portfolio being a "**Sub-Fund**").

Unless the context otherwise requires, words and expressions defined in Appendix A (*Definitions*) shall have the same meanings where used in this Memorandum.

The Fund is registered as a mutual fund pursuant to section 4(3) of the Mutual Funds Act (As Revised) of the Cayman Islands ("**Mutual Funds Act**") and is therefore regulated as a mutual fund by the Cayman Islands Monetary Authority (the "**Authority**"). As a section 4(3) mutual fund, the minimum initial investment purchasable by an investor is CI\$80,000 (or its equivalent in another currency, approximately US\$100,000).

A MUTUAL FUND LICENCE ISSUED OR A FUND REGISTERED BY THE CAYMAN ISLANDS MONETARY AUTHORITY DOES NOT CONSTITUTE AN OBLIGATION OF THE AUTHORITY TO ANY INVESTOR AS TO THE PERFORMANCE OR CREDITWORTHINESS OF THE FUND.

FURTHERMORE, IN ISSUING SUCH A LICENCE OR IN REGISTERING A FUND, THE AUTHORITY SHALL NOT BE LIABLE FOR ANY LOSSES OR DEFAULT OF THE FUND OR FOR THE CORRECTNESS OF ANY OPINIONS OR STATEMENTS EXPRESSED IN ANY PROSPECTUS OR OFFERING DOCUMENT.

The Shares have not been registered with or approved by any regulatory authority (with the exception of filing this document with CIMA) nor has any such authority passed upon the accuracy or adequacy of this Memorandum. Any representation to the contrary is unlawful.

The Fund is not governed by the laws of the State of Qatar and it is not regulated by the Qatar Central Bank and it is not subject to the overview of the Qatar Central Bank. The Fund is not governed by the Law Number 25 of 2002 (the "**Investment Funds Law**") of the State of Qatar.

There is no public or other market for the Shares and none is expected to develop. The Shares may be sold, transferred, hypothecated or otherwise disposed of only upon the terms set out in this Memorandum, the relevant Supplemental Memorandum relating to a particular Sub-Fund and the memorandum and articles of association of the Fund as amended from time to time (the "**Articles**") which include the requirement to obtain the prior written consent of the directors of the Fund (the "**Directors**"). The Fund has the right to compulsorily redeem the Shares.

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 of time 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 Investment Manager, and/or its affiliates may encounter potential conflicts of interest in connection with the Fund. All potential investors must carefully read section 9 (*Risk factors and potential conflicts of interest*) in this Memorandum before making an investment in the Fund.

The Fund reserves the right to modify, withdraw or cancel any offering made pursuant to this Memorandum, or any Supplemental Memorandum relating to a particular Sub-Fund, at any time prior to consummation of the offering and to reject any subscription, in whole or in part, in its sole discretion.

No offering materials will or may be employed in the offering of Shares except for this Memorandum, the relevant Supplemental Memorandum relating to a particular Sub-Fund, and the documents summarized herein. No person has been authorised to make representations or give any information with respect to the Fund or the Shares except for the information contained in this Memorandum and the relevant Supplemental Memorandum relating to a particular Sub-Fund. Investors should not rely on information not contained in this Memorandum, the relevant Supplemental Memorandum relating to a particular Sub-Fund or the documents summarized herein.

Recipients, by their acceptance and retention of this Memorandum, acknowledge and agree to preserve the confidentiality of the contents of this Memorandum and all accompanying documents and to return this Memorandum and all such documents to the Fund or the Investment Manager if the recipient does not purchase any Shares. None of this Memorandum, the relevant Supplemental Memorandum relating to a particular Sub-Fund or any of the accompanying documents may be reproduced in whole or in part, or may they be used for any purpose other than that for which they have been submitted, without the prior written consent of the Fund.

None of the Fund, the Administrator or the Investment Manager 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.

This Memorandum is based on the law and practice currently in force in the Cayman Islands and is subject to changes therein. This Memorandum must be read in conjunction with the Articles and the relevant Supplemental Memorandum relating to a particular Sub-Fund.

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

Certain of the information contained in this Memorandum is based on, or derived from, published sources or information provided by third parties. None of the Fund, the Investment Manager and/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.

Certain statements in this Memorandum, and the relevant Supplemental Memorandum relating to a particular Sub-Fund, are forward-looking statements. In some cases, they may be identified by terms such as “anticipates”, “believes”, “could”, “estimates”, “expects”, “targets”, “intends”, “may”, or “will” or the negative of those terms or comparable terms. In particular, a Sub-Fund’s target return, its expectation as to whether and when investments will be realized and its expectation as regards the performance of the economies in which the relevant Sub-Fund proposes to invest are all forward-looking statements.

Forward-looking statements are based on a Sub-Fund’s present beliefs, expectations, intentions and projections regarding that Sub-Fund’s future performance, anticipated events or trends and other matters that are not historical facts. These statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements.

Given the risks and uncertainties, prospective investors are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as at the date of the relevant Supplemental Memorandum relating to a particular Sub-Fund. Except as required by applicable law, the Fund, the Directors and the Investment Manager do not undertake, and expressly disclaim, any obligation to update or revise publicly any forward-looking statement in the relevant Supplemental Memorandum relating to a particular Sub-Fund, whether as a result of new information, future events or otherwise.

The distribution of this Memorandum and the relevant Supplemental Memorandum relating to a particular Sub-Fund, and the offer and sale of the 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 Memorandum, and the relevant Supplemental Memorandum relating to a particular Sub-Fund, 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 B (Offering restrictions in certain jurisdictions) hereto for a list of offering restrictions in certain jurisdictions.

#### **Investor information requests**

Each prospective investor will be afforded the opportunity to ask questions of, and receive answers from, the Fund and the Investment Manager concerning the terms and conditions of the offering, the Shares and the information set forth herein and the relevant Supplemental Memorandum relating to a particular Sub-Fund, and to obtain any additional information or documents, including a copy of the Articles. Inquiries should be directed to:

The First Investor QSCC  
5th Floor, Barwa Bank Building  
Grand Hamad Street  
PO Box 16034  
Doha, State of Qatar

Attention: The First Investor – Operations Department  
Tel: +974. 4448 8130  
E-mail: TFIOP@tfi.com.qa

Website: [www.tfi.com.qa](http://www.tfi.com.qa)

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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 Memorandum.

### **Introduction**

The Fund was incorporated as an exempted company and registered as a segregated portfolio under the provisions of the Companies Act (as amended) of the Cayman Islands (the “**Companies Act**”) on 6 May 2019. The Fund is registered as a “mutual fund” under the Cayman Islands Mutual Funds Act.

The Fund will only accept subscriptions for shares on behalf of each Sub-Fund from Eligible Investors in a manner similar to private placement and reserves the right to reject any subscriptions.

### **Sub-Funds**

The Fund will create one or more Sub-Funds in order to segregate the assets and liabilities held by the Fund on behalf of each Sub-Fund from the assets and liabilities held by the Fund on behalf of any other Sub-Fund or the general assets and liabilities of the Fund.

This Memorandum describes the Fund. Since the Fund constitutes a single legal entity, Sub-Funds within the Fund do not constitute legal entities separate from the Fund. The Fund issues Supplemental Memoranda relating to each Sub-Fund. A separate Supplemental Memorandum will be issued at the time of establishment of each Sub-Fund. Each Supplemental Memorandum forms part of and should be read in the context of and in conjunction with this Memorandum.

In a segregated portfolio company, principles relating to the payment of dividends or other distributions, and the payment of the redemption price of shares are applied to each Sub-Fund in isolation. Payments in respect of dividends, distributions and redemptions of shares may only be paid out of the assets of the Sub-Fund in respect of which the relevant shares were issued. Sub-Fund assets are only available to meet liabilities to creditors of the Fund who are creditors in respect of the relevant Sub-Fund and are protected from and are not available to creditors of the Fund who are not creditors in respect of that Sub-Fund.

The Companies Act requires that any transaction or arrangement entered into by a segregated portfolio company on behalf of one or more of its Sub-Funds must be executed by a segregated portfolio company on behalf or for the account of such Sub-Fund(s), which must be identified in the relevant documents.

It is also the duty of the directors to establish and maintain procedures for the segregation both of the general assets from the Sub-Fund assets and of the assets of each Sub-Fund from those of each other Sub-Fund such that the assets and liabilities of each Sub-Fund and any general assets or liabilities of the Fund shall be separate and separately identifiable.

### **Investment objective**

The investment objective and policies and other details in relation to each Sub-Fund are set out in the relevant Supplemental Memorandum.

## **Shariah compliance**

Neither of the Fund nor the Investment Manager makes any representation as to whether the Shares and/or any transaction contemplated thereunder are compliant with the principles of Shariah. Investors should be aware that there may be differences of opinion and interpretation on certain aspects of Shariah, including between different Shariah scholars and advisory boards. In addition, Shariah scholars and advisory boards may change or retract their previous opinions or change their previous interpretations concerning certain aspects of Shariah. Such changes or retractions could significantly affect the value or liquidity or any instruments affected thereby.

Each investor shall be deemed to have represented that it is satisfied that the Shares will not contravene Shariah. Prospective investors should consult their own Shariah advisors as to whether the Shares comply with Shariah and make their own determination as to compliance with Shariah.

## **Investment Manager**

The investment manager of the Fund is The First Investor QSCC, a company incorporated in the State of Qatar.

## **Administrator**

The administrator of the Fund is Apex Fund Services Ltd.

## **Custodian**

The Fund on behalf of any Sub-Fund may appoint a custodian to provide custodial services to one or more such Sub-Fund(s) as described in the relevant Supplemental Memorandum(s).

## **Subscription**

The Directors may allot and issue Shares on such terms and in such manner as they think fit. Shares are subject to transfer restrictions as outlined in this Memorandum and may be subject to further restrictions as set out in the relevant Supplemental Memorandum for a Sub-Fund.

Shares in each Sub-Fund are issued in registered form and entitlement is evidenced by entry in the register. Share certificates will not be issued.

The minimum initial subscription amount from each investor is USD 100,000. Shares will be offered during the relevant Initial Offering Period and on each Subscription Day at a subscription price of USD 1,000 per share. Subscription Days are scheduled to be held on the first Business Day of each calendar month or daily, weekly, biweekly or such other frequency, as stipulated in the supplemental memorandum for the relevant Sub-Fund.

A holder of Shares may generally redeem some or all of his Shares on Redemption Days at the Net Asset Value per Participating Share as at such Redemption Day as at the immediately preceding Valuation Day. Redemption Days are scheduled to be held on the last Business Day of each calendar month.

An investment in the Shares involves a high degree of risk. Potential investors must carefully read section 9 (*Risk factors and potential conflicts of interest*) in this Memorandum, and any additional risk factors contained in the relevant Supplemental Memorandum relating to a particular Sub-Fund, before making an investment decision.

## 2 Summary of 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 Memorandum, the Articles, the relevant Supplemental Memorandum relating to a particular Sub-Fund 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.

The Articles, the relevant Supplemental Memorandum relating to a particular Sub-Fund and the Subscription Agreement should be read in their entirety by investors prior to any decision to invest in a Sub-Fund.

Prospective investors should also carefully consider the information contained in this Memorandum in section 9 (*Risk factors and potential conflicts of interest*) and any additional risk factors contained in the relevant Supplemental Memorandum relating to a particular Sub-Fund.

<b>Fund</b>	TFI Asset Management Programme (SPC), a Cayman Islands exempted company with limited liability incorporated on 6 May 2019. The Fund is registered as a mutual fund pursuant to section 4(3) of the Mutual Funds Act of the Cayman Islands and is therefore regulated as a mutual fund by the Cayman Islands Monetary Authority.
<b>Investment Objectives</b>	<p>The Investment Objectives for each Sub-Fund will be formulated by the Directors and will be described in the relevant Supplemental Memorandum.</p> <p>The assets held by the Fund for the account of a Sub-Fund will be invested in accordance with the Investment Objectives of that Sub-Fund.</p>
<b>Directors</b>	The Directors have overall authority over, and responsibility for, the operations and management of the Fund. Additionally, the Directors have delegated the calculation of net asset value of the Fund, certain administrative, accounting and registrar and transfer agency responsibilities to the Administrator.
<b>Investment Manager</b>	The Directors appointed The First Investor Q.S.C.C. (the “ <b>Investment Manager</b> ”) to provide investment management services in respect of the Fund. The Investment Manager is a company incorporated in Qatar and is licensed and regulated by the Qatar Central Bank.



<b>Shares</b>	<p>The authorised share capital of the Fund is USD 50,000 divided into 100 Management Shares of USD 0.01 par value each and 4,999,900 Participating Shares of USD 0.01 par value each.</p> <p>The Fund is offering non-voting, participating, redeemable shares with a nominal value of USD 0.01 each (the “<b>Shares</b>”). Each person that is issued Shares will become a shareholder of the Fund (each, a “<b>Shareholder</b>”) and shall be bound by the terms of the Articles. Shares do not confer any right to receive notice of, attend, speak or vote at general meetings of the Fund.</p>
<b>Management Shares</b>	<p>The Fund has issued 100 voting, non-participating shares with a nominal value of USD 0.01 each (the “<b>Management Shares</b>”) to the Investment Manager.</p>
<b>Eligible Investors</b>	<p>Shares shall not be offered to or purchased by any person who, if they were to hold Shares, would hold Shares:</p> <ul style="list-style-type: none"> <li>(a) in breach of the law or requirements of any country or governmental authority; or</li> <li>(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 Directors, might result in the Fund incurring any liability to taxation or suffering any other pecuniary, legal, regulatory or administrative disadvantage which the Fund might not otherwise have incurred or suffered.</li> </ul> <p>Participating Shares are not being offered to US Persons.</p>
<b>Investment Restrictions</b>	<p>The investment restrictions (including the geographical focus) for each Sub-Fund will be formulated by the Directors and will be described in the relevant Supplemental Memorandum.</p> <p>Changes in the portfolio of a Sub-Fund will not have to be made merely because any of the applicable limits would be breached as a result of any appreciation or depreciation in value, changes in exchange rates, any scheme or arrangement for amalgamation, reconstruction or exchange or by reason of any other action affecting every holder of the relevant investment. However, no further relevant investments will be acquired until the limits are again complied with. In the event that any of the applicable restrictions are breached, the Investment Manager will take such steps as it considers appropriate to rectify the breach, taking due account of the interests of the Participating Shareholders, but shall not be under any further liability in respect of the breach.</p>

<b>Dividends</b>	Unless provided for in the relevant Supplemental Memorandum, the timing and amount of the dividends will be determined by the Directors in their sole discretion.
<b>Minimum Subscription</b>	The minimum initial subscription amount from each investor is USD 100,000. The minimum amount of any subsequent subscription is USD 1,000 or such lesser amount as the Directors may determine in the relevant supplemental memorandum.
<b>Initial Offering Period</b>	Participating Shares will be offered in respect of a Sub-Fund for the period described in the relevant Supplemental Memorandum.
<b>Subscriptions</b>	Participating Shares will be issued at the subscription price of USD100 per share (the “ <b>Subscription Price</b> ”) on each Subscription Day. Subscriptions may only be made in USD unless otherwise determined for in the relevant supplemental memorandum.
<b>Subscription Day</b>	The first Business Day of each calendar month and such other day or days as the Directors may from time to time determine either generally or in any particular case (each, a “ <b>Subscription Day</b> ”) or daily, weekly, bi-weekly or such other frequency, as stipulated in the supplemental memorandum for the relevant Sub-Fund.
<b>Valuation Day</b>	The last Business Day of each calendar month, and such other day or days as the Directors may from time to time determine either generally or in any particular case (each, a “ <b>Valuation Day</b> ”) or daily, weekly, biweekly or such other frequency, as stipulated in the supplemental memorandum for the relevant Sub-Fund.
<b>Subscription Procedure</b>	<p>Prospective investors will be required to complete and return a subscription agreement in respect of each Sub-Fund, in such form as approved by the Directors (each, a “<b>Subscription Agreement</b>”). The duly completed and executed Subscription Agreement must be sent to the Administrator, with a copy to the Investment Manager, and must be received together with subscription monies in cleared funds, in the case of subscriptions during the relevant Initial Offering Period, no later than 5pm (Doha time) on the last Business Day of the relevant Initial Offering Period or such earlier or later time as determined by the Directors either generally or in any particular case, and thereafter, no later than 5pm (Doha time) one Business Day prior to the relevant Subscription Day or such earlier or later time as determined by the Directors either generally or in any particular case.</p> <p>If a Subscription Agreement or cleared funds are received after the deadline, it will (unless otherwise determined by</p>

the Directors) be treated as a request for subscription on the next Subscription Day.

The Fund 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 profit.

Subscription Agreements will (save as determined by the Directors or the Investment Manager) be irrevocable and must be sent by facsimile, email, registered post or courier to the Administrator at its address set out in the Subscription Agreement, with a copy to the Investment 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 Investment Manager or the Administrator, result in the cancellation of the allotment of the Participating Shares. Neither the Fund nor the Administrator shall be responsible for any misdelivery 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.

Participating Shares will be issued to three decimal places. Any smaller fraction of a Participating Share that would otherwise arise will be rounded down, with the relevant subscription monies being retained for the benefit of the Fund.

Confirmations will be sent to applicants on approval of their application as soon as practicable after the relevant 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**

Subject to any restrictions set out in the relevant Supplemental Memorandum, a Participating Shareholder may redeem some or all of his or her Participating Shares on each Redemption Day at the relevant Net Asset Value per Participating Share as at the relevant Redemption Day, provided that a redemption notice, in a form approved by the Directors (the “**Redemption Notice**”), is received by the Administrator within the time period set out in the relevant Supplemental Memorandum.

## **Redemption Day**

Such day or days as set out in the relevant Supplemental Memorandum (each, a “**Redemption Day**”).

## Redemption Procedure

Redemption Notices will (save as determined by the Directors or the Investment 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 Investment Manager.

If given by facsimile or electronic mail 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. 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 telephone 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 Administrator or the Investment 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, a redemption by such Participating Shareholder will be made on a "first-in, first-out" basis, unless otherwise agreed by the Directors.

Partial redemptions must be for that number of Participating Shares having a total redemption value equal to or greater than the USD 1,000 (the "**Minimum Redemption Amount**") and must not result in an investor having an interest of less than USD 100,000 (the "**Minimum Holding**") calculated as of the Redemption Day, provided that the Directors may reduce or waive the Minimum Redemption Amount and Minimum Holding requirements in their sole discretion. If a Redemption Notice is received which would, if satisfied, result in the Participating Shareholder retaining less than the Minimum Holding of Participating Shares, the Fund may decline to process the redemption, treat such Redemption Notice as a request for a partial redemption only up to the Minimum Holding or may redeem the Shareholder's entire holding of Participating Shares.

<b>Redemption Proceeds</b>	<p>The Fund will deduct the Redemption Fee from the redemption proceeds. There may also be additional redemption charges as a result of market prices at the time of redeeming the investment amount. As prices go up and down, there is no guarantee that the full amount is redeemable.</p> <p>Redemption Proceeds will be paid on a Sub-Fund by Sub-Fund basis in the manner set out in the relevant Supplemental Memorandum.</p>
<b>In Kind Distributions</b>	<p>Redemption payments will be made in cash in USD only during the term of the relevant Sub-Fund or any other currency as stipulated in the relevant supplemental memorandum for such Sub-Fund.</p>
<b>Other Restrictions on Redemptions</b>	<p>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 relevant Sub-Fund, the Directors may, in their discretion, 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 Directors in their discretion may determine) of the Net Asset Value of the relevant Sub-Fund are redeemed on any Redemption Day. In such cases, the unrealized portions of the redemption orders shall be cancelled and not renewed automatically.</p>

**Compulsory Redemptions**

Upon written notice to a Participating Shareholder, the Fund has the right to compulsorily redeem 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 person who is not an Eligible Investor;
- (b) the value at the Net Asset Value per Participating Share as at the last Valuation Day of all the Participating Shares held by a Participating Shareholder is less than the Minimum Holding; and
- (c) any of the representations given by a Participating Shareholder in its Subscription Agreement were not true or have ceased to be true.

**Transfers**

No Participating Shares may be transferred, assigned or disposed of without the prior written consent of the Directors which shall not be withheld unreasonably.

The transferor or transferee shall pay or reimburse the Fund for any and all fees and expenses incurred by or on behalf of the Fund in connection with any transfer of Participating Shares.

**Management Fee and Performance Fee**

The Investment Manager may receive out of the assets of a Sub-Fund the Management Fee and Performance Fee, as described in the relevant Supplemental Memorandum.

**Subscription Fee**

A subscriber for Participating Shares will be required to pay a Subscription Fee as described in the relevant Supplemental Memorandum. The Subscription Fee will be paid to the Investment Manager. The Investment Manager may waive or reduce such Subscription Fee, either generally or in any particular case. For the avoidance of doubt, the Subscription Price is exclusive of the Subscription Fee.

**Redemption Fee**

A Participating Shareholder will be required to pay a Redemption Fee as described in the relevant Supplemental Memorandum. The Redemption Fee will be paid to the Investment Manager. Additional charges may apply as a result of market prices at the time of the Redemption.

<b>Operating Expenses</b>	All costs and expenses specifically attributable to a specific Sub-Fund, as determined by the Directors, associated with its operations and business, including all transactional expenses (such as brokerage, banking, sales and purchase commissions and charges, clearing and settlement charges, income taxes, withholding taxes, transfer taxes and other governmental charges and duties), legal expenses, accounting fees, audit fees, directors' fees and expenses, regulatory fees and administration fees (together, the " <b>Operating Expenses</b> ") will be allocated to such Sub-Fund.
<b>Organisational Expenses</b>	The Fund will bear all costs and expenses associated with the launch of the Fund, including government and regulatory charges and professional fees and expenses in connection with the preparation of the Fund's constitutional and offering documents (" <b>Organisational Expenses</b> "). Organisational Expenses may be amortized by the Fund over a 60 month period. Such amortization period is a departure from IFRS.
<b>Shariah Advisory Fee</b>	Fees and expenses of the Shariah Adviser will be borne by the Fund or as decided by the Investment Manager and detailed in the Supplemental Memorandum.
<b>Fiscal Year</b>	The fiscal year (the " <b>Fiscal Year</b> ") of the Fund will end on 31 December of each calendar year or such other date determined by the Directors from time to time.
<b>Reports</b>	<p>The Fund will provide Participating Shareholders with an annual audited financial report of the relevant Sub-Fund as soon as practicable and in any event within 6 months following the end of each Fiscal Year.</p> <p>Unless otherwise stated in the relevant Supplemental Memorandum, the Fund will provide Participating Shareholders with a half-yearly unaudited statement of the Net Asset Value per Participating Share as soon as practicable and in any event within 30 days following each 30 June.</p>
<b>Tax</b>	It is the responsibility of all persons interested in purchasing Participating Shares to inform themselves as to any tax consequences from their investing in a Sub-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 Participating Shares. Investors should therefore seek their own separate tax advice in relation to their holding of Participating Shares and accordingly none of the Fund, the Directors or the Investment Manager accept any

responsibility for the taxation consequences of any investment into a Sub-Fund by an investor.

<b>Side Letters</b>	The Fund or the Investment Manager may, subject to applicable laws, enter into side letters or similar arrangements with individual investors which have the effect of altering or supplementing the terms of the Memorandum solely with respect to such investor; provided that such side letters or arrangements shall not have a detrimental effect on any other investor.
<b>Indemnity</b>	The Directors and the Investment Manager are generally indemnified by the Fund against any loss or liability incurred in connection with their activities for and on behalf of the Fund save where such loss or liability is the result of their own actual fraud, wilful default or Gross Negligence.
<b>Governing Law</b>	The Subscription Agreement and Articles shall be governed by and construed in accordance with the laws of the Cayman Islands.
<b>Auditor</b>	Deloitte
<b>Administrator</b>	Apex Fund Services Ltd.
<b>Shariah Advisor</b>	Bait Al-Mashura Finance Consultations (in its capacity as Shairah Advisor of the Investment Manager)
<b>Fund Legal Counsel</b>	Clyde & Co LLP
<b>Cayman Legal Counsel</b>	Maples and Calder (Dubai) LLP
<b>Custodian</b>	As defined in the Supplemental Memorandum



### **3 Investment objectives**

The assets of each Sub-Fund will be invested separately in accordance with the investment objectives and policies of the Sub-Fund. The specific investment objective and policies of each Sub-Fund will be set out in the relevant Supplemental Memorandum and will be formulated by the Directors at the time of creation of the relevant Sub-Fund.

The investment objective of a Sub-Fund may not be altered, and material changes to the investment policy of a Sub-Fund may not be made, without prior approval of Participating Shareholders on the basis of:

- (a) a majority of votes cast at a meeting of the Participating Shareholders of the particular Sub-Fund duly convened and held; or
- (b) with the prior written approval of all Participating Shareholders of the relevant Sub-Fund.

In the event of a change of the investment objective and/or a material change in the investment policy of a Sub-Fund, by way of a majority of votes cast at a meeting of the relevant Participating Shareholders, Participating Shareholders in the relevant Sub-Fund will be given reasonable notice of such change to enable them to repurchase their Shares prior to implementation of such a change. Pending investment of the proceeds of a placing or offer of Shares or where market or other factors so warrant, a Sub-Fund's assets may be invested in cash deposits

The Fund may maintain assets in cash, deposit or call accounts or invested in short term instruments, such as commercial paper and certificates of deposits, to fund its operations and/or to fund redemption proceeds or for such other reasons as may be determined by the Investment Manager.

Depending on conditions and trends in the securities markets and the economy in general, different strategies or investment techniques may be pursued or employed, whether or not described in this Memorandum, subject to any applicable law or regulation. There can be no assurance that the investment strategies will achieve the investment objective.

#### **Shariah compliance**

At all times and in addition to any other investment restrictions set out here or in the relevant Supplemental Memorandum, the Fund shall only invest in activities and instruments allowed under Shariah and shall not be invested in activities and instruments that are prohibited under Shariah.

Where some or all of the assets of a Sub-Fund that were earlier classified as Shariah-compliant but due to certain reasons, such as changes in the operation of the assets in question, are subsequently recognised as non Shariah-compliant, then the Fund must liquidate such assets. Any capital gains arising from the disposal of the non Shariah-compliant securities shall be channeled to charitable bodies approved by the Shariah Adviser.

If the Investment Manager mistakenly invests in non Shariah-compliant securities, the Investment Manager must dispose of any non Shariah-compliant securities within three months of becoming aware of the status of such securities. Any gain made in the form of capital gain or dividend received during or after the disposal of these securities must be channeled to charitable bodies approved by the Shariah Adviser.

Any income or distribution received by a Sub-Fund from securities which relate to income from non Shariah-compliant investments assets are considered impure income. This impure income is subject to an income purification process as determined by the Shariah Adviser, from time to time, whereby the impure income will be channeled to charitable organisations, which are approved by the Shariah Adviser.

The Shariah Adviser will review and screen the details of the Sub-Fund(s) submitted to it on a quarterly basis to ensure compliance with the prescribed investment policies and guidelines approved by the Shariah Adviser. For the avoidance of doubt, the Shariah Adviser will not provide discretionary investment advice to a Fund or the Investment Manager.

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

## 4 Management

### Directors

The Directors have overall authority over, and responsibility for, the operations and management of the Fund. The Directors may delegate certain functions to other parties, subject to supervision and direction by the Directors.

The Directors have delegated the investment management of the Fund to the Investment Manager and the administration of the Fund to the Administrator on the terms of the Investment Management Agreement and Administration Agreement respectively.

The current Directors are Hamad A.Aziz J M Al-Mosallam and Haithem Al Katerji.

**Hamad A.Aziz J M Al-Mosallam** is a veteran of the Qatari Stock Exchange having worked in Qatar National Bank's treasury department for 11 years before joining TFI in 2021. Hamad has generated an impressive track record in Qatari equities while managing two of TFI's Islamic Qatar Equity discretionary mandates.

**Haithem Al Katerji** is responsible for overseeing and managing the firm's investment management and investment banking activities. Over a 22-year career, Haithem has advised on over 65 transactions exceeding USD 25 billion in value with focus on mergers & acquisitions and capital market transactions. Prior to assuming his current role, Haithem acted as Chief Executive Officer of Al Rayan Investment, regional head of Financial Institutions Group (FIG) – Strategic Client Coverage at Standard Chartered Bank, UAE and head of FIG Advisory at HSBC Bank, Middle East. Haithem holds an MBA from the American University of Beirut.

The holder of the Management Shares may appoint and remove Directors from time to time.

The Directors shall not be entitled to remuneration for their directorship services. The Directors shall be reimbursed for all expenses properly incurred in respect of their directorship activities.

The Directors and officers of the Fund are indemnified by the Fund against any loss or liability incurred by reason of their being or having been a Director or officer save where such loss or liability is the result of their own actual fraud, willful default or Gross Negligence.

### Investment Manager

The First Investor Q.S.C.C., a wholly-owned subsidiary of Dukhan Bank Q.S.C., an Islamic bank in Qatar licensed and regulated by the Qatar Central Bank, since 2009, has been appointed to provide certain investment management services in respect of the Fund pursuant to an investment management agreement (the "**Investment Management Agreement**"). The Investment Manager is one of the leading Shariah compliant investment banking firms and is regulated by the Qatar Central Bank.

The Investment Manager has been appointed to manage the Fund and its investments subject to the overall supervision of the Directors, to recommend to the Directors on an ongoing basis the investment, realization and reinvestment of the assets of the Fund and supervise the implementation of the investment objective and strategies of the Fund subject to any investment restrictions.

## **Administrator**

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

The Administrator is responsible, under the supervision of the Directors, for carrying out certain of the Fund's day-to-day administrative activities including providing the Fund with administrative, accounting, financial, transfer agency and other similar services.

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 90 days' prior written notice or forthwith in certain circumstances.

The Fund will pay the Administrator fees for its services at rates to be agreed by the Administrator and the Fund. The Administrator will also be reimbursed by the Fund for all reasonable out-of-pocket expenses incurred.

## **Custodian**

The Fund on behalf of any Sub-Fund may appoint a custodian to provide custodial services to one or more such Sub-Fund(s) as described in the relevant Supplemental Memorandum(s).

## **Auditor**

Deloitte & Touche has been appointed by the Fund as the fund's auditor. The Auditor shall carry out an audit examination of the financial statements of the Fund as at the end of each financial year. The scope of the examination will be designed to enable the Auditor to report whether the financial statements present fairly in all material respects the Fund's financial position and the result of operations of the Fund in accordance with International Standards on Auditing (ISAs). The Auditor will further report on applicable provisions of Qatar Central Bank Law No. 33 of 2006 that might have had a material effect on the business of the fund or on its financial performance.

Deloitte & Touche is an affiliate of DCB Holding Ltd., a member firm of Deloitte Touche Tohmatsu Limited (DTTL).

## **Shariah Advisor - Bait Al-mashura**

The Fund Manager has engaged their Shariah Advisor to advise the Fund and the Investment Manager on a nondiscretionary basis in relation to their respective corporate structures, constitutional documentation, guidelines, processes, investments, products and income purification from a Shariah perspective as well as reviewing the relevant Fund's compliance report and investment transaction report to ensure that the relevant Fund's investments are in line with Shariah principles. For the avoidance of doubt, the Shariah Adviser will not provide discretionary investment advice in respect of any Sub-Fund.

Bait Al-mashura Finance Consultations is a Qatari shareholding company established in 2007. It is the first institution in the State of Qatar offering Shariah and financial advisory, supervision and audit for Islamic financial institutions, as well as management consultancy, training and development.

Within the scope of its services to companies and individuals, Bait Al-Mashura provides creative solutions and services. In order to raise its performance, Bait AlMashura joined with the Leading Edge Alliance (LEA) - a US based second largest international association in the world, focused on accounting, financial and business advisory services.

Keeping pace with the rapid development of Islamic finance industry, Bait AlMashura has intended to standardize the works of Shariah boards, audit and control in line with such rapid development and widespread Islamic finance practices in various parts of the world. Bait Al-Mashura also pays attention to the scientific approach for the deployment of the concepts, values and ethics of Islamic finance to be a true partner in the success of Islamic banking industry.

The members of Bait Al-mashura Finance Consultations' Shariah Board are:

**Sheikh Dr. Walid Bin Hadi**

Sheikh Walid holds an M.A and PhD in Islamic Shariah and is the Head of Shariah Supervision Board of QInvest Company and a member of the Shariah Supervision Boards for many other Islamic Finance Organizations, including Qatar Islamic Bank, al-Rayan Bank, Qatar International Islamic Bank, Qatar National Bank, European Finance House, Asian Finance House, Qatar-Syria International Bank and Arab Finance House. He has several publications in the field of Islamic Finance Transactions.

**Sheikh Dr. Osama Qais al-Deraie**

Sheikh Osama has worked as a lecturer in International Islamic University - Malaysia - Faculty of Law and Humanities, and a collaborating lecturer with the Faculty of Law at Qatar University. He holds a bachelor's degree in the Noble Hadith and its Sciences from the Islamic University in al-Madeenah, and a master's and doctoral degrees in Islamic Economics from the University of Malaya – Malaysia. At present, he is the General Manager and CEO of Bait al-Mashura Finance Consultations and a member of many of the Fatwa and Shariah Supervision Boards inside and outside Qatar. He has a number of studies and research in the Islamic finance industry. He is a specialized trainer in the transactions of contemporary jurisprudence and its applications in financial institutions.

**Sheikh Dr. Esam al-Enezy**

Sheikh Esam is the Assistant Chief Executive of Shariah Supervision and a member of Teaching Staff of Kuwait University. He is a member of Shariah Supervision Board at Investment House Company since 2005, in addition to his membership in Shariah Advisory body of Boubyan Bank. He has several researches specialized in Islamic Finance Tools and in the field of Shariah Agreement with Contemporary Banking Activities. He obtained PhD in Jurisprudence from Jordan University in The Hashemite Kingdom of Jordan.

## 6 Calculation of Net Asset Value

The Net Asset Value of each Sub-Fund and of each Participating Share shall be determined by the Administrator or its agents.

The calculation of Net Asset Value of each Sub-Fund and the Net Asset Value per Participating Share relating to each Sub-Fund shall be determined by the Administrator or its agents as at the close of each Valuation Day, and/or such other day or days in addition thereto or in substitution therefor as specified in the relevant Supplemental Memorandum.

The Directors may suspend the calculation of the Net Asset Value of each Sub-Fund and the Net Asset Value per Participating Share relating to each Sub-Fund in the circumstances provided in the Articles.

The Net Asset Value of the Fund shall be equal to the value of all the assets less the value of all the liabilities of the Fund as at the relevant Valuation Day.

The Net Asset Value of a Sub-Fund as of a particular date shall be the difference between (a) the aggregate value of the Sub-Fund's assets (determined by adding the fair market value of each investment held directly by the Sub-Fund and the fair market value of all other assets of the Sub-Fund, including all securities, tangible assets, cash, and other assets), as of such date, less (b) the aggregate value of the Sub-Fund's liabilities, including indebtedness, accrued expenses, declared but unpaid distributions and other liabilities, as of such date (the "**Net Asset Value of a Sub-Fund**").

The Directors may, in their discretion, engage any third-party appraiser or auditor in connection with any such determination of a Sub-Fund's Net Asset Value.

Any determination of Net Asset Value of a Sub-Fund made in good faith shall, absent manifest error, be binding on all Participating Shareholders.

The value of the assets of a Sub-Fund and the method of valuation of such assets shall be determined by the Investment Manager subject to the overall supervision of the Directors. Assets will be valued in accordance with the following principles:

- (a) any security which is listed or quoted on any securities exchange or similar electronic system and regularly traded thereon will be valued at its last traded price on the relevant Valuation Day or, if no trades occurred on such day, at the last traded price when the last trade occurred as adjusted in such manner as the Investment Manager thinks fit, having regard to the size of the holding, and where prices are available on more than one exchange or system for a particular security the price will be the last traded price or closing bid or offer price, as the case may be, on the exchange which constitutes the main market for such security or the one which the Investment Manager determines as the fairest criteria in ascribing a value to such security;
- (b) any security which is not listed or quoted on any securities exchange or similar electronic system or if, being so listed or quoted, is not regularly traded thereon or in respect of which no prices as described above are available, will be valued at its probable realization value as determined by the Investment Manager in good faith having regard to its cost price, the price at which any recent transaction in the security may have been effected, the size of the holding having regard to the total amount of such security in issue, and such other factors as the Investment Manager deems relevant in considering a positive or negative adjustment to the valuation;

- (c) investments, other than securities, which are dealt in or traded through a clearing firm or an exchange or through a financial institution will be valued by reference to the most recent official settlement price quote by that clearing house, exchange or financial institution or the price provided by a third party valuation agent. If there is no such price, then the average will be taken between the lowest offer price and the highest bid price at the close of business on any market on which such investments are or can be dealt in or traded, provided that where such investments are dealt in or traded on more than one market, the Investment Manager may determine at its discretion which market shall prevail;
- (d) investments, other than securities, which are not dealt in or traded through a clearing firm or an exchange or through a financial institution will be valued at their fair value as determined by the Investment Manager; and (e) deposits will be valued at their cost plus accrued profit.

The Directors may, at their discretion, permit any other method of valuation to be used if they consider 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 Net Asset Value per Participating Share on any Valuation Day will be calculated by dividing the Net Asset Value of the relevant Sub-Fund by the number of Shares of that Sub-Fund in issue as at the close of business on that Valuation Day (the “**Net Asset Value per Participating Share**”).

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 Investment 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 Investment Manager’s judgments regarding appropriate valuations should prove incorrect.

The Fund may postpone or suspend (i) the determination of the Net Asset Value of a Sub-Fund and/or the Participating Shares relating to one or more Sub-Funds (and the applicable Valuation Day), (ii) the issue of Participating Shares relating to one or more Sub-Funds (and the applicable Subscription Day), (iii) the redemption by Participating Shareholders (in whole or in part) of Participating Shares relating to one or more Sub-Funds (and the applicable Redemption Day), and (iv) the payment (in whole or in part) of any redemption proceeds (even if Valuation Days and Redemption Days are not postponed or suspended), upon the occurrence of any of the following circumstances (and in each case for the whole or any part of a period):

- (a) when any exchange on which investments held by the relevant Sub-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 reasonable opinion of the Directors, the disposal of investments held by the relevant Sub-Fund would not be reasonably practicable or might prejudice the non-redeeming Participating Shareholders of the relevant Sub-Fund;
- (c) during any breakdown in the means of communication normally employed in determining the price or value of any investments held by the relevant Sub-Fund or of current prices in any stock market on which investments held by the relevant Sub-Fund are quoted, or when for any other reason the prices or values of any investments held by the relevant Sub-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 relevant Sub-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 or undesirable.

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 Redemption Day following the month in which 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.



## 7 Events of Default

Each of the following is an event of default ("**Event of Default**") by a Shareholder in respect of its Shares:

- (a) if the Shareholder becomes the subject of bankruptcy, receivership, insolvency or similar proceedings;
- (b) where the Shareholder has committed a breach of any of its obligations under:
  - (i) the Subscription Agreement, the terms of this Memorandum or relevant Supplemental Memorandum, or the Articles; or
  - (ii) of any representation or warranty given by such Shareholder to the Fund in connection with its acquisition of such Shares;
- (c) where a Shareholder fails to contribute any portion of its commitment pursuant to a Subscription Agreement within ten calendar days from the date of a notice from the Fund, or any other amount within a period of 30 calendar days from the date of notice from the Fund and such default is not cured within a period of 45 days thereafter;
- (d) where the Shareholder has committed any act or omission which would constitute an offence under money laundering regulations to which such Shareholder or the Fund is subject;
- (e) where the holding of such Shares by the Shareholder would result in adverse legal, tax or other regulatory consequences for the Fund; or (f) where the Shareholder becomes a Restricted Person.

Upon service of a notice of default ("**Default Notice**") by the Fund on a Shareholder that has committed an Event of Default (any such Shareholder a "**Defaulting Shareholder**"), the Directors may, at their discretion take any or all of the following actions in respect of the Defaulting Shareholder to the extent permissible under law and subject to such terms and conditions as the Directors may deem appropriate:

- (i) suspend the right of the Defaulting Shareholder to make any further subscriptions to the Fund;
- (ii) suspend the right of the Defaulting Shareholder to participate in any vote, consent or decision of the Participating Shareholders, as required or permitted under this Memorandum or an applicable Supplemental Memorandum, or the Articles, or to make such decision, and such vote, consent or decision will be tabulated or made as if such Defaulting Shareholder were not a Shareholder and such Defaulting Shareholder's contributions and commitments will be disregarded for purposes of any vote required or any other consent or decision requirement;
- (iii) to cause the Defaulting Shareholder to transfer, effective immediately upon written notice, the Defaulting Shareholder's Shares, in which event the Defaulting Shareholder will be required to transfer its Shares in the Fund. In its entire discretion, the expenses, deductions, losses or distributions allocated to such Defaulting Shareholder shall be deducted from the consideration received and be payable to, and may be retained by, the Fund;

- (iv) enforce the Defaulting Shareholder's obligations through pursuing any rights and remedies the Fund may have against the Defaulting Shareholder, including  
by taking legal or other action against the Defaulting Shareholder as more fully set out in the Subscription Agreement and the Articles;
- (v) suspend or terminate the Defaulting Shareholder's right to receive any distribution;
- (vi) compulsorily repurchase the Defaulting Shareholder's Shares; and/or
- (vii) recover or set off any cost incurred by the Fund as a result of taking any of the actions set out above.

Each Event of Default may also constitute an event of default for any person who has executed a Subscription Agreement but who is not yet registered as a holder of a Participating Share and the Directors may, at their discretion take any or all of the actions listed above in respect of such person to the extent permissible under law and subject to such terms and conditions as the Directors may deem appropriate.

## **8 The Shares**

### **8.1 Share Capital**

The authorised share capital of the Fund is USD 50,000 consisting of:

- (a) 100 Management Shares being voting, non-participating, shares of par value USD 0.01 each all of which have been issued and are held by the Investment 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.
- (b) 4,999,900 Participating Shares being non-voting, participating, redeemable shares of par value USD 0.01 each. The Shares will be attributable to the Sub-Funds as described in the relevant Supplemental Memoranda. The Directors may issue Participating Shares in series or classes with such designations or classifications as the Directors may determine (and the Directors may rename or re-designate any issued series or class of Participating Share) without the consent of or a notice to existing shareholders. The Participating Shares being issued in respect of a Sub-Fund do not have the right to receive notice of, attend, speak or vote at general meetings of the Fund. Participating Shares are redeemable at the option of the holder in accordance with the terms set out in this Memorandum, the relevant Supplemental Memorandum and the Articles and are subject to compulsory redemption 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. In a liquidation, 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 Participating Share of the Participating Shares held; and

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

The Fund may by special resolution of the voting shareholders increase or reduce its authorised share capital.

### **8.2 Sub-Funds**

The proceeds from the issue of each class or series shall be applied in the books of the Fund to the Sub-Fund for that class or series. The assets and liabilities and income and expenditure attributable to that Sub-Fund shall be applied to such Sub-Fund and, subject to the provisions of the Articles, to no other Sub-Fund.

Where any asset is derived from another asset (whether cash or otherwise), such derivative asset shall be applied in the books of the Fund to the same Sub-Fund as the asset from which it was derived, and on each revaluation of an asset the increase or diminution in value shall be applied to the same Sub-Fund and, subject to the provisions of the Articles, to no other Sub-Fund.

The assets held for the account of each Sub-Fund shall be applied solely in respect of the liabilities of such Sub-Fund. Any surplus in such Sub-Fund shall be held for the benefit of the Shareholders of the relevant class or series attributed to such Sub-Fund.

Liabilities of the Fund not attributable to any of its Sub-Funds will only be discharged from the assets of the Fund which are not the assets of the Fund held within or on behalf of the Sub-Funds.

### **8.3 Variation of Share Rights**

The rights attached to the Participating Shares may from time to time (whether or not a Sub-Fund is being liquidated) only be materially adversely varied or abrogated with the consent in writing of the holders of at least two thirds of the issued Participating Shares, or with the sanction of a resolution passed by a majority of at least two-thirds of the votes cast in person or by proxy at such a meeting.

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 at least holding or representing by proxy at least one third of the issued Participating Shares.

The rights attaching to the Participating Shares shall be deemed not to be varied 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 shares, the passing of a Directors resolution to change or vary the investment objectives, or any modification of the fees payable to any service provider to the Fund.

### **8.4 Termination of Sub-Funds**

Any Sub-Fund may be terminated by the Directors, in their sole and absolute discretion, in any of the following events:-

- (a) if at any time the Net Asset Value of the relevant Sub-Fund shall be less than the minimum fund size (if any) determined by the Directors at their discretion in respect of that Sub-Fund;
- (b) the Shareholders resolve by special resolution that the relevant Sub-Fund be wound up;
- (c) if any Sub-Fund shall cease to be authorised or otherwise officially approved;
- (d) if any law shall be passed or regulatory requirement introduced which renders it illegal or in the opinion of the Directors impracticable or inadvisable or not commercially viable or excessively onerous from a compliance perspective to continue the relevant Sub-Fund;
- (e) if there is a change in material aspects of business or in the economic or political situation relating to a Sub-Fund which the Directors consider would have material adverse consequences on the investments of the Sub-Fund; or
- (f) if the Directors shall have resolved that it is impracticable or inadvisable for a Sub-Fund to continue to operate having regard to prevailing market conditions and the best interests of the Shareholders.

The decision of the Directors in any of the events specified herein shall be final and binding on all the parties concerned but the Directors shall be under no liability on account of any failure to terminate the relevant Sub-Fund pursuant to paragraphs (a) to (f) above or otherwise.

The Directors shall give notice of termination of a Sub-Fund to the Shareholders in the relevant Sub-Fund and by such notice fix the date at which such termination is to take

effect, which date shall be for such period after the service of such notice as the Directors shall in their sole and absolute discretion determine.

**THE STATEMENTS CONTAINED IN THIS MEMORANDUM CONCERNING THE ARTICLES, THE PARTICIPATING 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 PARTICIPATING SHARES.**

## **9 Risk factors and potential conflicts of interest**

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 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 Investment Manager and/or their 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.

The Fund (on behalf of each Sub-Fund) believes that the factors described below represent the principal risks inherent in investing in the Fund, but the inability of the relevant Sub-Fund to pay amounts in connection with any Shares may occur for other reasons which may not be considered significant risks by the Fund (on behalf of each Sub-Fund) based on information currently available to it or which it may not currently be able to anticipate. The Fund (on behalf of its Sub-Funds, as applicable) does not represent that the statements below regarding the risks of holding any Shares are exhaustive. Consequently, the statements below or in the relevant Supplemental Memorandum regarding the risks of investing in Shares of any Sub-Fund should not be viewed as exhaustive.

The relevant Supplemental Memorandum in respect of any Sub-Fund may contain additional risk factors relating to such Sub-Fund that should be considered, together with the risk factors of this Principal Memorandum, before making an investment decision. Prospective investors should also read the detailed information set out elsewhere in this Principal Memorandum and the relevant Supplemental Memorandum and reach their own views prior to making any investment decision. No investment should be made in the Shares of any Sub-Fund until after careful consideration of all those factors that are relevant in relation to such Sub-Fund. Prospective investors should reach an investment decision with respect to the suitability of the Shares of such Sub-Fund for them only after careful consideration and consultation with their financial, tax, regulatory, legal, Shariah and other advisers.

### **General**

Before making an investment decision prospective purchasers of, or investors in, Shares should conduct such independent investigation and analysis (together with taking such professional advice as they deem appropriate under the circumstances) regarding the Fund, the Investment Manager, Sub-Fund and all other relevant persons and such market, economic and other factors as they deem appropriate to evaluate the merits and risks of a purchase of Shares in a Sub-Fund and to determine whether such investment is fully consistent with their financial needs, objectives and condition, complies with and is consistent with all investment policies, guidelines and restrictions applicable to them and whether it is a fit, proper and suitable investment for them, notwithstanding the clear and substantial risks inherent in investing in or holding Shares in a Sub-Fund.

### **No Guarantee**

There can be no guarantee that the Fund 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 objectives of the Fund will not result in losses to the investors in part or in whole of the investment amount.

### **Absence of Operating History**

The Fund is a newly formed entity and does not have an operating history upon which investors may base an evaluation of its likely performance. The investment results of the Fund are reliant upon the success of the Investment Manager and no guarantee or representation is made in this regard.

### **Regulations**

The Fund is not registered pursuant to any other applicable law, rule or regulation. Consequently, Participating Shareholders will not benefit from certain of the protections afforded by such other laws or regulations.

### **Non-Voting Interests**

Investors will have no right to vote or participate in the management of the Fund. Accordingly, no person should purchase any Participating Shares unless he is willing to entrust all aspects of management of the Fund to the Directors and the Investment Manager.

### **Nature of Investments**

The Fund's business will involve a high degree of financial risk. Certain markets in which the Fund is anticipated to invest are subject to a high degree of volatility and therefore the Fund's performance may be volatile. The Investment Manager in its sole discretion may employ such investment and trading strategies and methods as it determines to adopt. The Fund may also invest in securities for which no active trading market exists. As a result of these investment risks, an investor may lose all or a substantial amount of his investment in the Fund.

### **Dependency upon receipt by it of certain payments**

The ability of the Fund to meet its obligations in respect of a Sub-Fund depends on the receipt by it of certain payments under the assets of the relevant Sub-Fund. Consequently, the Fund, and therefore the relevant Shareholders, will be exposed to a payment delay or failure in respect of any assets of a Sub-Fund.

### **Illiquid Assets**

Shariah-compliant fixed income securities are relatively less liquid when compared to conventional bonds and majority of the trading is concentrated to a limited number of instruments. As a result, the Investment Manager may be unable to realize the fair market value of a particular instrument at the time of liquidation.

### **Segregated Portfolio Company - Status**

The Fund is established as a segregated portfolio company under Cayman Islands law. As a matter of Cayman Islands law only, the assets of one segregated portfolio 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 and, in such circumstances, there is a risk that the assets of a segregated portfolio may be applied to meet the liabilities of another segregated portfolio whose assets are exhausted.

### **Segregated Portfolio Company - Cross Liability**

Where more than one class and/or series of Shares is issued in respect of a particular segregated portfolio of the Fund and the liabilities referable to one class or series are

in excess of the assets referable to such class or series; or such class or series is unable to meet all liabilities attributed to it, the assets of the segregated portfolio attributable to the other classes or series of Shares may be applied to cover the liability excess incurred in respect of such classes or series of such segregated portfolio. Accordingly, there is a risk that liabilities of one class or series within a particular segregated portfolio may not be limited to that particular class or series and may be required to be paid out of one or more other classes or series of that particular segregated portfolio.

### **Authentication of Securities and Nominee Risk**

In instances involving the physical deliveries of unlisted and listed securities, there may be difficulties in establishing the authenticity of such securities. Accordingly, although the Investment Manager will endeavor to check that, on its face, any such instrument appears genuine, no responsibility can be taken for verifying the validity or authenticity of any such instrument.

### **Credit Risk**

Fixed income instruments such as sukuk are rated by independent agencies based on the market conditions, operating performance, corporate actions, and debt servicing abilities. Changes in credit rating due to business risks, management changes and delays in debt repayments may affect credit ratings. Any downgrade in the credit rating may adversely impact the market value of sukuk and the Fund's Net Asset Value. In addition, the obligation of the issuer may be structurally subordinate, in which case the priority of the repayment will be secondary to other senior debt notes. An issuer may default on the payment of profit or principal. In the event of a default by an issuer, the Investment Manager reserves the right to pursue repayment or settlement by taking legal action.

### **Exchange Fluctuations**

The Fund may invest in instruments denominated in various currencies. Investments in foreign securities involve additional considerations, such as fluctuations in the rate of exchange between USD and the various foreign currencies in which the Fund's investments are denominated, and costs associated with conversion of investment principal and income from one currency into another.

### **Impact of Changes in Global Interest Rates and Reinvestment Risk**

Changes in interest rates may impact the value of fixed income instruments such as sukuk. In the case of callable fixed income securities, issuers reserve the right to recall the security before maturity. The Investment Manager may be unable to reinvest capital at similar rates of return, thereby, exposing the Fund to reinvestment risk.

### **Leverage Risks**

The Fund is permitted to use leverage for investment and other purposes. While leverage presents opportunities for increasing the Fund'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 would be magnified to the extent the Fund is leveraged. The cumulative effect of the use of leverage by the Fund in a market that moves adversely to the Fund's investments could result in a substantial loss to the Fund which would be greater than if the Fund were not leveraged.



## **Hedging risks**

A Sub-Fund may use derivative instruments from time to time to hedge against movements in the currency and capital markets. Derivative instruments are highly volatile and expose investors to a high risk of loss. Such hedging transactions may also limit the opportunity for gain if the value of the portfolio position should increase. Moreover, it may not always be possible for a Sub-Fund to execute hedging transactions or to do so at prices, rates or levels advantageous to the Sub-Fund. The success of any hedging transactions will be subject to the movements in the direction of securities prices and currency and profit rates and stability or predictability of pricing relationships.

## **Special risks associated with trading in over-the-counter derivatives**

Some of the markets in which a Sub-Fund may effect derivative transactions are “over-the-counter” or “interdealer” markets, which may be illiquid and are sometimes subject to larger spreads than exchange-traded derivative transactions. The participants in such markets are typically not subject to credit evaluation and regulatory oversight which would be the case with members of “exchange-based” markets.

## **Risks related to the structure of a particular Sub-Fund**

A wide range of Sub-Funds may be created by the Fund. A number of these Sub-Funds may have features which present particular risks for potential investors. Set out below is a description of the most common such features, which may increase the risk of investing in such Sub-Funds, although other less common risks may also be applicable.

### *Limitations on recourse and rights with respect to underlying assets*

Where the assets of a Sub-Fund are collateral securities, a Shareholder has no rights against the company that has issued such securities. Where the assets of a Sub-Fund relate to an index, a Shareholder has no rights against the sponsor of such index. Where the assets of a Sub-Fund relate to a fund, a Shareholder has no rights against the manager of such fund. Where the assets of a Sub-Fund relate to a hedging contract, a Shareholder has no rights against the counterparty of such contract.

### *Sub-Funds subject to optional redemption or cancellation by the Fund*

An optional redemption feature of Sub-Funds is likely to limit their market value. During any period when the Fund may elect to redeem a Sub-Fund, the market value of the relevant Participating Shares generally will not rise substantially above the price at which they can be redeemed or cancelled. This also may be true prior to any redemption or cancellation period.

### *Partly-paid Shares*

The Fund may issue Shares where the price is payable in more than one part payment. Failure to pay any subsequent part payment could result in an investor losing some or all of their investment.

### *Variable rate investments with a multiplier*

Sub-Funds with variable profit rates can be volatile investments. If they are structured to include multipliers, or caps or floors, or any combination of those features or other similar related features, their market values may be even more volatile than those for certificates or other securities that do not include those features.

### *Inverse floating profit rate investments*

Inverse floating profit rate Sub-Funds have a profit rate calculated by reference to a fixed rate minus a rate based upon a reference rate such as LIBOR. The market values of those Sub-Funds typically are more volatile than market values of similar investments with floating rate based on the same reference rate (and with otherwise comparable terms). Inverse floating profit rate Sub-Funds are more volatile because an increase in the reference rate not only decreases the profit rate of the Sub-Funds, but may also reflect an increase in prevailing rates, which further adversely affects the market value of these Sub-Funds.

### *Fixed/floating profit rate Sub-Funds*

Fixed/floating profit rate Sub-Funds may bear profit at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the relevant counterparty has the right to effect such a conversion, this will affect the market value of the Sub-Funds since such counterparty may be expected to convert the rate when it is likely to produce a lower overall cost of profit that such counterparty may be required to pay under the relevant arrangement. If such counterparty converts from a fixed rate to a floating rate in such circumstances, the spread on the fixed/floating profit rate Sub-Funds may be less favourable than the prevailing spreads on comparable floating rate trust certificates tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other trust certificates. If the counterparty converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than the prevailing profit rates on similar trust certificates with similar risk exposure to such counterparty.

### *Sub-Funds linked to certain events*

The profit rate or redemption amount may be linked to the occurrence or nonoccurrence of certain events which are not connected with the Fund such as credit. The occurrence of such events is beyond the control of the Fund and Shareholders are exposed to the risk of such event occurring or not, as the case may be.

### *Sub-Funds issued at a substantial discount or premium*

The market values of Sub-Funds issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in profit rates than do prices for similar investments without substantial discount or premium. Generally, the longer the remaining term of the Sub-Funds, the greater the price volatility as compared to conventional profit-bearing securities with comparable maturities.

### *Certain considerations regarding hedging*

Prospective investors intending to purchase Sub-Funds to hedge against the market risk associated with investing in a reference security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other basis of reference, should recognise the complexities of utilising Sub-Funds in this manner. For example, the value of the Sub-Funds may not exactly correlate with the value of the reference security (or basket of securities), index (or basket of indices), currency (or basket of currencies), commodity (or basket of commodities) or other reference basis. Due to fluctuating supply and demand for the Sub-Funds, there is no assurance that their value will correlate with movements of the reference.

### *Reliance on third party management*

A Sub-Fund investing in other investment funds incurs not only the costs of its own management and administration comprising the fees paid to the management company and other service providers but also the similar management and administrative costs incurred by such underlying investment funds.

Furthermore, the investment strategies and techniques employed by certain investment funds may involve frequent changes in positions and a consequent portfolio turnover. This may result in brokerage commission expenses which exceed significantly those of other investment funds of comparable size. Investment funds may be required to pay performance fees to their manager. Under these arrangements the managers will benefit from the appreciation, including unrealised appreciation of the investments of such investment funds, but they may not be similarly penalised for realised or unrealised losses. As a consequence, the direct and indirect costs borne by a Sub-Fund investing in investment funds are likely to represent a higher percentage of the Net Asset Value than would typically be the case for a Sub-Fund which invests directly in the relevant underlying investments (and not through other investment funds). As a shareholder of another investment fund, a Sub-Fund would bear, along with other shareholders, its pro rata portion of the expenses of the other investment fund, including management and/or other fees (excluding subscription or redemption charges). These fees would be in addition to the Management Fee and other expenses which a Sub-Fund bears directly in connection with its own operations.

A Sub-Fund investing in other investment funds will not have an active role in the day-to-day management of the investment funds in which a Sub-Fund invests. Moreover, a Sub-Fund will generally not have the opportunity to evaluate the specific investments made by any underlying investment funds before they are made. Accordingly, the returns of a Sub-Fund will primarily depend on the performance of these unrelated underlying investment funds managers and could be substantially adversely affected by the unfavourable performance of such underlying investment funds managers.

### *Shariah-related risks*

The investments of a Sub-Fund must be certified as “Shariah-compliant” based upon the determination by the Shariah Advisor. As a consequence, the Fund may underperform in comparison with investment funds having comparable investment objectives, but that do not adhere to Shariah principles. The Shariah Advisor may require a Sub-Fund to restrict or dispose of investments which might otherwise be profitable. If, after a Sub-Fund’s initial investment, such investment becomes noncompliant with Shariah principles, the Sub-Fund may be required to dispose of or restructure such investment. A Sub-Fund may have difficulty disposing of such investment due to the illiquid nature of the Sub-Fund’s investments. Furthermore, in connection with such disposition or restructuring, a Sub-Fund may incur losses that it would not otherwise have incurred had the Sub-Fund not been required to dispose of or restructure the investment at such time and the Sub-Fund and the Investment Manager may not be able to realize the full value thereof. Similarly, cash balances held by a Sub-Fund from time to time may be deposited on terms which may grant less beneficial returns to the Sub-Fund.

### *Difficulties in protecting and enforcing rights*

The judicial and civil procedures of emerging countries have not been modernized to a material extent. As a result, not only do local courts lack experience in commercial dispute resolution, but many of the procedural remedies for enforcement and protection

of legal rights typically found in developed countries are not available in such countries. Uncertainty remains regarding the extent to which local parties and entities, including local governmental agencies, will recognize the contractual and other rights of the parties with which they deal. Accordingly, there may be difficulty and uncertainty in a Sub-Fund's ability to protect and enforce its rights against local governmental and private entities. There also can be no assurance that the governments in these countries will recognize or acknowledge that a Sub-Fund has acquired title to any property or securities in which the Sub-Fund invests, or that the Sub-Fund is the beneficial owner of any property or security held in the name of a nominee that has acquired such property or security on behalf of the Sub-Fund, because many of these countries at present do not have a reliable system or legal framework regarding the registration of titles. This difficulty in protecting and enforcing rights in emerging markets may have a material adverse effect on a Sub-Fund and its operations.

### **Limited Diversification**

The Investment Manager intends to seek to diversify the Fund's investments as it deems appropriate and consistent with the investment objective of the Fund. If the Fund's investment portfolio is concentrated in a small number of investments, the portfolio will be subject to a greater level of volatility.

### **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, interest rates, 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. None of these conditions is within the control of the Fund or the Investment Manager, and no assurances can be given that the Fund or the Investment Manager will anticipate these developments.

### **Emerging Market Risks**

The Fund intends to make investments in a number of different assets, a substantial amount of which may be in countries which may prove unstable or are considered to be "emerging markets." Specific "emerging market" risks include the possibility of adverse political developments, adverse economic change, as well as exchange control regulations, expropriation, confiscatory taxation, nationalization, restrictions on repatriation of capital and renunciation of foreign debt. Investments may require significant government approvals under corporate, securities, foreign investment and other similar laws and may require financing and structuring alternatives that differ significantly from international standards. Furthermore, government restrictions may hinder distributions from individual investments or the transfer of ownership on any exit.

### **Reliance on Investment Manager**

Although the Directors have the ultimate authority and responsibility for the management of the Fund, all decisions relating to the investment of the Fund's assets has been delegated to, and will be made by, the Investment Manager, who will

therefore have total trading authority over the Fund. The Fund's expertise in trading is therefore largely dependent on the continuation of an agreement with the Investment Manager and the services and skills of its directors, officers and employees. Further, the Directors intend to wind down the Fund if the Investment Management Agreement is terminated and the Investment Manager no longer acts as manager of the Fund's assets. The loss of the Investment Manager's services (or that of one of its key personnel) could materially and negatively impact the value of the Fund.

### **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.

### **Performance Fee**

The Performance Fee may create an incentive for the Investment Manager and/or its directors, officers, employees and/or agents to make investments that are riskier or more speculative than would be the case in the absence of the Performance Fee. Prospective investors should note that the Management Fee and Performance Fee are based in part upon unrealized gains (as well as unrealized losses), and that such unrealized gains and losses may never be realized by the Fund.

### **Counterparty Default**

The Fund will be exposed to a credit risk of parties with whom it conducts business and may also bear risk of settlement default. The Fund's portfolios will, in certain circumstances, be fully subject to the default of a counterparty.

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

Currently, there is no public market for the Participating Shares and it is unlikely that any active secondary market for any of the Participating Shares will develop. Participating Shares are not being registered to permit a public offering under the securities laws of any jurisdiction. 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.

### **In Kind Payments**

Although under normal circumstances, the Fund intends to pay redemption proceeds in cash, it is possible that upon a winding up of the Fund redemption proceeds be made in kind and could consist of securities or other investments for which there is no readily available public market.

## **Legal and Regulatory Risks**

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

## **Tax Risks**

Any changes in the tax laws or other regulations or laws of any applicable jurisdiction could have an adverse impact on (a) an investment in the Fund or (b) on the Fund or its access to investment opportunities. In particular, tax laws relevant to the Fund are subject to change and investors could incur tax liabilities as a result of such change. It is possible, therefore, that the current interpretation of the law or understanding of practice may change or, indeed, that the law may be changed with retroactive effect. Each investor should take independent advice on their tax position, as the consequences for investing are different and complex for each investor.

Statements in this document concerning the taxation of the Fund and its investors are based on current tax law and practice which is subject to change. There can be no assurances that the expected tax efficiencies of the Fund will be achieved or will continue in the future.

## **FATCA Withholding and Compliance**

An investor may become subject to additional US tax withholding if it fails to provide certain information to the Fund. FATCA generally imposes a withholding tax of 30% on certain US-source income and proceeds from the sale of certain assets that give rise to US-source income paid or allocated to non-US Persons who fail to meet the requirements of FATCA.

In order to avoid having to withhold under FATCA, the Fund will require investors to provide information regarding themselves and their investors or otherwise demonstrate that they are in compliance with FATCA. Investors must agree to supply such information and agree that they will make all reasonable efforts to comply with FATCA as additional US Treasury Regulations and other guidance are published.

FATCA is particularly complex and its application is uncertain at this time. Each investor should consult its own tax advisor to obtain a more detailed explanation of FATCA and to learn how it might affect such investor in its particular circumstance.

## **Qatar Central Bank anti-money laundering laws**

The Company may be subject to certain provisions of Qatar Central Bank anti-money laundering laws, including, but not limited to Rule No 13 of 2012 and Rule No 4 of 2014 and other similar laws of Qatar. The Company will assure that all it is in compliance with AML/CFT legal requirements, regulations and guidance issued by the Qatar Central Bank and all other relevant bodies. In order to comply with legislation or regulations aimed at the prevention of money laundering, the Company is required to adopt and maintain anti-money laundering procedures, and may require subscribers to provide evidence to verify their identity and source of funds. **Third-Party Litigation**

The Fund'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 amounts pursuant to settlements or judgments would be borne by the Fund and would reduce net assets. The Directors, the Investment Manager and others are

entitled to be indemnified by the Fund in connection with such litigation, subject to certain limitations. **International Investing**

A substantial portion of the trades executed for the Fund may take place on foreign exchanges. Additional risks of international investing include political or economic instability in the country of issue, and the possible imposition of exchange controls or other laws or restrictions. In addition, prices of securities in many markets may be subject to different economic, financial, political and social factors than are the prices of securities in more-established markets. With respect to some countries there may be the possibility of expropriation or confiscatory taxation, limitations on liquidity of securities, or political or economic developments which could affect the assets held by the Fund.

### **Lack of Independent Experts Representing Participating Shareholders**

The Fund and the Investment Manager have consulted with legal counsel regarding the formation and terms of the Fund and the offering of Participating Shares. Participating Shareholders have not been independently represented; consequently, each prospective investor should consult his or her own legal, tax and financial advisors regarding an investment in the Fund. The representations and warranties contained in the Subscription Agreement for the Fund are intended to be relied upon by the Fund, the Investment Manager and the Fund's service providers.

### **Electronic Communications**

The Fund, the Investment Manager and the Administrator may provide to Participating Shareholders statements, reports and other communications relating to the Fund and to such Participating Shareholder's investment in the Fund in e-mail or other electronic form. While reasonable care will be taken, such communications may be intercepted or interfered with, may contain defects and may not be successfully replicated on other systems and the Fund, the Investment Manager and the Administrator each give no warranties in relation to these matters.

### **Potential Conflicts of Interest**

The Directors and the Investment Manager may from time to time act in a similar capacity to, or otherwise be involved in, other funds or collective investment schemes, some of which may have similar investment objectives to those of the Fund. Thus, each may be subject to conflicting demands in respect of allocating management time, services and other functions between the activities each has undertaken with respect to the Fund and the activities each has undertaken or will undertake with respect to other investors, commodity pools, managed accounts and/or trading advisers. It is therefore possible that any of them may, in the course of their respective businesses, have potential conflicts of interest with the Fund or the Participating Shareholders. Each will at all times have regard to its obligations to the Fund and/or the Participating Shareholders and, in the event that a conflict of interest arises they will endeavour to ensure that such conflicts are resolved fairly.

**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 MEMORANDUM INCLUDING ALL ATTACHMENTS AND MUST CONSULT THEIR OWN PROFESSIONAL ADVISERS, BEFORE DECIDING TO INVEST IN THE FUND.**

### **Certain Tax Considerations**

It is the responsibility of all persons interested in purchasing Participating 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 Participating Shares. Investors should therefore seek their own separate tax advice in relation to their holding of Participating Shares and accordingly none of the Fund, the Investment Manager or the Administrator accept any responsibility for the taxation consequences of any investment into the Fund by an investor.

### **Certain Cayman Islands Tax Considerations**

The Government of the Cayman Islands will not, under existing legislation, impose any income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax upon the Fund or the Shareholders. The Cayman Islands are not party to a double tax treaty with any country that is applicable to any payments made to or by the Fund.

### **Cayman Islands – Automatic Exchange of Financial Account Information**

The Cayman Islands has signed an inter-governmental agreement to improve international tax compliance and the exchange of information with the United States (the "**US IGA**"). The Cayman Islands has also signed, along with over 100 other countries, a multilateral competent authority agreement to implement the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard ("**CRS**" and together with the US IGA, "**AEOI**").

Cayman Islands regulations have been issued to give effect to the US IGA and CRS (collectively, the "AEOI Regulations"). Pursuant to the AEOI Regulations, the Cayman Islands Tax Information Authority (the "TIA") has published guidance notes on the application of the US IGA and CRS.

All Cayman Islands "Financial Institutions" are required to comply with the registration, due diligence and reporting requirements of the AEOI Regulations, unless they are able to rely on an exemption that allows them to become a "Non-Reporting Financial Institution" (as defined in the relevant AEOI Regulations) with respect to one or more of the AEOI regimes, in which case only the registration requirement would apply under CRS. The Fund does not propose to rely on any Non-Reporting Financial Institution exemption and therefore intends to comply with all of the requirements of the AEOI Regulations.

The AEOI Regulations require the Fund to, amongst other things (i) register with the Internal Revenue Service ("**IRS**") to obtain a Global Intermediary Identification Number (in the context of the US IGA only), (ii) register with the TIA, and thereby notify the TIA of its status as a "Reporting Financial Institution", (iii) adopt and implement written policies and procedures setting out how it will address its obligations under CRS, (iv) conduct due diligence on its accounts to identify whether any such accounts are considered "Reportable Accounts", (v) report information on such Reportable Accounts to the TIA, and (vi) file a CRS Compliance Form with the TIA. The TIA will transmit the information reported to it to the overseas fiscal authority relevant to a reportable account (e.g. the IRS in the case of a US Reportable Account) annually on an automatic basis.



By investing in the Fund and/or continuing to invest in the Fund, investors shall be deemed to acknowledge that further information may need to be provided to the Fund, the Fund's compliance with the AEOI Regulations may result in the disclosure of investor information, and investor information may be exchanged with overseas fiscal authorities. Where an investor fails to provide any requested information (regardless of the consequences), the Fund may be obliged, and/or reserves the right, to take any action and/or pursue all remedies at its disposal including, without limitation, compulsory redemption of the investor concerned and/or closure of the investor's account. In accordance with TIA issued guidance, the Fund is required to close an investor's account if a self-certification is not obtained within 90 days of account opening.

### **Importance of Obtaining Professional Advice**

The foregoing analysis is not intended as a substitute for careful tax planning. Accordingly, prospective investors in the Fund are strongly urged to consult their tax advisors with specific reference to their own situations regarding the possible tax consequences of an investment in the Fund.

### **Anti-Money Laundering and Countering of Terrorist and Proliferation Financing**

In order to comply with legislation or regulations aimed at the prevention of money laundering and the countering of terrorist and proliferation financing the Fund is required to adopt and maintain procedures, and may require subscribers to provide evidence to verify their identity, the identity of their beneficial owners/controllers (where applicable), and source of funds. Where permitted, and subject to certain conditions, the Fund may also rely upon a suitable person for the maintenance of these procedures (including the acquisition of due diligence information) or otherwise delegate the maintenance of such procedures to a suitable person (a "**Relevant AML Person**").

The Fund, or the Relevant AML Person on the Fund's behalf, reserve the right to request such information as is necessary to verify the identity of a Shareholder (i.e. a subscriber or a transferee) and the identity of their beneficial owners/controllers (where applicable), and their source of subscription funds. Where the circumstances permit, the Fund, or the Relevant AML Person on the Fund's behalf, may be satisfied that full due diligence is not required upon subscription where a relevant exemption applies under applicable law. However, detailed verification information may be required prior to the payment of any proceeds in respect of, or any transfer of, Shares in the Fund.

In the event of delay or failure on the part of the subscriber or the transferee, as applicable, in producing any information required for verification purposes, the Fund, or any Relevant AML Person on the Fund's behalf, may refuse to accept the application, or if the application has already occurred, may suspend or redeem the Shares, in which case any funds received will, to the fullest extent permitted by applicable law, be returned without interest to the account from which they were originally debited.

The Fund, or the Relevant AML Person on the Fund's behalf, also reserve the right to refuse to make any redemption or dividend payment to a Shareholder if the directors or the Relevant AML Person suspect or are advised that the payment of redemption or dividend proceeds to such Shareholder may be non-compliant with applicable laws or regulations, or if such refusal is considered necessary or appropriate to ensure the compliance by the Fund or the Relevant AML Person with any applicable laws or regulations.

The Authority has a discretionary power to impose substantial administrative fines upon the Fund in connection with any breaches by the Fund of prescribed provisions of the Anti-Money Laundering Regulations (As Revised) of the Cayman Islands, as amended and revised from time to time, and upon any director or officer of the Fund who either consented to or connived in the breach, or to whose neglect the breach is proved to be attributable. To the extent any such administrative fine is payable by the Fund, the Fund will bear the costs of such fine and any associated proceedings.

If any person in the Cayman Islands knows or suspects or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or money laundering or is involved with terrorism or terrorist financing and property and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, or other trade, profession, business or employment, the person will be required to report such knowledge or suspicion to (i) the Financial Reporting Authority ("**FRA**") of the Cayman Islands, pursuant to the Proceeds of Crime Act (As Revised) of the Cayman Islands if the disclosure relates to criminal conduct or money laundering, or (ii) a police officer of the rank of constable or higher, or the FRA, pursuant to the Terrorism Act (As Revised) of the Cayman Islands, if the disclosure relates to involvement with terrorism or terrorist financing and property. Such a report shall not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

Investors may obtain details (including contact details) of the current AML Compliance Officer, Money Laundering Reporting Officer and Deputy Money Laundering Reporting Officer of the Fund, by contacting the Investment Manager at the address provided on page iv of this Memorandum.

### **Cayman Islands Mutual Funds Act**

The Fund is registered as a mutual fund pursuant to section 4(3) of the Mutual Funds Act and is therefore regulated as a mutual fund by the Authority. As a section 4(3) mutual fund, the minimum initial investment purchasable by an investor is CI\$80,000 (or its equivalent in another currency, approximately US\$100,000).

The Authority has supervisory and enforcement powers to ensure compliance with the Mutual Funds Act. Regulation under the Mutual Funds Act entails the filing of prescribed details and audited accounts annually with the Authority. As a regulated mutual fund, the Authority may at any time instruct the Fund to have its accounts audited and to submit them to the Authority within such time as the Authority specifies. Failure to comply with these requests by the Authority may result in substantial fines on the part of the Directors and may result in the Authority applying to the court to have the Fund wound up.

The Fund will not, however, be subject to supervision in respect of its investment activities or the constitution of the Fund's portfolio by the Authority or any other governmental authority in the Cayman Islands, although the Authority does have power to investigate the activities of the Fund in certain circumstances. Neither the Authority nor any other governmental authority in the Cayman Islands has commented upon or approved the terms of this document or the merits of an investment in the Fund. There is no investment compensation scheme in the Cayman Islands available to investors.

The Authority may take certain actions if it is satisfied that a regulated mutual fund is or is likely to become unable to meet its obligations as they fall due or is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors. The powers of the Authority include the power to require the substitution of Directors, to appoint a person to advise the Fund on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Fund. There are other remedies available to the Authority including the ability to apply to court for approval of other actions.

### **Beneficial Ownership Regime**

The Fund is regulated as a mutual fund under the Mutual Funds Act and, accordingly, does not fall within the scope of the primary obligations under Part XVIIA of the Companies Act (the "**Beneficial Ownership Regime**"). The Fund is therefore not required to maintain a beneficial ownership register. The Fund may, however, be required from time to time to provide, on request, certain particulars to other Cayman Islands entities which are within the scope of the Beneficial Ownership Regime and which are therefore required to maintain beneficial ownership registers under the Beneficial Ownership Regime. It is anticipated that such particulars will generally be limited to the identity and certain related particulars of (i) any person holding (or controlling through a joint arrangement) a majority of the voting rights in respect of the Fund; (ii) any person who is a member of the Fund and who has the right to appoint and remove a majority of the board of directors of the Fund; and (iii) any person who has the right to exercise, or actually exercises, dominant direct influence or control over the Fund.

### **Cayman Islands Data Protection**

The Fund has certain duties under the Data Protection Act (As Revised) of the Cayman Islands (the "**DPA**") based on internationally accepted principles of data privacy.

The Fund has prepared a document outlining the Fund's data protection obligations and the data protection rights of investors (and individuals connected with investors) under the DPA (the "**Fund Privacy Notice**"). The Fund Privacy Notice is contained within the Subscription Agreement.

Prospective investors should note that, by virtue of making investments in the Fund and the associated interactions with the Fund and its affiliates and/or delegates (including completing the Subscription Agreement, and including the recording of electronic communications or phone calls where applicable), or by virtue of providing the Fund with personal information on individuals connected with the investor (for example directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners or agents) such individuals will be providing the Fund and its affiliates and/or delegates (including, without limitation, the Administrator) with certain personal information which constitutes personal data within the meaning of the DPA. The Fund shall act as a data controller in respect of this personal data and its affiliates and/or delegates, such as the Administrator, the Investment Manager and others, may act as data processors (or data controllers in their own right in some circumstances).

By investing in the Fund and/or continuing to invest in the Fund, investors shall be deemed to acknowledge that they have read in detail and understood the Fund Privacy Notice and that the Fund Privacy Notice provides an outline of their data protection rights and obligations as they relate to the investment in the Fund. The Subscription Agreement contains relevant representations and warranties.

Oversight of the DPA is the responsibility of the Ombudsman's office of the Cayman Islands. Breach of the DPA by the Fund could lead to enforcement action by the Ombudsman, including the imposition of remediation orders, monetary penalties or referral for criminal prosecution.

#### **Qatari Unregulated Fund**

Although the Investment Manager is regulated by the Qatar Central Bank, the Fund is not governed by the laws of the State of Qatar, and it is not regulated by the Qatar Central Bank and it is not subject to the overview of the Qatar Central Bank. The Fund is not governed by the Law Number 25 of 2002 (Investment Funds Law) of the State of Qatar. There is no recourse to any Qatari authorities, The First Investor, Dukhan Bank or their affiliates and officers.

## Appendix A Definitions

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

**“Administration Agreement”** has the meaning given to such term in Section 4 (*Management*)<sup>2</sup> hereof.

**“Administrator”** has the meaning given to such term in Section 4 (*Management*) hereof.

**“Articles”** has the meaning given to such term in the section herein entitled “Important Notices”.

**“Business Day”** means any day on which banks in both Doha and the Cayman Islands are open for business or such other day as the Directors may from time to time determine.

**“CIMA”** has the meaning given to such term in the section herein entitled “Important Notices”.

**“Code”** means the United States Internal Revenue Code of 1986, as amended.

**“Companies Act”** has the meaning given to such term in Section 1 (*Executive summary*) hereof.

**“Custodian”** has the meaning given to such term in Section 4 (*Management*)<sup>2</sup> hereof.

**“Directors”** has the meaning given to such term in the section herein entitled “Important Notices”.

**“FATCA”** has the meaning given to such term in Section 10 (*Certain legal, tax and regulatory matters*) hereof.

**“Fiscal Year”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“Fund”** has the meaning given to such term in the section herein entitled “Important Notices”.

**“Gross Negligence”** 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.

**“IFRS”** has the meaning given to such term in Section 6 (*Calculation of Net Asset Value*) hereof.

**“Initial Offering Period”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“Initial Series”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“Investment Management Agreement”** has the meaning given to such term in Section 4 (*Management*)<sup>2</sup> hereof.

**“Investment Manager”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“IRS”** has the meaning given to such term in Section 10 (*Certain legal, tax and regulatory matters*) hereof.

**“Management Shares”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“Memorandum”** has the meaning given to such term in the section herein entitled “Important Notices”.

**“Minimum Holding”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“Minimum Redemption Amount”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“Mutual Funds Act”** has the meaning given to such term in the section herein entitled “Important Notices”.

**“Net Asset Value”** means the net asset value of the Fund, Sub-Fund or of the Participating Shares or any Series, as the context may require.

**“Net Asset Value of a Sub-Fund”** has the meaning given to such term in Section 6 (*Calculation of Net Asset Value*) hereof.

**“Net Asset Value per Participating Share”** has the meaning given to such term in Section 6 (*Calculation of Net Asset Value*) hereof.

**“Operating Expenses”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“Organisational Expenses”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“Participating Shareholders”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“Participating Shares”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“Performance Fee”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“person”** means a natural person, corporation, company, partnership, trust, unincorporated organization, association, or any other entity which has legal personality.

**“Redemption Day”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“Redemption Fee”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“Redemption Notice”** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**“Regulations”** has the meaning given to such term in Section 10 (*Certain legal, tax and regulatory matters*) hereof.

**"Restricted Person"** means any person determined by the Directors in their discretion as not being entitled to subscribe for or hold Shares including a US Person or where: (a) such holding may be prejudicial to the interests of Shareholders, (b) such holding may result in any contravention of any law or the requirements of any country or governmental or regulatory authority, (c) such holding may result in any of the Fund, the Directors or the Shareholders as a whole incurring any liability to taxation or suffering any pecuniary or regulatory disadvantage which any or all of them might not otherwise have incurred or suffered, or (d) such person does not comply with any other requirements for Shares of a Sub-Fund prescribed by the Directors from time to time as described in the applicable Supplemental Memorandum;

**"Series"** means a series of Participating Shares as may from time to time be issued by the Fund.

**"Shareholder"** means a person who is registered as the holder of a Share and where two or more persons are registered as the joint holders of a Share, the person whose name stands first in the register of members.

**"Shares"** means the Participating Shares and/or the Management Shares as the context requires.

**"Shariah"** means the rules, principles and parameters of Islamic law.

**"Subscription Agreement"** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**"Subscription Day"** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

**"Subscription Price"** means USD 1,000 per share.

**"USD"** or **"\$"** means the lawful currency of the US.

**"US Person"** means (i) any citizen of the United States or natural person resident in the United States; (ii) any partnership or corporation organized or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a "US Person;" (iv) any trust of which any trustee is a "US Person;" (v) any agency or branch of a non-United States entity located in the United States; (vi) any nondiscretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a "US Person;" (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; (viii) any partnership or corporation if: (A) organized or incorporated under the laws of any non-United States jurisdiction; and (B) formed by a "US Person" principally for the purpose of investing in securities not registered under the United States Securities Act of 1933, as amended (the **"US Securities Act"**), unless it is organized or incorporated, and owned, by "accredited investors" (as defined in Regulation D of the US Securities Act) who are not natural persons, estates or trusts; and (ix) the government of the United States and the government of any of its states, territories, possessions or municipalities, and any agency, branch, authority or fund related thereto.

**"Valuation Day"** has the meaning given to such term in Section 2 (*Summary of terms*) hereof.

## **Appendix B Offering restrictions in certain jurisdictions**

### **BAHRAIN**

THIS OFFER IS A PRIVATE PLACEMENT. IT IS NOT SUBJECT TO THE REGULATIONS OF THE CENTRAL BANK OF BAHRAIN THAT APPLY TO PUBLIC OFFERINGS OF SECURITIES, AND THE EXTENSIVE DISCLOSURE REQUIREMENTS AND OTHER PROTECTIONS THAT THESE REGULATIONS CONTAIN. THIS MEMORANDUM IS THEREFORE INTENDED ONLY FOR “ACCREDITED INVESTORS” AS DEFINED BY THE CENTRAL BANK OF BAHRAIN. THE FINANCIAL INSTRUMENTS OFFERED BY WAY OF PRIVATE PLACEMENT MAY ONLY BE OFFERED IN MINIMUM SUBSCRIPTIONS OF USD 100,000 (OR EQUIVALENT IN OTHER CURRENCIES). THE CENTRAL BANK OF BAHRAIN ASSUMES NO RESPONSIBILITY FOR THE ACCURACY AND COMPLETENESS OF THE STATEMENTS AND INFORMATION CONTAINED IN THIS MEMORANDUM AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS MEMORANDUM. THE FUND ACCEPTS RESPONSIBILITY FOR THE INFORMATION CONTAINED IN THIS MEMORANDUM. TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE FUND, WHO HAS TAKEN ALL REASONABLE CARE TO ENSURE THAT SUCH IS THE CASE, THE INFORMATION CONTAINED IN THIS MEMORANDUM IS IN ACCORDANCE WITH THE FACTS AND DOES NOT OMIT ANYTHING LIKELY TO AFFECT THE RELIABILITY OF SUCH INFORMATION.

### **CAYMAN ISLANDS**

NO OFFER OR INVITATION TO SUBSCRIBE FOR SHARES MAY BE MADE TO THE PUBLIC IN THE CAYMAN ISLANDS.

### **DUBAI INTERNATIONAL FINANCIAL CENTRE**

THIS MEMORANDUM RELATES TO A FUND WHICH IS NOT SUBJECT TO ANY FORM OF REGULATION OR APPROVAL BY THE DUBAI FINANCIAL SERVICES AUTHORITY (“DFSA”). THE DFSA HAS NO RESPONSIBILITY FOR REVIEWING OR VERIFYING ANY PROSPECTUS OR OTHER DOCUMENTS IN CONNECTION WITH THIS FUND. ACCORDINGLY, THE DFSA HAS NOT APPROVED THIS MEMORANDUM OR ANY OTHER ASSOCIATED DOCUMENTS NOR TAKEN ANY STEPS TO VERIFY THE INFORMATION SET OUT IN THIS MEMORANDUM, AND HAS NO RESPONSIBILITY FOR IT. THE PARTICIPATING SHARES TO WHICH THIS MEMORANDUM RELATES MAY BE ILLIQUID AND/OR SUBJECT TO RESTRICTION ON THEIR RESALE. PROSPECTIVE PURCHASERS SHOULD CONDUCT THEIR OWN DUE DILIGENCE ON THE PARTICIPATING SHARES. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS DOCUMENT YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR. NO PARTICIPATING SHARES ARE OFFERED TO RETAIL CLIENTS (AS DEFINED IN THE LAWS OF THE DFSA).

### **KUWAIT**

THE PARTICIPATING SHARES HAVE NOT BEEN LICENSED FOR OFFERING IN KUWAIT BY THE MINISTRY OF COMMERCE AND INDUSTRY OR THE CENTRAL BANK OF KUWAIT OR ANY OTHER RELEVANT KUWAITI GOVERNMENT AGENCY. THE OFFERING OF PARTICIPATING SHARES IN KUWAIT ON THE BASIS OF A PRIVATE PLACEMENT OR PUBLIC OFFERING IS, THEREFORE,



RESTRICTED IN ACCORDANCE WITH DECREE LAW NO. 31 OF 1990, AS AMENDED, AND MINISTERIAL ORDER NO. 113 OF 1992, AS AMENDED. NO PRIVATE PLACEMENT OR PUBLIC OFFERING OF THE PARTICIPATING SHARES IS BEING MADE IN KUWAIT, AND NO AGREEMENT RELATING TO THE SUBSCRIPTION FOR PARTICIPATING SHARES WILL BE CONCLUDED IN KUWAIT. NO MARKETING OR SOLICITATION OR INDUCEMENT ACTIVITIES ARE BEING USED TO OFFER OR MARKET THE PARTICIPATING SHARES IN KUWAIT.

## **LEBANON**

THE CENTRAL BANK OF LEBANON'S BASIC DECISION NO. 7074 DATED SEPTEMBER 5, 1998 PROHIBITS THE MARKETING OR PROMOTION OF A FOREIGN FUND, OR THE OFFER OR SALE OF SHARES OR INTERESTS IN SUCH A FUND IN LEBANON, PRIOR TO OBTAINING THE AUTHORISATION OF THE CENTRAL COUNCIL OF THE CENTRAL BANK OF LEBANON.

## **OMAN**

THE INFORMATION CONTAINED IN THIS MEMORANDUM 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 ARTICLES 125 AND 139 OF THE EXECUTIVE REGULATIONS TO THE CAPITAL MARKET LAW (ISSUED VIA MINISTERIAL DECISION NO. 1/2009). ADDITIONALLY, THIS MEMORANDUM IS NOT INTENDED TO LEAD TO THE CONCLUSION OF ANY CONTRACT OF WHATSOEVER NATURE WITHIN THE TERRITORY OF THE SULTANATE OF OMAN.

## **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 PARTICIPATING SHARES 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 GOVERNED BY THE LAWS OF THE STATE OF QATAR AND IT IS NOT REGULATED BY THE QATAR CENTRAL BANK AND IT IS NOT SUBJECT TO THE OVERVIEW OF THE QATAR CENTRAL BANK. THE FUND IS NOT GOVERNED BY THE LAW NUMBER 25 OF 2002 (INVESTMENT FUNDS LAW) OF THE STATE OF QATAR.

## **SAUDI ARABIA**

THIS MEMORANDUM 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. THE FUND ACCEPTS FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THIS MEMORANDUM AND CONFIRMS, HAVING MADE ALL REASONABLE ENQUIRIES THAT TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THERE ARE NO OTHER FACTS THE

OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN MISLEADING. THE SAUDI ARABIAN CAPITAL MARKET AUTHORITY DOES NOT TAKE ANY RESPONSIBILITY FOR THE CONTENTS OF THIS MEMORANDUM, DOES NOT MAKE ANY REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS, AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS ARISING FROM, OR INCURRED IN RELIANCE UPON, ANY PART OF THIS MEMORANDUM. PROSPECTIVE PURCHASERS OF THE PARTICIPATING SHARES OFFERED HEREBY SHOULD CONDUCT THEIR OWN DUE DILIGENCE ON THE ACCURACY OF THE INFORMATION RELATING TO THE PARTICIPATING SHARES. THIS MEMORANDUM DOES NOT, AND IS NOT INTENDED TO, CONSTITUTE A PUBLIC INVITATION OR A PUBLIC OFFER OF SECURITIES IN THE KINGDOM OF SAUDI ARABIA.

#### **UNITED ARAB EMIRATES**

BY RECEIVING THIS MEMORANDUM, ANY PERSON OR ENTITY IN THE U.A.E TO WHOM IT HAS BEEN ISSUED ACKNOWLEDGES AND AGREES THAT IT HAS INITIATED THE ISSUE OF THIS MEMORANDUM AND THE OFFERING OF PARTICIPATING SHARES, AND THAT ANY PURCHASE OF PARTICIPATING SHARES WAS NOT MADE AS A RESULT OF PROMOTIONAL ACTIVITIES BY THE FUND OR OTHER PERSON AUTHORISED TO PROMOTE OR DISTRIBUTE THE PARTICIPATING SHARES. NEITHER THIS MEMORANDUM NOR THE FUND HAS BEEN APPROVED BY THE U.A.E. SECURITIES AND COMMODITIES AUTHORITY (THE "SCA"), THE U.A.E. CENTRAL BANK OR ANY OTHER REGULATORY BODY OF THE U.A.E, NOR HAS ANY PLACEMENT AGENT OR OTHER PERSON BEEN AUTHORISED OR LICENSED BY THE SCA, THE U.A.E. CENTRAL BANK OR ANY OTHER REGULATORY AUTHORITY IN THE U.A.E. TO PROMOTE THE PARTICIPATING SHARES IN THE U.A.E.

**DISCLAIMER:**

*This Memorandum is being furnished to prospective investors on a confidential basis so that such prospective investors may consider an investment in a Sub-Fund.*

*The Fund is regulated as a mutual fund under the Mutual Funds Act. The Cayman Islands Monetary Authority has supervisory and enforcement powers to ensure compliance with the Mutual Funds Act.*

*Whilst the Fund is registered with the Cayman Islands Monetary Authority, the Cayman Islands Monetary Authority does not have responsibility for reviewing or verifying this Memorandum or other documents in connection with the Fund. Accordingly, the Cayman Islands Monetary Authority has not approved this Memorandum or any other associated documents nor taken any steps to verify the information set out in this Memorandum, and therefore have no responsibility for it. Registration with the Cayman Islands Monetary Authority does not constitute an endorsement or guarantee of the Fund. Furthermore, no Cayman Islands authority has commented upon the contents or the merits of an investment in the shares or unit of the Fund. Moreover, the investment activities of the Fund will not be regulated or otherwise overseen by the Cayman Islands government.*

*The Fund is not governed by the laws of the State of Qatar (including Law No. 25 of 2002 (Investment Funds Law)), nor is it regulated or supervised by the Qatar Central Bank, the Qatar Financial Markets Authority or the Ministry of Economy and Commerce. Prospective investors should satisfy themselves as to the risks associated with investing in the Fund, as the Fund is an unregulated fund where the risks may be higher than those associated with a regulated fund. Prospective investors must rely on their own investigation of the investment described herein, including the merits and risks involved and the legality and tax consequences of such an investment. Prospective investors should not construe the contents of this Memorandum as legal, tax, investment or accounting advice. No professional, financial or legal adviser or any other independent third party has independently verified or advised on the accuracy or completeness of this Memorandum, the information presented herein, the methods of raising capital used in this Memorandum, or the applicable laws of any jurisdiction. Neither do any of the above assume any responsibility for the contents of the report or the performance of any obligations of the Fund.*

*This Memorandum is provided for information only, and is not intended to be, and must not be, taken as the basis for an investment decision or as constituting a recommendation, solicitation or offer by The First Investor QSCC to buy or sell any securities or other financial instruments of any person or provide any investment advice or service. No dealer, broker or other person has been authorized to give any information or to make any representation not contained herein or in a supplement hereto, and, if given or made, such other information or representation must not be relied upon as having been authorized by or on behalf of the Fund, or the advisors to the Fund.*

*Prospective investors should review this Memorandum carefully and in its entirety and consult with their own legal, tax and financial advisers for independent advice in relation to: (a) the legal requirements within their own countries for the investment, holding or disposing of interests in the Fund; (b) any foreign exchange restrictions to which they are subject in their own countries in relation to the investment, holding or disposing of interests in the Fund; (c) the legal, tax, financial or other consequences of investing, holding or disposing of their interests in the Fund; and (d) the provisions of this Memorandum.*

*Disclosure of past performance is not predictive of future results and should not be relied upon in making an investment decision. Projections are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialize or will vary significantly from actual results. Accordingly, the projections are only an estimate. Actual results may vary from the projections, and the variations may be material. No representation or warranty as to the accuracy, adequacy or completeness of any of the information contained in this Memorandum is made. The delivery of this Memorandum does not imply that the factual information is correct as at any time subsequent to the date of this report.*

*As with other investments, an investment in the Fund involves certain risks. Although the Fund seeks to preserve the value of its units, it is possible to lose money by investing in the Fund. There can be no assurance that the investment objectives of the Fund will be achieved*

*The First Investor QSCC will not be responsible for any loss or damage that could result from interception by third parties of any information mentioned in this Memorandum. In no event will The First Investor QSCC or any of its directors, officers or employees be liable, whether in contract or tort, for any direct, special, indirect, consequential or incidental damages of any kind to any person.*

*Unless otherwise specified, this Memorandum is for your personal and noncommercial use only and you may only print, copy and use any information or portion of this Memorandum for your personal use. You, the recipient or the user, may not modify, copy, distribute, transmit, display, perform, reproduce, publish, license, frame, create derivative works from, transfer, sell, profit or otherwise use in any other way for commercial or public purposes in whole or in part any information, products or services obtained from this Memorandum, except for the purposes expressly provided herein, without the prior written approval of The First Investor QSCC.*

*Certain information contained in this Memorandum constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "target," "project," "estimate," "intend," "continue" or "believe," or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements.*

*Statements in this Principal Memorandum are made as of the date hereof unless stated otherwise herein, and neither the delivery of this Memorandum at any time, nor any sale hereunder, shall under any circumstances create an implication that the information contained herein is correct as of any time subsequent to such date.*

## DIRECTORY

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