

The Al Emaar Fund was launched as an open-ended fund pursuant to investment funds regulation issued by the board of the Capital Market Authority. Riyadh Capital Company will distribute the fund in the kingdom of Saudi Arabia as a fund manager.

Any subscription in this fund should rely upon this bulletin and not any other document.

Al Emaar Fund

It is an Open-ended fund investing in Saudi stocks compliant to Islamic
Shariah

Riyad Capital Company



Potential investors should read this information bulletin before making any investment decision regarding the fund. The fund is categorized as a high risk investment. Please review article 10 "Main investment risks" in the terms and conditions of this fund before making any decision regarding the fund.

Issuing Date of the Information Bulletin: 26 December 2009

1. Important Notice

Potential investors should read the information bulletin including the terms and conditions before making any investment decision regarding Al Emaar Fund which is considered high risk as detailed in Item (10), Main Investment Risks, in the fund's terms and conditions.

This local open-ended fund which invests primarily in Saudi stock companies engaged in building, construction, real estate and cement, in addition to other companies related to these sectors. The fund also invests partially (not more than 10% of its assets) in Gulf stock companies. The fund investments should be in line with the criteria set by the shariah committee of Riyadh Capital Company.

This open ended fund is governed by Regulations and rules of the Capital Market Authority including investment funds regulations issued by the Capital Market Authority, in addition to any amendment in these regulations.

The fund manager acknowledges the correctness of all information mentioned in the fund information bulletin.

The Capital Market Authority has agreed on the fund terms and conditions on 20 January 2009.

However, this bulletin should not be considered as a recommendation to buy units in this fund which invest its assets primarily in listed Saudi companies engaged in real estate within the criteria set by Shariah Committee of Riyadh Capital Company.

2. Directory of Al Emaar Fun

Fund Name: Al Emaar Fund.

Fund Manager: Riyadh Capital Company

Address of the Fund Manager: Riyadh Capital Company,

Head Office, King Abdulaziz Road, P. O. Box 21116, Riyadh 11475, Saudi Arabia

Tel.: +966(1)4083131 Fax: +966(1)4042544

Custodian: Riyadh Capital Company,

P.O.Box 229, Riyadh 11411, Saudi Arabia.

Tel.: +966(1)4113333 Fax: +966(1)4119150

Auditors: PKF AlBassam & AlNemer Allied Accountants, P.O. Box 28355, Riyadh 11437, Saudi Arabia,

Tel.: +966(11) 2065333 Fax: +966(11) 2065444

Fund Brief

Fund Currency	Saudi Riyal
Level of risk	High
Benchmark	The Construction and Real Estate Composite Index which consists of one third (1/3) each of Cement, Building & Construction and Real Estate Development sectors
Investment Strategy	The Fund invests primarily in stocks of listed Saudi companies engaged in building, construction, real estate and cement, in addition to other companies related to these sectors. Also, the fund invests partially (not more than 10% of its assets) in stocks of Gulf companies. The fund investments should be compliant to the Shariah conditions as set by the Shariah Committee of Riyadh Capital Company. The Fund manager employs research tools and focuses on companies that enjoy strong fundamental factors and promising long- term growth The Fund manager will consider the relative weights of companies in the benchmark when he allocates the assets, in addition to risk requirements, market trends, economic and political conditions and Fund's objectives.
Minimum Initial Subscription	SAR 5000
Minimum Balance	SAR 5000
Minimum Additional Subscription	SAR 1000
Minimum Redemption	SAR 1000
Accepting Days for Subscription and Redemption Applications	Every business day
Effective time for accepting Subscription and redemption Applications	Before 1:00 pm
Dealing Days/ Valuation	Monday & Wednesday
Redemption Payment Period	Within three (3) business days from the valuation day
Subscription Fee	1%
Management Fee (Per annum)	1.75%
Other fees	0.5%
Launch Date	30 December 2009
Unit Price at Launch Date	SAR 10

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Definitions

Fund	It is Al Emaar Fund managed by Riyadh Capital Company. The fund invests its assets primarily in stocks of Saudi companies engaged in building and real estate within the criteria set by Shariah Committee of Riyadh Capital Company.
Benchmark	It is the index against which the fund performance is compared.
Dealing Days	The days on which the fund units are subscribed and redeemed.
Valuation Days	The days on which the fund assets are valued
Deadline of redemption proceeds payment	The deadline for paying redemption proceeds is after the valuation day on which the redemption request was executed.
Fund Manager/ The Manager	Riyadh Capital Company
The Authority	Capital Market Authority in the Kingdom of Saudi Arabia.
Investment Funds Regulations	It is the regulations issued by the board of the Capital Market Authority pursuant to its resolution number 1-219-2006 dated 24/12/2006
The Kingdom	The Kingdom of Saudi Arabia
Terms and Conditions	Terms and Conditions governing the Fund.
The Board	The Fund's Board of Directors
Shariah Committee	It is the Shariah Committee of Riyadh Capital

Al Emaar Fund

Terms and Conditions

1 Fund Name

Al Emaar Fund

2) Fund Manager Address

Riyadh Capital Company, head Office of Riyadh Bank, Fifth Floor,
King Abdulaziz Street

P.O. Box 21116, Riyadh 11475, Saudi Arabia

www.riyadcapital.com

Tel.: +966(1)4083131 Fax: +966(1)4042544

3) Fund Launch Date: 30 December 2009

4) Regulator

The Fund Manager is duly authorized by the Capital Market Authority as per license No. 07070-37 to carry out management activities, custody, dealings, arranging and advising. These terms and conditions shall be subject to the Investment Funds Regulations issued by the Capital Market Authority.

5) Terms and Conditions Date of the issuance

The terms and conditions were issued on 20 January 2009. And update on September 21, 2016.

6) Subscription in the Fund

The minimum initial subscription is SAR 5000, while the minimum additional subscription or redemption is SAR 1000. At all times the investment balance should not drop below SAR 5000.

7) Fund Currency

The Fund is denominated in Saudi Riyal. In the event that investor subscribes in any currency other than the fund currency, the exchange rate on the concerned date will be applied to convert the investor currency to the fund currency.

8) Fund's Investment Objectives

The Fund aims to achieve long-term capital growth through investing primarily in stocks of listed Saudi companies engaged in building, construction, real estate and cement, in addition to other companies engaged in similar activities. Also, the fund invests partially (not more than 10% of its assets) in stocks of Gulf companies engaged in similar sectors. Such companies shall be compliant to the Shariah conditions as set by Shariah Committee of Riyadh Capital Company. The Fund is an open-ended and suitable for those wishing to diversify their investments by investing in Saudi and Gulf Stocks companies primary engaged in construction and real estate.

The Fund Manager will measure his performance against the benchmark "The Saudi Construction and Real Estate Composite Index which consists of one third (1/3) each of Cement, Building & Construction and Real Estate Development sectors".

Details of the benchmark performance will be posted on Riyadh Capital website (www.riyadcapital.com) and regularly included in the fund performance disclosure.

9) Principal Investment Strategies

Below is a summary of the principal investment strategies applied by Al Emaar Fund in order to achieve its objectives.

- A. The Fund will invest mainly in stocks of companies engaged in construction and real estate activities and other companies related to its objectives, within the criteria set by shariah committee of Riyadh Capital Company.
- B. The Fund will reinvest dividends distributed by the Fund's companies.
- C. The Fund manager utilizes research tools and focuses on companies that enjoy strong fundamental factors and promising long-term growth. The investment decisions starts with determining suitable companies based on financial analysts recommendations after conducting quantitative analysis based on indicators such as price to earning per share, price to book value, dividend yield, return on equity, etc. This is in addition to conducting a comprehensive qualitative analysis including company visits in order to evaluate each company, identify its outlook and determine the fair value of its share.
- D. The Fund manager will diversify assets to minimize the risk taking into consideration the relative weights of companies in the benchmark, risk requirements, market trends, economic and political conditions, in addition to fund's objectives and Shariah conditions.
- E. Riyadh Capital Investment Committee will be responsible for developing and reviewing the investment policy and guidelines followed by the Fund manager. The Committee also measures the fund's performance against the benchmark and the performance of similar funds. This is in addition to doing regular assessments with the Fund manager to ensure his compliance to the Fund strategy and that trading activities were made in the light of it.
- F. When investing in the fund assets, the following restrictions will be observed:
 1. The Fund may not invest more than 10% of its net assets value in any class of security issued by any single company, within the criteria set by Shariah Committee. If the ratio of capitalization of this company to the total capitalization of companies comprising the benchmark

exceeds 10%, the Fund may not exceed the proportional weight of this company in the benchmark.

2. The fund may not invest more than 15% of its net asset value in securities issued by a number of issuers within the same group practicing the same activity and within the criteria set by Shariah Committee.
3. The Fund may not sell short any securities
4. The Fund shall not own any movable or immovable properties.
5. The Fund may not trade in securities that are not its own.
6. The Fund shall not mortgage, pledge or place charge on or give creditors rights of set-off against any of its assets, unless it is required for the financing it is allowed to take on, within shariah criteria and a limit of 10% mentioned in item No. 11).
7. The Fund shall not underwrite securities for any company, or participate in the marketing of securities of any other company, but may invest in initial public offerings.
8. The Fund shall not grant financing to third parties or guarantee their obligations. However, it may make deposits with the fund custodian, bank or deposit-taking institution approved by the custodian.
9. The Fund shall not issue warrants or other rights to subscribe for shares in the fund to its shareholder or to any third party.
10. The Fund may not invest in the document of title to merchandise.
11. The Fund may not obtain finance for its own account amounts in excess of 10% of its net assets. However, such financing shall be obtained from banks within the Shariah criteria and on temporary basis only.
12. The fund may not acquire units of another fund by more than 10% of its net asset value and not more than 10% of the net asset value of the acquired fund.

10) Main Investment Risks

1. **Market risk:** The value of the fund assets which are valued according to market prices may occasionally experience significant fluctuations due to company's activities and financial results, or the market and economic conditions in general.
2. **Sector Risk:** The Fund investments are concentrated mainly in the construction and real estate sector, which are considered more risky than investing in a basket of different sectors in one or many countries.
3. **Liquidity Risk:** The risks of not covering redemption requests if their value is 10% or more of the fund's Net Asset Value or the inability of the fund manager to liquidate sufficient investment as a result of weakness in trading.
4. **Shariah Investment Risks:** Fund managers are limited to investment in securities meeting criteria set by Shariah Committee. There is a risk of forced liquidation at distressed prices of stocks which become non Shariah compliant.
5. **Economic Risk:** The Saudi stock market is affected by the economy which is correlated to oil revenues and factors such as inflation and interest rates. Hence, any fluctuation in oil prices and others factors, will have impact on both economic growth and the Saudi Stock market.
6. **Conflicts of Interest:** The interests of the fund manager and concerned parties may conflict with the interests of fund unit holders in matters related to fund management.

7. **Emerging Market Risks:** Saudi stock market is one of the emerging markets which is classified as high risk. It may also face shortage in liquidity as a result of sharp decline in stock prices or sharp increase in the inflation or slowdown in the economy.
 8. **Geopolitical Risks:** Such risks include political turmoil, issue of new laws and regulations, or changes in legislations which might adversely affect the fund's investments and its performance.
 9. **Small Companies Risk:** Small companies may experience significant fluctuations. It is for this fact that they are considered more risky than the Blue Chip. Since Blue Chips are more liquid in the market than the small size companies, their prices in addition to the Fund Manager ability to sell them are deemed to be affected.
 10. **Administrative Risks:** Fund returns can be affected by changes in management, management fee and administrative expenses.
 11. **Currency Risk:** Part of the Fund assets may be denominated in currencies other than the fund currency. Any fluctuation in the rates of exchange of these currencies may affect the value of fund units.
- The unit holder shall bear any financial loss arising from the investment in this Fund as a result of the above mentioned risks or any other risks without any guarantee from fund manager.

11) Fees and Expenses

The Fund Manager will charge upfront fees, set as a percentage of the subscription amount, which will be paid at the time of subscription or subsequent additions, plus a management fee calculated as a percentage of the fund assets and deducted upon each valuation.

All expenses incidental to organization, operation and asset investment shall be charged against the fund assets. However, these expenses include, but are not limited to, remuneration of the fund board of directors, shariah committee, administrative expenses, legal and audit fees, custody fees, consultancy fees, other commissions, taxes withheld at source, and any other petty expenses. *(For more details see Summary Financial Disclosures)*

12) Dealing Expenses

All dealing expenses including brokerage fees will be charged to the Fund.

13) The Fund Board of Directors

The fund board of directors consists of five members which includes the chairman and two independent members. The period of board membership begins from the date of CMA approval for launching the fund up to one year renewable on similar terms. The fund manager has the right to change board members after obtaining approval from CMA. Unit holders should be informed about the change.

Remuneration of SAR 2000 per meeting will be paid out to independent members only.

Names of fund board of directors

Mr. Ali Abdul Rahman Al Quwaiz (Chairman)

Mr. Al Quwaiz is currently the CEO of Riyadh Capital. He has a Bachelor degree in Business Administration from Portland University. He obtained one-year on-the-job training at Chase Manhattan Bank in NY, in addition to cumulative management training at Harvard Business School and INSEAD. He has more than 22 years of experience in banking and finance, 10 years in Project Financing Department in SIDF and 12 years in Merchant Banking and capital markets in a local bank.

Mr. Adel Ibrahim Al Ateeq (Director)

Mr. Al Ateeq is currently the Director of Asset Management Department of Riyadh Capital. He holds an MBA in finance and investment from Pittsburgh University. He is also a certified Personal Financial Planner and a Certified Wealth Manager. He has more than 10 years of experience in financial markets and fund management. Prior to joining Riyadh Bank, he worked at SAMA.

Mr. Natheer Al Mahdi (Director)

Mr. Al-Mahdi is currently the manager of local equity funds, Asset Management of Riyadh Capital. He obtained his bachelor degree in quantitative methods from King Saud University. He is working in the asset management of Riyadh Bank and Riyadh Capital since 1996. His experience includes money market funds, commodity trading funds, Saudi equity funds and discretionary portfolios. He attended many investment courses and training programs through SAMA training institute, JP Morgan and others.

Dr. Abdul Wahab Abu Dahesh (Independent director)

Dr. Abu Dahesh is currently the General Manager of Investment & Business Development at Alissa Group. He worked at Riyadh Bank from 2001 to 2005 as Senior Economist in the Economic Division, then as Head of Investment Research in the Asset Management department. Prior to joining Riyadh Bank, he worked at the Ministry of Finance & National Economy and International Monetary Fund. He obtained his Ph.D. in Economics from American University, Washington, D.C., in 1998.

Mr. Sattam Al Swailem (Independent director)

Mr. Al Swailem is currently President and CEO of "SupplyCore ME" company, which is specialized in global supply chain management and logistic solutions. He obtained his B.A Degree in Business Administration in 2000 from Rockford College, USA, and Master Degree in Economics in 2002 from Western Illinois University.

Fund Directors' Responsibilities The fund directors' responsibilities shall include, but not limited to, the following:

1. Approval of all significant contracts in which the fund is a party.
2. Oversee and, where appropriate, ratify any conflict of interest the fund manager may identify in accordance with Investment Funds Regulations.
3. Meet the Fund Manager's Compliance Officer and Money Laundering and Terrorism Financing Reporting Officer, at least twice a year, to ensure the Fund Manager's compliance with all applicable laws and regulations.
4. Approve recommendations made by the appointed liquidator, if any.
5. Ensure the completeness of the terms and conditions and their compliance with CMA Investment Funds Regulations.
6. Ensure that the fund manager carries on its obligations in the best interest of the unit holders, subject to the terms and conditions of the fund and CMA Investment Funds Regulations.
7. Act faithfully for the benefit of the investment fund and its unit holders.

Funds approved by Shariah Committee:

1. Riyadh equity Fund 2	7. Al Shamekh Shariah Compliant Fund
2. Riyadh Gulf Fund	8. Al Shuja'a Shariah Compliant Fund
3. Global Equity Fund	9. Al Mokdam Shariah Compliant Fund
4. Commodity Trading Fund (SAR)	10. Al Hadi Shariah Compliant
5. Commodity Trading Fund (USD)	11. Al Emmar Fund.
6. Balanced Income Fund	12. Riyadh Small and Medium Cap Fund

Funds not approved by Shariah Committee:

1. Riyadh equity Fund 1	12. US Dollar Bond Fund
2. Riyadh equity Fund 3	13. International Bond Fund
3. American stock Fund	14. Riyadh money Fund USD
4. European growth Fund	15. Riyadh money Fund SAR
5. Japan stock Fund	16. Al Shamekh Fund
6. South East Asia Fund	17. Al Shuja'a Fund
7. British Stock Fund	18. Al Mokdam Fund
8. International Fund	19. Al Hadi Fund
9. Telecommunication Fund	20. Global Property Fund
10. Technology Fund	21. Natural Resources Fund
11. Future Equity Fund	

14) The Fund Manager

Riyad Capital Company, Head Office,
P. O. Box 21116, Riyadh 11475,
Kingdom of Saudi Arabia.

www.riyadcapital.com

Tel.: +966(1) 4083131 Fax: +966(1) 4042544

- The Fund Manager is a qualified legal entity duly licensed, as per CMA license no. 07070-37 to manage assets including investment funds.

15) The Custodian

Riyad Capital Company
P. O. Box 229, Riyadh 11416
The Kingdom of Saudi Arabia

Tel.: +966(1)4113333 Fax: +966(1)4119150

16) Auditors:

PKF AlBassam and AlNemer Allied Accountants,
P.O. Box 28355, Riyadh 11437, Saudi Arabia,
Tel.: +966(11) 206 5333 Fax: +966(11) 206 5444

17) Audited Financial Statements

The annual audited financial statements will be made available within 90 days from the end of the financial term. The semi annual audited financial statements will be issued within 45 days from the

end of the term. These statements will be available free of charge and upon request. However, the unit holders and potential investors may request copies of financial statements by writing to the following address:

Investment Marketing, Riyadh Capital Company

P. O. Box 21116, Riyadh 11475

Kingdom of Saudi Arabia

Tel.: +966 (1) 408 3131, Fax: +966 (1) 404 2544

www.riyadcapital.com

The audited financial statements as at 31 December 2011 will be available on time.

18) Characteristics of the Units

All units are of one class and every unit or part thereof represents a common share in the fund's net assets.

19) Fund's Shariah Committee :

The fund is supervised by shariah control council including: -

- Al sheikh/ Abdullah bin Sulaiman bin Moneea (Chairman) Sheikh Abdullah is a member of Council of Senior Scholars in Saudi Arabia, and the former President of the courts of Makkah Al-Mukarramah. In 1396H, he was appointed as the Vice President of the Chairman of Presidency of Islamic Research, IFTA, Call and Guidance. He is also a counselor to many Islamic Financial Institutions around the world and has published research on Islamic Banking.
- Al Sheikh Dr. Abdullah bin Mohammed Almotleq (member).
Al Sheikh Dr. Abdullah is a member of Council of Senior Scholars in Saudi Arabia and the former President of Comparative Fiqh Department in the High Institution of Jurisdiction. He is also a counselor to many Islamic Financial institutions and has published research on Islamic Banking.
- Al Sheikh Dr/ Mohammed Bin Ali Al Qarri (member)
Sheikh Dr. Mohammed is a lecturer at King Abdulaziz University, Islamic Economic Department, Jeddah. He is the former president of Islamic Economic Research Center in King Abdulaziz University and an expert in Islamic Fiqh Academy, a subsidiary of the Organization of the Islamic Conference in Jeddah. He is also a counselor for many Islamic financial institutions around the world and has published research on Islamic Banking.

The fund manager invests all fund's assets within the investment criteria set by shariah committee (please see shariah criteria appendix)

20) Initial Offer

There is no minimum balance to launch the fund.

21) The Fund Manager's Investment in the Fund

The Fund Manager may invest his own money in the same Fund.

22) Subscription and Redemption of Units

Subscription and redemption application of this fund shall be accepted on any business days, while executing the applications will be on Monday and Wednesday of each week. These applications should be presented to Riyadh Capital branches or through electronic channels before 01:00 P.M. of the business day for executing according to the valuation price at that day. Applications received after 01:00 P.M., shall be deemed as if received on the following business day.

The minimum initial subscription may not be less than SAR 5000. The minimum additional subscription or redemption may not be less than SAR 1000. Investors wishing to participate in Riyadh Capital mutual funds may purchase fund units by completing the subscription form of Riyadh Capital Funds. The settlement of subscription will be through one of the two methods (a) an authorization to debit their accounts or (b) the deposit of necessary funds for their participation in Riyadh Capital account with Riyadh Bank. The number of purchased units shall be decided according to the subscription amount and the forward price of units. However, the Fund Manager reserves the right to refuse participation by subscribers in the Fund if they fail to submit their applications subject to these terms and conditions, or fail to submit signed and certified applications, or fail to deliver the funds necessary to purchase the fund units required. Also, the Fund Manager may refuse to accept any subscription application if the acceptance thereof would result in a violation of any of CMA laws and regulations.

Redemption requests will only be accepted if they are completed on a Riyadh Capital mutual fund redemption form. Proceeds of redemption shall be made available to the subscriber within three business days.

The Fund Manager may refuse or defer the redemption until the next dealing day in the following cases:

- a) If the total of all the unit holder's redemption requests to be satisfied on any one dealing day amount to 10% or more of the net asset value of the fund or
- b) If there has been a suspension of dealing on the primary market in which the securities or other assets held by the investment fund or dealt, either in general or in relation to assets of the investment fund that the fund manager reasonably believes to be material to the net asset value of the fund.

In case the redemption requests have been postponed to the next dealing day, they will be executed on a proportional basis with a priority in execution against the following redemption request

The minimum balance acceptable shall be SAR 5,000. If the redemption would reduce a subscriber's investment in the Fund to less than the said minimum balance acceptable, the entire investment will be redeemed. The proceeds of all redemptions requested will be paid in the denominated currency of the Fund by crediting the subscriber's account.

23) Valuation of Fund Assets

The net asset value of the Fund for the purpose of purchase or sale of units shall be determined by dividing the net value of assets (fair value of fund assets *minus* fund liabilities) by the total number of outstanding fund units on the relevant valuation day. Valuations shall be performed on Monday and Wednesday weekly and according to closing prices. The Fund Manager shall publish the unit price on Tuesday and Saturday of each week on the websites of Tadawul (www.tadawul.com.sa) and Riyadh Capital (www.riyadcapital.com).

24) Fund Termination

If, in the opinion of the Fund Manager, the value of the Fund's assets under management is insufficient to justify continued operations of the fund, or if, due to any change in laws, regulations or other circumstances, he may deem an appropriate reason for liquidating the fund, the Fund Manager may upon giving at least two months written notice to investors and after CMA's approval, liquidate the Fund. The Fund's assets will be liquidated, its liabilities discharged and the remaining proceeds of

such liquidation distributed to the investors, within two months of such notice, in the proportion which their units bear to the total units then ascertained by the Manager to be issued.

25) Appointment of Liquidator

The Capital Market Authority shall have the power to appoint a replacement fund manager or a liquidator or to take any other measures in accordance with investment funds regulations.

26) Reporting to fund Unit holders

The information below shall be provided to the unit holders on quarterly basis by post:

- Net asset value of the fund.
- The number and net value of the units held by the unit holder.
- Transactions record specific to the unit holder including payment of dividends to the unit holder.

The Fund Manager shall disseminate twice a week the investment fund information in a format as prescribed by the CMA.

27) Conflicts of Interest

There are no material conflicts of interests on the part of the Fund Manager that affect its performance of obligation towards the investment Fund. The Fund Manager shall always avoid any conflict of interests between its or any concerned party's interests and the subscribers of the Fund; the subscriber's interests will always take precedence before the fund manager or other relevant parties' interests, and shall never be biased towards subscribers against other subscribers in the same Fund. In this context, any potential conflicts of interest shall be reported to the Fund Board to decide thereon. Procedures for dealing with conflicts of interests will be made available to subscribers upon request.

28) Voting Rights

The Fund's Board of Directors shall consult with the compliance officer and approve overall policies regarding voting rights attributed to the fund because of securities included in its assets. Any voting rights shall be exercised or not exercised according to the assessment of the Fund Manager and after consultation with the compliance officer.

29) Changes in Terms and Conditions

The Fund Manager may, at any time and in its sole discretion, amend these terms and conditions provided he obtains prior approval from CMA and Shariah Committee for any substantial amendment and notifies the subscribers by mail of the proposed changes and furnishes them with a copy of the amended text. The amendments will become effective sixty days from the date of notifying the investors.

30) Complaints Procedure

Should any investor have a complaint in respect of the Fund, he should make his complaint in writing to:

Compliance Officer

Riyad Capital, P. O. Box, 21116 Riyadh 11475, the Kingdom of Saudi Arabia.

Email: info@riyadcapital.com

Toll Free: 800 124 0010

The investor will be advised of the complaints procedures upon request.

31) Governing Laws

The Fund will be regulated by Saudi Arabian laws. Any dispute arising between the parties of this agreement shall be referred to the concerned legal authorities "The Committee for Resolution of Securities Disputes" of CMA or any other authority nominated in its place. The investor acknowledges that the Fund Manager will comply with all the rules and regulations governing investment deals outside the Kingdom of Saudi Arabia, including application of taxes or any other fees.

32) Compliance with CMA Investment Funds Regulations

The terms and conditions of the Fund and other documentation are compliant with the Investment Funds Regulations issued by CMA and other laws and regulations which govern the investment business in the Kingdom of Saudi Arabia. The terms and conditions and other related documents contain full, true and plain disclosures of all the material facts relevant to the investment fund.

33) Miscellaneous

- A. The Fund, as well as the unit holders, may be impacted from time to time by changes in the applicable laws and regulations, tax laws and relevant tax rates.
- B. The investor fully understands that any decision or action taken by the Fund Manager with respect to the assets and liabilities held in the Fund from time to time under this Agreement will be for Investor's account and risk. All investment decisions taken by Manager in relations to the Fund will be based solely on information that is available to the public. The fund manager will be committed to doing his best and avoid negligence in managing the fund.
- C. Riyadh Capital shall hold assets of the Fund as a single common Fund and a trust for the investor's interest, and distributed equally, according and subject to these terms and conditions, and accordingly such assets do not form part of the assets of Riyadh Capital. No Unit shall confer on Investor any interest or share in any particular security in the Fund. Each Unit in the fund represents a proportional interest equal to each other Unit. If the Fund is liquidated, the Investor is entitled to share pro rata by reference to the Units held in the net assets of the Fund.
- D. Investor hereby irrevocably appoints the Fund Manager as its attorney-in-fact, and authorizes him to delegate others as sub managers after approval of CMA and notifying unit holders at least sixty calendar days in advance. The fund manager also will have the full power of delegation and substitution. The delegation shall be made after securing the approval of CMA and informing the investors 60 days prior to delegation. Furthermore, the investor hereby appoints the Fund Manager to execute and deliver any document which may be deemed by the Manager or any Delegated Party to be necessary in order to acquire or sell any of the Fund's assets or to invest any of the Fund's cash or to transfer any of the Fund's assets into the name of a nominee of Riyadh Capital or any Delegated Party, or to exercise any of the powers or discretion given hereinabove to Manager, or delegated by Manager to any Delegated Party, or to perform any of Manager's or any Delegated Party's obligations in respect of the Fund. Any document to be executed by this power may be executed by Fund Manager. Investor hereby agrees he shall do and execute or procure to be done and execute all necessary acts, deeds, documents and other things within his power to give effect to this Agreement.
- E. The investor can be a single person, a group of persons, an establishment, a partnership, or a limited liability company. If the investor is two or more persons, then, unless otherwise

indicated, any investment made in the fund shall be considered the joint property of such persons, providing that each and every person thereof authorizes the Fund Manager to act upon written instructions of all or any one of them. If the investor is an establishment, partnership or limited liability company, then the investor, prior to being allowed to subscribe to the Fund, shall furnish the Fund Manager with a copy of its commercial registration, articles of association and, if necessary, the corporate decisions, providing that all are in a form and text acceptable to the Fund Manager.

- F. The terms and conditions hereof shall, if the Investor is an individual, be binding upon the heirs, executors, administrators, personal representatives, trustees and successors, and the Investor agrees that this terms and conditions shall not be terminated automatically upon death or disability. In the event that the Investor is a general partnership, limited partnership or Limited Liability Company or other legal person, this terms and conditions shall not be terminate automatically on the death, disability, insolvency or dissolution of any partner or shareholder therein. Notwithstanding the foregoing, however, the Fund Manager shall be entitled, at its sole discretion, to suspend any dealings in connection herewith pending receipt by the Fund Manager of a court order, power of attorney or other evidence satisfactory to the Fund Manager of the authority of any heir, executor, administrator, personal representative, trustee or successor to permit such dealings.
- G. The Investor shall not be permitted to transfer or assign his rights, benefits or obligations to the Fund without prior written consent of fund manager.
- H. Gregorian calendar is the approved basis for the execution of transactions.
- I. The Investor's signature on the subscription request, redemption request or any written document related to the Fund shall be considered as an obligation of compliance with these Terms and Conditions.
- J. These Terms and Conditions shall remain in effect until such time as they are amended, with CMA approval or by prior written notice given by fund manager to the Investor before 60 days.

I/We have read the terms and conditions together with the relevant appendices, understood contents, and agreed thereon; and have received a copy after signing it.

Investor's name:

Signature:

National ID, Iqama Number, Registration number: _____

Address:

Al Emaar Fund

Appendix: Summary of Financial Disclosure

The fees and charges chargeable to the unit holders as follows:

Upfront fee	1% of subscription amount
Management fees	1.75% per annum of fund assets value
Administration fees	0.2% of fund assets value
Custody fees	0.1% of fund assets value
Petty expenses include, but not limited to, remuneration of the fund board of directors and Shariah Committee, legal, audit and consultancy fees, commissions, withheld taxes, transaction charges, and all other petty expenses incidental to the organization and operation of the Fund.	Not more than 0.2% of fund assets value

B. Fund assets, fees, and actual expenses as at 31/12/2015

Fund Net Assets	SAR 40,318,408
Issued Units	2,770,797 unit
Unit Price	SAR 14.55
Management Fees	SAR 1,135,293
Auditing Fees	SAR 1,518
CMA Fees	SAR 7,500
Tadawul Fees	SAR 5,000
Dealing Fees	SAR 20,700
Total Expense Ratio over NAV in 2015	2.08%
Dealing Expense Ratio over Average of NAV in 2015	0.038%

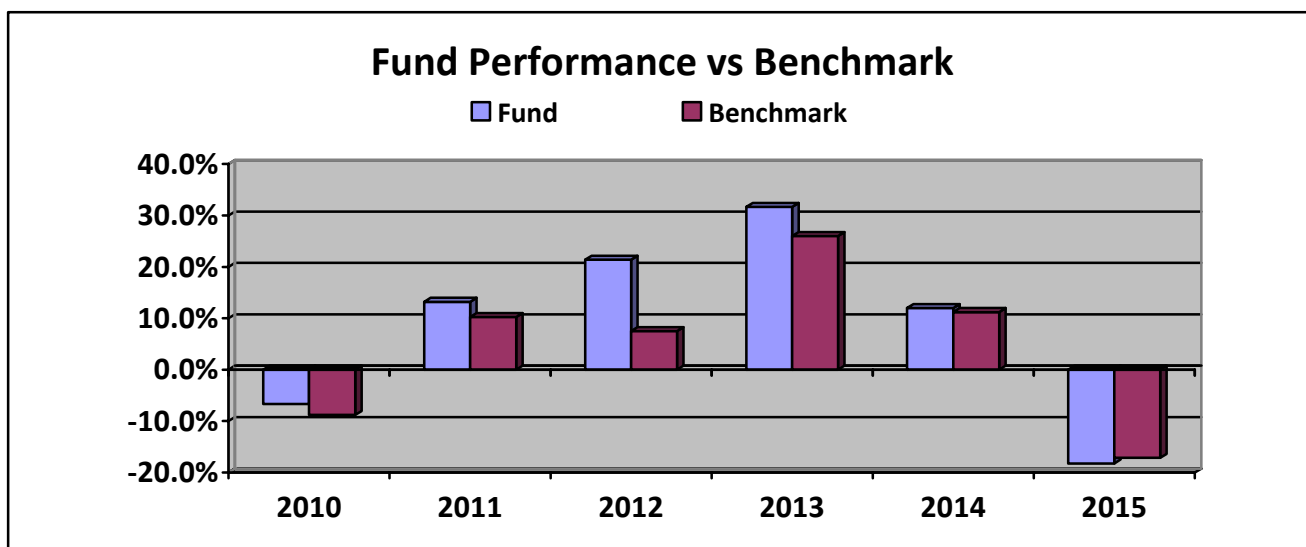
- The amount of accrued expenses realized on a daily basis for the purpose of calculating the unit price, but the actual deductions will be at the end of each calendar quarter.
- The fund Board compensation will be paid separately by the fund manager.

C. Yearly total fund return:

Year	Fund return	Benchmark return
2010	-6.66%	-8.81%
2011	12.93%	9.91%
2012	15.03%	7.28%
2013	31.68%	26.00%
2014	11.99%	11.20%
2015	-18.24%	-17.16%

D. Cumulative fund return as at 31 December 2015:

Period	Fund return	Benchmark return
Since 1 year	-18.24%	-17.16%
Since 3 years	20.57%	16.07%
Since 5 years	56.62%	68.20%



The past performance of the investment fund is not an indication of how the fund will perform in the future. And there is no guarantee for unit holders that the investment fund's absolute performance will repeat or match past performance.

Appendix: Shariah Criteria

The fund must invest all of its assets in compliance with the following shariah guidelines, set by the shariah committee of Riyadh Capital

- A. The company's activities should be permissible according to the Shariah guidelines.
- B. No investment may be made in a company whose debts (Loans and paid facilities) are more than 33% of its average capitalization.
- C. No investment may be made in a company whose cash and debts is more than 45% of its average capitalization.
- D. No investment may be made in a company whose liquidity (Deposits and bonds with interest) is more than 33% of its average capitalization.
- E. No investment may be made in a company whose income (from non-Shariah compliant sources) is more than 5% of its gross income.
- F. No trading may be made in derivatives such as options, future contracts, short selling ...etc