

Al Danah GCC Equity Trading Fund

An open-ended equity fund, in compliance
with Sharia.

This is the amended version of the documents for Al Dana GCC Equity Trading Fund
that reflects the following changes:

- Update the names of the Board of Directors members with and type of membership

According to our letter sent to the Capital Market Authority on Rajab 19, 1442 AH,
corresponding to March 03, 2021 AD.

Contents: Terms and Conditions, Information Memorandum, Summary of Information



Terms and Conditions

Al Danah GCC Equity Trading Fund

An open-ended equity fund, in compliance with
Sharia.

Al Dana GCC Equity Trading Fund has been approved as an investment, investment fund with general standards.

- Terms and conditions of the Al Dana GCC Equity Trading Fund and all other documents are subject to investment funds regulations, and contain complete, clear, not misleading, updated and amended information.
- We advise investors to read the Information Memorandum and other related documents of, Al Danah GCC Equity Trading Fund, accurately and carefully and understand them before making any investment decision regarding the fund. In the event of lack of clarity, financial advice should be sought from a financial adviser licensed by the Capital Market Authority to explain the following:
 - a) The suitability of investing in the fund to achieve the investment goals
 - b) The ability of the potential investor to assume any of the risks associated with investing in the fund

Based on the foregoing, the investor bears full responsibility as a result of his investment decision regarding the fund.

- By signing these terms, conditions and conditions, the owner of the organizational units acknowledges their value upon his participation in one of the units of the Al Dana GCC Equity Trading Fund.
- Fund terms and conditions were issued on Shaaban 14, 1436 AH, corresponding to April 17, 2006 AD, and the last update took place on Rajab 19, 1442 AH, corresponding to March 03, 2021 AD.
- The approval of the Commission to continue with the fund's units was obtained on Safar 8, 1430 AH, corresponding to February 03, 2009.

Fund Bulletin

Fund Currency:	:	Saudi Riyal.
Fund's risk score	:	High.
Fund Type	:	An open-ended fund compliant with the provisions of Islamic Sharia.
The fund's investment goals	:	Achieving medium to long-term growth by investing in listed companies that are Sharia compliant in the Kingdom of Saudi Arabia, the United Arab Emirates, the State of Kuwait, the State of Qatar, the Sultanate of Oman and the Kingdom of Bahrain. The fund may invest in the listed markets of other Arab countries in the Middle East and North Africa at a rate of up to 20% .
Cash dividends	:	Not applicable .
Benchmark Index	:	. * GCC Shariah Capped Equity Index
Minimum initial subscription and investment balance	:	2,000 (two thousand) Saudi riyals .
Minimum additional subscription	:	1,000 (one thousand) Saudi riyals .
Minimum redemption	:	1,000 (one thousand) Saudi riyals .
Fund trading days	:	Tuesdays and Thursdays (to be working days in the Kingdom of Saudi Arabia)
The deadline for submitting subscription and redemption instructions for each trading day	:	Before 12:00 noon, Kingdom time.
Fund unit price announcement day	:	The business day following the dealing day.
The date for paying the value of the redeemed units to the investors	:	Within four working days from the day of dealing.
Subscription Fee	:	Up to 3% of the total subscription amount paid in advance .
Redemption fee	:	none
Early redemption fee	:	none
Management Fee	:	1.75% per year - of the fund's net assets.
Initial unit price upon starting the fund	:	10 Saudi riyals.

Calculated by S&P Custom Indices *



Fund Guide

Fund Manager	:	Saudi Fransi Capital Company - Commercial Registration No. 1010231217, Capital Market Authority License No. (37/11153). Head Office: PO Box 23454, Riyadh 11426 Saudi Arabia. Tel: +966 11 2826666 Website: www.sfc.sa
Custodian	:	HSBC Saudi Arabia Limited Public Administration Olaya - Al-Mrooj 7267 P.O. Box: 2255 Riyadh 12283 Kingdom of Saudi Arabia Phone +966 92000 5920 Fax 2385 299 11 +966 Website: www.HSBCSaudi.com Email: SaudiArabia@HSBC.com
Auditor	:	Al Athem & Al Sudairy Certified Public Accountants - a member of Crowe Global Prince Muhammad bin Abdulaziz Road - Riyadh P.O Box 11 Riyadh 10504 Phone number: +966112175000 Fax: +966112175000 Website: www.crowe.com/sa

Definitions

Fund	:	Al Danah GCC Equity Trading Fund.
Fund Manager	:	A person authorized to conduct management business under the authorized persons regulations and is responsible for managing the investment fund.
Fund Currency	:	The currency in which the fund unit price is evaluated.
The Kingdom	:	Saudi Arabia.
The Authority	:	Is the Capital Market Authority, inclusive of - wherever the text allows - any committee, sub-committee, employee or deputy delegated to perform any task required by the authority.
Investment Funds Regulations	:	Regulations for investment funds issued by the Board of the Capital Market Authority.
Investment Fund	:	A joint investment program that aims to provide an opportunity for its investors to participate collectively in the profits of the program, and it is managed by the fund manager for a set fee.
Subscriber / Units Owner	:	The person who owns units in the investment fund.
Unit	:	Units owned by the subscriber in the fund.
Benchmark Index	:	The indicator against which the fund's performance is compared, which is the average deposit rate trade among Saudi banks.
Fund Board	:	A board whose fund manager appoints its members in accordance with the investment funds regulations to monitor the activities of the fund manager.
The Shari'a Board / Sharia Committee	:	A group of Shari'a scholars appointed by the Fund Manager to provide advice on investment products compatible with the provisions of Islamic Shari'a.

Workday	:	The official working day, when the financial markets are open for business in the Kingdom.
Trading day	:	A day when the subscription and redemption requests for investment fund units are executed.
Announcement Day	:	The days when unit prices are announced.
Valuation Point	:	The point in time on which the net asset value is calculated per unit, and it's usually at the close of trading for the day prior to it, provided that this day is a working day in the respective markets.
Last registration period	:	The last date to submit Fund's units sale and redemption instructions.
Unit Price	:	The fund unit value, which is calculated by dividing the net assets of the fund by the total number of existing units.
Subscription Fee	:	Fees that are paid in advance when buying fund units.
Fund Management Fee	:	Compensation, expenses and fees related to consulting services to be paid to the fund manager.
Minimum subscription fee	:	The minimum financial amount required to subscribe in the fund.
Sharia standards	:	Shari'a standards approved by the Fund's Shari'a Committee which determine the companies eligible to invest in.

Terms and Conditions

1. General information:

a) Fund Manager Name.

Saudi Fransi Capital Company - Commercial Registration No. 1010231217, Capital Market Authority License No. (37/11153).

b) Fund Manager Headquarters Address.

Head Office: PO Box 23454, Riyadh 11426, Kingdom of Saudi Arabia.
Tel: +966 11 2826666

c) The Fund Manager website and the address of any other related website.

www.sfc.sa

d) Custodian Name.

HSBC Saudi Arabia Limited, Capital Market Authority License No. (37/05008).

e) Website of the Custodian.

www.HSBCSaudi.com

2. Applicable Law:

The fund Dana GCC Trading Equity Fund is subject to the Capital Market Law and its executive regulations and other related regulations and bylaws in effect in the Kingdom of Saudi Arabia.

3. Investment fund goals:

1. The objectives of the investment fund.

4 | Al Danah GCC Equity Trading Fund



Al Danah GCC Equity Trading Fund is an open-end equity fund that aims to achieve medium and long-term capital growth by investing in listed companies that are compliant with the provisions of Islamic Shariah, in addition to companies listed in the markets of other Arab countries in the Middle East and North Africa at a rate of up to 20% of its net asset value provided that all the Fund's assets comply with the Shariah rules specified by the Fund's Shariah Committee. The Fund Manager has the right to invest in companies established in the countries of the Middle East and North Africa and whose main activity is concentrated in those countries, and which are listed in any of their capital markets or any of the other financial markets outside the region. In addition to investing in the shares of companies listed in those financial markets, the Fund Manager can invest in all other financial securities such as Real Estate Investment Trust funds (REIT), Exchange Traded Funds (ETF) and others.

2. Investment policies and practices, and the types of assets in which the fund invests.

- When choosing its investments, the Fund Manager considers the company's fundamentals, long-term profitability, ability to meet debts obligations, management capabilities, strategies, economic perspective, the level of competition and other similar factors. It analyzes these factors in addition to conducting relevant economic and sector research which may have impact on the company's future position. It should be noted that the distribution of the company's assets varies in each country according to the market situation, and the largest share is often for countries with the largest market value.
- The Fund Manager seeks to achieve the Fund's objectives by investing in shares of companies listed on the local stock markets in the countries of the Gulf Cooperation Council: Saudi Arabia, the United Arab Emirates, Kuwait, Qatar, Bahrain and Oman (shares of Banque Saudi Fransi may be included).
- The Fund may also invest in similar securities listed in global stock markets, for example: Global Depository Receipts (GDRs) and American Depository Receipts (ADRs).
- The Fund is also entitled to invest in companies listed in other Arab markets in the Middle East and North Africa, taking into consideration that these investments do not exceed 20% of the Fund's net asset value.

4. Duration of the investment fund:

Al Danah GCC Equity Trading Fund is an open public investment, unlimited time period fund.

5. Investment restrictions / limits:

- All the fund's investments are in compliance with the provisions of Islamic Sharia
- The investment field of the fund is the shares of companies listed in the local stock markets in the countries of the Gulf Cooperation Council: the Kingdom of Saudi Arabia, the United Arab Emirates, Kuwait, Qatar, Bahrain and Oman, and based on the regulations of the Sharia Board, the fund invests the shares of listed companies except for the following:
 - Shares of financial institutions (except for Islamic banks and Islamic insurance companies).

Shares of companies with the following characteristics:

- Usurious debts exceeding 33% for a 12-month average of the company's market value or the company's total assets, whichever is greater.
- Interest-based income or any income that is not compatible with the provisions of Islamic law exceeds 5% of total revenues.

He may invest in similar securities listed on global trading markets, for example: Global Depository Receipts (GDRs) and American Depository Receipts (ADRs).

The fund has the right to invest in companies listed in other Arab markets in the Middle East and North Africa, taking into consideration that these investments do not exceed 20% of the fund's net assets.

The fund will not invest its assets in units of other funds.

The fund has the right to seek financing, provided that the borrowed amount does not exceed 10% of the fund's net assets value, with the exception of borrowing from the fund manager or any of its subsidiaries to cover the refunds.

While managing the Al Dana Fund for Trading in Gulf Shares, the fund manager is bound by the restrictions and limits imposed by the investment funds regulations, fund terms and conditions, and the information memorandum.

6. Currency:

The fund currency is the Saudi Riyal.

If the subscription amount is received in a foreign currency, the fund manager will convert it to the fund's currency according to the prevailing exchange rates available with the fund manager.

7. Fees, Charges and Expense:

1. A statement of details of all payments from the fund's assets and the method of their calculation.

All types of payments are due from the fund's assets, and those fees and expenses are as follows:

Custodian fee	0.13% annually, calculated on a daily basis and deducted monthly on the basis of the fund's net asset value on the last working day of each month, in addition to 225 (two hundred and twenty five) Saudi riyals as transaction fees.
Management fees	The fund manager collects %1.75 per year of the fund's net asset value as accrued management fees, which are calculated cumulatively on a daily basis and are deducted monthly.
Auditing and reviewing fees	A maximum of 32,000 (thirty two thousand) Saudi riyals per year, and these fees are calculated cumulatively on a daily basis and deducted on a semi- annual basis.
Registration fees (trading)	5,000 (five thousand) Saudi riyals per year, and these fees are calculated on a daily basis and deducted on an annual basis.
Funding fees	According to the prevailing financing rates, and if this occurs, it will be disclosed in the annual financial disclosure summary.
Handling fee	The fund is responsible for meeting any regulatory fees or expenses related to investment operations, and this will be disclosed if it occurs in the annual financial disclosure summary.
Operations fees	The fund is charged transaction fees, transfer and taxes, and this will be disclosed if it occurs in the annual financial disclosure summary.
Sharia committee fees	none
Cleansing	The Fund shall bear cleansing expenses under which the purification of the Fund's investments in companies contributing to be purified ,where he will be director of the fund determine the income of others in conformity with the law of the Islamic and build on it it will be deducted the amount of the fund and deposited at the expense of a special order to spend it in the business charity, and will be disclosed in the summary disclosure Annual.
Distribution expenses	none
Fee for services related to the unitholder register	none
Holding fund expenses	Not applicable .



Benchmark index fees	18,750 (eight ten thousand seven hundred and fifty) SR SR in the year and is calculated that fees are cumulative in daily and deducted on the basis of an annual .
Regulatory Fees	7,500 (seven thousand five hundred) Saudi riyals per year, and these fees are calculated cumulatively on a daily basis and deducted on an annual basis.
Fees of the fund's board members	<p>These fees include all the funds of the Saudi Fransi Capital Company (except for the Saudi Fransi Real Estate Fund), noting that these fees will be variable on an annual basis, as the share of each fund of these fees will be allocated based on the size of the assets in proportion and proportion , and is calculated cumulatively on each calendar day and deducted on Annual basis.</p> <p>The annual maximum of the total fees and expenses of the members of the board of directors of all Saudi Fransi Capital funds is estimated at 60,000 (sixty thousand) Saudi riyals, and the fund's share of these fees is estimated at 328 (three hundred and twenty- eight) Saudi riyals per year . The fund's share of these fees will change annually according to Fund assets (increase or decrease) It should be noted that each independent member (two members) will receive an amount of 15,000 (fifteen thousand) Saudi riyals for each meeting (up to a maximum of four meetings per year) .</p>

* All of the aforementioned fees, charges, and fees borne by the fund do not include the value-added tax that the fund pays to the fund manager separately according to the rates stipulated by the value-added tax system, nor does it include any of the taxes imposed or to be imposed in the future in the Kingdom of Saudi Arabia, and will be paid any taxes due, in addition to the fees, expenses, and fees due and deducted from the fund's assets.

* In all cases, only actual fees and charges will be deducted.

2. Details of the fees for the transactions imposed on subscription, redemption and transfer of ownership paid by unit owners, and the method of calculating them.

The deals imposed on the subscription, redemption and transfer of ownership shall be due from the owners of the units, and these fees and expenses are as follows:

- Participation fees are calculated as a percentage not exceeding 3%, paid in advance of the total subscription amount when purchasing units in the fund, not including value-added tax or any of the taxes imposed, and the customer agrees to pay the imposed taxes in addition to the subscription fees to the fund manager.
- There is no redemption fee or early redemption fee.
- The transfer between Saudi Fransi Capital funds is treated as if it were a request for redemption from one fund and a request for participation in another fund, with adherence to these terms and conditions, terms and conditions for the funds transferred to which the subscriber intends to invest in. Where any expenses related to subscribing to the transferred fund, if any, are deducted in addition to the taxes imposed, if there is a difference in the currency between the funds between which the transfer occurred, the manager transfers the proceeds according to the prevailing exchange rate at that time.

3. Any special commissions entered into by the fund manager.

None

8. Valuation and pricing:

1. Method of valuing each asset of the fund.

On every transaction day, the fund's net assets value is determined on the basis of the closing price of the financial market, unless one of the markets in which the fund invests at a high rate is closed on that day, and in such a case the evaluation takes place on the next trading day.

2. Number of evaluation points and their frequency.

The fund's assets are evaluated every Tuesday and Thursday (twice a week).

3. Actions to take in the event of a wrong valuation or pricing.

If the public fund assets are valued incorrectly or the unit price is calculated incorrectly, the fund manager will do the following:

- Document the error in the valuation or pricing status.
- Compensate all affected unitholders (including former unitholders) for all valuation or pricing errors without delay.
- Inform the Authority immediately of any error in the valuation or pricing that constitutes 0.5% or more of the unit price.
- Immediately disclose the status of the error in valuation or pricing on its website, the market website and in the general fund reports.

4. Method of calculating the unit price for the purposes of executing subscription and redemption requests.

The unit price at subscription or unit price on redemption is the net asset value per unit, where the unit value is calculated for subscription or redemption purposes by deducting all the amounts required on Al Danah GCC Equity Trading Fund (the fund's obligations) including but not limited to, specific fees In paragraph (7) of this memorandum, the total value of the assets and the unit price is determined by dividing the resulting number from this process by the total number of existing fund units on the date of the relevant transaction day, and it should be noted that no circumstances may change from the mentioned pricing method.

5. Where and when the unit price is posted, and its frequency.

The fund manager will publish the unit price on the business day that follows each dealing day (twice a week) on the website of the Saudi Stock Exchange (Tadawul) and the fund manager's website .

9. Dealings:

1. The responsibilities of the Fund Manager regarding subscription and redemption requests.

- Executing the subscription and redemption requests that meet the requirements, and received before the last valuation point period - at 12:00 p.m. KSA time on each trading day - based on the calculated unit price of the fund on the relevant trading day.
- Subscription and redemption requests shall be executed in adherence to all provisions encompassed in the investment funds regulations, fund terms and conditions or information memorandum.
- To redeem the unitholders interests before the end of the business day on the fourth day following the day of the deal in which the redemption price was set, at most.

2. The maximum period of time between receiving the redemption order and paying the redemption returns to the unitholder.



If the receipt of the redemption request is completed before 12:00 p.m. KSA time on each trading day, it will be effective on the relevant business day. If the request is received after the specified time, it will be processed as an application in the next business day.

The Fund Manager is also obligated to pay the redemption interests to the unitholders before the end of the business day on the fourth day following the day of the deal in which the redemption price was set, at most.

3. Restrictions on dealing in fund units.

The fund manager, while managing Al Danah GCC Equity Trading Fund, is bound by the restrictions and limits imposed by the investment funds regulations, the fund's terms and conditions and the information memorandum, and the fund manager has the right to refuse any participation if he believes that this subscription may lead to a violation of the Capital Market Authority's regulations or a violation of the fund's terms and conditions or Information memorandum.

The table below also shows the minimum units or their value that a unit owner must own or redeem:

The minimum initial subscription and investment balance	:	2,000 (two thousand) Saudi riyals
Minimum additional subscription	:	1,000 (one thousand) Saudi riyals
The minimum redemption	:	1,000 (one thousand) Saudi riyals

4. The procedures with which trading units is postponed or suspended and the procedures followed in such cases.

- The Fund Manager has the right to refuse any subscription if he believes that this subscription may lead to a violation of the regulations of the Capital Market Authority or a violation of the fund terms and conditions.
- The Fund Manager may postpone the fulfilment of any redemption request from an open-ended fund until the next business day, in any of the following cases:
 - On any business day, if the value of redemption requests, including transferring units to another fund, exceeds 10% of the fund's net asset value, the fund manager can, at his absolute discretion, defer any redemption requests and / or transfer units to another fund on a pro-rata basis, so that the total value of the requests does not exceed 10% of the net value of the fund's assets. Redemption and transfer requests that were postponed on the day of the subsequent transaction will be executed directly and will always be subject to 10% of the net asset value.
 - If trading is suspended in the main market in which securities or other assets owned by the investment fund are dealt with, either in general or in relation to the fund's assets that the fund manager reasonably believes are important in relation to the net value of the fund's assets.

- If the subscriber's investment in the fund falls below the minimum investment mentioned in the terms and conditions due to his redemption, then the fund manager reserves the right to return the remainder of the investment value to the subscriber.
 - The Fund Manager has the right to postpone the implementation of the redemption requests in the event that the Fund is unable to sell / liquidate its assets for any reason.
- The Fund Manager has the right to suspend subscription and redemption in the event of force majeure outside his control that prevents him from fulfilling these requests, such as power outages or malfunctions in technical systems, wars, political problems or natural disasters, provided that this suspension is lifted as soon as the event that led to the suspension of subscription or redemption.

5. The procedures to decide which redemption requests are deferred

Where applicable, the fund manager will postpone any redemption requests and / or transfer of units to another fund with the fund manager on a pro-rata basis so that the total value of the requests does not exceed 10% of the net value of the fund's assets and the deferred redemption and transfer requests will be executed on the day of the next transaction directly and will always be subject to 10% of the net asset value.

6. The provisions regulating the transfer of unit ownership to other investors.

Regulatory provisions are the provisions of the Saudi Capital Market Authority system and its executive regulations and other related regulations and bylaws applied in the Kingdom of Saudi Arabia, according to the unit price on that day.

7. The Fund Manager and his affiliates investment in the fund.

The Fund Manager and his affiliates may invest in the fund for his account, provided that he or any of the affiliates does not exercise their voting rights associated with the units they own. The Fund Manager will disclose the details of his investments in the fund's units, by the end of every quarter on the fund manager's website and the website of the Saudi Capital Market Company (Tadawul) as well as in the periodic reports issued by the fund manager and in the financial statements, and this investment will be processed under the same protocol applied to all subscribers of the fund.

8. The exact date and deadlines for submitting subscription and redemption requests.

The last date for receiving subscription and redemption requests is before 12:00 noon, Saudi Arabian local time, on every transaction day.

9. Subscription and redemption procedures.

– Subscription procedures:

Investors can subscribe to the fund by submitting a completed and signed application form to the Fund Manager in addition to any other documents that the fund manager may request, or through the electronic channels of the fund manager, and the subscription request will be accepted upon receipt of the investment amount. All the completed



subscription requests will be executed adequately if received before the last registration period based on the unit price of the fund calculated on the relevant trading day.

– **Redemption procedures:**

The subscriber may request a complete or partial refund of his units by completing and signing the redemption form and submitting it to the fund manager, or through the electronic channels of the fund manager. The specified registration period is the deadline for receiving redemption requests which are every trading day before 12:00 noon In KSA time, all adequate redemption requests received before the registration period deadline are executed based on the fund unit price on the relevant trading day. The unit price is announced on the business day following the day of the concerned transaction, and the subscriber may request the transfer of his investment or part of it from one fund to another and the transfer request is processed in such case as a separate request for redemption from the first fund and a subscription to the second fund.

10. The minimum format or value of units that the unitholder must participate in, transfer or redeem.

Minimum initial subscription and investment balance	:	2,000 (two thousand) Saudi riyals
Minimum additional subscription	:	1,000 (one thousand) Saudi riyals
Minimum redemption	:	1,000 (one thousand) Saudi riyals

11. The minimum amount the Fund Manager intends to collect, and the effect of not reaching that minimum in the fund.

Not applicable, as Al Danah GCC Equity Trading Fund is an existing fund.

12. The necessary corrective measures to ensure that the requirement of 10 million Saudi Riyals and its equivalent as a minimum is met to the net asset value of the fund.

The fund manager will comply with the Capital Market Authority regulations and guidelines in case any corrective action was requested by him.

10. Distribution Policy:

a. Statement of income and profit dividend policy.

The profits of the fund units will not be distributed to the investors, as the profits generated by the fund will be reinvested, and therefore the reinvestment will positively reflect on the value and price of the units.

b. The approximate dividends due date and distribution.

Not Applicable.

c. Dividends payment method.

Not Applicable.

11. Reporting to unit holders:

1. Financial reports submitted to unit holders.

- The fund manager will prepare annual reports and submit them to unit holders within a period not exceeding (70) days from the end of the reporting period.
- The fund manager will prepare the initial reports for unit owners within a period not exceeding (35) days from the end of the reporting period.
- The fund manager will send an annual statement to the unit holders (including any person who owns the units during the year for which the statement is prepared) showing a summary of the transactions of the unit owner in the fund units throughout the fiscal year.
- The fund manager will provide each unit owner with data of the net asset value of the units he owns and record his transactions in the fund units within (15) days of each deal he makes.
- The fund manager will prepare quarterly reports for unit holders showing the net asset value of the fund's units and a record of the unit owner's transactions in the fund, the number of units he owns and their net value.

2. Places and means of making the fund reports prepared by the Fund Manager available.

- Fund unitholders and prospective unitholders will be briefed on annual and the summary of the annual and initial reports free of charge by posting them on the Fund Manager's website and the Market's website.
- The annual statement, summary of deals and quarterly reports for each unitholder will be sent to the last address the unitholder provided to the Fund Manager.

3. Fund financial reports.

The Fund Manager shall prepare the annual financial statements included in the annual reports on the Fund Manager's website and the Saudi Stock Market's website.

12. Unitholders record:

- The fund manager prepares and maintains a record of unitholders in the Kingdom.
- The unitholder record is conclusive evidence of ownership of the units thereof.
- The fund manager registers the information of the unitholders in the record and is obligated to update it immediately when any change occurs to the data registered in it.
- The unitholders record is available for inspection by the Authority upon request, and the fund manager shall provide a summary of the unitholder record to any unitholder for free upon request (provided that this summary shows all information related to the concerned unitholder only).
- Without prejudice to the provisions of the relevant regulations, the record of unitholders shall contain, at least, the following data:
 - Name of the unitholder, his nationality and address.
 - National ID number or equivalent identification, such as residency number, passport number, commercial registration number, or any other identification method determined by the Authority according to the category of the unitholder.



- The registration date of each unitholder in the record.
- Details of all transactions related to the fund units made by each unitholder.
- The current balance of the number of units owned by each unitholder.
- Any restriction or dues on the units owned by each unitholder.

13. Unit holders meeting:

a. The circumstances in which a meeting of unitholders is called.

- The Fund Manager may call a meeting of unit holders on his own initiative.
- The Fund Manager must call the unitholders meeting within (10) days of receiving a written request from the Custodian.
- The Fund Manager must call the unitholders meeting within (10) days of receiving a written request from one or more unitholders who own or collectively own at least 25% of the fund's value.

b. Procedures for calling a meeting of unitholders.

- The invitation to the unitholders meeting will be posted on the website of the Fund Manager and the website of the Saudi Stock Exchange, in addition to sending a notice to the unitholders and the Custodian at least (10) days prior to the meeting with a period not exceeding (21) days before the meeting, provided that the announcement and notification shall specify the date of the meeting, its location and time and the proposed items
- The meeting is deemed in session and in quorum when the number of unitholders who collectively own a minimum of 25% of the fund's units value, and in the event that the quorum was not reached, the Fund Manager will call for a second meeting and announce it on his website and the market's website and send a written notice to the unitholders and Custodian, at least 5 days before the date of the second meeting, and the second meeting is considered valid regardless of the percentage of the fund units represented at the meeting.
- Meetings of unitholders may take place, participate in its deliberations, and vote on its decisions by means of modern technology, in accordance with the regulations set by the Authority.

c. Method of voting for unitholders and voting rights in unitholders' meetings.

- Each unitholder has the right to appoint an agent to represent him at the unitholders meeting.
- Each unitholder has the right to cast one vote for every unit he owns in the fund.
- In the case of holding meetings by means of modern technology, voting will be conducted accordingly and in accordance with the regulations set by the Authority.

14. List of unitholder's rights.

- Owning the subscribed units in the fund.
- Exercising the rights related to the units owned according to the fund terms and conditions, its information memorandum, and the regulations for investment funds, including but not limited to voting rights in unitholders' meetings.
- Obtaining the annual unit register statement for any financial investment in the fund's units.

- Approval of the basic changes to the fund's terms and conditions.
- Announce any change in the fund's terms and conditions and its information note, and obtain a summary of such change before it takes effect in accordance with these terms and conditions in a manner that does not conflict with the provisions of the investment funds regulations.
- Redemption of units before any change in the fund terms and conditions takes effect without imposing any redemption fees - if any.
- Obtaining an updated copy of the fund's terms and conditions and the information memorandum in Arabic at no charge.
- Obtaining the audited financial statements of the fund, free of charge, upon request.
- Notification of the Fund Manager's desire to terminate the Investment Fund in accordance with the terms and conditions of the Fund and its information memorandum in a manner that does not conflict with the provisions of the Funds Regulations.

15. Unitholders' responsibilities:

Except for the loss of the unit holder for his investment in the fund or part of it, the unit holder is not responsible for the fund's debts and obligations.

16. Units characteristics:

The fund is divided into units of equal value and with the same privileges and rights, provided that the total value of the units issued constitutes the total value of the fund.

The fund manager will not issue ownership certificates to investors in the fund's units, but will rather keep a record of all unitholders in the fund.

17. Changes to the fund's terms and conditions:

a. Regulating provisions for changing the fund terms and conditions.

Changing the terms and conditions of the fund is subject to the provisions of the Investment Funds Regulations issued by the Capital Market Authority, whereby the Fund Manager may, at his discretion, only amend these terms and conditions at any time based on the condition of obtaining the approval of the unitholders and the Authority on the proposed fundamental changes, or notify the Authority and the unitholders of the important changes.

A copy of these terms and conditions will be provided on the Fund Manager's website and the Saudi Stock Exchange website (Tadawul).

b. Procedures to be followed to notify of any changes to the fund's terms and conditions

In a manner that does not conflict with the provisions of the investment funds regulations, the Authority and the unitholders will be notified of the changes in terms and conditions according to the following mechanism:

- The fund manager will obtain the approval of the authority after obtaining the approval of the unit owners for any proposed fundamental change in the fund, after that the fund manager will notify the unit owners about the details of these changes through advertising on the website of the fund manager and the Saudi Stock Exchange website before (10) Days after the change takes effect.
- The Fund Manager will notify the Authority and the unitholders in writing of the important changes in the Fund's documents, not less than (21) days before they become effective.



- The fund manager will notify the Authority and the unitholders in writing of any changes worth noting, 8 days before they become effective.

18. Termination of the investment fund:

- The Fund Manager reserves the right to terminate the fund, provided that the Authority and the owners of the units are notified in writing with his desire to do so no less than (21) days prior to the date of the fund termination.
- When any event occurs, the fund must be determined, the fund manager will immediately terminate the fund and notify the Authority and the unitholders within (5) working days of the occurrence of the event that mandated the termination of the fund.
- In the event that none of the requirements of the investment funds regulation or any other requirements of the Capital Market Authority under which the fund may be terminated are fulfilled, the fund manager will terminate the fund and notify the Authority and the unitholders accordingly.
- The fund manager will announce on his website and the Saudi Stock Exchange website the end of the public fund period and the liquidation period.

19. Fund Manager:

a. The Fund Manager's role, duties and responsibilities.

The fund manager is responsible for complying with the provisions of the Investment Funds Regulations and all related regulations and bylaws, whether he performs his responsibilities and duties directly or has been assigned to it by an external authority in accordance with the provisions of the Investment Funds Regulations and the list of authorized persons.

Since the Fund Manager works for the benefit of the unitholders in accordance with the provisions of the investment funds regulations, the authorized persons regulations and the provisions of both, the terms and provisions and memorandum of the fund information, and adheres to the duties of the secretariat towards the unitholders that guarantees work and exerting the efforts for reasonable care to achieve their interests, and is responsible for rendering the following:

1. Fund management.
2. Managing the fund's operations, including the administrative services of the fund.
3. Offering the fund units.
4. Ensure that the fund information terms and conditions and information memorandum are accurate and complete and that they are complete, clear, correct, not misleading and updated.
5. Establishing policies and procedures to monitor the risks affecting the Fund's investments, and to ensure prompt handling of such risks.
6. Implementing the conformity and compliance program of the Fund, and providing the Authority with the results of the application upon request.
7. Compliance with requests for approval and notifications submitted to the Authority in accordance with the provisions of the regulations and bylaws issued by the Capital Market Authority, if applicable.

b. The Fund Manager's right to appoint a sub-Fund Manager.

The Fund Manager may assign a third party or more or any of its affiliates to work as sub-fund manager of the fund, provided that the Fund Manager incurs the fees and expenses of any sub-fund manager.

c. Provisions for the dismissal or replacement of the Fund Manager.

- The Fund Manager has the right to voluntarily withdraw from the fund management as required by the interest of the unitholders, provided that he arranges for the appointment of a replacement Fund Manager and that is subject to the provisions and regulations of the Capital Market Authority.
- The authority has the right to dismiss the Fund Manager and take any action it deems appropriate to appoint another Fund Manager or to take any other measure it deems appropriate, in the event of any of the following cases:
 1. The Fund Manager has ceased to exercise management activity without notifying the Authority according to the list of authorized persons.
 2. Cancellation, withdrawal or suspension of the Fund Manager's license to practice management activity by the Authority.
 3. If the Fund Manager submitted a request to the Authority to cease the practice of management activity.
 4. If the Authority deems that the Fund Manager has violated - in a manner deemed essential by the Authority - compliance with the executive regulations or bylaws.
 5. The death of the Investment Portfolio Manager who manages the fund, its deficit or resignation, with no other person registered with the Fund Manager able to manage the fund's assets.
 6. Any other case that the Capital Market Authority deems on reasonable grounds that it is of fundamental importance.

If the authority exercises any of their powers in accordance with the preceding paragraph, the Fund Manager must fully cooperate to facilitate the smooth handover of responsibilities to the alternative Fund Manager. The Fund Custodian must transfer - whenever necessary and appropriate and to the sole discretion of the Authority - to the alternative Fund Manager all contracts related to the fund in line with the provisions of the investment funds regulation.

20. Custodian:

a. The Custodian's basic roles and responsibilities.

- The Custodian is responsible for his obligations in accordance with the provisions of the investment funds regulations, whether he fulfils his responsibilities directly or assigns it to a third party under the provisions of these investment funds regulations or the list of authorized persons.
- The Custodian is liable towards the fund manager and unitholders for the losses of the fund resulting from his fraud, shortcoming, misbehavior or deliberate negligence.
- The Custodian is responsible for preserving and protecting the fund's assets for the benefit of unitholders, and he is also responsible for taking all necessary administrative measures in relation to preserving the fund's assets.



b. The Custodian's right to appoint a sub-Fund Manager.

The Custodian may assign a third party or more or any of its affiliates to work as sub- Custodian of the fund, provided that the Custodian incurs the fees and expenses of any sub- Custodian.

c. Provisions for the dismissal or replacement of the custodian.

- The Capital Market Authority has the right to dismiss and replace the custodian and take any action it deems appropriate in the event of any of the following cases:
 1. The custodian ceases to practice the reserving activity without notifying the Authority according to the list of authorized persons.
 2. Cancellation, withdrawal or suspension of the custodian's license to practice management activity by the Authority.
 3. presenting a request to the Authority by the fund manager to revoke his license to practice preservation activity.
 4. If the Authority deems that the fund manager has violated - in a manner deemed essential in the commitment of the law or its implementing regulations.
 5. Any other case that the Capital Market Authority deems on reasonable grounds that it is of fundamental importance.
- The fund manager has the right to dismiss the custodian and replace him in the following cases:

The Fund Manager may dismiss the Custodian pursuant to a written notification if he reasonably believes that the dismissal of the Custodian is in the best interest of the unitholders.

If the Authority or the Fund Manager exercise any of their powers as in the previous paragraph, the Fund Manager must appoint an alternative Custodian according to the provisions of the Investment Funds Regulations issued by the Capital Market Authority, and the Fund Manager and the dismissed custodian must cooperate fully to facilitate the smooth handover of responsibilities to the alternative Custodian. The dismissed Custodian must handover - when necessary and appropriate - to the alternative Custodian, all contracts related to the fund.

21. Auditor:

a) Auditor of the investment fund.

Al Athem & Al Sudairy Certified Public Accountants - a member of Crowe Global
Prince Muhammad bin Abdulaziz Road - Riyadh
P.O Box 11
Riyadh 10504
Phone number: +966112175000
Fax: +966112175000
Website: www.crowe.com/sa

b) Auditor roles and responsibilities.

The Auditor prepares, submits and reviews the interim and annual financial statements and approves the annual statements in accordance with the accounting standards issued by the Saudi Organization for Certified Public Accountants.

c) The provisions regulating the replacement of the Auditor for the investment fund.

The Fund Manager has the right to replace the auditor after obtaining the approval of the Fund's Board of Directors in the following cases:

1. In the event of existing and important allegations about the professional misconduct of the auditor in the performance of his duties.
2. If the auditor is no longer independent.
3. If the fund's board of directors decides that the auditor does not have sufficient qualifications and experience to perform the audit duties satisfactorily.
4. If the Authority requests, at its sole discretion, the auditor appointed for the fund to be changed.

22. Fund assets:

- The assets of Al Danah GCC Equity Trading Fund are held by a Custodian for the benefit of the investment fund and owned by the owners of the fund's units. These assets are not the property of the Custodian who has no right to dispose of them except in accordance with the terms and conditions of this fund and its information memorandum.
- The Custodian must separate the assets of each investment fund from his assets and the assets of its other clients, and those assets must be identified independently by registering the securities and other assets of each investment fund in the name of the Custodian for the benefit of that fund, and that it maintains all necessary records and other documents that support the performance of his contractual obligations.
- The assets of Al Danah GCC Equity Trading Fund are collectively owned by unitholders of communal ownership. It is not permissible for the Fund Manager, the sub-fund manager, the Custodian, the sub- Custodian, the Advisor or the distributor to have any interest in the fund's assets or a claim with respect to those assets, unless the Fund Manager, the sub-fund manager or the Custodian or The sub- Custodian, Advisor, or distributor owns the units of the fund, within the limits of his ownership, or these claims were permitted under the provisions of the investment funds regulations and disclosed in these terms and conditions or the information memorandum.

23. Acknowledgment by the Unitholder

I / we have read the terms and conditions, the information memorandum, the main information summary and the appendices of Al Danah GCC Equity Trading Fund, and understand what was stated in them and agree to them, and acknowledge to review the characteristics of the units that were subscribed to in the fund, and a copy of this agreement was obtained and signed.

Subscriber name / names	:	
Current account No.	:	



Date	:	
Location or branch	:	
Signature	:	

For use by Saudi Fransi Capital and its employees only.		
Employee Name	:	
Date	:	

Appendix (1): Summary of Financial Disclosure

1. Audited figures for 2019.

Fee type	Amount (SAR)
Auditor Fees	33,600.00
Regulatory Fees	7,500.00
Custodian Fees	25,076.00
Transaction Fees	19,594.08
Remuneration of the Board of Directors	157.46
Management Fees	313,718.82
Tadawul Fees	5,250.00
Index calculation fee	18,750.00
Others	107,467.64

2. A hypothetical example that shows all fees, expenses, and charges for transactions that are paid out of the fund's assets or by the unitholder on the basis of the fund's currency.

Fees (The assumed fund size is 100 million)	As a percentage	In Saudi riyals
Investment amount		2,000.00
Registration fee trading	0.0343%	0.6856
Regulatory Fees	0.0490%	0.9794
Auditor fee	0.2194%	4.3876
Remuneration of the Board of Directors	0.0010%	0.0206
Index calculation fee	0.1224%	2.4484
Transaction fees	0.1279%	2.5587
Funding fees	0.0000%	0
Other	0.7017%	14.0335
Custodian fee	0.1357%	2.7149
Management Fee	1.8119%	36.2386
Total fee		64.0673

* Subscription fee : up to 3% of the total subscription amount .

Appendix (2): Past Performance of Al Dana GCC Equity Trading Fund

1. Total return for one year / three years / five years / since inception.

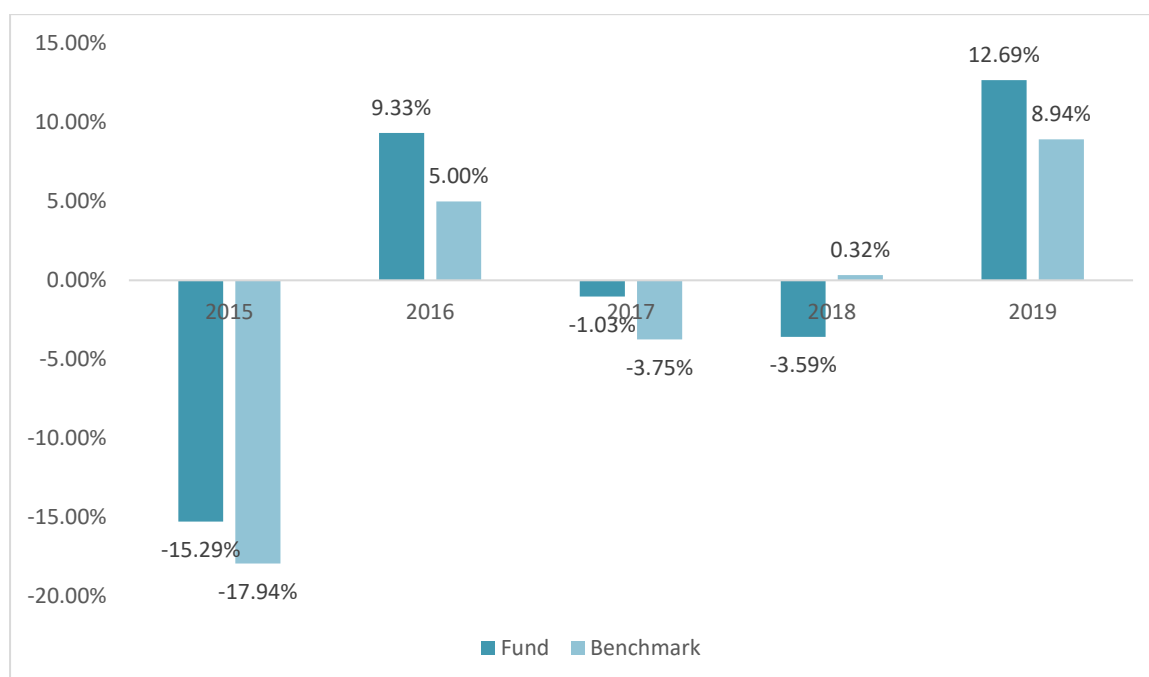
Period	Year	three years	five years	Since inception
Total return	12.69%	7.52%	-2.17%	54.52%

2. Annual total returns for each of the past ten years or since inception.

Period	2019	2018	2017	2016	2015	2014	2013	2012	2011	2020
Total return	12.69%	-3.59%	-1.03%	9.33%	-15.29%	9.17%	43.27%	13.52%	-6.89%	16.49%

3. Performance compared to the benchmark over five years or since inception.

Period	2019	2018	2017	2016	2015
Fund performance	12.69%	-3.59%	-1.03%	9.33%	-15.29%
Index performance	8.94%	0.32%	-3.75%	5.00%	-17.94%



Information Memorandum

Custodian:

Saudi Arabia HSBC Corporation

Al Danah GCC Equity Trading Fund

An open-ended equity fund, in compliance with
Sharia.

- The Fund's Information Memorandum was issued on the 15th of Rajab, 1439 AH corresponding to the 1st of April, 2018 AD, and the last update was made on the Rajab 19, 1442 AH, corresponding to March 03, 2021 AD.
- Al Danah GCC Equity Trading Fund Information Memorandum and all other documents are subject to the Investment Funds Regulations and encompass complete, clear, correct, non-misleading, updated and amended information.
- We advise investors to read the Information Memorandum and other related documents of, Al Danah GCC Equity Trading Fund, accurately and carefully and understand them before making any investment decision regarding the fund. In the event of lack of clarity, financial advice should be sought from a financial adviser licensed by the Capital Market Authority to explain the following:
 - A. The suitability of investing in the fund to achieve the investment goals
 - B. The ability of the potential investor to assume any of the risks associated with investing in the fund

Based on the foregoing, the investor bears full responsibility as a result of his investment decision regarding the fund.

Disclaimer

The Information Memorandum was reviewed and approved by the fund's Board of Directors. The fund manager and the members of the fund's board collectively and individually bear full responsibility for the accuracy and completeness of the information mentioned in the Information Memorandum. The fund's Board of Directors and Manager also state and confirm the correctness and completeness of the information mentioned in the Information Memorandum, and they also state and confirm that the information and data herein are not misleading.

The Capital Market Authority agreed to establish the investment fund and offer its units. The Authority does not bear any responsibility for the contents of the Information Memorandum, does not give any confirmation regarding its accuracy or completeness, and expressly discards itself from any responsibility whatsoever, and from any loss resulting from what was stated in the Information Memorandum or from relying on any part of it. The Capital Market Authority does not give any recommendation regarding the feasibility of investing in the fund or not, and its approval to establish the fund does not imply its recommendation to invest in it or confirm the correctness of the information contained in the terms and conditions and the Information Memorandum and confirms that the decision to invest in the fund belongs to the investor or his representative.

The Al Dana GCC Equity Trading Fund has been approved as an investment fund that complies with the Sharia standards approved by the Sharia Supervisory Committee appointed for the investment fund.



Fund Bulletin

Fund Currency:	:	Saudi Riyal.
Fund's risk score	:	High.
Fund Type	:	An open-ended fund compliant with the provisions of Islamic Sharia.
The fund's investment goals	:	Achieving medium to long-term growth by investing in listed companies that are Sharia compliant in the Kingdom of Saudi Arabia, the United Arab Emirates, the State of Kuwait, the State of Qatar, the Sultanate of Oman and the Kingdom of Bahrain. The fund may invest in the listed markets of other Arab countries in the Middle East and North Africa at a rate of up to 20% .
Cash dividends	:	Not applicable.
Benchmark Index	:	. * GCC Shariah Capped Equity Index
Minimum initial subscription and investment balance	:	2,000 (two thousand) Saudi riyals .
Minimum additional subscription	:	1,000 (one thousand) Saudi riyals .
Minimum redemption	:	1,000 (one thousand) Saudi riyals .
Fund trading days	:	Tuesday and Thursday (to be working days in the Kingdom of Saudi Arabia)
The deadline for submitting subscription and redemption instructions for each trading day	:	Before 12:00 noon, Kingdom time.
Fund unit price announcement day	:	The business day following the dealing day .
The date for paying the value of the redeemed units to the investors	:	Within four working days from the day of dealing .
Subscription Fee	:	Up to 3% of the total subscription amount paid in advance .
Redemption fee	:	none
Early redemption fee	:	none
Management Fee	:	1.75% per year - of the fund's net assets.
Initial unit price upon starting the fund	:	10 Saudi riyals.

Calculated by S&P Custom Indices *

Fund guide

Fund Manager	:	<p>Saudi Fransi Capital Company - Commercial Registration No. 1010231217, Capital Market Authority License No. (37/11153).</p> <p>Head Office: PO Box 23454, Riyadh 11426</p> <p>Saudi Arabia.</p> <p>Tel: +966 11 2826666</p> <p>Website: www.sfc.sa</p>
Auditor	:	<p>Al Athem & Al Sudairy Certified Public Accountants - a member of Crowe Global</p> <p>Prince Muhammad bin Abdulaziz Road - Riyadh</p> <p>P.O Box 11</p> <p>Riyadh 10504</p> <p>Phone number: +966112175000</p> <p>Fax: +966112175000</p> <p>Website: www.crowe.com/sa</p>
Custodian	:	<p>HSBC Saudi Arabia Limited</p> <p>Public Administration</p> <p>Olaya - Al-Mrooj 7267</p> <p>P.O. Box: 2255 Riyadh 12283</p> <p>Kingdom of Saudi Arabia</p> <p>Phone +966 92000 5920</p> <p>Fax 2385 299 11 +966</p> <p>Website: www.HSBCSaudi.com</p> <p>Email SaudiArabia@HSBC.com</p>



Definitions

Fund	:	Al Danah GCC Equity Trading Fund.
Fund Manager	:	A person authorized to conduct management business under the authorized persons regulations and is responsible for managing the investment fund.
Fund Currency	:	The currency in which the fund unit price is evaluated.
The Kingdom	:	Saudi Arabia.
The Authority	:	Is the Capital Market Authority, inclusive of - wherever the text allows - any committee, sub-committee, employee or deputy delegated to perform any task required by the authority.
Investment Funds Regulations	:	Regulations for investment funds issued by the Board of the Capital Market Authority.
Investment Fund	:	A joint investment program that aims to provide an opportunity for its investors to participate collectively in the profits of the program, and it is managed by the fund manager for a set fee.
Subscriber / Units Owner	:	The person who owns units in the investment fund.
Unit	:	Units owned by the subscriber in the fund.
Benchmark Index	:	The indicator against which the fund's performance is compared, which is the average deposit rate trade among Saudi banks.
Fund Board	:	A board whose fund manager appoints its members in accordance with the investment funds regulations to monitor the activities of the fund manager.
The Shari'a Board / Sharia Committee	:	A group of Shari'a scholars appointed by the Fund Manager to provide advice on investment products compatible with the provisions of Islamic Shari'a.
Workday	:	The official working day, when the financial markets are open for business in the Kingdom.
Trading day	:	A day when the subscription and redemption requests for investment fund units are executed.
Announcement Day	:	The days when unit prices are announced.
Valuation Point	:	The point in time on which the net asset value is calculated per unit, and it's usually at the close of trading for the day prior to it, provided that this day is a working day in the respective markets.
Last registration period	:	The last date to submit Fund's units sale and redemption instructions.
Unit Price	:	The fund unit value, which is calculated by dividing the net assets of the fund by the total number of existing units.
Subscription Fee	:	Fees that are paid in advance when buying fund units.
Fund Management Fee	:	Compensation, expenses and fees related to consulting services to be paid to the fund manager.
Minimum subscription fee	:	The minimum financial amount required to subscribe in the fund.
Sharia standards	:	Shari'a standards approved by the Fund's Shari'a Committee which determine the companies eligible to invest in.

Information Memorandum

1. Investment fund:

1. Fund name.

Al Danah GCC Equity Trading Fund

A. The date of issuing the terms and conditions of the fund.

The Fund's terms and conditions were issued on Shaaban 14, 1436 AH, corresponding to June 01, 2015 AD, and the last update took place on Rajab 19, 1442 AH, corresponding to March 03, 2021 AD.

B. The date of the Authority's approval of establishing the fund and trading its units.

The Authority's approval to continue trading the fund's units was obtained on 08 Safar 1430 AH corresponding to February 3, 2009.

C. Duration of the fund.

Al Danah GCC Equity Trading Fund is an open-ended, indefinite fund.

D. Fund's currency.

The currency of the fund is the Saudi Riyal.

If the subscription amount is received in a foreign currency, the fund manager will convert it to the fund's currency according to the prevailing exchange rates available with the fund manager.

2. Investment policy and practices:

1. The fund's investment objectives

Al Danah GCC Equity Trading Fund is an open-end equity fund that aims to achieve medium and long-term capital growth by investing in listed companies that are compliant with the provisions of Islamic Shariah, in addition to companies listed in the markets of other Arab countries in the Middle East and North Africa at a rate of up to 20% of its net asset value provided that all the Fund's assets comply with the Shariah rules specified by the Fund's Shariah Committee. The Fund Manager has the right to invest in companies established in the countries of the Middle East and North Africa and whose main activity is concentrated in those countries, and which are listed in any of their capital markets or any of the other financial markets outside the region. In addition to investing in the shares of companies listed in those financial markets, the Fund Manager can invest in all other financial securities such as Real Estate Investment Trust funds (REIT), Exchange Traded Funds (ETF) and others.

2. Types of securities in which the fund mainly invests in

- Shares of companies listed on the local stock markets of the Gulf Cooperation Council states: the Kingdom of Saudi Arabia, the United Arab Emirates, Kuwait, Qatar, Bahrain and Oman (shares of Banque Saudi Fransi may include).
Similar securities listed on global trading markets, for example: Global Depositary Receipts (GDRs) and American Depositary Receipts (ADRs).
Shares of companies listed in other Arab markets in the Middle East and North Africa, bearing in mind that these investments do not exceed 20% of the fund's net assets.
- The fund manager has the right to invest in companies established in the countries of the Middle East and North Africa, whose main activity is concentrated in those



countries, and which are listed in any of the financial markets in the countries of the Middle East and North Africa or any other financial markets outside the region. In addition to investing in the shares of companies listed in those financial markets, the fund manager can invest in all other financial means such as real estate funds offered (REIT) and equity traded funds (ETF) and others.

3. Investment focus policy

The investments of the Al Danah GCC Equity Trading Fund are concentrated in shares of listed Gulf companies that comply with the provisions of Islamic Sharia, in addition to companies listed in the markets of other Arab countries in the Middle East and North Africa, at a rate of up to 20% of the fund's net assets, and the fund manager has the right to invest in the companies that were established in the countries of the Middle East and North Africa, whose main activity is concentrated in those countries, and which are listed in any of the financial markets in the countries of the Middle East and North Africa or any of the other financial markets outside the region.

4. The securities markets in which the Fund is likely to buy and sell its investments.

- The fund has the right to invest companies listed in the primary market (TASI) and the parallel market (Nomu) that are compatible with the provisions of Islamic Sharia law established by the Sharia Board.
- The fund manager has the right to invest in companies established in the countries of the Cooperation Council and whose main activity is concentrated in the countries of the Cooperation Council, and which are listed in the Gulf capital markets or any of the other financial markets
- The fund manager has the right to invest surplus cash in short-term bank deposits and monetary fund instruments compliant with Sharia.

5. The transactions, methods and tools that a fund manager uses to make his investment decisions for the fund.

When choosing its investments, the fund manager considers the company's fundamentals, its long-term profitability, its ability to meet debts, its management capabilities, its strategies, its economic perspective, the level of competition and other similar factors. He analyzes these factors in addition to conducting relevant research in the field of the company and economic research that has an impact on the company's future position. It should be noted that the distribution of the company's assets in each country may differ according to the market situation, and the largest share is often for the countries with the largest market value.

6. Types of securities that cannot be included in the fund's investments.

All securities that do not fall within the investment scope of the fund stipulated in paragraph (b) of this article.

7. Restrictions on the types of securities that the fund invests in .

- The fund will not invest in any securities that do not comply with the Sharia standards approved by the Fund's Sharia Committee.

The fund invests in shares of listed companies except for:

- Financial institutions (except for Islamic banks and Islamic insurance companies).
- Shares of companies with the following characteristics:

- Usurious debts exceeding 33% for a 12-month average of the company's market value or the company's total assets, whichever is greater.
 - Interest-based income or any income that is not compatible with the provisions of Islamic Sharia exceeds 5% of total revenues.
- May invest in similar securities listed on global trading markets (for example: Global Depository Receipts (GDRs) and American Depository Receipts (ADRs)).
 - The fund has the right to invest in companies listed in other Arab markets in the Middle East and North Africa, taking into consideration that these investments do not exceed 20% of the fund's net assets.

While managing **Al Danah GCC Equity Trading Fund**, the fund manager is bound by the restrictions and limits imposed by the investment funds regulations, fund terms and conditions, and the information memorandum.

8. Limit the investment of the fund's assets in units of other investment funds .

The fund will not invest its assets in the units of other funds , whether they are investment funds managed by the fund manager or funds under the management of other fund managers .

9. The Fund's borrowing rights, the Fund Manager's policy regarding the exercise of these rights, and its policy with respect to pledging assets of the Fund.

The Fund is entitled to obtain financing that is compatible with Islamic Shari'a, provided that the borrowing exposure does not exceed 10% of its net asset value, according to the absolute discretion of the Fund Manager except for borrowing from the Fund Manager or any of its subsidiaries to cover the redeemed amounts.

10. The maximum limit for dealing with any counterpart.

None.

11. Fund manager's policy for managing fund risks.

The fund manages its investment portfolio and other assets by monitoring the return from the net assets of unit holders and making adjustments to them, taking into account changes in market conditions. The capital structure is based on issuance and redemption of units. Assets are allocated by the sub-fund manager, taking into account the directives provided by the fund manager with the aim of achieving investment goals. The fund manager monitors change resulting from the target allocation and investment portfolio components. The fund maintains positions in various financial instruments according to its investment policy. All investments are classified as "held for trading".

The fund is exposed to credit risk, equity price risk, liquidity risk, and currency risk. Its management policy is as follows:

- Credit risk.

The fund is exposed to credit risk related to its bank balances. The fund manager regularly monitors controls issued by the sub-fund manager to manage credit risk. Bank balances are maintained with high credit rated banks. The fund manager did not realize any significant concentration resulting from the investments. The carrying amount is the maximum credit risk associated with a financial asset.

- Equity price risk.



The fund manager provides guidance to the sub-fund manager to manage this risk by diversifying the investment portfolio based on geographical distribution, industry focus, and regular monitoring of stock prices. The fund manager regularly monitors the controls issued by the sub-fund manager to manage the related equity price risks.

- Liquidity risk.

The terms and conditions of the fund stipulate that the units will be redeemed on every dealing day and thus the fund is exposed to liquidity risks related to meeting the requests for redemption of units. The fund investments are readily realizable as the investments are made in current shares that can be easily liquidated within a short period of time. The fund manager has put in place some liquidity guidelines to ensure that sufficient funds are available to meet any obligations when due. Liquidity risk is managed through the Fund Manager's monitoring regularly of the adequacy of available liquidity to meet financial obligations as they fall due.

- Currency risk.

The fund's most important investments are made in countries whose prices are pegged to the US dollar, with the exception of the Kuwaiti dinar, which is not completely pegged to the US dollar.

The fund manager provides guidance to the sub-fund manager to invest in countries where changes in foreign exchange rates materially affect the financial statements. Other transactions in foreign currencies have no material effect.

12. Benchmark Index

The benchmark for the fund is the GCC Shariah Capped Equity Index. Which calculates S&P Custom Indices on a Price Return basis

13. Derivative contracts.

The fund will not invest in derivative contracts.

14. Any exemptions approved by the Capital Market Authority regarding any restrictions or limits on investment.

None.

3. The main risks of investing in the fund:

1. The likely be exposed to the fund volatility high in the value of its units as a result of the composition of its investments , which are concentrated in the shares of companies listed , which are volatile high .
2. The past performance of the Al Dana GCC Equity Trading Fund and the previous performance of the benchmark of the fund are not indicative of the fund's future performance .
3. There is no guarantee for unit holders that the fund's absolute performance or its performance against the benchmark will duplicate or match past performance .
4. The fund manager warns investors that investing in the Al Dana GCC Equity Trading Fund is not a deposit with any bank , as the fund's assets are, by their nature, subject to price fluctuations, up and down .

5. The fund manager warns investors about the risk of losing money when investing in the fund .
6. The main potential risks associated with investing in the fund, the risks the fund is exposed to, and any circumstances that are likely to affect the fund's net asset value and returns
 - Risk of traded stocks and market risks.
The fund invests mainly in traded stocks, which are exposed to price fluctuation and market risks, as investments in stocks by their nature are considered high-risk investments in addition to the possibility of a sudden drop in their value and the possibility of capital loss.
 - Currency risk.
This is the risk that the value of a financial instrument held by the fund in a currency other than the fund's currency will decrease as a result of a change in exchange rates.
 - Risks related to specific sectors.
Some sectors in the capital markets are affected negatively or positively, and this may affect the performance of the fund in relation to the volume of investment in this sector.
 - Liquidity risk.
It is the risk that the fund is exposed to in providing the necessary liquidity to meet financial obligations.
 - Economic risks.
The Kingdom of Saudi Arabia has a strong economy, which is subject to the terms and conditions of the global market and the growth of the global economy. The Saudi economy may be affected by many factors such as: fluctuating oil prices, profit rates, inflation, liquidity, capital inflows, and other factors that may have positive or negative effects on the value of the fund's securities.
 - Risks related to compliance with the provisions of Islamic law.
This type of risk arises when it becomes clear that the shares invested in have become inconsistent with the provisions of Islamic Sharia law for pure shares, and accordingly the fund is obligated to liquidate them as a result. In some cases, for the purpose of strict compliance with the provisions of Islamic Sharia law, the fund is forced to sell the shares at an inappropriate time, which leads to the possibility of lower returns, and may incur losses in that process.
 - Risks related to specific events.
The subscriber accepts that the value of the fund's assets can be affected by various but unlimited factors, including political and economic factors, and factors related to legislation and regulations.
 - Risks of force majeure.
It is the risk resulting from force majeure circumstances such as - for example, but not limited to - governmental decisions, wars, civil unrest, civil disobedience, natural disasters, economic blockade, commercial boycott, legislative decisions of markets, suspension of trading, or inability to communicate with the market for any reason whatsoever. Or a breakdown in the computer system, or for any reason not subject to the control of the fund manager or the funds in which he invests. In the event of any of the force majeure events, any liability on the fund will be deferred as required by the



force majeure event. The fund manager will also announce a force majeure event and it will be binding on all investors in the fund.

It should be noted that the fund manager will not be responsible towards the unit owners for any temporary or permanent loss of their investments, whether directly or indirectly due to any force majeure.

- Risk of death.

If the subscriber is an individual, these terms and conditions of the fund and all its other documents will be binding on the heirs, executors of the will, estate managers, personal representatives, trustees and successors of the subscriber, and the approval of the unit owner on these fund documents will not be automatically canceled upon the death or disability of the subscriber.

If the subscriber is a legal entity, this agreement will not be automatically canceled upon the death, bankruptcy, or dissolution of any partner or shareholder in it. Regardless of these conditions, the fund manager has the right, according to his absolute discretion, to stop any dealings related to this agreement until the fund manager receives an order from the court, power of attorney, or any other evidence that is satisfactory to him for the authority vested in the heirs, executors of the will, estate managers, personal representatives, trustees or successors to allow the implementation of those transactions.

4. General information:

1. The target group and the most suitable investors to invest in the fund.

The fund targets all appropriate groups of individuals and companies according to the fund's objectives and the risks associated with it.

2. Dividend policy, details of unclaimed dividends, and information about payment method.

The profits of the fund's units will not be distributed to the investors, as the profits achieved will be reinvested in the fund, and thus the reinvestment will positively affect the value and price of the units.

3. Fund's past performance:

1. Total return for one year / three years / five years / since inception.

Period	Year	three years	five years	Since inception
Total return	12.69%	7.52%	-2.17%	54.52%

2. Annual total returns for each of the past ten years or since inception.

Period	2019	2018	2017	2016	2015	2014	2013	2012	2011	2020
Total return	12.69%	-3.59%	-1.03%	9.33%	-15.29%	9.17%	43.27%	13.52%	-6.89%	16.49%

3. Performance compared to the benchmark over five years or since inception.

Period	2019	2018	2017	2016	2015
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Fund performance	12.69%	-3.59%	-1.03%	9.33%	-15.29%
Index performance	8.94%	0.32%	-3.75%	5.00%	-17.94%

4. Dividend distribution history over the past three fiscal years.
Not applicable.

5. All fund reports are available for public viewing through the fund manager's website.

4. List of unitholder's rights.

- Owning the subscribed units in the fund.
- Exercising the rights related to the units owned according to the fund terms and conditions, its information memorandum, and the regulations for investment funds, including but not limited to voting rights in unitholders' meetings.
- Obtaining the annual unit register statement for any financial investment in the fund's units.
- Approval of the basic changes to the fund's terms and conditions.
- Announce any change in the fund's terms and conditions and its information note, and obtain a summary of such change before it takes effect in accordance with these terms and conditions in a manner that does not conflict with the provisions of the investment funds regulations.
- Redemption of units before any change in the fund terms and conditions takes effect without imposing any redemption fees - if any.
- Obtaining an updated copy of the fund's terms and conditions and the information memorandum in Arabic at no charge.
- Obtaining the audited financial statements of the fund, free of charge, upon request.
- Notification of the Fund Manager's desire to terminate the Investment Fund in accordance with the terms and conditions of the Fund and its information memorandum in a manner that does not conflict with the provisions of the Funds Regulations.

5. Unitholder's responsibilities.

Except for the loss of the unit holder for his investment in the fund or part of it, the unit holder is not responsible for the fund's debts and obligations.

6. Cases requiring termination of the fund and procedures for termination.

- The Fund Manager reserves the right to terminate the fund, provided that the Authority and the unitholders are notified in writing with his desire to do so no less than (21) days prior to the date of the fund termination.
- For any event requiring the termination of the fund, the fund manager will immediately terminate the fund and notify the Authority and the unitholders within



(5) working days of the occurrence of the event that mandated the termination of the fund.

- In the event that none of the requirements of the investment funds regulation or any other requirements of the Capital Market Authority under which the fund may be terminated are fulfilled, the fund manager will terminate the fund and notify the Authority and the unitholders accordingly.
- The fund manager will announce on his website and the Saudi Stock Exchange website the end of the public fund period and the liquidation period.

7. The fund manager acknowledges the existence of administrative systems and an internal mechanism to assess the risks related to the fund's assets.

5. Fees, Charges and Expenses:

1. Payments from the fund's net assets.

Custodian fee	0.13% annually, calculated on a daily basis and deducted monthly on the basis of the fund's net asset value on the last working day of each month, in addition to 225 (two hundred and twenty five) Saudi riyals as transaction fees.
Management fees	The fund manager collects %1.75 per year of the fund's net asset value as accrued management fees, which are calculated cumulatively on a daily basis and are deducted monthly .
Auditing and reviewing fees	A maximum of 32,000 (thirty two thousand) Saudi riyals per year, and these fees are calculated cumulatively on a daily basis and deducted on a semi- annual basis.
Registration fees (trading)	5,000 (five thousand) Saudi riyals per year, and these fees are calculated on a daily basis and deducted on an annual basis.
Funding fees	According to the prevailing financing rates, and if this occurs, it will be disclosed in the annual financial disclosure summary.
Handling fee	The fund is responsible for meeting any regulatory fees or expenses related to investment operations, and this will be disclosed if it occurs in the annual financial disclosure summary.
Operations fees	The fund is charged transaction fees, transfer and taxes, and this will be disclosed if it occurs in the annual financial disclosure summary.
Sharia committee fees	none
Cleansing	The Fund shall bear cleansing expenses under which the purification of the Fund 's investments in companies contributing to be purified, where he will be director of the fund determine the income of others in conformity with the law of the Islamic and build on it it will be deducted the amount of the fund and deposited at the expense of a special order to spend it in the business charity, and will be disclosed in the summary disclosure Annual .
Distribution expenses	none
Fee for services related to the unitholder register	none

Holding fund expenses	Not applicable .
Benchmark index fees	18,750 (eight ten thousand seven hundred and fifty) SR SR in the year and is calculated that fees are cumulative in daily and deducted on the basis of an annual .
Regulatory Fees	7,500 (seven thousand five hundred) Saudi riyals per year, and these fees are calculated cumulatively on a daily basis and deducted on an annual basis.
Fees of the fund board members	<p>These fees include all the funds of the Saudi Fransi Capital Company (except for the Saudi Fransi Real Estate Fund), noting that these fees will be variable on an annual basis, as the share of each fund of these fees will be allocated based on the size of the assets in proportion and proportion , and is calculated cumulatively on each calendar day and deducted on Annual basis.</p> <p>The annual maximum of the total fees and expenses of the members of the board of directors of all Saudi Fransi Capital funds is estimated at 60,000 (sixty thousand) Saudi riyals, and the fund's share of these fees is estimated at 328 (three hundred and twenty- eight) Saudi riyals per year . The fund's share of these fees will change annually according to Fund assets (increase or decrease) It should be noted that each independent member (two members) will receive an amount of 15,000 (fifteen thousand) Saudi riyals for each meeting (up to a maximum of four meetings per year) .</p>

* All of the aforementioned fees, charges, and fees borne by the fund do not include the value-added tax that the fund pays to the fund manager separately according to the rates stipulated by the value-added tax system, nor does it include any of the taxes imposed or to be imposed in the future in the Kingdom of Saudi Arabia, and will be paid any taxes due, in addition to the fees, expenses, and fees due and deducted from the fund's assets.

* In all cases, only actual fees and charges will be deducted.

2. All fees and expenses, how they are calculated and when they are paid by the fund manager.

Fees	EXPLANATION	Calculation method	Due time
Subscription Fee	3%.	Calculated from the subscription value .	You pay in advance for every subscription .
Custodian fee	13.00% Annually .	Calculated on a daily basis .	It is paid monthly on the basis of the fund's net asset value on the last business day of each month .
Transaction fees	225 Saudi riyal .	Lump sum paid to the custodian for each transaction .	Pay - if any - at the end of each month .
Management Fee	1.75% annually .	Calculated cumulatively on a daily basis .	Paid monthly .
Auditing and examination fees	A maximum of 32,000 Saudi riyals per year .	Calculated cumulatively on a daily basis .	Paid on a semi- annual basis .
Registration fees (Tadawul)	SAR 5,000 .	Calculated cumulatively on a daily basis .	Paid on an annual basis .



Funding fees	According to the prevailing financing rates , and if this occurs, it will be disclosed in the annual financial disclosure summary .		
Trading fees	The fund is responsible for meeting any regulatory fees or expenses related to investment operations , and this will be disclosed if it occurs in the annual financial disclosure summary .		
Sharia committee fees	There is no .		
Distribution expenses	As it is shown in 5- a	Calculated quarterly.	Payable - if any - quarterly .
Services fees related to the unitholder register	none		
Holding fund expenses	none		
Benchmark Index Fees	Not applicable .		
Regulatory Fees	18,750 A maximum of one Saudi riyal per year .	Calculated cumulatively on a daily basis .	Paid on an annual basis .
Fees of the fund's board members	7,500 Saudi riyals annually .	Calculated cumulatively on a daily basis .	Paid on an annual basis .
Custodian fee	<ul style="list-style-type: none"> - Estimated fund share 328 Saudi Riyals annually, which is an estimated share that may change annually according to the fund's assets . - In addition to 15,000 each independent member (two members) for each meeting (a maximum of four meetings per year) . 	Calculated cumulatively every calendar day .	Paid on an annual basis .

3. Details of the deals that may be imposed in relation to the subscription, redemption and transfer fees that are paid by unit owners and the method of calculating that consideration.

The deals imposed on the subscription, redemption and transfer of ownership shall be due from the owners of the units, and these fees and expenses shall be as follows:

- The subscription fee is calculated as a percentage not exceeding 3%, paid in advance of the total subscription amount when purchasing units in the fund, not including value-added tax or any of the taxes imposed, and the customer agrees to pay the imposed taxes in addition to the subscription fees to the fund manager.

- There is no redemption fee or early redemption fee.
- The transfer between Saudi Fransi Capital funds is treated as if it were a request for redemption from one fund and a request for subscription in another fund, with adherence to these terms and conditions, terms and conditions for the funds transferred to which the subscriber intends to invest in. Where any expenses related to subscribing to the transferred fund, if any, are deducted in addition to the taxes imposed, if there is a difference in the currency between the funds between which the transfer occurred, the manager transfers the proceeds according to the prevailing exchange rate at that time.

4. Any special commission entered into by the fund manager.

None

5. A hypothetical example that shows all fees, expenses, and charges for transactions that are paid out of the fund's assets or by the unitholder on the basis of the fund's currency.

Fees (The assumed fund size is 100 million)	As a percentage	In Saudi riyals
Investment amount		2,000.00
Registration fee trading	0.0343%	0.6856
Regulatory Fees	0.0490%	0.9794
Auditor fee	0.2194%	4.3876
Remuneration of the Board of Directors	0.0010%	0.0206
Index calculation fee	0.1224%	2.4484
Transaction fees	0.1279%	2.5587
Funding fees	0.0000%	0
Other	0.7017%	14.0335
Custodian fee	0.1357%	2.7149
Management Fee	1.8119%	36.2386
Total fee		64.0673

* Subscription fee : up to 3% of the total subscription amount .

6. Valuation and pricing:

1. The method of evaluating each asset owned by the investment fund.

On every trading day, the fund's net assets value is determined on the basis of the closing price of the financial market, unless one of the markets in which the fund invests at a high rate is closed on that day, and in such a case, the evaluation takes place on the next trading day.

2. The number of evaluation points and their frequency.

The fund's assets are evaluated on Tuesdays and Thursdays (twice a week).

3. Actions to take in the event of a wrong valuation or pricing.

If the public fund assets are valued incorrectly or the unit price is calculated incorrectly, the fund manager will do the following:

- Document the error in the valuation or pricing status.
- Compensate all affected unitholders (including former unitholders) for all valuation or pricing errors without delay.



- Inform the Authority immediately of any error in the valuation or pricing that constitutes 0.5% or more of the unit price.
- Immediately disclose the status of the error in valuation or pricing on its website, the market website and in the general fund reports.

4. Method of calculating the unit price for the purposes of executing subscription and redemption requests.

The unit price at subscription or unit price on redemption is the net asset value per unit, where the unit value is calculated for subscription or redemption purposes by deducting all the amounts required on Al Dana GCC Trading Equity Fund (the fund's obligations) including but not limited to, specific fees In paragraph (5) of this memorandum, the total value of the assets and the unit price is determined by dividing the resulting number from this process by the total number of existing fund units on the date of the relevant transaction day, and it should be noted that no circumstances may change from the mentioned pricing method.

5. When and where the unit price will become available.

The fund manager will publish the unit price on the business day that follows each dealing day (twice a week) on the website of the Saudi Stock Exchange (Tadawul) and the fund manager's website.

7. Tadawul:

1. IPO details.

Initial offering date : Rabi` Al-Awwal 19 , 1427 AH, corresponding to April 17 , 2006.
 Offering period : The offering period was completed in 1427 AH corresponding to 2006
 Unit price at offering : 10 Saudi riyals

2. The exact date and deadlines for submitting subscription and redemption requests.

The last date for receiving subscription and redemption requests is before 12:00 noon, Saudi Arabian local time, on every transaction day

3. Subscription and redemption procedures.

- **Subscription procedures:**

Investors can subscribe to the fund by submitting a completed and signed application form to the Fund Manager in addition to any other documents that the fund manager may request, or through the electronic channels of the fund manager, and the subscription request will be accepted upon receipt of the investment amount. All the completed subscription requests will be executed adequately if received before the last registration period at 12:00 p.m. KSA time of each dealing day - based on the unit price of the fund calculated on the relevant trading day.

- **Redemption procedures:**

The subscriber may request a complete or partial refund of his units by completing and signing the redemption form and submitting it to the fund manager, or through

the electronic channels of the fund manager. The specified registration period is the deadline for receiving redemption requests which are every trading day before 12:00 noon In KSA time, all adequate redemption requests received before the registration period deadline are executed based on the fund unit price on the relevant trading day. The unit price is announced on the business day following the day of the concerned transaction, and the subscriber may request the transfer of his investment or part of it from one fund to another and the transfer request is processed in such case as a separate request for redemption from the first fund and a subscription to the second fund.

- **The minimum number or value of units that the unitholder must participate in, transfer or redeem.**

Minimum initial subscription and investment balance	:	2,000 (two thousand) Saudi riyals
Minimum additional subscription	:	1,000 (one thousand) Saudi riyals
Minimum redemption	:	1,000 (one thousand) Saudi riyals

- **The provisions regulating the transfer of unit ownership to other investors.**

Regulatory provisions are the provisions of the Saudi Capital Market Authority system and its executive regulations and other related regulations and bylaws applied in the Kingdom of Saudi Arabia, according to the unit price on that day.

4. Unitholders record.

- The fund manager prepares and maintains a record of unitholders in the Kingdom.
- The unitholder record is conclusive evidence of ownership of the units thereof.
- The fund manager registers the information of the unitholders in the record and is obligated to update it immediately when any change occurs to the data registered in it.
- The unitholders record is available for inspection by the Authority upon request, and the fund manager shall provide a summary of the unitholder record to any unitholder for free upon request (provided that this summary shows all information related to the concerned unitholder only).
- Without prejudice to the provisions of the relevant regulations, the record of unitholders shall contain, at least, the following data:
 - Name of the unitholder, his nationality and address.
 - National ID number or equivalent identification, such as residency number, passport number, commercial registration number, or any other identification method determined by the Authority according to the category of the unitholder.
 - The registration date of each unitholder in the record.
 - Details of all transactions related to the fund units made by each unitholder.
 - The current balance of the number of units owned by each unitholder.
 - Any restriction or dues on the units owned by each unitholder.



5. Subscription funds received.

Not applicable, as the Al Dana GCC Equity Trading Fund is an existing fund.

6. The minimum amount the Fund Manager intends to collect, and the effect of not reaching that minimum in the fund.

Not applicable, as the Al Dana GCC Equity Trading Fund is an existing fund.

8. The necessary corrective measures to ensure that the requirement of 10 million Saudi riyals and its equivalent as a minimum is met to the net asset value of the fund.

The fund manager will comply with the Capital Market Authority regulations and instructions in case it requests any corrective action from him.

9. The procedures with which trading units is postponed or suspended and the procedures followed in such cases.

- The Fund Manager has the right to refuse any subscription if he believes that this subscription may lead to a violation of the regulations of the Capital Market Authority or a violation of the fund terms and conditions.
- The Fund Manager may postpone the fulfilment of any redemption request from an open-ended fund until the next business day, in any of the following cases:
 - On any business day, if the value of redemption requests, including transferring units to another fund, exceeds 10% of the fund's net asset value, the fund manager can, at his absolute discretion, defer any redemption requests and / or transfer units to another fund on a pro-rata basis, so that the total value of the requests does not exceed 10% of the net value of the fund's assets. Redemption and transfer requests that were postponed on the day of the subsequent transaction will be executed directly and will always be subject to 10% of the net asset value.
 - If trading is suspended in the main market in which securities or other assets owned by the investment fund are dealt with, either in general or in relation to the fund's assets that the fund manager reasonably believes are important in relation to the net value of the fund's assets.
 - If the subscriber's investment in the fund falls below the minimum investment mentioned in the terms and conditions due to his redemption, then the fund manager reserves the right to return the remainder of the investment value to the subscriber.
 - The Fund Manager has the right to postpone the implementation of the redemption requests in the event that the Fund is unable to sell / liquidate its assets for any reason.
- The Fund Manager has the right to suspend subscription and redemption in the event of force majeure outside his control that prevents him from fulfilling these requests, such as power outages or malfunctions in technical systems, wars, political problems

or natural disasters, provided that this suspension is lifted as soon as the event that led to the suspension of subscription or redemption.

10. The procedures to decide which redemption requests are deferred

Where applicable, the fund manager will postpone any redemption requests and / or transfer of units to another fund with the fund manager on a pro-rata basis so that the total value of the requests does not exceed 10% of the net value of the fund's assets and the deferred redemption and transfer requests will be executed on the day of the next transaction directly and will always be subject to 10% of the net asset value.

8. Characteristics of the units:

The fund is divided into units of equal value and with the same privileges and rights, provided that the total value of the units issued constitutes the total value of the fund.

The fund manager will not issue ownership certificates to investors in the fund's units, but will rather keep a record of all unitholders in the fund.

9. Accounting and reporting:

a) Fund financial reports.

The fund manager will prepare annual reports, a summary of the annual reports and initial reports (including the annual financial statements for the period of each report) in accordance with the investment funds regulations and present them to unitholders upon request without any charge.

b) Places and means of making the fund reports prepared by the Fund Manager available.

- Fund unitholders and prospective unitholders will be briefed on annual and the summary of the annual and initial reports free of charge by posting them on the Fund Manager's website and the Market's website.
- The annual statement, summary of deals and quarterly reports for each unitholder will be sent to the last address the unitholder provided to the Fund Manager.

3. A declaration stating the availability of the first audited financial statement at the end of the fund's fiscal year.

Not applicable, as the AI Dana GCC Equity Trading Fund is an existing fund.

4. The fund manager acknowledges to provide the annual audited financial statements to unit owners free of charge upon request.

10. Fund Board of Directors:

1. The names of the members of the fund's board of directors, with an indication of the type of membership.

Mr. Ehab Talib Ahmed Farhan - Non-independent member (Chairman of the Board)



Mr. Abdullah Sulaiman Abdulaziz Al-Oraini	-	Non-independent member (Vice- Chairman)
Mr. Muhammad Fathallah Abdul-Khaleq Al-Bukhari	-	Independent member
Mr. Hani Ibrahim Ahmed Obaid	-	Independent member

2. An overview of the qualifications of the members of the fund's board of directors.

Mr. Ehab Talib Ahmed Farhan.

Head of the Private Account Banking at the Banque Saudi Fransi, Wealth Management at the Saudi Fransi Capital Company, with 13 years of experience in consulting services with the National Bank in the field of the global stock exchange and investment products. He joined Banque Saudi Fransi in 2005 as Head of the Investment Department of the Jeddah City Department. He was appointed as the Head of Wealth Management in charge at the Saudi Fransi Capital Company in May 2015, then joined the Saudi Fransi Capital Company as Head of Wealth Management until May of 2018, holder of a Bachelor's degree in Business Administration, class 1995, and a qualified financial planner certificate from the Arab Monetary Agency - Banking Institute in the year 2004 AD.

Mr. Abdullah Sulaiman Abdulaziz Al-Oraini.

The head of brokerage at the Saudi Fransi Capital Company, with 14 years of experience in the banking sector in the Kingdom, Mr. Abdullah became the head of the brokerage in the Saudi Fransi Capital Company in 2011. He was appointed as the head of the brokerage in 2014 at Saudi Fransi Capital. Holds a Bachelor's degree in International Business Administration from King Saud University, class of 1999.

Mr. Muhammad Fathallah Abdul-Khaleq Al-Bukhari.

Mr. Muhammad Fathallah Al-Bukhari has more than 25 years of experience in the banking and investment sector inside and outside the Kingdom, holding a Bachelor's degree in English Literature from King Saud University in 1972. Mr. Mohamed is currently retired, and his last position was Director of Conformity and Compliance at the Arab National Investment Company in 2011.

Mr. Hani Ibrahim Ahmed Obaid.

A partner in Invest Corp., with 11 years of experience in the banking and investment sector inside the Kingdom. Mr. Hani became the Fund Manager at Banque Saudi Fransi in 2004. He joined Morgan Stanley in 2008 as Vice President of Private Wealth Management, and in 2012 he became a partner in Invest Corp. Holds a Bachelor's degree in Technology Management from Wentworth University of Technology.

3. Roles and responsibilities of fund board members.

1. Approve all contracts, decisions, and substantial reports to which the fund is a party.
2. Adopt a written policy regarding voting rights related to the fund's assets.

3. Supervise, and when appropriate, approve or ratify any conflicts of interest disclosed by the Fund Manager in accordance with the investment funds regulations.
4. Meeting at least twice annually with the Compliance and Conformity Officer with the Fund Manager and / or the Compliance and Conformity Committee and the competent Money Laundering and Terrorist Financing Officer, to ensure that the Fund Manager complies with all applicable regulations and bylaws.
5. Approval of any recommendation submitted by the liquidator, if appointed, according to the investment funds regulations.
6. Ensure that the fund terms and conditions, the information memorandum, and any other document, whether it is a contract or otherwise, is complied with by the investment funds regulations.
7. Ensuring that the Fund Manager fulfils his responsibilities in the interest of the unitholders in accordance with the fund terms and conditions, and the provisions of the investment funds regulations
8. Work with honesty, goodwill, interest, care and diligence in the interests of the Fund and its unitholders.
9. Take minutes of the meetings that includes all the minutes of the meetings and the decisions made by the Board.

4. The Fund's Board of Directors' Remuneration Details.

The Fund's Board of Directors' remuneration encompass all the funds of the Saudi Fransi Capital Company, which is supervised by the Board (except for the Saudi Fransi Real Estate Fund), knowing that these fees will be changed annually, as each share of these funds will be allocated based on the size and proportion of the asset on pro-rata basis, and they are calculated cumulatively on each calendar day and deducted on an annual basis.

The annual maximum sum of the fees and expenses of members of the Board of Directors of all the funds of the Saudi Fransi Capital Company is estimated at 60,000 (sixty thousand) Saudi Riyals. The Fund's share of this fee is estimated at 23,760.15 Saudi Riyals per year.

It is also worth noting that the fund's share of these fees will change annually according to the fund's assets (increase or decrease), and that each independent member will receive an amount of 15,000 (fifteen thousand) Saudi riyals per meeting) with a maximum of two meetings per year which is the minimum number of Fund's board meetings) for all the funds of the Saudi Fransi General Company.

5. Conflict of interest.

There is no existing or potential conflict of interest between the interests of a Fund's Board member and the interests of the Fund.

6. Board of directors of other funds in which the members of the fund's board of directors participate.



Members of the fund's board of directors participate in other fund boards under the management of Saudi Fransi Capital, as follows:

Fund	Member of the Board of Directors			
	Ehab Farhan	Abdullah Al-Arini	Hani Obaid	Muhammad al-Bukhari
Al-Badr Murabaha Fund - US Dollars	Chairman of the Board	member	Independent member	Independent member
Money Market Fund - US Dollars	Chairman of the Board	member	Independent member	Independent member
Al-Saffa Saudi Equity Trading Fund	Chairman of the Board	member	Independent member	Independent member
Al-Qasr GCC Real Estate and Construction Equity Trading Fund	Chairman of the Board	member	Independent member	Independent member
Al-Badr Murabaha Fund - SAR	Chairman of the Board	member	Independent member	Independent member
Money Market Fund - SAR	Chairman of the Board	member	Independent member	Independent member
Saudi Istithmar Equity Fund	Chairman of the Board	member	Independent member	Independent member
Al-Danah GCC Equity Trading Fund	Chairman of the Board	member	Independent member	Independent member
Saudi Fransi Equity Income Fund	Chairman of the Board	member	Independent member	Independent member
Saudi Fransi GCC IPO Fund	Chairman of the Board	member	Independent member	Independent member
Taleem REIT	member	-	Independent member	Independent member
Bonyan REIT	-	-	Independent member	-
Saudi Fransi Real Estate Fund	Chairman of the Board	member	Independent member	Independent member

11. Sharia Supervisory Committee:

1. Members of the Sharia Supervisory Committee and their qualifications.

This fund has been approved by the Sharia Board of Banque Saudi Fransi ,which consists of:

Sheikh Abdullah bin Sulaiman al-Manea.

Member of the Council of Senior Religious Scholars, member of the Supreme Council of Endowments, head of the group of supervisory Authorities of financial institutions,

member of the Islamic Jurisprudence Council of the Organization of Islamic States, and retired CHIEF JUDGE of a Court of Causation.

Dr. Muhammad Ali al-Qurri.

Professor of Islamic economics, member of the Sharia Council of the Accounting and Auditing Organization for Islamic Financial Institutions in the Kingdom of Bahrain, member of the Sharia Council for International Islamic Financial Markets, an expert in the International Islamic Jurisprudence Council, member of several Shariah boards of several banks.

Dr. Abdul Sattar Abu Ghodah.

PhD holder in Comparative Islamic Jurisprudence, Master of Islamic Law and Master of Law, Member of the International Islamic Jurisprudence Council and member of the Sharia Council of the Islamic Accounting Authority.

2. Roles and responsibilities of the Sharia Supervisory Committee.

The committee supervisory role is to outline Shariah-compliant standards and monitor the fund's performance to ensure it's not violating the established standards.

3. Remunerations of the Sharia Supervisory Committee members.

Sharia Board remunerations will not be incurred by the fund.

4. The standards applied to determine the legitimacy of the assets prepared for investment and the periodic review of those assets and the procedures followed in case of incompatibility with the Sharia standards.

The criteria applied to determine the legitimacy of the listed shares subject to investment are investment in shares of listed companies, with the exception of:

- Financial institutions (except for Islamic banks and Islamic insurance companies).
- Companies with the following characteristics:
 - Usurious debts exceeding 33% for the average period of 12 months of the company's market value.
 - The company's cash and debts exceed 49% for the average 12-month period of the company's market value.
 - Interest-based income or any income that is not compatible with the provisions of Islamic law exceeds 5% of total revenues.

The legitimacy of the fund's assets is reviewed on a daily basis, and in the event that the shares invested in it become inconsistent with the provisions of Islamic Sharia law for pure shares, the fund is committed to liquidating them as a result.

12. Fund Manager:

1. Fund Manager Name.

Saudi Fransi Capital.



2. License number issued by the Capital Market Authority.

Capital Market Authority License No. (37/11153).

Commercial Register No. (1010231217).

3. The registered address and business address of the Fund Manager.

Head Office: PO Box 23454, Riyadh 11426, Kingdom of Saudi Arabia.

Phone 011- 2826666 - Fax: 011- 2826725

Website: www.sfc.sa

4. The Capital Market Authority license issuance date.

The license was obtained from the Capital Market Authority on 26 Safar, 1432 AH corresponding to January 30, 2011 AD.

5. The paid-up capital of the Fund Manager.

The paid-up capital of the Saudi Fransi Capital is five hundred million (500,000,000) Saudi riyals.

6. Summary of the fund manager's financial information.

the year	2019
Revenue	292,292,565
Earnings	77,109,146

7. Names of the fund manager's board of directors and the main business activities of each member that are essential to the fund manager's role.

Member	Title	The main business activities that are essential to the Fund Manager's role.
Mr. Mazen Al-Rumaih	Chairman of Board of Directors	Member of the Board of Directors, Banque Saudi Fransi.
Mr. Abdulaziz Al-Habdan	Member of the Board of Directors	None
Mr. Dr. Ghazi Al-Rawi	Member of the Board of Directors	None
Mr. Mazen Al-Tamimi	Member of the Board of Directors	None
Mr. Ryan Fayez	Member of the Board of Directors	Managing Director and Chief Executive Officer, Banque Saudi Fransi.
Mr. Youssef Al-Yousifi	Member of the Board of Directors	None

8. The main roles, responsibilities and duties of the Fund Manager regarding the fund.

The fund manager is responsible for complying with the provisions of the Investment Funds Regulations and all related regulations and bylaws, whether he performs his responsibilities and duties directly or has been assigned to it by an external authority in accordance with the provisions of the Investment Funds Regulations and the list of authorized persons.

Since the Fund Manager works for the benefit of the unitholders in accordance with the provisions of the investment funds regulations, the authorized persons regulations and the provisions of both, the terms and provisions and memorandum of the fund information, and adheres to the duties of the secretariat towards the unitholders that guarantees work and exerting the efforts for reasonable care to achieve their interests, and is responsible for rendering the following:

1. Fund management.
2. Managing the fund's operations, including the administrative services of the fund.
3. Offering the fund units.
4. Ensure that the fund information terms and conditions and information memorandum are accurate and complete and that they are complete, clear, correct, not misleading and updated.
5. Establishing policies and procedures to monitor the risks affecting the Fund's investments, and to ensure prompt handling of such risks.
6. Implementing the conformity and compliance program of the Fund, and providing the Authority with the results of the application upon request.
7. Compliance with requests for approval and notifications submitted to the Authority in accordance with the provisions of the regulations and bylaws issued by the Capital Market Authority, if applicable.

9. The tasks assigned to a third party by the Fund Manager in relation to the investment fund.

On behalf of the investment fund, the Fund Manager assigned other parties to carry out work related to the fund, as follows:

- The custodian, to perform the custody activity.
- The Auditor, to carry out auditing and reviewing tasks.
- The fund's board of directors, to carry out the tasks of monitoring and following up on the fund's performance and ensuring that the Fund Manager fulfils his due responsibilities to the interest of unitholders in accordance with the fund terms and conditions, Information Memorandum, related documents and the provisions of applicable regulations and bylaws.

10. Any business activities or other interests of fundamental importance to the Fund Manager, or may conflict with the activities of the investment fund.

Not Available.

The fund manager acknowledges that there are no conflicts of interests. In the event of any future conflicts of interest arising or occurring, the fund manager will do the



necessary in the interest of the unitholders and disclose that conflict in the fund's periodic reports.

11. Provisions for the dismissal or replacement of the Fund Manager.

- The Fund Manager has the right to voluntarily withdraw from the fund management as required by the interest of the unitholders, provided that he arranges for the appointment of a replacement Fund Manager and that is subject to the provisions and regulations of the Capital Market Authority.
- The authority has the right to dismiss the Fund Manager and take any action it deems appropriate to appoint another Fund Manager or to take any other measure it deems appropriate, in the event of any of the following cases:
 1. The Fund Manager has ceased to exercise management activity without notifying the Authority according to the list of authorized persons.
 2. Cancellation, withdrawal or suspension of the Fund Manager's license to practice management activity by the Authority.
 3. If the Fund Manager submitted a request to the Authority to cease the practice of management activity.
 4. If the Authority deems that the Fund Manager has violated - in a manner deemed essential by the Authority - compliance with the executive regulations or bylaws.
 5. The death of the Investment Portfolio Manager who manages the fund, its deficit or resignation, with no other person registered with the Fund Manager able to manage the fund's assets.
 6. Any other case that the Capital Market Authority deems on reasonable grounds that it is of fundamental importance.

If the authority exercises any of their powers in accordance with the preceding paragraph, the Fund Manager must fully cooperate to facilitate the smooth handover of responsibilities to the alternative Fund Manager. The Fund Custodian must transfer - whenever necessary and appropriate and to the sole discretion of the Authority - to the alternative Fund Manager all contracts related to the fund in line with the provisions of the investment funds regulation.

13. Custodian:

1. Custodian Name.

HSBC Saudi Arabia Limited (HSBC).

2. License number issued by the Capital Market Authority.

Capital Market Authority License No. (37/05008).

3. Registered address and business address of the Custodian.

Public Administration
Olaya - Al-Mrooj 7267

P.O. Box 2255 Riyadh 12283
Saudi Arabia
Phone +966 92000 5920
Fax +966 11 299 2385
Website: www.HSBCSaudi.com
Email: SaudiArabia@HSBC.com

4. The Capital Market Authority license issuance date.

The license was obtained from the Capital Market Authority on Dhu'l-Hijjah 05, 1426 AH corresponding to January 05, 2006 AD.

5. The Custodian's basic roles and responsibilities of the investment fund.

- The Custodian is responsible for his obligations in accordance with the provisions of the investment funds regulations, whether he fulfils his responsibilities directly or assigns it to a third party under the provisions of these investment funds regulations or the list of authorized persons.
- The Custodian is liable towards the fund manager and unitholders for the losses of the fund resulting from his fraud, shortcoming, misbehavior or deliberate negligence.
- The Custodian is responsible for preserving and protecting the fund's assets for the benefit of unitholders, and he is also responsible for taking all necessary administrative measures in relation to preserving the fund's assets.

6. The investment fund tasks assigned by the Custodian to a third party.

The custodian may assign a third party to act as custodian or any of its affiliates to act as sub-custodian.

7. Provisions for the dismissal or replacement of the custodian.

- The Capital Market Authority has the right to dismiss and replace the custodian and take any action it deems appropriate in the event of any of the following cases:
 1. The custodian ceases to practice the reserving activity without notifying the Authority according to the list of authorized persons.
 2. Cancellation, withdrawal or suspension of the custodian's license to practice management activity by the Authority.
 3. presenting a request to the Authority by the fund manager to revoke his license to practice preservation activity.
 4. If the Authority deems that the fund manager has violated - in a manner deemed essential in the commitment of the law or its implementing regulations.
 5. Any other case that the Capital Market Authority deems on reasonable grounds that it is of fundamental importance.
- The fund manager has the right to dismiss the custodian and replace him in the following cases:

The Fund Manager may dismiss the Custodian pursuant to a written notification if he reasonably believes that the dismissal of the Custodian is in the best interest of the unitholders.



If the Authority or the Fund Manager exercise any of their powers as in the previous paragraph, the Fund Manager must appoint an alternative Custodian according to the provisions of the Investment Funds Regulations issued by the Capital Market Authority, and the Fund Manager and the dismissed custodian must cooperate fully to facilitate the smooth handover of responsibilities to the alternative Custodian. The dismissed Custodian must handover - when necessary and appropriate - to the alternative Custodian, all contracts related to the fund.

1. Investment Advisor:

Not Available.

2. Distributor:

Not Available.

3. Auditor:

a) Auditor Name.

Al Athem & Al Sudairy Certified Public Accountants - a member of Crowe Global

b) Registered address and business address of the Auditor.

Al Athem & Al Sudairy Certified Public Accountants - a member of Crowe Global

Prince Muhammad bin Abdulaziz Road - Riyadh

P.O Box 11

Riyadh 10504

Phone number: +966112175000

Fax: +966112175000

Website: www.crowe.com/sa

c) Description of the primary roles and responsibilities of an Auditor in relation to the investment fund.

The Auditor prepares, submits and reviews the interim and annual financial statements and approves the annual statements in accordance with the accounting standards issued by the Saudi Organization for Certified Public Accountants.

4. Other information:

a) The policies that the fund manager will follow to address any conflicts of interest.

The policies and procedures that the fund manager will follow to address a conflict of interest and any potential and / or actual conflicts of interest will be presented to the owners of the fund's units when requested and free of charge.

b) Information on rebates and soft commissions and the Fund Manager's policy on rebate and soft commissions.

The fund manager may cancel or grant discounts, in a form of a cash refund, on fund management fees for unitholders whenever he deems it appropriate, and the fund

manager may also enter into special commission arrangements from service providers in the interest of unitholders.

c) Zakat and tax related information.

The fund is subject to the provisions and regulations of the General Authority of alms (Zakat) and Income, where applicable.

VAT also applies to the fund in relation to management expenses and fees, other fees and expenses in accordance with the value-added system and its executive regulations.

Responsibility for paying alms (Zakat) on the investment units owned by investors rests on the owners of those units, and the tax expenses applied to the fund will be disclosed in the fund's financial statements.

d) Information and details of the unit holders meeting.

- **The circumstances in which a meeting of unitholders is called.**

- The Fund Manager may call a meeting of unit holders on his own initiative.
- The Fund Manager must call the unitholders meeting within (10) days of receiving a written request from the Custodian.
- The Fund Manager must call the unitholders meeting within (10) days of receiving a written request from one or more unitholders who own or collectively own at least 25% of the fund's value.

- **Procedures for calling a meeting of unitholders.**

- The invitation to the unitholders meeting will be posted on the website of the Fund Manager and the website of the market, in addition to sending a notice to the unitholders and the Custodian at least (10) days prior to the meeting with a period not exceeding (21) days before the meeting, provided that the announcement and notification shall specify the date of the meeting, its location and time and the proposed items.
- The meeting is deemed in session and in quorum when the number of unitholders who collectively own a minimum of 25% of the fund's units value, and in the event that the quorum was not reached, the Fund Manager will call for a second meeting and announce it on his website and the market's website and send a written notice to the unitholders and Custodian, at least 5 days before the date of the second meeting, and the second meeting is considered valid regardless of the percentage of the fund units represented at the meeting.
- Meetings of unitholders may take place, participate in its deliberations, and vote on its decisions by means of modern technology, in accordance with the regulations set by the Authority.

- **Method of voting for unitholders and voting rights in unitholders' meetings.**

- Each unitholder has the right to appoint an agent to represent him at the unitholders meeting.
- Each unitholder has the right to cast one vote for every unit he owns in the fund.



- In the case of holding meetings by means of modern technology, voting will be conducted accordingly and in accordance with the regulations set by the Authority.

e) Information on the procedures used to terminate and liquidate the fund.

- The Fund Manager reserves the right to terminate the fund, provided that the Authority and the unitholders are notified in writing with his desire to do so no less than (21) days prior to the date of the fund termination.
- When any event occurs the fund must be determined, the fund manager will immediately terminate the fund and notify the Authority and the unitholders within (5) working days of the occurrence of the event that mandated the termination of the fund.
- In the event that none of the requirements of the investment funds regulation or any other requirements of the Capital Market Authority under which the fund may be terminated are fulfilled, the fund manager will terminate the fund and notify the Authority and the unitholders accordingly.
- The fund manager will announce on his website and the Saudi Stock Exchange website the end of the public fund period and the liquidation period.

f) A statement that procedures for handling complaints will be provided upon request free of charge, including the means that can be used to file a complaint and the place for submitting complaints.

The procedures for handling complaints related to the fund are available to unitholders and it will be presented to them upon request and free of charge.

Any of the unitholders can submit any complaint by sending a letter of complaint that includes the signature of the unitholder, phone number, fax number and postal address to one of the following:

- Visiting the customer service department in the head office of the Fund Manager.
- Contact the customer service of the Fund Manager on the toll-free number 8001243232.
- Send the complaint to the Fund Manager via fax 011-2826623.
- By emailing the Fund Manager, complaints@fransicapital.com.sa

The Fund Manager will settle the complaint and respond to it within 5 working days from its date.

g) The competent judicial authority to consider any dispute arising out of or from investment in the fund.

The competent judicial authority to consider any dispute arising out of or from investing in the fund is the Securities Dispute Resolution Committee.

h) The available documents to unit holders.

- Terms and Conditions of the Fund.
- Summary of the main information of the fund.

- All contracts mentioned in the Information Memorandum to which the fund is a party.
- Periodic reports of the Fund.
- The audited financial statements of the Fund.
- Financial statements of the Fund Manager.

9. Ownership of the fund's assets.

The assets of Al Dana GCC Equity Trading Fund are owned by the unitholders collectively (common ownership), and neither the Fund Manager or the sub-fund manager - if any - or the Custodian or the sub-custodian - if any - or the counselor - if any - or the distributor - If any - any interest in the fund's assets or a claim in them, unless any of them is the owner of the fund's units, within the limits of their ownership, or if such claims are permitted under the provisions of the fund's regulations, and disclosed in the fund's terms and conditions or the information memorandum.

10. Other information.

There is no other known information, or it should be known to the Fund Manager or the fund's board of directors and may be requested - reasonably - by the current or potential owners of the units or expected to be included in the information memorandum on which the investment decision will be decided upon.

11. Any exemption from investment regulations restrictions agreed to by the Capital Market Authority, except for those mentioned in investment policies and practices.

The fund is not subject to any exemption from any of the restrictions of the investment regulation, other than the general exemptions that were issued or may be issued in the future from the Capital Market Authority regarding all investment funds.

12. Fund Manager policy regarding voting rights related to any general fund assets that he administers.

The Fund Manager is not obligated to vote, but in the event of participation in the voting, his vote shall be consistent with the recommendations of the company's management in general, either directly or indirectly by majority vote. Likewise, the Fund Manager may vote against the company's management recommendations if he believes that this best serves the interests of unit holders.



Summary of the Main Information

Al Danah GCC Equity Trading Fund

An open-ended equity fund, in compliance with
Sharia.



Summary of the Main Information

a. Main information of the Fund

1. Fund summary

Fund name	: Al Danah GCC Equity Trading Fund
Offering type	: Public offering
Fund category	: An equity investment fund
Type	: Open-ended

2. Investment Fund goals.

Al Danah GCC Equity Trading Fund is an open-end equity fund that aims to achieve medium and long-term capital growth by investing in listed companies that are compliant with the provisions of Islamic Shariah, in addition to companies listed in the markets of other Arab countries in the Middle East and North Africa at a rate of up to 20% of its net asset value provided that all the Fund's assets comply with the Shariah rules specified by the Fund's Shariah Committee. The Fund Manager has the right to invest in companies established in the countries of the Middle East and North Africa and whose main activity is concentrated in those countries, and which are listed in any of their capital markets or any of the other financial markets outside the region. In addition to investing in the shares of companies listed in those financial markets, the Fund Manager can invest in all other financial securities such as Real Estate Investment Trust funds (REIT), Exchange Traded Funds (ETF) and others.

3. The Fund's investment policies and practices.

- When choosing its investments, the Fund Manager considers the company's fundamentals, long-term profitability, ability to meet debts obligations, management capabilities, strategies, economic perspective, the level of competition and other similar factors. It analyzes these factors in addition to conducting relevant economic and sector research which may have impact on the company's future position. It should be noted that the distribution of the company's assets varies in each country according to the market situation, and the largest share is often for countries with the largest market value.
- The Fund Manager seeks to achieve the Fund's objectives by investing in shares of companies listed on the local stock markets in the countries of the Gulf Cooperation Council: Saudi Arabia, the United Arab Emirates, Kuwait, Qatar, Bahrain and Oman (shares of Banque Saudi Fransi may be included).
- The Fund may also invest in similar securities listed in global stock markets, for example: Global Depository Receipts (GDRs) and American Depository Receipts (ADRs).
- The Fund is also entitled to invest in companies listed in other Arab markets in the Middle East and North Africa, taking into consideration that these investments do not exceed 20% of the Fund's net asset value.

4. The risks associated with investments in the Fund.

- Risk of traded stocks and market risks.
The fund invests mainly in traded stocks, which are exposed to price fluctuation and market risks, as investments in stocks by their nature are considered high-risk investments in addition to the possibility of a sudden drop in their value and the possibility of capital loss.
- Currency risk.



This is the risk that the value of a financial instrument held by the fund in a currency other than the fund's currency will decrease as a result of a change in exchange rates.

- Risks related to specific sectors.

Some sectors in the capital markets are affected negatively or positively, and this may affect the performance of the fund in relation to the volume of investment in this sector.

- Liquidity risk.

It is the risk that the fund is exposed to in providing the necessary liquidity to meet financial obligations.

- Economic risks.

The Kingdom of Saudi Arabia has a strong economy, which is subject to the terms and conditions of the global market and the growth of the global economy. The Saudi economy may be affected by many factors such as: fluctuating oil prices, profit rates, inflation, liquidity, capital inflows, and other factors that may have positive or negative effects on the value of the fund's securities.

- Risks related to compliance with the provisions of Islamic law.

This type of risk arises when it becomes clear that the shares invested in have become inconsistent with the provisions of Islamic Sharia law for pure shares, and accordingly the fund is obligated to liquidate them as a result. In some cases, for the purpose of strict compliance with the provisions of Islamic Sharia law, the fund is forced to sell the shares at an inappropriate time, which leads to the possibility of lower returns, and may incur losses in that process.

- Risks related to specific events.

The subscriber accepts that the value of the fund's assets can be affected by various but unlimited factors, including political and economic factors, and factors related to legislation and regulations.

- Risks of force majeure.

It is the risk resulting from force majeure circumstances such as - for example, but not limited to - governmental decisions, wars, civil unrest, civil disobedience, natural disasters, economic blockade, commercial boycott, legislative decisions of markets, suspension of trading, or inability to communicate with the market for any reason whatsoever. Or a breakdown in the computer system, or for any reason not subject to the control of the fund manager or the funds in which he invests. In the event of any of the force majeure events, any liability on the fund will be deferred as required by the force majeure event. The fund manager will also announce a force majeure event and it will be binding on all investors in the fund.

It should be noted that the fund manager will not be responsible towards the unit owners for any temporary or permanent loss of their investments, whether directly or indirectly due to any force majeure.

- Risk of death.

If the subscriber is an individual, these terms and conditions of the fund and all its other documents will be binding on the heirs, executors of the will, estate managers, personal representatives, trustees and successors of the subscriber, and the approval of the unit owner on these fund documents will not be automatically canceled upon the death or disability of the subscriber.



If the subscriber is a legal entity, this agreement will not be automatically canceled upon the death, bankruptcy, or dissolution of any partner or shareholder in it. Regardless of these conditions, the fund manager has the right, according to his absolute discretion, to stop any dealings related to this agreement until the fund manager receives an order from the court, power of attorney, or any other evidence that is satisfactory to him for the authority vested in the heirs, executors of the will, estate managers, personal representatives, trustees or successors to allow the implementation of those transactions.

5. Data of past performance of the fund.

- Total return for one year / three years / five years / since inception.

Period	Year	three years	five years	Since inception
Total return	12.69%	7.52%	-2.17%	54.52%

- Annual total returns for each of the past ten years or since inception.

Period	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total return	12.69%	-3.59%	-1.03%	9.33%	-15.29%	9.17%	43.27%	13.52%	-6.89%	16.49%

- Performance compared to the benchmark over five years or since inception.

Period	2019	2018	2017	2016	2015
Fund performance	12.69%	-3.59%	-1.03%	9.33%	-15.29%
Index performance	8.94%	0.32%	-3.75%	5.00%	-17.94%

- Dividend distribution history over the past three fiscal years.

Not applicable.

2. Fees, Charges and Expense.

Custodian fee	0.13% annually, calculated on a daily basis and deducted monthly on the basis of the fund's net asset value on the last working day of each month, in addition to 225 (two hundred and twenty five) Saudi riyals as transaction fees.
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Management fees	The fund manager collects 1.75% per year of the fund's net asset value as accrued management fees, which are calculated cumulatively on a daily basis and are deducted monthly.
Auditing and reviewing fees	A maximum of 32,000 (thirty two thousand) Saudi riyals per year, and these fees are calculated cumulatively on a daily basis and deducted on a semi- annual basis.
Registration fees (trading)	5,000 (five thousand) Saudi riyals per year, and these fees are calculated on a daily basis and deducted on an annual basis.
Funding fees	According to the prevailing financing rates, and if this occurs, it will be disclosed in the annual financial disclosure summary.
Handling fee	The fund is responsible for meeting any regulatory fees or expenses related to investment operations, and this will be disclosed if it occurs in the annual financial disclosure summary.
Operations fees	The fund is charged transaction fees, transfer and taxes, and this will be disclosed if it occurs in the annual financial disclosure summary.
Sharia committee fees	none
Cleansing	The Fund shall bear cleansing expenses under which the purification of the Fund's investments in companies contributing to be purified ,where he will be director of the fund determine the income of others in conformity with the law of the Islamic and build on it it will be deducted the amount of the fund and deposited at the expense of a special order to spend it in the business charity, and will be disclosed in the summary disclosure Annual.
Distribution expenses	none
Fee for services related to the unitholder register	none
Holding fund expenses	Not applicable.
Benchmark index fees	18,750 (eight ten thousand seven hundred and fifty) SR in the year and is calculated that fees are cumulative in daily and deducted on the basis of an annual.
Regulatory Fees	7,500 (seven thousand five hundred) Saudi riyals per year, and these fees are calculated cumulatively on a daily basis and deducted on an annual basis.
Fees of the fund's board members	<p>These fees include all the funds of the Saudi Fransi Capital Company (except for the Saudi Fransi Real Estate Fund), noting that these fees will be variable on an annual basis, as the share of each fund of these fees will be allocated based on the size of the assets in proportion and proportion, and is calculated cumulatively on each calendar day and deducted on Annual basis.</p> <p>The annual maximum of the total fees and expenses of the members of the board of directors of all Saudi Fransi Capital funds is estimated at 60,000 (sixty thousand) Saudi riyals, and the fund's share of these fees is estimated at 328 (three hundred and twenty- eight) Saudi riyals per year . The fund's share of these fees will change annually according to Fund assets (increase or decrease) It should be noted that each independent member (two members) will receive an amount of 15,000 (fifteen thousand) Saudi riyals for each meeting (up to a maximum of four meetings per year).</p>



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- * All of the aforementioned fees, charges, and fees borne by the fund do not include the value-added tax that the fund pays to the fund manager separately according to the rates stipulated by the value-added tax system, nor does it include any of the taxes imposed or to be imposed in the future in the Kingdom of Saudi Arabia, and will be paid any taxes due, in addition to the fees, expenses, and fees due and deducted from the fund's assets.
- * In all cases, only actual fees and charges will be deducted.

3. Additional information.

For more information about the Al Dana GCC Equity Trading Fund, please review the terms and conditions and the information memorandum of the fund, through the Fund Manager's website.

4. Fund Manager:

1. Fund Manager Name.

Saudi Fransi Capital.

2. License number issued by the Capital Market Authority.

Capital Market Authority License No. (37/11153).

Commercial Register No. (1010231217).

3. The registered address and business address of the Fund Manager.

Head Office: PO Box 23454, Riyadh 11426, Kingdom of Saudi Arabia.

Phone 011- 2826666 - Fax: 011- 2826725

Website: www.sfc.sa

5. The Custodian:

1. Custodian Name.

HSBC Saudi Arabia Limited (HSBC).

2. License number issued by the Capital Market Authority.

Capital Market Authority License No. (37/05008).

3. Registered address and business address of the Custodian.

Public Administration

Olaya - Al-Mrooj 7267

P.O. Box 2255 Riyadh 12283

Saudi Arabia

Phone +966 92000 5920

Fax +966 11 299 2385

Website: www.HSBCSaudi.com

Email: SaudiArabia@HSBC.com

6. Distributor information.

N/A.



Nawwaf bin Zaben AlOtaibi

Chief of Compliance, Governance and
Legal

Salam Zaki AlKhunaizi

Chief Executive Officer

