



AIAhli Global Real Estate Income Fund

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الأهلي كابيتال
NCB Capital



Key Fact Sheet

AlAhli Global Real Estate Income Fund

An Open-Ended Public Investment Fund

Fund Manager
NCB Capital Company

Custodian
The Northern Trust Company of Saudi Arabia

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Definitions:

The Fund or Investment Fund	AlAhli Global Real Estate Income Fund
Fund Manager or Company or NCB Capital	NCB Capital Company (Commercial Registration No. 1010231474), with its registered address at King Saud Road, P.O. Box 22216, Riyadh 11495, Kingdom of Saudi Arabia.
Board	The Board of Directors of the Fund.
CMA	The Capital Market Authority of Saudi Arabia, the regulator of the capital market in Saudi Arabia
Sharia Board	Sharia Board of the National Commercial Bank
Sharia Guidelines	The Sharia guidelines set by the Sharia Board for investment in securities.
CML	Capital Market Law of Saudi Arabia, which was issued by Royal Decree No. (M/30) dated 2 Jumada Al II 1424H corresponding to 16th June, 2003G.
Regulations– Investment Funds Regulations (“IFR”)	The Investment Funds Regulations issued by the Board of the Capital Market Authority pursuant to its decision number 1-219-2006 and dated 3 Thu Al Hijja 1427H corresponding to 24 December 2006G, as amended by the Board of the Capital Market Authority’s resolution number 1-61-2016 dated 16 Sha’aban 1437H corresponding to 23 May 2016G
Authorized Persons Regulations	The Authorized Persons Regulations issued by the Board of the Capital Market Authority.
Anti-Money Laundering Regulation	The Saudi Anti Money Laundering Regulation.
VAT Law	Value Added Tax law in the Saudi Arabia and its implementing regulations.
Terms and Conditions	Means these Terms and Conditions specific to the Fund.
Information Memorandum	Means these Information Memorandum specific to the Fund.
Independent Fund Board Member	A member of the Fund Board shall not be an employee or member of the Board of Directors of the Fund Manager or its affiliates or the Custodian of the Fund, and has no material work or contractual relationship with the Fund Manager, any Sub-Fund Manager, or the Custodian of the Fund.
Benchmark	IdealRatings Global REITs Index (REITs)
The Kingdom	The Kingdom of Saudi Arabia
US Dollar/USD	United States Dollar.
Saudi Business Day	Means a day on which banks and Authorized Persons are normally open for business in Saudi Arabia; this does not include any official holiday in Saudi Arabia.
US Business Day	Means a day on which banks are normally open for business in the United States; this does not include any official holiday in the United States.
Dealing Day	Any day on which the Units of the Investment Fund can be subscribed or redeemed.
Valuation Day	Any day on which the units in the Fund are valued.

Valuation of Units	The process of calculating the Net Assets Value of the Fund and dividing the outcome by the total number of units resulting in the unit price.
Redemption Form	Form used to redeem Units.
Subscription Fee	Fees charged for subscribing in the Fund.
Subscription Form	Form used for subscription in the Fund.
Subscription Monies	Means the gross amount paid by the Investor to the Fund Manager to invest in the Fund.
Switch Form	Form used for switching between certain open-ended mutual funds managed by NCB Capital.
Regular Investment Service (RIS)	Programs, arranged by the Fund Manager, that allow participants to subscribe a fixed amount to the Fund on a monthly basis such as "Thimar" program.
Thimar Program	A program, offered by the Fund Manager, in which monthly fixed amounts (minimum of 100 SAR) are deducted and invested in public funds managed by NCB Capital Company chosen by the client.
Additional Subscription	Additional subscription after the initial subscription.
Alternative Channels	Alternative channels in which subscription and redemption requests can be accepted, other than the Fund Manager's branches and includes telephone and website approved by the Fund Manager.
Units	The interest of unitholders in an investment fund consisting of units, including fractions of a unit. Each unit shall be treated as one undivided interest in the assets of an investment fund.
Custodian	Means an Authorized Persons under the Authorized Persons Regulations to conduct the securities custody activity.
Financial Year	Means the financial year of the Fund.
Investor/Unitholder	An investor in the Fund and Unitholder.
Potential Investors	Any person who wishes to apply to subscribe in the Fund and does not own any Units in this Fund.
Investments	Means the cash, shares, and Units in other mutual fund and related assets held by the Fund.
Investment Account	Investment Funds Account in which investors hold their Units with NCB Capital Company.
Net Assets Value	Means the monetary value of the total assets of the investment fund minus its liabilities, fees and expenses.
Register	Means the register of Unitholders held by the Fund Manager or any party appointed by the Fund Manager to hold such register
Tadawul	The Saudi Stock Exchange.
OTC	A decentralized market for unlisted securities.
Suspension of Dealing	Suspending of all subscriptions and redemptions requests according to the circumstances mentioned in Terms and Conditions and / or Information Memorandum.
Value Added Tax / VAT	The Value Added Tax and / or other similar taxes applicable according to the VAT Law and its implementing regulations
Murabaha	Selling a commodity as per the purchasing price with a defined and agreed profit mark-up. This mark-up may be a percentage of the selling price or a

lump sum. This transaction may be concluded either without a prior promise to buy, in which case it is called an ordinary Murabaha, or with a prior promise to buy, in which case it is called “banking Murabaha” i.e. Murabaha to the purchase order.

Securities of Listed Real Estate Companies	Shares, or Units of listed real estate companies and those shares or units are traded on the market.
Listed Real Estate Investment Trusts or REITs	Are companies, sometimes considered as funds with income-generating real estate assets, and are usually listed on the market and pay periodic dividends to their investors.
Money Market Fund	Sharia compliant investment fund with sole objective is to invest in short term securities and money market transactions in accordance with the Investment Funds Regulations.
Ordinary Fund Resolution	Means a resolution requiring affirmative vote of the holders of more than 50% of the units in the investment fund present or presented by proxy at a meeting of unitholders or by modern means of technology.

Fund Facts:

Fund Currency	US Dollar / USD
Risk Level	High Risk
Benchmark	IdealRatings Global REITs Index (REITs)
Fund Objectives	Capital appreciation over the long run and income distribution
Minimum Investment	USD 2,000
Minimum Subsequent Subscription	USD 1,000
The Minimum for an Additional Subscription through the Regular Investment Service (RIS)	USD 26.67 (SAR 100)
Minimum Redemption	USD 1,000
Valuation Days	Monday to Friday, that are US Business Days
Dealing Days	Monday to Thursday that are Saudi Business Days and US Business Days
Days on which Subscription/ Redemption Requests are accepted	Every dealing day
Subscription/Redemption Request Cut-off Time	Before or at 12:30 PM on the Saudi Business Day preceding the Dealing Day
Redemption Proceeds Payment Day	Redemption proceeds will be available to the Investor before the closing of the fourth business day (provided that they are business days in the Kingdom and the US) following the Valuation Day / Dealing Day at which the redemption price is determined.
Subscription Fees	Up to 2%
Management Fee	1.85% per annum
Other Fees and Expenses	These fees and expenses will not exceed 1.5% annually of the average value of the Fund's assets
Inception Date	22 Thu Al Hijja 1428H corresponding to 31 December 2007G.
Initial Unit Price	1 USD

Summary of Key Information

1) Key Information about The Fund

a. Name of The Fund

AlAhli Global Real Estate Income Fund, a Sharia compliant open-ended public investment fund.

b. Fund Objectives

AlAhli Global Real Estate Income Fund is an open-ended fund seeking to generate return and capital appreciation in the long term through investing primarily in the securities of listed Real Estate Investment Trusts known as "REITs", which own and operate income generating real estate properties, across the globe. In addition, the Fund has the right to invest in local and global equity in real estate sector or real estate development sector.

c. Fund Investment Policies and Practices

- The Fund invests in listed securities of Real Estate Investment Trusts "REITs", listed equity of real estate companies and real estate development companies, initial public offerings of REITs, initial public offering of real estate development companies, and units of investment funds that have similar objectives to the Fund.
- The Fund actively invests in the real estate sector, the Fund's asset allocation ranges in each class of securities as a percentage of the Fund's Net Assets Value according to the table below:

Asset Class	Minimum	Maximum
Securities of listed REITs and initial public offering of REITs	75%	100%
Listed real estate and real estate development companies and initial public offering of real estate development companies	0%	15%
Cash, Murabaha, Sharia complaint Money Markets Funds	0%	10%
Real estate funds with similar objectives to the fund	0%	10%
Derivatives for hedging purposes	0%	10%

- The Fund investments is concentrated in the real estate sector, mainly in the REITs securities, without being limited to any particular country or a specific geographic area.

d. Risks Associated with Investments in The Fund

- The Fund is considered to be of high-risk, and NCB Capital gives no assurance that any appreciation in the value of the Fund's Investments will occur, or that the value of the Fund's Investments and the income derived from them may decrease. NCB Capital gives no assurance that the Fund's Investment Objectives will be achieved.
- The prior performance of the Investment Fund or the prior performance of the index is not indicative of the Fund's future performance.
- There is no guarantee that the absolute performance of The Fund or its performance relative to the Benchmark will be repeated or similar to any past performance.
- Investment in The Fund is not considered as a deposit with any local bank that promotes or sells securities, nor is it affiliated with the Investment Fund or the Fund Manager. Therefore, Unitholders might lose some or all of their Investments. Investing in money market Funds is different from depositing money with a local bank.
- The value of the Units and their revenues are subject to rise and fall. Investors may not be able to recover some or all of their Investments; people are advised to invest in the Fund only if they are able to afford the loss, which can sometimes be substantial.
- The following is a list of the main potential risks associated with investing in the Fund, the risks exposed to the Fund and any circumstances likely to affect the Net Asset Value and returns of

the Fund, noting that the mentioned risks below might not represent all risk factors related to investing in the Fund:

Sector Risk: There is a chance of Real Estate stocks and REITs declining or increasing owing to development affecting the real estate industry. The universe of the real estate and REITs companies is relatively small compared to other sectors; therefore, the Fund's Investments are subject to higher volatility in prices compared to other investment funds in general investing in the diversified sectors.

Risk of Investing in REITs: The Fund invests in shares of REITs. Consequently, the Fund may be exposed to markets wherein the liquidity and activity is limited. Shares' prices of such funds may encounter volatility because of the markets movement in general and the real estate markets in particular. In addition, there is no guarantee that REITs distribute income to investors on an annual basis because the distribution may be subject to the performance of the held underlying real assets, and the REIT ability to pay its obligations. Furthermore, investing in REITs is subject to risk of real estate assets, which may be valued or appraised negatively due to factors such as declining lease rates, financial position of tenants, and natural resource. Accordingly, investing in REITs may affect the Fund's return and Units price negatively.

Equity Market Risk: Investing in public equity are associated with increased volatility; the risk inherent in equity investing is higher than Murabaha and money market investments or other types of short-term investment instruments. Also, the regulatory and political environment may affect the value of securities or investment.

Issuer Specific Risk: These include changes in the financial conditions of an issuer or counter party; changes in specific economic or political conditions that affect a particular type of security or issuer and changes in general economic.

Currency Risk: This is the risk that the return on the Fund's assets will fluctuate due to a change in foreign exchange rates. Since the Fund is denominated in US Dollars, the Fund's Investments may be valued in currencies other than the US Dollar. The value of the Fund's assets may be affected positively or negatively by currency fluctuations.

Interest Rate Risk: This is the risk that the value of financial instruments will fluctuate due to a change in interest rates. Accordingly, the value of real estate securities and REITs shares prices may be affected favorably or unfavorably by fluctuations in interest rates.

Liquidity Risk: Liquidity of Investments may be low in some periods and as a result this may increase the difficulty of liquidating some of the Investments. Reduced market liquidity may adversely affect the market price of the Fund's investments and the Fund's ability to sell particular investments to meet its liquidity requirements. This risk is mitigated by utilizing the cash available in the Fund. If total redemptions exceed 10% or more of the Fund's NAV, the Fund Manager has the right to postpone such redemptions to the next Dealing Day on pro rata basis. The Fund may suffer loss due to heavy redemptions. As a result, the Fund Manager may face difficulty in liquidating securities issued in small volume, and securities issued in way of private placement traded over the counter (OTC).

Economic, Regulatory and Political Risks: This is the risk of changes in the economic conditions such as recession, inflation, declining oil prices, political risk, or economic changes affecting the markets in which the Fund invest and negative affecting the Fund's performance. In addition, the changes in the regulatory environment, legislation, accounting standards, local regulations, and governmental may adversely affect the Fund's performance and the value of its Units.

Risks Associated with Complying with Sharia: The Fund Sharia Board decides whether the Fund and its Investments comply with the Sharia. However, there is a possibility that some Investments may not satisfy the Sharia requirements, which could lead the Fund to avoid such

investments or failure to reap the target return of these Investments, which may result in a decrease in the Unit price.

Risks of dependence on the Fund Manager's Personnel: The Fund's performance depends largely on the capabilities and skills of the Fund Manager's employees, which may significantly affect the Fund's performance in the event of resignation or absence of any one of them and failure to secure a suitable replacement.

Conflict of Interest Risk: This risk arises in situations that affect the objectivity and independence of the Fund Manager's investment decisions due to a personal interest. This may adversely affect the Fund's performance.

Natural Disaster Risk: these includes volcanoes, earthquakes, hurricanes, floods, which are beyond the control, and cause considerable damage to property and assets. Natural disasters may adversely which may affect the performance of all sectors, including economic and investment sectors and adversely affect the Fund performance and the Unit price.

Risks of Investment in Other Funds: the other investment funds in which the Fund invests may be exposed to risks similar to those set out in this paragraph, which may adversely affect the Fund's performance and the unit price.

e. Fund Historical Performance

- **Percentage of total return of The Fund compared to the benchmark:**

Period	5 Years	3 Years	1 Year
Total Return %	3.08	-0.86	-8.97
Benchmark %	4.34	1.97	-5.26

- **Percentage of total annual return for the past ten years compared to the Benchmark:**

Year	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Return %	-8.97	13.74	-5.89	7.27	11.35	-0.64	23.89	-9.36	16.21	40.13
Benchmark %	-5.26	12.56	-0.57	2.21	14.13	-0.18	26.23	-9.10	14.74	46.25

- **Income distribution during the last three years:**

Income were distributed to unitholders twice within seven Saudi Business Days from the end of June and December over the past two years.

- Fund reports are available through The Fund Manager's website: www.alahlicapital.com

2) Fees, Charges and Expenses

Subscription Fees: The Fund Manager will deduct up to 2% of the subscription amount upon each subscription transaction in the Fund, after which the balance will be invested in the Fund. The Fund Manager reserves the right to waive all or part of the Subscription Fee at its sole discretion. The net amount will be invested in the Fund after deducting the Subscription Fees. The Subscription Fee is subject to VAT. The Subscription Fee is exclusive of VAT, which the Investor shall separately pay to NCB Capital, at rates prescribed by the VAT Law and its implementing regulations.

Management Fees: The Fund Manager will charge an annual management fee of 1.85% of the Net Asset Value of the Fund calculated proportionally on each Valuation Day and deducted monthly. If any other funds managed by NCB Capital invest in the Fund, the management fees will be rebated or waived to avoid double charges. The investment management fee is subject to VAT, the Fund will separately pay it to the Fund Manager at rates prescribed by the VAT Law and its implementing regulations.

Dealing (Brokerage) fees and charges: Brokerage fees or any other trading fees will be paid by the Fund directly at levels determined by regulations, the dealing broker, or the custodians in the markets in which the Fund purchases or sells. These amounts will vary depending on the turnover of the Fund's assets and the volume of transactions.

Sharia Compliant Financing charges: If applicable, will be charged to the Fund at the prevailing market rates, and calculated on each Valuation Day and paid according to the requirements of the financier.

Other Fees and Expenses: The Fund Manager reserves the right to charge the Fund any other fees and expenses, such as audit fees, remuneration of independent directors of the Fund Board, custody fees, Sharia audit and advisory fee, regulatory fees, as well as administrative and operational expenses, and any other expenses allowed by regulations. The other fees and expenses will not exceed 1.50% of the average Net Assets Value of the Fund's assets during the financial year, and they are as follows:

Fund Board Remuneration: Each independent member of the Fund Board receives USD 37,333 annually, divided by the number of open-ended funds managed by the Fund Manager and supervised by the Board.

Audit Fees: USD 8,685 annually, calculated on each Valuation Day and deducted monthly.

Custody and Accounting Fees: The annual custody fee ranges from (0.15 to 60) bps from the total Fund assets under custody. In addition, a transaction fee will be charged for each transaction ranging from (5 to 190) USD, depending on the market in which the Fund invests in. The Fund is charged with accounting fees of (1.5) bps if the Fund size is USD 100 million or less. If the Fund size exceeds one USD 100 million, the Fund will be charged 1.25 basis points. The custody fees and accounting fees calculated on each valuation day and deducted monthly from the Fund.

Sharia Audit Fee: USD 7,200 annually, calculated on each Valuation Day and deducted monthly.

Capital Market Authority Fees: USD 2,000 annually, calculated on each Valuation Day and deducted monthly.

Tadawul Publishing Fees: USD 1,333 annually calculated on each Valuation Day and deducted monthly.

Administrative and operational expenses: charged to the Fund based on the percentage of the Fund's assets over all public funds assets under management.

All fees, charges, commissions and expenses payable to NCB Capital and other service providers will be subject to the VAT, which the Fund shall separately pay to the Fund Manager, according to rates set by the VAT Law.

3) Additional Information on The Fund and Supporting Documentation

Information regarding the Fund and its documents is available on the Fund Manager's website: www.alahlicapital.com and Tadawul's website: www.Tadawul.com.sa

4) Fund Manager

NCB Capital Company

King Saud Road, P.O. Box 22216, Riyadh 11495, Kingdom of Saudi Arabia.

Tel: +966 92000 0232

Fax: +966 11406 0049

Website: www.alahlicapital.com

5) Custodian

The Northern Trust Company of Saudi Arabia

Nakheel Tower, P.O. Box 10175, Riyadh 11433, Kingdom of Saudi Arabia.

Tel: +966 114188694

Website: www.northerntrust.com

Information Memorandum

AIAhli Global Real Estate Income Fund

An Open-Ended Public Investment Fund

Fund Manager

NCB Capital Company

Custodian

The Northern Trust Company of Saudi Arabia

The Information Memorandum was issued on 8 Rajab 1439H, corresponding to March 26, 2018G. The CMA was notified of its update on 19 Rabi I 1440H, corresponding to November 27, 2018G.

The contents of this Information Memorandum for AIAhli Global Real Estate Income Fund are governed by the Investment Funds Regulations issued by the Capital Market Authority Board.

Investors are advised to read and understand the contents of the Information Memorandum. If in doubt about the contents, please consult a professional advisor.

Disclaimer

- This Information Memorandum has been reviewed and approved by the Board. The Fund Manager and the Board collectively and individually accept full responsibility for the accuracy of the information presented herein. Having made all responsible enquiries, the Board and The Fund Manager confirm that the information declared in this Information Memorandum are accurate, complete, and are not misleading.
- The CMA has approved the establishment of AlAhli Global Real Estate Income Fund and the offering of its Units. The CMA does not, however, take any responsibility for the contents of this Information Memorandum, nor does it make any representation as to its accuracy or completeness, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. The CMA does not make any recommendation as to the soundness or otherwise of investing in the Investment Fund, and the approval to establish The Fund does not mean that the CMA recommends investing in The Fund nor does the CMA confirm the authenticity of the information contained in the Terms and Conditions and the Information Memorandum, and the CMA emphasizes that the decision to invest in The Fund is up to the Investor or his/her representative.
- AlAhli Global Real Estate Income Fund has been certified as being Sharia-compliant by the Sharia Board appointed for the Investment Fund.

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Appendix: Financial Disclosure

Information Memorandum

1) Key Information about The Fund

a. Fund Name

AlAhli Global Real Estate Income

b. Terms and Conditions date of issuance

The Fund's Terms and Conditions were issued on 11 November 2007G, and the CMA was notified of its amendment on 27 November 2018G.

c. CMA approval date for the establishment of The Fund

The CMA has approved the establishment of the Fund and the offering of its units on 01/11/1428H corresponding to 11 November 2007G.

d. Duration of the Investment Fund

AlAhli Global Real Estate Income Fund is an open-ended index fund, with no maturity date.

e. Fund Currency

The Fund currency is the US Dollar. In the case of subscription in a currency other than the US Dollar, the exchange rate used will be subject to the prevailing exchange rates.

2) Investment Policies and Practices

a. Investment Objectives of The Fund

AlAhli Global Real Estate Income Fund is an open-ended fund seeking to achieve capital appreciation in the long term and distribute income through investing primarily in the securities of listed Real Estate Investment Trusts "REITs", which own and operate income generating real estate properties, across the globe. In addition, the Fund has the right to invest in local and global equity of real estate sector or real estate development sector.

b. Types of securities in which The Fund will invest

The Fund invests in listed securities of Real Estate Investment Trusts "REITs", listed equity of real estate companies and real estate development companies, initial public offerings of REITs shares or Units, initial public offering of real estate development companies, and Units of investment funds that have similar objectives to the Fund.

c. Policy Investment Concentration

The Fund actively invests in the real estate sector, the Fund's asset allocation ranges in each class of securities as a percentage of the Fund's Net Assets Value according to the following table:

Asset Class	Minimum	Maximum
Securities of listed REITs and initial public offering of REITs	75%	100%
Listed real estate and real estate development companies and initial public offering of real estate development companies	0%	15%
Cash, Murabaha, Sharia complaint Money Markets Funds	0%	10%
Real estate funds with similar objectives to the fund	0%	10%
Derivatives for hedging purposes	0%	10%

The Fund Investments is concentrated in the real estate sector, mainly in the Real Estate Investment Trusts REITs, without being limited to any particular country or a specific geographic area.

d. Financial Markets in which The Fund is likely to buy and sell its Investments

The Fund Manager reserves the right to allocate the Fund's investment globally and / or locally as deemed appropriate.

e. Types of Transactions and methods used for making investment decisions

- The securities in which the Fund invests are selected based on criteria including: quantitative screening, asset quality, risk level, expected return, and compliance with Sharia Guidelines.
 - The Fund has the right to invest in securities issued by the Fund Manager or any of its affiliates in accordance with the objectives of the Fund.
- f. Securities that will not be included in The Fund's Investments**
- The Fund will not invest in asset classes other than those mentioned in paragraph (2) of sub-paragraph (c) of the Fund's Information Memorandum.
- g. Investment Restrictions**
- The Fund will comply with the applicable restrictions set out in Article (41) of the Investment Funds Regulations ("Investment Restrictions"), and will comply with Sharia Guidelines set by Sharia Board.
- h. Investment of The Fund's assets in Investment Fund Units managed by The Fund Manager or other Fund Managers**
- The Fund may invest in investment funds, managed by the Fund Manager or other Authorized Persons by CMA, approved to be publicly offered by the CMA and complying with the Sharia Guidelines. In addition, the Fund has the right to invest in investment funds licensed by GCC and / or foreign authorities provided that such funds are subject to jurisdiction that employs regulation at least equivalent to the regulations applied to investment funds in Saudi Arabia. Should the Fund invest in other investment funds, it will for achieving its objectives. The investee funds shall invest in investment funds that invest in the one or more of the asset classes mentioned above. The maximum exposure for the Fund to invest in all types of investment funds will not exceed 20% its Net Asset Value, and this limit will be reviewed quarterly.
- i. Borrowing rights**
- The Fund has the right to obtain Sharia compliant financing for investment purposes provided that it shall not exceed 10% of its Net Assets Value. . Such percentage excludes financing to meet redemption requests.
- j. Maximum Limit for dealing with any counterparty**
- The total investments of the Fund in different parties belonging to the same group will not exceed 25% of its Net Assets Value. This includes all investments in securities issued by different parties belonging to the same group, and money market transactions with different parties belonging to the same group and bank deposits with different parties belonging to the same group.
- k. Risk Management Policy**
- The investment decisions taken by the Fund Manager shall be consistent with prudent investment practices that meet the Fund's investment objectives set out in the Fund's Terms and Conditions and the Information Memorandum, including the following:
- The Investments of the Fund provide a prudent spread of risk whilst having due regard to the investment objectives, investment policies and the Terms and Conditions.
 - Maintain liquidity to meet any expected redemption request from the Investment Fund.
 - Retain more than 10% of the Net Assets Value of the Fund as cash in exceptional circumstances.
 - Risk Management department provides the Fund Board with periodic reports on the risks relating to the Fund and risks of violating the investment limitations. Accordingly, these risks are assessed and necessary actions are taken for the interests of the Unitholders in line with applicable laws and regulations.
- l. Benchmark**
- Ideal Ratings Global REITs Index.
- The Benchmark is calculated based on free float market value. The constituents of the Benchmark are updated on a quarterly and each issuer has a maximum of 10%.

Investors can monitor the performance of the index on the Fund Manager's website www.alahlicapital.com

m. Derivatives

The Fund may use securities derivatives for currency hedging purposes after being approved by the Sharia Board not exceeding 10% of the Fund' Net Assets Value.

n. Exemptions approved by CMA regarding any restrictions or limits on investment

Until the date of preparing this Information Memorandum, the Fund Manager has not requested any waiver for the Fund to the CMA from the Investment Funds Regulations.

3) Principal investment risks

The Fund is considered to be of high-risk, and NCB Capital gives no assurance that any appreciation in the value of the Fund's Investments will occur, or that the value of the Fund's Investments and the income derived from them may decrease. NCB Capital gives no assurance that the Fund's Investment Objectives will be achieved.

The prior performance of the Investment Fund or the prior performance of the index is not indicative of the Fund's future performance.

There is no guarantee that the absolute performance of The Fund or its performance relative to the Benchmark will be repeated or similar to any past performance.

Investment in The Fund is not considered as a deposit with any local bank that promotes or sells securities, nor is it affiliated with the Investment Fund or the Fund Manager. Therefore, Unitholders might lose some or all of their Investments. Investing in money market Funds is different from depositing money with a local bank.

The value of the Units and their revenues are subject to rise and fall. Investors may not be able to recover some or all of their Investments; people are advised to invest in the Fund only if they are able to afford the loss, which can sometimes be substantial.

The following is a list of the main potential risks associated with investing in the Fund, the risks exposed to the Fund and any circumstances likely to affect the Net Asset Value and returns of the Fund, noting that the mentioned risks below might not represent all risk factors related to investing in the Fund:

Sector Risk: There is a chance of Real Estate stocks and REITs declining or increasing owing to development affecting the real estate industry. The universe of the real estate and REITs companies is relatively small compared to other sectors; therefore, the Fund's Investments are subject to higher volatility in prices compared to other investment funds in general investing in the diversified sectors.

Risk of Investing in REITs: The Fund invests in shares of REITs. Consequently, the Fund may be exposed to markets wherein the liquidity and activity is limited. Shares' prices of such funds may encounter volatility because of the markets movement in general and the real estate markets in particular. In addition, there is no guarantee that REITs distribute income to investors on an annual basis because the distribution may be subject to the performance of the held underlying real assets, and the REIT ability to pay its obligations. Furthermore, investing in REITs is subject to risk of real estate assets, which may be valued or appraised negatively due to factors such as declining lease rates, financial position of tenants, and natural resource. Accordingly, investing in REITs may affect the Fund's return and Units price negatively.

Equity Market Risk: Investing in public equity are associated with increased volatility; the risk inherent in equity investing is higher than Murabaha and money market investments or other types of short-term investment instruments. Also, the regulatory and political environment may affect the value of securities or investment.

Issuer Specific Risk: These include changes in the financial conditions of an issuer or counter party; changes in specific economic or political conditions that affect a particular type of security or issuer and changes in general economic.

Currency Risk: This is the risk that the return on the Fund's assets will fluctuate due to a change in foreign exchange rates. Since the Fund is denominated in US Dollars, the Fund's Investments may be valued in currencies other than the US Dollar. The value of the Fund's assets may be affected positively or negatively by currency fluctuations.

Interest Rate Risk: This is the risk that the value of financial instruments will fluctuate due to a change in interest rates. Accordingly, the value of real estate securities and REITs shares prices may be affected favorably or unfavorably by fluctuations in interest rates.

Liquidity Risk: Liquidity of Investments may be low in some periods and as a result this may increase the difficulty of liquidating some of the Investments. Reduced market liquidity may adversely affect the market price of the Fund's investments and the Fund's ability to sell particular investments to meet its liquidity requirements. This risk is mitigated by utilizing the cash available in the Fund. If total redemptions exceed 10% or more of the Fund's NAV, the Fund Manager has the right to postpone such redemptions to the next Dealing Day on pro rata basis. The Fund may suffer loss due to heavy redemptions. As a result, the Fund Manager may face difficulty in liquidating securities issued in small volume, and securities issued in way of private placement traded over the counter (OTC).

Economic, Regulatory and Political Risks: This is the risk of changes in the economic conditions such as recession, inflation, declining oil prices, political risk, or economic changes affecting the markets in which the Fund invest and negative affecting the Fund's performance. In addition, the changes in the regulatory environment, legislation, accounting standards, local regulations, and governmental may adversely affect the Fund's performance and the value of its Units.

Risks Associated with Complying with Sharia: The Fund Sharia Board decides whether the Fund and its Investments comply with the Sharia. However, there is a possibility that some Investments may not satisfy the Sharia requirements, which could lead the Fund to avoid such investments or failure to reap the target return of these Investments, which may result in a decrease in the Unit price.

Risks of dependence on the Fund Manager's Personnel: The Fund's performance depends largely on the capabilities and skills of the Fund Manager's employees, which may significantly affect the Fund's performance in the event of resignation or absence of any one of them and failure to secure a suitable replacement.

Conflict of Interest Risk: This risk arises in situations that affect the objectivity and independence of the Fund Manager's investment decisions due to a personal interest. This may adversely affect the Fund's performance.

Natural Disaster Risk: these includes volcanoes, earthquakes, hurricanes, floods, which are beyond the control, and cause considerable damage to property and assets. Natural disasters may adversely which may affect the performance of all sectors, including economic and investment sectors and adversely affect the Fund performance and the Unit price.

Risks of Investment in Other Funds: the other investment funds in which the Fund invests may be exposed to risks similar to those set out in this paragraph, which may adversely affect the Fund's performance and the unit price.

4) General Information

a. Target group of Investors

The Fund targets investors who seek income distribution through investing in real estate listed companies REITs.

b. Profit Distribution Policy

The Fund Manager reserves the right, at its own discretion, acting in the best interest of the Unitholders, to fully or partially distribute income received from underlying investments (if any) and/or realized capital gain (if any) to the Unitholders twice a year within seven (7) Business Days from the end of June and December, each year, after obtaining the Fund Board approval. Unitholders eligible for the distribution will be the Unitholders of record at the valuation day before the last valuation day in June and December, each year. Such distributions will be credited to the Unitholders designated active current account with the National Commercial Bank, Saudi Arabia. It should be noted that the Fund may not be able to make any distribution in case of delay in receiving dividends by the Fund's underlying investment or in the event of low distributions volume by underlying investments.

c. Fund Historical Performance

Percentage of total return of The Fund compared to the benchmark:

Period	5 Years	3 Years	1 Year
Total Return %	3.08	-0.86	-8.97
Benchmark %	4.34	1.97	-5.26

Percentage of total annual return for the past ten years compared to the Benchmark:

Year	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Return %	-8.97	13.74	-5.89	7.27	11.35	-0.64	23.89	-9.36	16.21	40.13
Benchmark %	-5.26	12.56	-0.57	2.21	14.13	-0.18	26.23	-9.10	14.74	46.25

Income distribution during the last three years:

Income were distributed to unitholders twice within seven Saudi Business Days from the end of June and December over the past two years.

Fund reports are available through The Fund Manager's website: www.alahlicapital.com

d. Unitholders' Rights

- Receipt of an updated copy of the Information Memorandum and the Terms and Conditions of the Fund in Arabic free of charge;
- Receipt of the Fund's reports and statements in accordance with Paragraph (11) of the Fund's Terms and Conditions and in accordance with Article (71) of the Investment Funds Regulations, "Reporting to Unitholders";
- Notification of the Unitholders of any significant changes, or notifiable changes, in the Terms and Conditions of the Fund and the Information Memorandum and receipt of a summary of these changes before they become effective, depending on their type, and the period specified in the Investment Funds Regulations;
- Unitholders have the right of consent, through an Ordinary Fund Resolution, to any Fundamental changes in the Terms and Conditions and the Information Memorandum;
- Managing the Fund's assets in the best interest of the Unitholder in accordance with the Information Memorandum, Terms and Conditions of the Fund, and Investment Funds Regulations;
- Unitholders have the right to develop decision-making procedures to implement the administrative aspects of the Fund;
- Managing the Fund's business and the Investments of its participants with the highest degree of confidentiality at all times. This does not limit the right of the Fund's regulatory authority (CMA) to access the Fund's records for regulatory purposes. The Unitholders' information will not be shared except when necessary to open the Investor's account, execute its operations, and comply with the applicable regulations with the competent regulatory authorities, or when the sharing of such information is in the interests of the Unitholder;

- Receipt of an updated version of the Fund's Terms and Conditions and the Information Memorandum annually, showing the actual fees, commissions and performance information of the Fund upon request;
- Receipt of Notification in writing if the Fund Manager wishes to terminate the Fund no less than (21) days from the date on which the Fund is to be terminated, without violating the Terms and Conditions of the Fund and the Information Memorandum;
- Payment of Redemption Proceeds within the period specified in the Terms and Conditions of the Fund and the Information Memorandum and in the Investment Funds Regulations;
- Unitholders have the right to redeem their Units before any significant change occurs without imposing Redemption fees;

Any other relevant rights imposed by the CMA regulations and instructions applicable in the Kingdom.

e. Unitholders' Liability

The Unitholders acknowledge and agree to the following:

- The Fund Manager does not make any guarantees relating to the performance or profitability of any Investment managed in the Fund, and the Fund Manager will have no legal or consequential liability for any decline in the value of the managed Investments or the Fund's assets except those resulting from gross negligence, infringement or omission.
- Except for the loss of the Unitholder's investment or part of it, the Unitholder will not be liable for the debts and obligations of the Fund.
- In the event that the Unitholders do not provide the Fund Manager with the correct postal and/or electronic address and other contact information, the Unitholders thereby agree to exempt the Fund Manager and from any liability, and waive all their rights and any claims from the Fund Manager, that arise directly or indirectly from the failure to provide the Unitholders with the statement of account, notices or any other information relating to the Investments or those arising from the inability of the Unitholders to respond or verify the information or correct any alleged errors in the statement of account or notice or any other information.

If the Unitholder is subject to the laws of an authority other than the Kingdom of Saudi Arabia, they shall be subject to such laws without any obligation on the Fund or the Fund Manager.

f. Termination of The Fund

Circumstances that requires Investment Fund termination:

- The Fund Manager's desire to discontinue and terminate the Fund;
- The Fund's Net Asset Value falls below the minimum limit specified in the regulations, instructions and circulars issued by the Capital Market Authority.

Procedures to terminate The Fund under Article (37) of the Investment Funds Regulations:

- If the Fund Manager wishes to terminate the public Fund, it shall notify the CMA and the Unitholders in writing of his desire to do so no less than (21) days prior to the date on which the Fund is to be terminated after obtaining the Fund Board approval, without violating the Terms and Conditions of the Fund.
- The Fund Manager will pay the Fund's outstanding liabilities from the Fund's assets and distribute the remaining amounts to the Unitholders Registered on the date of liquidation on a pro-rata basis, in proportion to their respective holdings.
- The Fund Manager announces on his website and on the Tadawul website the expiry of the public Fund period and its liquidation.

g. The Fund Manager acknowledges the existence of an internal risk assessment mechanism for the Fund's assets.

5) Fees, Charges and expenses

a. Types of Payments from The Fund's assets

Management Fees: The Fund Manager will charge an annual management fee of 1.85% of the Net Asset Value of the Fund calculated proportionally on each Valuation Day and deducted monthly. If any other funds managed by NCB Capital invest in the Fund, the management fees will be rebated or waived to avoid double charges. The investment management fee is subject to VAT, the Fund will separately pay it to the Fund Manager at rates prescribed by the VAT Law and its implementing regulations.

Dealing (Brokerage) fees and charges: Brokerage fees or any other trading fees will be paid by the Fund directly at levels determined by regulations, the dealing broker, or the custodians in the markets in which the Fund purchases or sells. These amounts will vary depending on the turnover of the Fund's assets and the volume of transactions.

Sharia Compliant Financing charges: If applicable, will be charged to the Fund at the prevailing market rates, and calculated on each Valuation Day and paid according to the requirements of the financier.

Other Fees and Expenses: The Fund Manager reserves the right to charge the Fund any other fees and expenses, such as audit fees, remuneration of independent directors of the Fund Board, custody fees, Sharia audit and advisory fee, regulatory fees, as well as administrative and operational expenses, and any other expenses allowed by regulations. The other fees and expenses will not exceed 1.50% of the average Net Assets Value of the Fund's assets during the financial year, and they are as follows:

Fund Board Remuneration: Each independent member of the Fund Board receives USD 37,333 annually, divided by the number of open-ended funds managed by the Fund Manager and supervised by the Board.

Audit Fees: USD 8,685 annually, calculated on each Valuation Day and deducted monthly.

Custody and Accounting Fees: The annual custody fee ranges from (0.15 to 60) bps from the total Fund assets under custody. In addition, a transaction fee will be charged for each transaction ranging from (5 to 190) USD, depending on the market in which the Fund invests in. The Fund is charged with accounting fees of (1.5) bps if the Fund size is USD 100 million or less. If the Fund size exceeds one USD 100 million, the Fund will be charged 1.25 basis points. The custody fees and accounting fees calculated on each valuation day and deducted monthly from the Fund.

Sharia Audit Fee: USD 7,200 annually, calculated on each Valuation Day and deducted monthly.

Capital Market Authority Fees: USD 2,000 annually, calculated on each Valuation Day and deducted monthly.

Tadawul Publishing Fees: USD 1,333 annually calculated on each Valuation Day and deducted monthly.

Administrative and operational expenses: charged to the Fund based on the percentage of the Fund's assets over all public funds assets under management.

All fees, charges, commissions and expenses payable to NCB Capital and other service providers will be subject to the VAT, which the Fund shall separately pay to the Fund Manager, according to rates set by the VAT Law.

- b. **The following table shows all the fees and expenses of The Fund, how to calculate fees, charges and expenses, and the time it is paid by The Fund**

Type of Fee/ Expense	Percentage/Assigned Amount	Calculation Method	Deduction
Management Fees	2%	Calculated on each Valuation Day	Deducted Monthly
Sharia Compliant Financing Charges		Based on the prevailing market rates and the requirements of the financier.	
Dealing (Brokerage) Fees		Based on the turnover of The Fund's assets and the volume of operations.	
Other Fees and Expenses*			

Custody Fees	0.0015% to 0.60%	Calculated on each Valuation Day from The Fund's assets	Deducted Monthly
Accounting Fees	0.015% to 0.0125%	Calculated on each Valuation Day from The Fund's assets	Deducted Monthly
Audit Fees	8,685	Calculated on each Valuation Day from The Fund's assets	Deducted Monthly
Fund Board Remuneration (divided by the number of public funds)	37,333	Calculated on each Valuation Day from the Fund's assets.	Deducted Monthly
Sharia Audit Fee	7,200	Calculated on each Valuation Day from The Fund's assets	Deducted Monthly
Capital Market Authority Annual Fees	2,000	Calculated on each Valuation Day from The Fund's assets	Deducted Monthly
Tadawul publishing Fees	1,333	Calculated on each Valuation Day from The Fund's assets	Deducted Monthly
Administrative and operational expenses	Estimated and revised on a quarterly basis	Calculated on each Valuation Day from the value of all the public Funds' assets under management	Deducted Monthly

*Other Expenses will not exceed 1.50% of the annual average value of The Fund's assets, and the Fund Manager will carry out a quarterly review (every three months) of all the expenses charged to the Fund.

The Fund Manager acknowledges that there are no fees or charges other than those mentioned above, and that the Fund Manager will be liable for any other fee not disclosed to the Unitholders.

c. Transaction Fees

The Fund Manager will deduct up to 2% of the subscription amount upon each subscription transaction in the Fund, after which the balance will be invested in the Fund. The Fund Manager reserves the right to waive all or part of the Subscription Fee at its sole discretion. The net amount will be invested in the Fund after deducting the Subscription Fees. The Subscription Fee is subject to VAT. The Subscription Fee is exclusive of VAT, which the Investor shall separately pay to NCB Capital, at rates prescribed by the VAT Law and its implementing regulations.

d. Special Commissions

The Fund Manager may enter into special commission arrangements that are limited to goods and services that the Fund Manager may receive, in relation to the execution of transactions on behalf of the Fund or to conduct research in favor of the Fund in accordance with the Authorized Persons Regulations.

e. Hypothetical example illustrating all fees, charges paid from The Fund's assets

The following table shows a hypothetical investment of a Unitholder assuming an investment of USD 10,000 and the size of the Fund is 10 Million Dollar:

Description	Estimated Amount in USD
-------------	-------------------------

Hypothetical Unitholder investment	10,000
Subscription fees + VAT	210
Other expenses (Up to 1.5% of average NAV)	146.85
Management fees (1.85% of NAV)	178.39
VAT	16.26
Net value held by client	9,448.49

6) Valuation and Pricing

a. Method of valuation of each asset owned by The Fund

The total value of the Fund's assets is calculated based on the last closing prices of the underlying securities owned by the Fund on the Valuation Day, in addition to any accrued profits. Investments in unlisted securities will be valued based on the investment cost in addition to any accrued profits for the period up to the valuation date. Moreover, Investments in other investment funds will be valued based on the latest unit price declared by the investee Fund.

b. Frequency of valuation and valuation points

The value of the Fund's assets shall be valued from Monday to Friday, on the basis of the latest closing stock prices available, unless the markets are closed on that day, in which case the valuation shall be held on the next Valuation Day.

c. Action to be taken in case of valuation or pricing errors

In the event of incorrect valuation or mispricing of any asset of the Fund or the Unit Price, the Fund Manager shall:

- Document any incorrect valuation or pricing of an asset or Unit Price;
- Compensate all affected Unitholders, including former Unitholders, for all valuation or pricing errors immediately;
- Notify the CMA immediately of any valuation errors or mispricing of 0.5% or more of the Unit Price and disclose it immediately on the website of the Fund Manager and the Tadawul website, and in the Fund's reports, which are prepared by the Fund Manager in accordance with Article (71) of the Investment Funds Regulations;

The Fund Manager shall provide a summary of all valuation and pricing errors (if any) to the CMA in accordance with Article (72) of the Investment Funds Regulations.

d. Calculation of Unit Price for Subscription and Redemption Requests

The Unit price will be calculated using the total value of the Fund's assets mentioned in paragraph (6) Sub-paragraph (A), including the profits due, profits to be collected and the reinvested dividends of the Fund, and deducting management fees after deduction of all expenses and fixed obligations and any expenses due; then, divide the result by the total number of Units that exist at that time. In exceptional or contingency cases in which the Fund Manager reasonably determines that a significant portion of the Fund's assets cannot be assessed reliably, the valuation of the Fund's assets may be delayed until such interim action is subsequently reviewed by the Fund Manager.

The Net Asset Value of the Fund is calculated as follows:

- (a) All expenses, fixed charges and operating expenses are calculated on a daily basis of the total assets.
- (b) Management fees are calculated and deducted from the output of the previous step and the result is the Net Asset Value of the Fund.

The two previous steps can be summarized in the following equation:

- Net Asset Value of Fund = (Total Assets- Fees and Operating Expenses) - (Management Fees);
- Unit price = Net Asset Value ÷ Outstanding Unit on the Valuation Day

e. Publication of Unit Price

The Fund Manager will announce the Unit Price on the Business Day following the Valuation Day on the Fund Manager's website: www.alahlicapital.com and the Tadawul website: www.Tadawul.com.sa.

7) Dealing

a. Initial Public Offering and Unit Price

The Fund started accepting subscriptions on 08/11/1428H corresponding to 18 November 2007G.

b. Date and deadline for submittal of Subscription and Redemption Requests

Day of Sale and Redemption of Fund Units : The Fund is open for Subscription and redemption applications on every Saudi Business Days. These requests are executed on Mondays to Thursdays provided that they are Business Days in Saudi Arabia and the United States.

Subscriptions requests: All subscriptions made in USD must be made at or before 12:30 p.m. on the Saudi Business Day prior to the Dealing Day in order to commence participation in the Fund from the target Dealing Day. Applications received on a Saudi Business Day after 12:30 or if the target Dealing Day falls in official holiday for banks and authorized persons in Saudi Arabia or in the United States, such subscriptions will be processed on the second Dealing Day following the subscription day. If subscription application is received at or before 12:30 p.m. on the Saudi Business Day before the Dealing Day, subscription in the Fund will be processed and will commence on the Dealing Day following the subscription request, otherwise subscription will be commenced on the next Dealing Day.

Redemption requests: Redemption may be made on any Dealing Day provided that a written notice or completed redemption form is received through branches at or before 12:30 p.m. on the Saudi Business Day prior to the target Dealing Day. Redemption applications received on a Saudi Business Day after 12:30 or if the target Dealing Day falls in official holiday for banks and authorized persons in Saudi Arabia or in the United States, such subscriptions will be processed on the second Dealing Day following the subscription day.

c. Subscription and Redemption procedures

Subscription procedure: When subscribing to a Fund, the client signs the Subscription Form, and the Fund's Terms and Conditions through one of the branches. Subscriptions can also be made through alternative channels via website or phone provided by the Fund Manager, the subscription amount is then deducted from the client's account. Individual Investors must present a valid personal identification such as the national identity card (for Saudis) or iqama (for non-Saudis). Legal entities (companies and institutions) must provide a signed company letter as well as a copy of the company's commercial registration, in addition to other documents required by the Fund Manager depending on the type of company or institution.

Redemption Procedure: The Unitholder may submit a partial or full redemption request at any time by providing a written notice, or by filling out and delivering the Redemption Form which can be obtained from certain branches or through alternative channels (the Fund Manager's phone or website). The Unitholder must present a valid national identification card or valid iqama card if he wishes to redeem through branches. The Unitholder must also determine whether he wishes to recover the value of his Units in full or in part. If the Unitholder submits a partial redemption request and the total value of its Units falls below the required partial redemption amount, the Fund Manager has the right to refuse the redemption on the targeted day without any liability to the Fund Manager. The Investor then must file a new redemption request to be executed on the next Dealing Day.

Transfers between two funds: Transfers between two public open-ended NCB Capital funds is possible if such funds offered publicly and do not have maturity date. Transfer between funds managed by NCB Capital Co. is a single transaction consisting of two parts: redemption and subscription. Based on this, the redemption process is carried out in accordance with the above "Redemption Requests" section, and then the subscription process is done according to the "Subscription Requests" form of the other Fund. Upon request of the transfer, the Investor must fill in the transfer form and submit it to the customer service representative in the branch accompanied by his/her personal identification, or transfer through alternative channels.

Minimum Ownership:

Minimum subscription: USD 2,000

Minimum Additional Subscription: USD 1,000

Minimum Redemption: USD 1,000

Minimum Ownership of Fund Units: USD 1,000

Redemption proceeds: Redemptions proceeds shall be paid to Unitholders no later than the close of business, in Saudi Arabia and the US, on the fourth Business Day following the Valuation Day at which the redemption price was set.

d. Unitholders Register

The Fund Manager is responsible for preparing an updated Unitholders Register, in accordance with the requirements of the Investment Funds Regulations, kept in the Kingdom and treated with utmost confidentiality. The Unitholders Register represents conclusive proof of ownership of the Units.

e. The Fund's operation is not subject to a minimum asset volume and The Fund's minimum asset volume shall be determined based upon the Investment Funds Regulations and CMA guidelines.

f. Corrective actions necessary to ensure that the required (SAR 10 million) or its equivalent is met as a minimum Net Asset Value of The Fund

The Fund Manager shall follow the requirements of the Investment Funds Regulations and Circulars issued by the CMA in respect of the minimum required amount to be met from the Net Asset Value of the Fund. If in any case the Fund's Net Asset Value falls below the required SAR 10 million threshold, the Fund Manager shall:

- Notify the Fund Board;
- Continually monitor Fund's performance for six months;
- In case the six-month period is over without any correction, the Fund Manager will terminate the Fund in accordance with the termination procedure set out in Paragraph 4 Sub-Paragraph (F) of this Information Memorandum.

According to the CMA's circular issued on 21/03/1440H corresponding to 29/11/2018G, Fund Managers are exempt from this requirement until 12/31/2020G.

g. Cases where dealing in Units is deferred or suspended, and applicable procedures for such cases

Deferring a Redemption Request:

The Fund Manager may postpone the execution of any Redemption Request until the next Dealing Day if the total Unitholder Redemption Requests on any Dealing Day equal or exceed 10% of the Fund's Net Asset Value. Deferred Redemption Requests will be processed on pro-rata basis on the nearest Dealing Day. The Fund Manager, acting in good faith, will pay the Redemption Proceeds to the Unitholders at the earliest practicable opportunity.

The Fund Manager suspends dealing in The Fund's Units in the following cases:

- If requested by the CMA to suspend the Fund's Subscription and Redemption;
- If the Fund Manager reasonably believes that suspension is in the interest of the Unitholders;
- If dealing is suspended in the Main Market in which securities or other Assets are held by the Fund, whether in whole or in respect of Assets of the Fund that the Fund Manager reasonably considers to be material to the Fund's Net Asset Value.

Procedures to be taken by The Fund Manager in case of Suspension of Dealing in The Fund's Units:

- Ensuring that suspension is continued only for a necessary and justified period, taking into account the interests of Unit holders;
- Reviewing the suspension regularly and consulting the Fund's Board and the Custodian regularly;
- Notifying the CMA and Unitholders immediately after the expiry of suspension in the same manner used in notification of the suspension and disclosing such expiry on the Fund Manager's website and the website of Tadawul.

Rejection of Subscription Requests:

The Fund Manager has the right to reject any request to subscribe to the Fund if such Subscription would violate the CMA's regulations or the Anti-Money Laundering Regulations. The Fund Manager may also cease to accept Subscription applications if the increase in Subscriptions into the Fund would adversely affect the current Unitholders.

Redemption by The Fund Manager:

The Fund Manager reserves the right to redeem Units sold to any Investor in whole or in part, with a notice to the Investor later if he believes that such Subscription may result in a violation of CMA laws and/or other applicable laws and/or the Terms and Conditions, without any liability to the Fund Manager.

h. Procedures of selecting Redemption Requests to be deferred

If Redemptions are deferred, the Fund Manager will follow fair and unbiased procedures in selecting the Redemption Requests to be deferred in accordance with the requirements of Article (61) of the Investment Funds Regulations, "Deferring Redemption".

8) Unit Characteristics

The Fund will have one class of Units with equal rights and liabilities.

9) Accounting and Reporting**a. Information Relating to Financial Reports**

- The Fund Manager will prepare the interim financial reports and present the latter to the public by publishing them within (35) days from the end of the reporting period in the means specified in the Fund's Terms and Conditions and the Information Memorandum, and available on the Fund Manager's website and Tadawul's website.
- The Fund Manager will prepare the annual reports, including the audited annual reports, annual reports summary, and the initial reports in accordance with Annex 5 of the Investment Funds Regulations, and make them available to Unitholders upon request without charge. The reports will be made public within (70) days from the end of the reporting period.
- The Fund Manager will provide each Unitholder with the Net Asset Value of their Units and the record of their transactions within (15) days of each transaction carried out by the Unitholder.

The Fund Manager will send an annual statement to the Unitholder summarizing the transactions of the Fund's Units during the Financial Year within (30) days from the end of the Financial Year. This statement includes any profit distributions and the total expenses, charges and fees deducted from the Unitholders and mentioned in the Fund's Terms and Conditions and Information Memorandum. In addition to any violations of investment restrictions provided for in the Investment Funds Regulations or in the Fund's Terms and Conditions and the Information Memorandum.

b. Places and methods of publishing The Fund's Reports:

Annual reports of the Fund, including financial statements, are available on the Fund Manager's website: www.alahlicapital.com and Tadawul's website: www.Tadawul.com.sa. Other notices, if any, are sent to the postal address and/or e-mail and/or as a SMS and/or fax as indicated in the records of the Fund Manager.

c. The Fund Manager will provide the annual audited financial statements at the end of each Financial Year.**d. The Fund Manager will provide the annual audited financial statements of The Fund free of charge upon request by the Unitholders.****10) Fund Board****a. Board members and memberships**

The Board member's term will start following the approval by the Board of the CMA and the members will serve for a term of three 3 years (renewable). The Fund Board consists of the following members:

Mohammed Abdullah Abdulaziz Al Ali (Chairman of The Fund – Non-Independent Member)
Mohammed Jaafar Alawy Al Saqqaf (Non-Independent Member)
Dr. Abdulraouf S. Abdulqader Banaja (Independent Member)
Aladdin R. Sami (Independent Member)

b. Board of Directors Qualifications

Mohammed Abdullah Abdulaziz Al Ali (Chairman - Non-Independent Member)

Mr. Al Ali has been the Head of Product Development at NCB Capital since 2014G. He previously held numerous positions with the Capital Market Authority from 2004 to 2013, where his last position was Head of Investment Funds & Offering Violations Unit. Prior to joining NCB Capital, Mohammed worked as a Director of Products Development at Jadwa Investment, and a credit officer at SAMBA Financial Group. Mohammed has over 14 years' of experience in the financial sector. Mohammed is a CFA Charterholder and he received a Bachelor of Engineering from King Fahd University of Petroleum & Minerals, and holds an MBA from the University of San Francisco in USA.

Mohammed Jaafar Alawy Al Saqqaf (Non-Independent Member)

He currently serves as Head of retail sales at NCB Capital. He joined NCB Capital at its inception and worked with NCB Group in Retail and Investment departments. He has more than 23 years of experience in the financial sector. He has a diploma in Personal Financial Planning and Wealth Management from IOB, Dalhousie Alum, Canada.

Dr. Abdulraouf S. Abdulqader Banaja (Independent Member)

Dr. Banaja serves as an independent advisor for a number of companies. He received a bachelor's degree from King Saud University. He attained an MBA and a PhD in Economics from the University of California Santa Barbara in 1981. He worked as an associate professor at King Saud University and consultant to the Ministry of Finance and the Saudi Arabian Monetary Agency. He held several senior banking positions at other financial institutions, including SAAB, Gulf International Bank and NCB.

Aladdin R. Sami (Independent Member)

Mr. Sami is the Vice President and Chief Investment Officer of Zahid Group Holding since 2005. He sits on the Board of Ajil Financial Services, Jordan National Bank, Arab International Hotels Company, Arabian Transportation Industries, and Saudi Total Lubricants Ltd, among others. He holds a BA degree in Economics from Cairo University, and MA in International Financial Management from the American University, Cairo. He started his career in 1977 with Cairo Barclays Bank in Cairo, and in 1979 moved to Saudi Hollandi Bank before joining Zahid Group

c. Roles and responsibilities of the Board of Directors of The Fund

- Approving all of the Fund's' material contracts, reports and decisions;
 - Overseeing, and where appropriate, ratifying any conflict of interest the Fund Manager identifies in accordance with the Investment Funds Regulations;
 - Meeting at least twice a year with the Fund Manager's Compliance Officer and AML/CFT Reporting Officer to ensure the Fund Manager's compliance with applicable laws and regulations;
 - Approving any recommendations made by a liquidator in the event one is appointed;
 - Ensuring the completeness, accuracy and compliance with the Fund's Terms and Conditions, Information Memorandum and any other documents relating to the Investment Funds Regulations;
 - Ensuring that the Fund Manager fulfills their responsibilities for the benefit of the Unitholders in accordance with the Terms and Conditions, Information Memorandum, and Investment Funds Regulations;
 - Acting for the benefit of the Fund and its Unitholders'
 - Approving the appointment of the external Auditor nominated by the Fund Manager;
- Documenting the meetings minutes that display all the proceedings of the meetings and decisions taken by the Board.

d. Board of Directors Remuneration

Each member of the Fund's independent Board of Directors receives USD 37,333 annually, divided by the number of open-ended public investment funds managed by the Fund Manager and supervised by the Fund Board.

e. Conflict of interest between the Board members and The Fund

Members of the Fund Board may be members of other funds that may seek investment objectives similar to those of the Fund. Therefore, in the exercise of its business, a member of the Fund Board may find himself in a situation of potential conflict of duties or interests with one or more funds. However, in such cases, the member shall take into account his obligations to act in the best interests of the Unitholders to the maximum practicable extent and not to overlook his obligations to his other clients when he considers any investment that may involve a potential conflict of interest, and in situations requiring voting, that member shall refrain from doing so. To the date of issuing the Information Memorandum, there is no significant business or other interest to the members of the Fund Board, which is likely to conflict with the interests of the Fund.

f. Other Boards of Funds on which the relevant members of this Fund Board participate:

All Fund Board members are also directors in the following Funds:

Fund/Board Member	Al Ali	Al Saqqaf	Banaja	Sami
AIAhli GCC Growth and Income Fund	√	√	√	√
AIAhli Global Real Estate Income Fund	√	√	√	√
AIAhli Fund of REITs Fund	√	√	√	√
AIAhli Freestyle Saudi Equity Fund	√	√	√	√
AIAhli Saudi Small and Mid-Cap Equity Fund	√	√	√	√
AIAhli Global Equity Fund	√	√	√	√
AIAhli IPO Fund	√	√	√	√
AIAhli Health Care Trading Equity Fund	√	√	√	√
AIAhli GCC Trading Equity Fund	√	√	√	√
AIAhli Saudi Trading Equity Fund	√	√	√	√
AIAhli Asia Pacific Index Fund	√	√	√	√
AIAhli Emerging Markets Index Fund	√	√	√	√
AIAhli North America Index Fund	√	√	√	√
AIAhli Europe Index Fund	√	√	√	√
AIAhli SEDCO Residential Development Fund	√	√	√	√
AIAhli REIT Fund (1)		√		
NCB Capital Tier One Sukuk Fund	√			
NCB Capital Tier One Sukuk Fund II	√			
AIAhli Real Estate Development Fund			√	√
SEDCO Capital Flexi Saudi Equities Fund*			√	
Blom-Maskan Arabia Real Estate Development Fund*		√		

*Not managed by the fund manager

11) Sharia Board

a. Sharia Board Members and Qualification

Sheikh Abdullah Bin Suleiman Al-Maniya (Chairman)

Member of the Senior Council of Scholars and an advisor to the Royal Court in the Kingdom of Saudi Arabia. He is also a member of the Sharia Committee for preparing the judicial code of the Kingdom. He is a member of the Islamic Fiqh Academy of the Organization of Islamic Conference, and Fiqh Academy of the Muslim World League. He has also been a member of the Supreme Judiciary Committee of the Kingdom since its inception in 1391H (1971G) and was formerly Deputy President of the Mecca Courts and a former Judge of the Court of Cassation in Mecca. Sheikh Abdullah Almaniya is a member of several supervisory committees supervising banks in the Kingdom, and a member of the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). He has also authored several books on Islamic finance and Fiqh. He holds a master's degree from the Higher Judicial Institute of Imam Muhammad bin Saud Islamic University.

Sheikh Dr. Abdullah bin Abdulaziz Al Musleh (Member)

Sheikh Al Musleh is a well-known Sharia Scholar. He is the General Director of the Panel of Scientific Miracles in the Quran and Sunnah. He established a branch of Al Imam Muhammad bin Saud Islamic University in Abha and was its rector from the year 1396H until 1415H (1976-1994G). He has also served as the Dean of Sharia and Principles of Religion at the Imam Muhammad bin Saud Islamic University. Sheikh Al Musleh is also a member of many Sharia supervisory committees supervising banks in the Kingdom and is a frequent speaker on Islamic television programs. He is also an author of several books in Islamic finance and Fiqh.

Sheikh Dr. Abdullah bin Mohammed Al Mutlaq (Member)

Sheikh Dr. Abdulla Bin Mohammed Al Mutlaq is a member of the Senior Scholars Board and the Dar Al-Ifta Committee, both in Saudi Arabia. He is also an advisor of the Royal Court of Saudi Arabia and a former Dean of the Comparative Fiqh Department at Imam Muhammad Ibn Saud Islamic University in Riyadh. Sheikh Dr. Al Mutlaq is a member of Sharia Boards of several Islamic banks and financial institutions.

Sheikh Dr. Muhammad Ali Al Gari (Member)

Dr. Elgari was a former professor of Islamic Economics at King Abdulaziz University, Jeddah, Saudi Arabia and a former Director of the Center for Research in Islamic Economics, in the same university. He is a member of numerous Sharia committees of several banks and financial institutions. He is a well-known expert in the field at the Islamic Jurisprudence Academy of the OIC, the Islamic World League and a Member of Sharia Supervisory Board. He is also a member of the editorial Board of several academic publications in the field of Islamic Finance and Jurisprudence, Journal of the Jurisprudence Academy, the Journal of Islamic Economic Studies published by the Islamic Development Bank, the Journal of Islamic Economics published by the International Association of Islamic Economists (IAIE), London, and the advisory Board of the Harvard Series in Islamic Law, Harvard Law School. Dr. Mohamed Ali Elgari holds a Ph.D. in economics from the University of California and is a recipient of the Islamic Development Bank's International Prize in Islamic Banking and Finance for the year 2004. He has authored several books and articles on Islamic finance in Arabic and English and is a frequent speaker at Islamic Banking and Finance conferences around the world.

b. Roles and responsibilities of the Sharia Board

- Reviewing the Fund's offering documents, including the Information Memorandum and the Terms and Conditions of the Fund, and approving any subsequent amendments;
 - Preparing the Sharia Guidelines to be followed in making the Fund's Investments;
 - Meeting as required to discuss issues related to the Fund;
 - Responding to inquiries from the Fund Manager regarding the Fund's Investments, activities or investment structure, and compliance with Sharia rules and standards;
- Supervising and monitoring the activities of the Fund to ensure compliance with Sharia Guidelines or delegating that responsibility to another party.

c. Sharia Board Remuneration

The Fund will bear the Sharia audit fees in an amount of USD 7,200 annually. The Sharia advisory fees, if any, will be charged separately.

d. Sharia Guidelines

All Investments and investment strategies applied by the Fund Manager shall be bound by the Sharia Guidelines adopted by Sharia Board.

Tradable investment instruments and methods

- Sharia-compliant Murabaha This involves the purchase and sale of goods at a given profit margin under pre-agreed terms of future payment;
- Other Sharia-compliant Murabaha Funds managed by investment companies, with Sharia supervisory Boards that are recognized by the Fund's Sharia Board;
- Investment instruments approved by a Sharia supervisory Board recognized by the Fund's Sharia Board, which represent unallocated equity in real Assets or interest thereof, and the profits resulting from such Assets, for example, the Sukuk issued under dealing contracts, including Ijarah, Musharaka, Murabaha or Al Istisna'a;
- Other investment instrument Funds managed by investment companies, with Sharia supervisory Boards recognized by the Fund's Sharia Board;
- The Fund may invest in general in Sukuk and Murabaha transactions, trade finance transactions and investment Sharia-compliant Funds.

Non-tradable investment instruments and methods

There will be no dealing in the following investment instruments:

- Futures;
- Forward Contracts;
- Preferred Stock;
- Options;
- Swaps;
- Short Sales;
- Other instruments related to payment or receipt of interest.

Periodic Review

The Fund's compliance with Sharia shall be examined quarterly.

12) Fund Manager

a. Fund Manager

NCB Capital Company

b. License Number Issued by CMA

License No. (37-06046)

c. NCB Capital Company

King Saud Road, P.O. Box 22216, Riyadh 11495, Kingdom of Saudi Arabia.

Tel: +966 92000 0232

Fax: +966 11406 0049

Website: www.alahlicapital.com

d. The date of the license issued by the Capital Market Authority

3 Thu Al Hijja 1427H corresponding to December 24, 2006G.

e. Paid up Capital by The Fund Manager

NCB Capital is a Saudi joint stock company with a paid-up capital of SAR 1 billion.

f. Summary of The Fund Manager's financial information for the previous Financial Year (in thousands of Saudi Riyals):

Item	For the Year 2018
Total Operating Income	723,595
Total Operating Expenses	(351,744)
Total non-Operating Income	3,865
Zakat for the year	(50,000)
Net Profit	325,716

g. Board members of The Fund, and the main activities of each member (other than those activities related to The Fund Manager)

Name	Title	Other Board Memberships
Saeed M. AlGhamdi	Fund Manager's Chairman (Non-executive member)	<ul style="list-style-type: none"> - National Commercial Bank - Türkiye Finans Katılım Bankası - Chairman of the Board of Directors of Saudi Credit Bureau (SIMAH), Kingdom of Saudi Arabia - Member of MasterCard's Regional Advisory Board for the Middle East and Africa - Real Estate General Authority - Chairman of Second Health Cluster
David J. Meek - Vice Chairman	Fund Manager Vice Chairman	<ul style="list-style-type: none"> - National Commercial Bank - ASSOCIATES LIMITED - ETHQ LLC - GETTING ON BOARD - CYDTAX
Sarah J. Al Suhaimi	Fund Manager CEO (Executive member)	<ul style="list-style-type: none"> - Saudi Stock Exchange (Tadawul) - NCB Capital DIFC (Dubai) - BACO (Bahrain) - International Financial Reporting Standards Foundation
Talal A. Al Khereiji	Non-executive member	None
Adnan A. Soufi	Independent Member	<ul style="list-style-type: none"> - Bupa Arabia and head of Audit Committee - Awj Holding Company

		<ul style="list-style-type: none"> - CMA Advisory Committee - Trustee in Endowment Neogborhood Centers - Islamic Economics Institute
Abdullah F. AlAbdul Jabbar	Independent Member	<ul style="list-style-type: none"> - Saudi Saudi Airlines Cargo Company - Saudi Air Navigation Services - GASCO

h. Roles, responsibilities and duties of The Fund Manager regarding The Fund

- Comply with all the laws and implementing regulations issued by the CMA and the applicable instructions in the Kingdom of Saudi Arabia related to the Fund's operations, including the requirements of the Investment Funds Regulations and the Authorized Persons Regulations, which includes acting to the best interest of the Unitholders and with reasonable care;
- Manage the Fund's assets to the best interest of the Unitholders in accordance with the Terms and Conditions of the Fund and the Information Memorandum and the performance of all its functions in respect to the Register of Unitholders;
- Develop the decision-making procedures to be followed to implement the Fund's administrative aspects, offering of Funds Units and the Fund operations;
- Ensure that the Terms and Conditions of the Fund and the Information Memorandum are accurate, complete, correct, and not misleading;
- The Fund Manager shall be responsible for complying with the provisions of the Investment Funds Regulations, whether those requirements and duties are performed directly by the Fund Manager or indirectly through assigning them to a third party under the provisions of the Investment Funds Regulations and the Authorized Persons Regulations;
- The Fund Manager is liable to the Unitholders for any losses resulting from fraud, negligence, malpractice or intentional failure to meet obligations;
- The Fund Manager will prepare policies and procedures to monitor the risks affecting the Fund's Investments. Such policies and procedures will include a risk assessment on at least an annual basis; Implement the Fund's compliance monitoring program and provide the CMA with the results of the implementation upon request.

i. Tasks assigned to a third party by The Fund Manager in respect of The Fund

The Fund deals with a third party in order to carry out the following functions:

- Custodian to carry out the custody of the Fund's assets;
- External auditor to carry out auditing task;

The Sharia Board to supervise the activities of the Fund to ensure compliance with Sharia Guidelines.

j. Other business activity or interests of The Fund Manager that are of significance or could potentially conflict with those of The Fund

The Fund Manager and other NCB Capital affiliates may from time to time act as Fund Managers, Fund advisors or other sub-funds seeking similar Investment Objectives for the Fund. Therefore, in the exercise of its business, the Fund Manager may find itself in a position of potential conflict of interest or duties with one or more funds. In such cases, the Fund Manager will take into account its obligations to act in the best interests of the Unitholders to the fullest extent practicable and not to overlook its obligations to its other clients when considering any investment that may involve potential conflicts of interest. Note that as of the date of issuing the Fund's Information Memorandum and Terms and

Conditions, no other business activity or interest important to the Fund Manager board members, or the Fund Board Members is likely to conflict with the interests of the Fund.

k. Provisions regulating the removal or replacement of The Fund Manager

The CMA may remove the Fund Manager in respect of any specific Investment Fund and take any action it deems appropriate to appoint an alternative Fund Manager for that Fund or to take any other measure it deems appropriate in case of any of the following cases:

- The Fund Manager ceasing to carry on management activities without notifying the CMA under the Authorized Persons Regulations;
 - Cancellation of the Fund Manager's license by the CMA to carry on management activities under the Authorized Persons Regulations;
 - The Fund Manager sends a request to the CMA to cancel his license of carrying out management activities;
 - If the CMA believes that the Fund Manager has committed material violations and failed to comply with the law and its implementing regulations;
 - The death, inability or resignation of the Fund portfolio manager who manages the Fund's assets, with no other person Registered with the Fund Manager capable of managing the Assets of the Fund or the Assets of the Funds managed by the Fund Manager;
- Any other case that the CMA considers - on reasonable grounds - to be sufficiently material.

13) Custodian

a. Custodian

The Northern Trust Company of Saudi Arabia

b. License Number Issued by CMA

License No. 12163-26

c. Custodian Address

The Northern Trust Company of Saudi Arabia
Nakheel Tower, P.O. Box 10175, Riyadh 11433, Kingdom of Saudi Arabia.
Tel: +966 114188694
Website: www.northerntrust.com

d. The date of the license issued by the Capital Market Authority

22 Rabi' al-Thani 1434 corresponding to 04 March 2013.

e. Roles and Responsibilities of The Custodian

- The Custodian shall be responsible for his obligations in accordance with the provisions of the Investment Funds Regulations whether he performs his responsibilities directly or by assigning them to a third party under the provisions of the Investment Funds Regulations or the Authorized Persons Regulations.
- The Custodian shall be liable to the Fund Manager and the Unitholders for losses incurred by the Fund due to his fraud, negligence, deliberate misconduct or intentional default.

Protect the Fund's assets for the benefit of the Unitholders, and it will be responsible for taking all necessary administrative actions to protect the Fund's assets.

f. Tasks Entrusted to a Third party by a Custodian

The Custodian has the right to appoint one or more third parties, or any of their affiliates who are authorized to conduct the securities activity of custody, as sub-Custodians. The Custodian shall pay the fees and expenses of any sub-Custodian from their own resources.

g. Provisions governing the Removal or Replacement of The Custodian.

The CMA may remove the Custodian appointed by the Fund Manager or take any actions it deems appropriate in the event of any of the following cases:

- The Custodian ceases to provide custody services without notice to the CMA in accordance with the Authorized Persons Regulations;
- The Custodians' license to practice custody activity is canceled, revoked or suspended by the CMA;
- The Custodian submits an application to the CMA to cancel its license to provide custody services;
- If the Custodian is deemed by the CMA to have committed any material violation of the Capital Market Law or its implementing regulations;
- Any other case that the CMA considers - on reasonable grounds - to be sufficiently material.

The Fund Manager may also remove the Custodian by written notice if it reasonably considers removing them is in the interest of the Unitholders. In such a case, the Fund Manager shall promptly notify the CMA and the Unitholders.

14) Auditor

a. The Investment Fund's auditor

KPMG AL Fozan & Partners

b. Auditor's Address

Zahrn Business Center - Prince Sultan Street, P.O. Box 55078, Jeddah 21534 Saudi Arabia,

Phone: +966 12698 9595

Fax: +966 12698 9494

Website: www.kpmg.com/sa

c. Roles and Responsibilities of the Auditor

It is the responsibility of the Auditor to give an opinion on the financial statements based on the audit performed in accordance with generally accepted auditing standards applicable in the Kingdom, which require the auditor to comply with ethical and professional standards and to plan and perform audit activities in order to have a reasonable degree of certainty that the financial statements have no material errors. The Auditor's responsibilities also include implementing procedures for obtaining evidence to support the amounts and notes set out in the financial statements. In addition, the Auditor evaluates the suitability of the adopted accounting policies and the reasonableness of the accounting estimates, as well as the overall presentation of the financial statements.

15) Other Information

Policies and procedures used to address actual or potential conflicts of interest will be provided free of charge upon request.

b. Rebates and special commissions

The Fund Manager may enter into special commission arrangements that are limited to goods and services that the Fund Manager may receive, in relation to the execution of transactions on behalf of the Fund or to conduct research in favor of the Fund in accordance with the Authorized Persons Regulations.

c. Information regarding Zakat and/or Taxes

The VAT is applied to the Fund in accordance with the VAT Law and its implementing regulations. The Fund Manager does not pay Zakat on behalf of the Unitholders.

d. Unitholders Meeting

Circumstances in which Unitholders meeting shall be convened

The Fund Manager may call for a Unitholders meeting in the following cases:

- Initiative by the Fund Manager;
- A written request from the Custodian, the Fund Manager shall call for the meeting of the Unitholders within (10) Saudi Business Days after receiving the request from the Custodian;

- A written request from one or more of the Unitholders who together or individually hold at least 25% of the value of the Fund's Units. The Fund Manager will call for the Unitholders' meeting within (10) Business Days after receiving the request from the Unitholders.

Procedures for convening a Unitholder's meeting:

The Fund Manager abides by Article (70) of the Investment Funds Regulations concerning Unitholders' meetings. The call to the Unitholders' meeting will be announced through the Fund Manager's website and Tadawul's website, and by sending a notice to all Unitholders and the Custodian at least (10) days prior to the meeting, but not exceeding (21) days prior to the meeting. The notice shall specify the date, location, time and proposed resolutions. The Unitholders meeting is valid only if attended by a number of Unitholders who together hold at least 25% of the value of the Units of the Fund. In case the 25% target is not met, the Fund Manager will call for a second meeting through an announcement on the Fund Manager's website and Tadawul's website, and by sending a written notice to all Unitholders and the Custodian at least (5) days prior to the meeting. The second meeting shall be considered valid regardless of the percentage value owned by the attendees (Unitholders).

Unitholder's Voting Methods and Rights:

Each Unitholder may appoint an Agent to represent him at the Unitholders' meeting, and the Unitholder or his Agent may make one vote at the Unitholders' meeting for each Unit owned at the time of the meeting. The Fund Manager may also hold Unitholders' meetings, participate in its deliberations and vote on its decisions by means of modern technology. The meeting documents and decisions resulting from the meeting may also be sent by means of modern technology.

Voting right in the Unitholders' meeting:

Each Unitholder is entitled to exercise all rights associated with their Units, including obtaining their approval for any changes that requires their approval in accordance with the Investment Funds Regulations.

e. Investment Fund Termination and Liquidation Procedures.

If The Fund Manager wishes to terminate the public Fund, it will notify the CMA and the Unitholders in writing of its desire to do so no less than (21) days prior to the date on which the public Fund is to be terminated without breaching the Terms and Conditions of the Fund and the Information Memorandum.

- Notice of Fund termination to the parties having a contractual relationship with it;
- Gradual sale of the Fund's assets;
- Payment of outstanding liabilities from the Fund's' Assets, and the distribution of the remaining amount to the Registered Unitholders on the date of liquidation on a pro-rata basis, in proportion to their respective holdings;

Remove the Fund's information from the Fund Manager's website and Tadawul's website.

f. Complaint Procedures

If the Unitholder has any complaint related to the Fund, he should send it to NCB Capital, through the Fund Manager's website at www.alahlicapital.com or by phone 920000232. The Fund Manager shall also provide a copy of the policies and procedures to address customer complaints upon request in writing free of charge. If the Fund Manager does not settle the complaint, the Unitholder may file his complaint with the CMA - Investor Complaints Department. The Unitholder may file a complaint with the Committee for the Resolution of Securities Disputes after (90) calendar days from the date of filing the complaint with the CMA. Unless the CMA has notified the complainant that it may be deposited with the Committee before the expiration of the period. Procedures to address complaints shall be provided free of charge, upon request.

- g.** The Committee for the Resolution of Securities Disputes is competent to adjudicate disputes arising from investing in the Investment Fund.

h. List of documents available to Unitholders:

The Documents include the following:

- The Fund's Terms and Conditions;
 - Key Fact Sheet;
 - Contracts mentioned in the Information Memorandum, and the Terms and Conditions of The Fund;
- Financial statements of the Fund Manager

i. Ownership of The Fund's assets

The Investment funds' assets are owned collectively by the Unitholders (undivided ownership). A Fund Manager, sub-Fund manager, advisor, sub-Custodian, advisor or distributor shall not have any interest in or claim against such Assets, unless the Fund Manager, sub-Fund manager, advisor, sub-Custodian, Consultant or distributor is a Unitholder - within the limits of their ownership, or unless permitted under the provisions of the Investment Funds Regulations and disclosed in the Fund's Terms and Conditions or Information Memorandum.

As the date that this Information Memorandum has been prepared, there is no additional information to contribute to the investment decision making for existing or potential Unitholders, the Fund Manager, Fund Board or professional advisors.

j.

k. The Fund Manager has not requested any exemption from the Investment Funds Regulations restrictions.

l. Fund Manager's policy regarding voting

The Fund Manager's policy regarding voting rights is available on the Fund Managers' website and the Tadawul website.

m. Confidentiality of Fund Information

The Fund's business and the Investments of its participants are managed with the highest degree of confidentiality at all times. This does not limit the right of the Fund's regulatory authority (CMA) to access the Fund's records for legal oversight purposes.

n. Death of Unitholders

The Investor's consent to these Terms and Conditions and Information Memorandum shall not terminate automatically upon their death or disability; these Terms and Conditions shall be binding to their heirs, executors, administrators, personal representatives, trustees and successors if the Investor is an individual. If the Investor is a corporate entity, these Terms and Conditions shall not terminate upon the occurrence of any of the above to any partner or shareholder. Therefore, the Fund Manager shall have the right to suspend any transactions relating to the Terms and Conditions, and Information Memorandum until the Fund Manager receives a court order, authorization, or such other sufficient evidence to verify the power of those mentioned above before allowing them to dispose of the Units.

o. Anti-money Laundering and Terrorist Financing Regulations:

The Fund Manager will comply with the Anti-money Laundering and Terrorist Financing Regulations issued by the CMA Board under Resolution No. 1-39-2008 dated 3 Thu Al Hijja 1429H corresponding to 1 December 2008, as amended. The Unitholder hereby confirms that the amounts used to subscribe to the Fund are not coming from any suspicious or illegal sources. If the Fund Manager is in doubt as to the legal source of funds used in the investment transactions initiated by the investor, the Fund Manager shall suspend or decline such transactions for investigation purposes and reporting to the Saudi competent anti-money laundering and terrorist financing bodies and to provide any information or document required by such bodies. However, according to the Saudi Law, the Fund Manager may not inform Unitholders of any suspected transactions reported to competent official bodies.

p. Sharing of Information:

The information required to open and operate the investor's account and to comply with applicable regulations will be shared between the Fund Manager and other parties as determined by the Fund

Manager. The Unitholder also agrees that such information may be shared with competent regulatory authorities.

q. Severability of Provisions:

Should any provision of this agreement be or become invalid or unenforceable, the remaining provisions shall remain in full force and effect.

r. Language:

Pursuant to paragraph (a) of Article (54) of the Investment Funds Regulations, the Terms and Conditions of the Fund shall be in Arabic and made available upon request free of charge. These Terms and Conditions may be issued in English. However, in case of any semantic difference between the Arabic and English versions, the Arabic text shall prevail.

16) Additional Information

Investment Universe: The Fund focuses its investments in the real estate sector and more in REITs without focusing on any particular country or geographical area.

Summary of Financial Disclosure

Summary of the Fund's fees and expenses for the period ended December 2018 in USD:

Fees and Expenses	USD '000
Management Fee Expense	408
VAT on Management Fee	20
Audit Fee*	9
Fund Administration*	18
CMA Fee*	2
Custody Fees*	13
Shariah Audit Fee*	8
Fund Board*	5
Dealing Fees	73
Total Fees and Expenses	556

*Other expenses shall not exceed in total 1.5% of the annual average value of the Fund's assets. The actual expenses were around 0.29% of the average value of the Fund's assets. The Fund Manager will review the expenses charged to the Fund on a quarterly basis (every three months).

The Fund Manager reserves the right to rebate or waive the Management Fees, in case any Fund managed by NCB Capital invests in that Fund.



Terms and Conditions

AlAhli Global Real Estate Income Fund

An Open-Ended Investment Fund

Fund Manager

NCB Capital Company

Custodian

The Northern Trust Company of Saudi Arabia

AlAhli Global Real Estate Income Fund has been approved as being Sharia-compliant by the Sharia Board appointed for The Fund.

All of the contents of these Terms and Conditions and all other documents complies with the Investment Funds Regulations and contain complete, clear, accurate and non- misleading information on the Investment Fund

Investors are advised to read the contents of the Terms and Conditions, together with the Information Memorandum and other documentation of the Investment Fund

Terms and Conditions date of issuance
1 Dhul Qidah1428H, 11 November 2007G
CMA was notified of its update on
19 Rabi I 1440H, Corresponding to November 27, 2018G
CMA approved establishment of Fund and offering of its Units on
1 Dhul Qidah1428H, 11 November 2007G

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Terms and Conditions

1) General Information

a. Fund Manager Name and License issued by the CMA

NCB Capital Company (NCB Capital) is licensed under the CMA License No. 37- 06046 to provide management, custody, arrangement, advice, underwriting and dealing services, as principal and Agent in securities.

b. Fund Manager's Address

King Saud Road, P.O. Box 22216, Riyadh 11495, Kingdom of Saudi Arabia.

Tel: +966 92000 0232

Fax: +966 11406 0049

c. Fund Manager's Website

For more information regarding the Fund Manager or the Fund, please visit the following website: www.alahlicapital.com

d. Custodian

The Northern Trust Company of Saudi Arabia

e. Custodian's Website

For more information regarding the Custodian, please visit the following website

www.northerntrust.com

2) Governing Laws

The Fund and the Fund Manager are subject to the Capital Market Law (CML), its implementing regulations and all other related regulations in the Kingdom of Saudi Arabia

3) Fund Objectives

a. Fund Type and Objectives

AlAhli Global Real Estate Income Fund is an open-ended fund seeking to achieve capital appreciation in the long term and distribute income through investing primarily in the securities of listed Real Estate Investment Trusts "REITs", which own and operate income generating real estate properties, across the globe. In addition, the Fund has the right to invest in local and global equity of real estate sector or real estate development sector.

b. Investment policies, practices, and types of Assets in which The Fund will invest

- The Fund invests in listed securities of Real Estate Investment Trusts "REITs", listed equity of real estate companies and real estate development companies, initial public offerings of REITs, initial public offering of real estate development companies, and units of investment funds that have similar objectives to the Fund.
- The Fund actively invests in the real estate sector, the Fund's asset allocation ranges in each class of securities as a percentage of the Fund's Net Assets Value according to the table below:

Asset Class	Minimum	Maximum
Securities of listed REITs and initial public offering of REITs	75%	100%
Listed real estate and real estate development companies and initial public offering of real estate development companies	0%	15%
Cash, Murabaha, Sharia complaint Money Markets Funds	0%	10%
Real estate funds with similar objectives to the fund	0%	10%
Derivatives for hedging purposes	0%	10%

- The Fund investments is concentrated in the real estate sector, mainly in the REITs securities, without being limited to any particular country or a specific geographic area.

4) Duration of the Investment Fund

AlAhli Global Real Estate Income Fund is an open-ended index fund, with no maturity date.

5) Investment Restrictions/Limitations

Where applicable the Fund will comply with the restrictions, as set out in the Investment Funds Regulations ("Investment Restrictions"), the Terms and Conditions and the Information Memorandum.

6) Currency

The Fund currency is the US Dollar. In the case of participation in a currency other than the US Dollar, the exchange rate used will be subject to the prevailing exchange rates, and the Unitholders will bear any exchange rate fluctuation.

7) Fees, Charges and Expenses

a. Details of all payments and method of calculation

Subscription Fees: The Fund Manager will deduct up to 2% of the subscription amount upon each subscription transaction in the Fund, after which the balance will be invested in the Fund. The Fund Manager reserves the right to waive all or part of the Subscription Fee at its sole discretion. The net amount will be invested in the Fund after deducting the Subscription Fees. The Subscription Fee is subject to VAT. The Subscription Fee is exclusive of VAT, which the Investor shall separately pay to NCB Capital, at rates prescribed by the VAT Law and its implementing regulations.

Management Fees: The Fund Manager will charge an annual management fee of 1.85% of the Net Asset Value of the Fund calculated proportionally on each Valuation Day and deducted monthly. If any other funds managed by NCB Capital invest in the Fund, the management fees will be rebated or waived to avoid double charges. The investment management fee is subject to VAT, the Fund will separately pay it to the Fund Manager at rates prescribed by the VAT Law and its implementing regulations.

Dealing (Brokerage) fees and charges: Brokerage fees or any other trading fees will be paid by the Fund directly at levels determined by regulations, the dealing broker, or the custodians in the markets in which the Fund purchases or sells. These amounts will vary depending on the turnover of the Fund's assets and the volume of transactions.

Sharia Compliant Financing charges: If applicable, will be charged to the Fund at the prevailing market rates, and calculated on each Valuation Day and paid according to the requirements of the financier.

Other Fees and Expenses: The Fund Manager reserves the right to charge the Fund any other fees and expenses, such as audit fees, remuneration of independent directors of the Fund Board, custody fees, Sharia audit and advisory fee, regulatory fees, as well as administrative and operational expenses, and any other expenses allowed by regulations. The other fees and expenses will not exceed 1.50% of the average Net Assets Value of the Fund's assets during the financial year, and they are as follows:

Fund Board Remuneration: Each independent member of the Fund Board receives USD 37,333 annually, divided by the number of open-ended funds managed by the Fund Manager and supervised by the Board.

Audit Fees: USD 8,685 annually, calculated on each Valuation Day and deducted monthly.

Custody and Accounting Fees: The annual custody fee ranges from (0.15 to 60) bps from the total Fund assets under custody. In addition, a transaction fee will be charged for each transaction ranging from (5 to 190) USD, depending on the market in which the Fund invests in. The Fund is charged with accounting fees of (1.5) bps if the Fund size is USD 100 million or

less. If the Fund size exceeds one USD 100 million, the Fund will be charged 1.25 basis points. The custody fees and accounting fees calculated on each valuation day and deducted monthly from the Fund.

Sharia Audit Fee: USD 7,200 annually, calculated on each Valuation Day and deducted monthly.

Capital Market Authority Fees: USD 2,000 annually, calculated on each Valuation Day and deducted monthly.

Tadawul Publishing Fees: USD 1,333 annually calculated on each Valuation Day and deducted monthly.

Administrative and operational expenses: charged to the Fund based on the percentage of the Fund's assets over all public funds assets under management.

All fees, charges, commissions and expenses payable to NCB Capital and other service providers will be subject to the VAT, which the Fund shall separately pay to the Fund Manager, according to rates set by the VAT Law.

b. Transaction Fees

Subscription Fees: The Fund Manager will deduct up to 2% of the subscription amount upon each subscription transaction in the Fund, after which the balance will be invested in the Fund. The Fund Manager reserves the right to waive all or part of the Subscription Fee at its sole discretion. The net amount will be invested in the Fund after deducting the Subscription Fees. The Subscription Fee is subject to VAT. The Subscription Fee is exclusive of VAT, which the Investor shall separately pay to NCB Capital, at rates prescribed by the VAT Law and its implementing regulations.

c. Special commission arrangements entered into by The Fund Manager

Subject to Sharia Guidelines, the Fund Manager may enter into special commission arrangements that are limited to goods and services that the Fund Manager may receive that are related to the execution of transactions on behalf of the Fund or to conduct research in favor of the Fund in accordance with the Authorized Persons Regulations.

8) Valuation and Pricing

a. Valuation Method

The total value of the Fund's assets is calculated based on the last closing prices of the underlying securities owned by the Fund on the Valuation Day, in addition to any accrued profits. Investments in unlisted securities will be valued based on the investment cost in addition to any accrued profits for the period up to the valuation date. Moreover, Investments in other investment funds will be valued based on the latest unit price declared by the investee Fund.

b. Frequency of valuation and valuation points

The value of the Fund's assets shall be valued from Monday to Friday, based on the latest closing stock prices available on that day, unless the markets are closed on that day, in which case the valuation shall be held on the next Valuation Day.

c. Action to be taken in case of valuation or pricing errors

- Document any incorrect valuation or pricing of an asset or Unit Price;
- Compensate all affected Unitholders, including former Unitholders, for all valuation or pricing errors immediately;
- Notify the CMA immediately of any valuation errors or mispricing of 0.5% or more of the Unit Price and disclose it immediately on the website of the Fund Manager and Tadawul's website, and in the Fund's reports, which are prepared by the Fund Manager in accordance with Article (71) of the Investment Funds Regulations;

- The Fund Manager shall provide a summary of all valuation and pricing errors (if any) to the CMA in accordance with Article (72) of the Investment Funds Regulations.
- d. Calculation of Unit Price for Subscription and Redemption Requests**
- The Unit price will be calculated using the total value of the Fund's assets mentioned in paragraph (8) Sub-paragraph (A), including the profits due, profits to be collected and the reinvested dividends of the Fund, and deducting management fees after deduction of all expenses and fixed obligations and any expenses due; then, divide the result by the total number of Units that exist at that time. In exceptional or contingency cases in which the Fund Manager reasonably determines that a significant portion of the Fund's assets cannot be assessed reliably, the valuation of the Fund's assets may be delayed until such interim action is subsequently reviewed by the Fund Manager.
- The Net Asset Value of the Fund is calculated as follows:
- (1) All expenses, fixed charges and operating expenses are calculated on a daily basis of the total assets and are deducted on the valuation date.
 - (2) Management fees are calculated and deducted from the output of the previous step and the result is the Net Asset Value of the Fund.
- The two previous steps can be summarized in the following equation:
 Net Asset Value of Fund = (Total Asset size - Fixed Fees and Actual Operating Expenses) - (Management Fees)
 Unit Price = Net Asset Value of Fund / Outstanding Unit on the Valuation Day
- e. Publication of Unit Price**
- The Fund Manager will announce the Unit Price on the Business Day following the Valuation Day on the Fund Manager's website: www.alahlicapital.com and the Tadawul website: www.Tadawul.com.sa.
- 9) Dealing**
- a. Subscription and Redemption Requests**
- Subscription and Redemption requests can be submitted on every Saudi Business Day. The request will be processed from Monday to Thursday provided that they are Business Days in Saudi Arabia and the United States. If the request was submitted prior to the deadline for subscription and redemption requests, as demonstrated in the Terms and Conditions and the Information Memorandum.
 - The Fund Manager shall execute the subscription and redemption requests and pays redemption proceeds in accordance with the Terms and Conditions of the Fund and the Information Memorandum, and in a manner not inconsistent with the Investment Funds Regulations.
 - The Fund Manager shall follow procedures based on a fair and equitable criteria in the selection of redemption requests to be deferred in accordance with paragraph (d) below. Note that the standard will be based on proportionality and proportionality of applications submitted before the deadline for submission of redemption requests.
- b. The period between the Redemption Request and the payment of Redemption Proceeds**
- Redemptions proceeds shall be paid to Unitholders no later than the close of business (in Saudi Arabia and the US) on the fourth (4) day following the valuation point at which the redemption price was set.
- c. Restrictions on dealing in Units of The Fund**
- The Fund** Manager shall comply with the provisions of the Investment Funds Regulations, the Terms and Conditions, and the Information Memorandum when executing subscription and Redemption Requests.

- d. Deferment and suspension of Redemption Requests, and applicable procedures in such cases**
- Deferring Redemption Request:**
The Fund Manager may postpone the execution of any Redemption Request until the next Dealing Day if the total Unitholder Redemption Requests on any Dealing Day equal or exceed 10% of the Fund's Net Asset Value. Deferred Redemption Requests will be processed on pro-rata basis on the nearest Dealing Day. The Fund Manager, acting in good faith, will pay the Redemption Proceeds to the Unitholders at the earliest practicable opportunity.
- The Fund Manager suspends dealing in The Fund's Units in the following cases:**
- If requested by the CMA to suspend the Fund's Subscription and Redemption;
 - If the Fund Manager reasonably believes that suspension is in the interest of the Unitholders;
 - If dealing is suspended in the Main Market in which securities or other Assets are held by the Fund, whether in whole or in respect of Assets of the Fund that the Fund Manager reasonably considers to be material to the Fund's Net Asset Value.
- Procedures to be taken by The Fund Manager in case of Suspension of Dealing in The Fund's Units**
- Ensuring that suspension is continued only for a necessary and justified period, taking into account the interests of Unit holders;
 - Reviewing the suspension regularly and consulting The Fund's Board and the Custodian regularly;
 - Notifying the CMA and Unitholders immediately after the expiry of suspension in the same manner used in notification of the suspension and disclosing such expiry on the Fund Manager's website and the website of Tadawul.
- Rejection of Subscription Requests**
The Fund Manager has the right to reject any request to subscribe to the Fund if such Subscription would violate the CMA's regulations or the Anti-Money Laundering Regulations. The Fund Manager may also cease to accept Subscription applications if the increase in Subscriptions into the Fund would adversely affect the current Unitholders.
- Redemption by The Fund Manager**
The Fund Manager reserves the right to redeem Units sold to any Investor in whole or in part, with a notice to the Investor later if he believes that such Subscription may result in a violation of CMA laws and/or other applicable laws and/or the Terms and Conditions, without any liability to the Fund Manager.
- e. Procedures of selecting Redemption Requests to be deferred**
If redemptions are deferred, the Fund Manager will follow fair and unbiased procedures in selecting the redemption requests to be deferred in accordance with the requirements of Article (61) of the Investment Funds Regulations, "Deferring Redemption".
- f. Transfer of Units to other Investors**
The transfer of Units to other Investors is governed by the CML, its implementing regulation and related regulation in the Kingdom of Saudi Arabia.
- g. Investment of The Fund Manager in Fund's Units**
The Fund Manager or any of its affiliates may, at their sole discretion, invest in the Fund as an Investor upon the establishment or after the launch of the Fund, and reserve the right to reduce their participation partially or fully, as they deem fit. Total investments will be disclosed, if any, quarterly and the Fund Manager will be treated as a Unitholder without bias

- in accordance with Article (15) of the Investment Funds Regulations “Fund Manager’s subscriptions in units in an investment fund”.
- h. Dates for submitting Subscription and Redemption Requests on any Dealing Day**
- Days of Sale and Redemption of Fund Units:** The Fund’s Subscription and redemption applications are open on every Saudi Business Days. These requests are executed on Mondays to Thursdays provided that they are Business Days in Saudi Arabia and the United States.
- Subscriptions requests:** All subscriptions made in USD must be made at or before 12:30 p.m. on the Saudi Business Day prior to the Dealing Day in order to commence participation in the Fund from the target Dealing Day. Applications received on a Saudi Business Day after 12:30 or if the target Dealing Day falls in official holiday for banks and authorized persons in Saudi Arabia or in the United States, such subscriptions will be processed on the second Dealing Day following the subscription day.
- Redemption requests:** Redemption may be made on any Dealing Day provided that a written notice or completed redemption form is received through branches at or before 12:30 p.m. on the Saudi Business Day prior to the target Dealing Day. Redemption applications received on a Saudi Business Day after 12:30 or if the target Dealing Day falls in official holiday for banks and authorized persons in Saudi Arabia or in the United States, such subscriptions will be processed on the second Dealing Day following the subscription day.
- i. Subscription and Redemption procedures**
- Subscription procedure:** When subscribing to a Fund, the client signs the Subscription Form, and the Fund’s Terms and Conditions through one of the branches. Subscriptions can also be made through alternative channels via website or phone provided by the Fund Manager, the subscription amount is then deducted from the client’s account. Individual Investors must present a valid personal identification such as the national identity card (for Saudis) or iqama (for non-Saudis). Legal entities (companies and institutions) must provide a signed company letter as well as a copy of the company’s commercial registration, in addition to other documents required by the Fund Manager depending on the type of company or institution.
- Redemption Procedure:** The Unitholder may submit a partial or full redemption request at any time by providing a written notice, or by filling out and delivering the Redemption Form which can be obtained from certain branches or through alternative channels (the Fund Manager’s phone or website). The Unitholder must present a valid national identification card or valid iqama card if he wishes to redeem through branches. The Unitholder must also determine whether he wishes to recover the value of his Units in full or in part. If the Unitholder submits a partial redemption request and the total value of its Units falls below the required partial redemption amount, the Fund Manager has the right to refuse the redemption on the targeted day without any liability to the Fund Manager. The Investor then must file a new redemption request to be executed on the next Dealing Day.
- Transfers between two funds:** Transfers between two public open-ended NCB Capital funds is possible if such funds offered publicly and do not have maturity date. Transfer between funds managed by NCB Capital Co. is a single transaction consisting of two parts: redemption and subscription. Based on this, the redemption process is carried out in accordance with the above "Redemption Requests" section, and then the subscription process is done according to the "Subscription Requests" form of the other Fund. Upon request of the transfer, the Investor must fill in the transfer form and submit it to the customer service representative in the branch accompanied by his/her personal identification, or transfer through alternative channels.
- j. Minimum Ownership:**

- Minimum subscription: USD 2,000
 Minimum Additional Subscription: USD 1,000
 Minimum Redemption: USD 1,000
 Minimum Ownership: USD 1,000
- k. The minimum amount that The Fund Manager intends to collect, and the impact on The Fund of failure to reach the minimum amount.**
 The minimum size for the Fund to commence is USD 5 million.
- l. Statement of the corrective actions necessary to ensure that the required (SAR 10 million) or its equivalent is met as a minimum Net Asset Value of The Fund**
 The Fund Manager shall follow the requirements of the Investment Funds Regulations and Circulars issued by the CMA in respect of the minimum required amount to be met from the Net Asset Value of the Fund. If in any case the Fund's Net Asset Value falls below the required SAR 10 million threshold, the Fund Manager shall:
- Notify the Fund Board;
 - Continually monitor Fund's performance for six months;
 - In case the six-month period is over without any correction, the Fund Manager will terminate the Fund in accordance with the termination procedure set out in Paragraph 4 Sub-Paragraph (F) of this Information Memorandum.
- According to the CMA's circular issued on 21/03/1440H corresponding to 29/11/2018G, Fund Managers are exempt from this requirement until 12/31/2020G.
- 10) Profit Distribution Policy**
 The Fund does not distribute periodic profits to the Unitholders.
- 11) Reporting to Unitholders**
- a. Information Relating to Financial Reports**
- The Fund Manager will prepare the interim financial reports and present the latter to the public by publishing them within (35) days from the end of the reporting period in the means specified in the Fund's Terms and Conditions and the Information Memorandum, and available on the Fund Manager's website and Tadawul's website.
 - The Fund Manager will prepare the annual reports, including the audited annual reports, annual reports summary, and the initial reports in accordance with Annex 5 of the Investment Funds Regulations, and make them available to Unitholders upon request without charge. The reports will be made public within (70) days from the end of the reporting period.
 - The Fund Manager will provide each Unitholder with the Net Asset Value of their Units and the record of their transactions within (15) days of each transaction carried out by the Unitholder.
- The Fund Manager will send an annual statement to the Unitholder summarizing the transactions of the Fund's Units during the Financial Year within (30) days from the end of the Financial Year. This statement includes any profit distributions and the total expenses, charges and fees deducted from the Unitholders and mentioned in the Fund's Terms and Conditions and Information Memorandum. In addition to any violations of investment restrictions provided for in the Investment Funds Regulations or in the Fund's Terms and Conditions and the Information Memorandum.
- b. Places and methods of publishing The Fund's Reports:**
 Annual reports of the Fund, including financial statements, are available on the Fund Manager's website: www.alahlicapital.com and Tadawul's website: www.Tadawul.com.sa. Other notices, if any, are sent to the postal address and/or e-mail and/or as a SMS and/or fax as indicated in the records of the Fund Manager.

c. Where and how annual statements are provided

The annual financial statements, including audited financial statements, shall be available along with the annual report to Unitholders and Potential Investors free of charge on the Fund Manager website: www.alahlicapital.com and Tadawul's website: www.Tadawul.com.sa.

12) Unitholders Register

The Fund Manager is responsible for preparing an updated Unitholders Register, in accordance with the requirements of the Investment Funds Regulations, kept in the Kingdom and treated with utmost confidentiality. The Unitholders Register represents conclusive proof of ownership of the Units.

13) Unitholders Meetings

a. Circumstances in which Unitholders meeting shall be convened

The Fund Manager may call for a Unitholders meeting in the following cases:

- Initiative by the Fund Manager;
- A written request from the Custodian, the Fund Manager shall call for the meeting of the Unitholders within (10) Saudi Business Days after receiving the request from the Custodian; A written request from one or more of the Unitholders who together or individually hold at least 25% of the value of the Fund's Units. The Fund Manager will call for the Unitholders' meeting within (10) Business Days after receiving the request from the Unitholders.

b. Procedures for convening a Unitholder's meeting:

The Fund Manager abides by Article (70) of the Investment Funds Regulations concerning Unitholders' meetings. The call to the Unitholders' meeting will be announced through the Fund Manager's website and Tadawul's website, and by sending a notice to all Unitholders and the Custodian at least (10) days prior to the meeting, but not exceeding (21) days prior to the meeting. The notice shall specify the date, location, time and proposed resolutions. The Unitholders meeting is valid only if attended by a number of Unitholders who together hold at least 25% of the value of the Units of the Fund. In case the 25% target is not met, the Fund Manager will call for a second meeting through an announcement on the Fund Manager's website and the Tadawul website, and by sending a written notice to all Unitholders and the Custodian at least (5) days prior to the meeting. The second meeting shall be considered valid regardless of the percentage value owned by the attendees (Unitholders).

c. Unitholder's Voting Methods and Rights

Each Unitholder may appoint an Agent to represent him at the Unitholders' meeting, and the Unitholder or his Agent may make one vote at the Unitholders' meeting for each Unit owned at the time of the meeting. The Fund Manager may also hold Unitholders' meetings, participate in its deliberations and vote on its decisions by means of modern technology. The meeting documents and decisions resulting from the meeting may also be sent by means of modern technology.

Voting right in the Unitholders' meeting

Each Unitholder is entitled to exercise all rights associated with their Units, including obtaining their approval for any changes that requires their approval in accordance with the Investment Funds Regulations.

14) Unitholders' Rights

- Receive an updated copy of the Information Memorandum and the Terms and Conditions of the Fund in Arabic free of charge;

- Receive the Fund's reports and statements in accordance with Paragraph 11 of the Fund's Terms and Conditions and in accordance with Article (71) of the Investment Funds Regulations, "Reporting to Unitholders";
 - Notification of the Unitholders of any significant changes, or notifiable changes, in the Terms and Conditions of the Fund and the Information Memorandum and receipt of a summary of these changes before they become effective, depending on their type, and the period specified in the Investment Funds Regulations;
 - Unitholders have the right of consent, through an Ordinary Fund Resolution, to any Fundamental changes in the Terms and Conditions and the Information Memorandum;
 - Managing the Fund's assets to the best interest of the Unitholder in accordance with the Terms and Conditions of the Fund and the Investment Funds Regulations;
 - Develop the decision-making procedures to implement the administrative aspects of the Fund;
 - Managing the Fund's business and the Investments of its participants with the highest degree of confidentiality at all times. This does not limit the right of the Fund's regulatory authority (CMA) to access the Fund's records for regulatory purposes. The Unitholders' information will not be shared except when necessary to open the Investor's account, execute its operations, and comply with the applicable policies with the competent regulatory authorities, or when the sharing of such information is in the interests of the Unitholder;
 - Receipt of an updated version of the Fund's Terms and Conditions and the Information Memorandum annually, showing the actual fees, commissions and performance information of the Fund upon request;
 - Notifying the Unitholders in writing if the Fund Manager wishes to terminate the Fund no less than (21) days from the date on which the Fund is to be terminated without violating the Terms and Conditions of the Fund;
 - Payment of Redemption Proceeds within the period specified in the Terms and Conditions of the Fund and in the Investment Funds Regulations;
 - Unitholders have the right to redeem their Units before any significant change occurs without imposing Redemption fees;
- Any other relevant rights imposed by the CMA regulations and instructions applicable in the Kingdom.

15) Unitholders' Liability

The Unitholders acknowledge and agree to the following:

- The Fund Manager does not make any guarantees relating to the performance or profitability of any Investment managed in the Fund, and the Fund Manager will have no legal or consequential liability for any decline in the value of the managed Investments or the Fund's assets except those resulting from gross negligence, infringement or omission.
- Except for the loss of the Unitholder's investment or part of it, the Unitholder will not be liable for the debts and obligations of the Fund.
- In the event that the Unitholders does not provide the Fund Manager with the correct postal and/or electronic mail and other contact information, including notices and statements of account relating to their Investments, the Unitholders agree to withhold the Fund Manager and exempt him from any liability and waive all their rights and any claims from the Fund Manager arising directly or indirectly from the failure to provide the Unitholder with the statement of account, notices or other information relating to the Investments or those

arising from the inability of the Unitholders to respond or verify the information or correct any alleged errors in the statement of account or notice or any other information.

If the Unitholder is subject to the laws of an authority other than the Kingdom of Saudi Arabia, they shall be subject to such laws without any obligation on the Fund or the Fund Manager.

16) Unit Characteristics

The Fund will have one class of Units with equal rights and liabilities.

17) Changes to The Fund's Terms and Conditions

a. Provisions regulating the changes to the Terms and Conditions, approvals and notifications in accordance with the Investment Funds Regulations

The Fund Manager complies with the provisions of the Investment Funds Regulations regarding changes to the Terms and Conditions of public Funds. These changes are divided into three categories, which are Fundamental, significant and notifiable changes.

Fundamental Changes:

The Fund Manager shall obtain the Unitholders' approval on Fundamental Changes to the Fund through an Ordinary Fund Resolution. The Fund Manager shall, upon obtaining the approval of the Unitholders and the approval of the Sharia Board, obtain the approval of the Capital Market Authority on the Fund's proposed Fundamental changes. The Unitholders have the right to redeem their Units before any Fundamental change takes effect without imposing any fees. The term "Fundamental Change" is defined as follows:

- Significant change to the Fund's Objectives or nature;
- A change that alters the risk profile of the Fund;
- Voluntary withdrawal of the Fund Manager from his position as the Fund Manager;
- Any other case that the CMA reasonably considers Fundamental.

Significant changes:

The Fund Manager shall notify the CMA and the Unitholders in writing of any significant changes proposed to the Fund. The Unitholders have the right to redeem their Units before any significant change takes effect without the imposition of any fees. The term "Significant Changes" is defined as follow:

- Usually leads the Unitholders to reconsider their participation in the Fund;
- Results in increasing the payments out of the Fund's assets to the Fund Manager or any member of the Board or an affiliate;
- Introduces a new type of payment out of the Fund's assets;
- Materially increases other types of payment out of the Fund's assets;
- Any other case that CMA reasonably considers significant, and inform the Fund Manager with it.

Notifiable changes are:

The term "Notifiable Change" is defined as any change that does not fall within the Fundamental or Significant Changes listed above.

b. Procedures for notifying changes to The Fund's Terms and Conditions

- The Fund Manager shall send a notice to the Unitholders and disclose the details of the Fundamental Changes on its website and on Tadawul's website (10) days prior to the effective date.
- The Fund Manager shall send a notice of the Significant Changes to the Unitholders and the CMA (21) days prior to the effective date. The Fund Manager shall disclose the details of the Significant Changes on its website and on Tadawul's website in the manner determined by the CMA (10) days prior to the effective date.

- The Fund Manager shall send a notice of the Notifiable Changes to the Unitholders and the CMA (8) days prior to the effective date. The Fund Manager shall disclose the details of the Notifiable Changes on its website and on the Tadawul website or in the manner determined by the CMA (21) days from the date of the change.

The Fund Manager will disclose all changes to the Fund's Terms and Conditions in the Fund's annual reports, which are prepared in accordance with Article (71) of the Investment Fund Regulations.

18) Termination of The Fund

Circumstances that requires Investment Fund termination:

- The Fund Manager's desire to discontinue and terminate the Fund;
- The Fund's Net Asset Value falls below the minimum limit specified in the regulations, instructions and circulars issued by the Capital Market Authority.

Procedures to terminate The Fund under Article (37) of the Investment Funds Regulations:

- If the Fund Manager wishes to terminate the public Fund, it shall notify the CMA and the Unitholders in writing of its desire to do so no less than (21) days prior to the date on which the Fund is to be terminated after obtaining the Fund Board approval, without violating the Terms and Conditions of the Fund.
- The Fund Manager will pay the Fund's outstanding liabilities from the Fund's assets and distribute the remaining amounts to the Unitholders Registered on the date of liquidation on a pro-rata basis, in proportion to their respective holdings.

The Fund Manager announces on his website and on the Tadawul website the expiry of the public Fund period and its liquidation.

19) Fund Manager

a. Fund Manager's Responsibilities

- Comply with all the laws and implementing regulations issued by the CMA and the applicable instructions in the Kingdom related to the Fund's operations, including the requirements of the Investment Funds Regulations and the Authorized Persons Regulations, which includes acting to the best interest of the Unitholders and with reasonable care;
- Manage the Fund's assets to the best interest of the Unitholders in accordance with the Terms and Conditions of the Fund and the Information Memorandum and the performance of all its functions in respect to the Register of Unitholders;
- Develop the decision-making procedures to be followed to implement the Fund's administrative aspects, offering of the Fund's Units and the Fund's operations;
- Ensure that the Terms and Conditions of the Fund and the Information Memorandum are accurate, complete, correct and not misleading;
- The Fund Manager shall be responsible for complying with the provisions of the Investment Funds Regulations, whether those requirements and duties have been performed directly by the Fund Manager or indirectly through assigning it to a third party under the provisions of the Investment Funds Regulations and the Authorized Persons Regulations;
- The Fund Manager is liable to the Unitholders for any losses resulting from fraud, negligence, malpractice or intentional failure to meet obligations;
- The Fund Manager will prepare policies and procedures to monitor the risks affecting the Fund's Investments. Such policies and procedures will include risk assessment at least annually;
Implement the Fund's compliance monitoring program, and provide the CMA with the results of the implementation upon request.

b. Fund Manager's right to delegate its obligations

- The Fund Manager has the right to assign one or more third parties or any of its affiliates to serve as a sub-manager for the Fund. The Fund Manager shall pay the fees and expenses of any sub-manager from its own resources.
- c. Provisions regulating the removal or replacement of The Fund Manager**
- The CMA may remove the Fund Manager in respect of any specific Investment Fund and take any action it deems appropriate to appoint an alternative Fund Manager for that Fund or to take any other measure it deems appropriate in case of any of the following cases:
- The Fund Manager ceasing to carry on management activities without notifying the CMA under the Authorized Persons Regulations;
 - Cancellation of the Fund Manager's license by the CMA to carry on management activities under the Authorized Persons Regulations;
 - The Fund Manager sends a request to the CMA to cancel his license of carrying out management activities;
 - If the CMA believes that the Fund Manager has committed material violations and failed to comply with the law and its implementing regulations;
 - The death, inability or resignation of the Fund portfolio manager who manages the Fund's assets, with no other person Registered with the Fund Manager capable of managing the Assets of the Fund or the Assets of the Funds managed by the Fund Manager;
- Any other case that the CMA considers - on reasonable grounds - to be sufficiently material.
- 20) Custodian**
- a. Roles and responsibilities of The Custodian**
- The Custodian shall be responsible for his obligations in accordance with the provisions of the Investment Fund Regulations whether he performs his responsibilities directly or by assigning them to a third party under the provisions of the Investment Funds Regulations or the Authorized Persons Regulations.
 - The Custodian shall be liable to the Fund Manager and the Unitholders for losses incurred by the Fund due to his fraud, negligence, deliberate misconduct or intentional default. Protect the Fund's assets for the benefit of the Unitholders, and he will be responsible for taking all necessary administrative actions to protect the Fund's assets.
- b. Tasks entrusted to a third party by a Custodian**
- The Custodian has the right to appoint one or more third parties, or any of their affiliates who are authorized to conduct the securities activity of custody, as sub-Custodians. The Custodian shall pay the fees and expenses of any sub-Custodian from their own resources.
- c. Provisions governing the Removal or Replacement of The Custodian.**
- The CMA may remove the Custodian appointed by the Fund Manager or take any actions it deems appropriate in the event of any of the following cases:
- The Custodian ceases to provide custody services without notice to the CMA in accordance with the Authorized Persons Regulations;
 - The Custodians' license to practice custody activity is canceled, revoked or suspended by the CMA;
 - The Custodian submits an application to the CMA to cancel its license to provide custody services;
 - The Custodian is deemed by the CMA to have committed any material violation of the Capital Market Law or its implementing regulations;
 - Any other case that the CMA considers - on reasonable grounds - to be sufficiently material.

The Fund Manager may also remove the Custodian by written notice if it reasonably considers removing them is in the interest of the Unitholders. In such a case, the Fund Manager shall promptly notify the CMA and the Unitholders.

21) Auditor

a. The Investment Fund's auditor

KPMG Al Fozan & Partners.

b. Functions, duties and responsibilities of the auditor

It is the responsibility of the Auditor to give an opinion on the financial statements based on the audit performed in accordance with generally accepted auditing standards applicable in the Kingdom, which require the auditor to comply with ethical and professional standards and to plan and perform audit activities in order to have a reasonable degree of certainty that the financial statements have no material errors. The Auditor's responsibilities also include implementing procedures for obtaining evidence to support the amounts and notes set out in the financial statements. In addition, the Auditor evaluates the suitability of the adopted accounting policies and the reasonableness of the accounting estimates, as well as the overall presentation of the financial statements.

c. Provisions regulating the replacement of the auditor

The Fund Manager may replace the auditor in the following cases:

- The existing of significant allegations about professional misconduct of the auditor relating to the performance of his duties;
 - If the auditor is no longer independent, or if his independence is affected;
 - If the Fund Manager or the Fund Board determines that the appointed auditor does not have sufficient qualifications and experience to perform the function required satisfactorily, or that the replacement of the auditor will serve the interest of the Unitholder;
- Upon the request of the CMA at its sole discretion.

22) Fund's assets

- The Fund's assets are held by the Custodian on behalf of the Investment Fund.
- The Custodian must separate the Fund's assets from his own Assets and the Assets of his other clients.
- The Investment Fund's assets are owned collectively by the Unitholders. A Fund Manager, Sub-Fund Manager, Custodian, Sub-Custodian, advisor or distributor shall not have any interest in, or claim against, such Assets, unless the Fund Manager, Sub-Fund Manager, Custodian, Sub-Custodian, advisor or distributor are Unitholders - within the limits of their ownership - or unless permitted under the provisions of the Investment Funds Regulations and disclosed in the Fund's Terms and Conditions or Information Memorandum.

23) Unitholder Declaration

I/we have read the Terms and Conditions of AlAhli Global Real Estate Income Fund, the Information Memorandum and the Key Fact Sheet, and approved the characteristics of the Units in which I/we have subscribed.

Name:

Signature:

Date
