



## Terms and Conditions

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### **SNB Capital Multi-Asset Income Plus Fund**

An open-ended public multi-asset investment fund

**Fund Manager**  
**SNB Capital Company**

"The Fund's Terms and Conditions has been reviewed and approved by the Fund's Board of Directors. The Fund Manager and the members of the Fund's Board of Directors collectively and individually bear full responsibility for the accuracy of the information presented herein. Having made all reasonable inquiries, the fund board directors and the fund manager confirm the validity and completeness of the information in the Terms and Conditions, and further confirm that the information and data maintained in the Terms and Conditions are not misleading".

"The Capital Market Authority has approved the offering of units in the SNB Capital Multi-Asset Income Plus Fund. The Capital Market Authority does not, however, take any responsibility for the contents of the Fund's Terms and Conditions, nor does it make any representation as to its accuracy or completeness. The Capital Market Authority does not make any recommendation as to the soundness or otherwise of investing in the investment fund, and the approval of offering the fund does not mean that the Authority recommends to invest in the fund, and the Authority emphasizes that the decision to invest in the fund is up to the investor or his representative."

"SNB Capital Multi-Asset Income Plus Fund has been certified as being Shariah compliant by the Shariah Committee appointed for the investment fund."

The Fund's Terms and Conditions and all other documentation comply with the Investment Funds Regulations and contain are complete, clear, accurate, and not misleading information on the investment fund and shall be updated and amended.

Investors should read the Fund's Terms and Conditions in conjunction with the other documentation.

The performance of the fund can be viewed within the fund's reports.

"Investors are advised to read and understand the Fund's Terms and Conditions. If in doubt, please consult a professional adviser."



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Fund Directory:

<b>Regulator</b>	<b>Capital Market Authority</b> P.O. Box 87171 - Riyadh 11642 Kingdom of Saudi Arabia Tel.: +966112053000 Website: <a href="http://www.cma.org.sa">www.cma.org.sa</a>	هيئة السوق المالية Capital Market Authority 
<b>Fund Manager/ Fund Operator</b>	<b>SNB Capital Company (SNB Capital)</b> P.O. Box 22216 - Riyadh 11495 Kingdom of Saudi Arabia Tel.: +966920000232 Website: <a href="http://www.alahlicapital.com">www.alahlicapital.com</a>	
<b>Custodian</b>	<b>AlBilad Investment Company (Albilad Capital)</b> P.O. Box 140 - Riyadh 11411 Kingdom of Saudi Arabia. Tel: +966 92000 3636 Website: <a href="http://www.albilad-capital.com">www.albilad-capital.com</a>	البلاد المالية Albilad Capital 
<b>Auditor</b>	<b>KPMG Professional Services</b> P.O. Box 92876 - Riyadh 11663 Kingdom of Saudi Arabia Tel.: +966118748500 Website: <a href="http://www.kpmg.com/sa">www.kpmg.com/sa</a>	



## Definitions:

<b>The Fund or Investment Fund</b>	SNB Capital Multi-Asset Income Plus Fund.
<b>Securities</b>	Means any of the following: shares, debt instruments, warrants, certificates, units of Public and private, traded and non-traded fund, options, futures, contracts for differences, long term insurance contracts and any right or interest in anything of the specified above.
<b>Fund Manager or Company or SNB Capital</b>	SNB Capital, is a closed joint stock company established and carries out its activities according to the Laws of the Kingdom of Saudi Arabia under Commercial Registration No. (1010231474) issued in Riyadh dated 29/03/1428H (corresponding to 17/04/2007G). It is authorized by the Capital Market Authority of the Kingdom of Saudi Arabia under license number (06046-37) dated 10/06/1428H (corresponding to 25/06/2008G). SNB Capital Company's Head Office is at King Saud Road, SNB Regional Building P.O. Box 22216, Riyadh 11495, Kingdom of Saudi Arabia.
<b>Board</b>	The Board of Directors of the Fund.
<b>Authority/ CMA</b>	The Capital Market Authority of Saudi Arabia.
<b>Regulations- Investment Funds Regulations ("IFR")</b>	The Investment Funds Regulations issued by the Capital Market Authority Council pursuant to Resolution No. 1-219-2006 dated 03/23/1427H (Corresponding to 24/12/2006G) according to the Capital Market Law issued pursuant to Royal Decree no.M/30 dated 02/06/1424H and amended under the Capital Market Authority Council's Resolution no. 2-22-2021 dated 12/07/1442H (Corresponding to 24/02/2021G).
<b>Terms and Conditions</b>	The contracts containing those disclosures and provisions required under the Investment Funds Regulations, signed between the fund manager and the unitholder. Also, means these Terms and Conditions specific to the Fund.
<b>Benchmark</b>	The Saudi Arabian Interbank Offered Rate (SIBOR) for 3 months + 75 bps (0.75%).
<b>Saudi Business Day</b>	Means a day on which banks and CMI's are normally open for business in Saudi Arabia; this does not include any official holiday in Saudi Arabia.
<b>Dealing Day</b>	Any day on which the Units of the Investment Fund can be subscribed or redeemed.
<b>Valuation Day</b>	Any day on which the Units in the Fund are valued.
<b>Valuation of Units</b>	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.
<b>Subscription Form</b>	Form used for subscription in the Fund.
<b>Redemption Form</b>	Form used to redeem Units.
<b>Subscription Monies</b>	The gross amount paid by the Investor to the Fund Manager to invest in the Fund.
<b>Switch Form</b>	Form used for switching between certain open-ended mutual funds managed by SNB Capital.
<b>Units</b>	The share of any owner in any fund consisting of units or a part of it. Each unit shall be treated as a common share in the net assets of the Fund.
<b>Custodian</b>	Means a CMI who is authorized under the Capital Market Institutions Regulations to conduct the securities custody activity.
<b>Financial Year</b>	Means the financial year of the Fund.
<b>Investor/ Unitholder</b>	An investor in the Fund or person applying to invest in the Fund.
<b>Potential Investors</b>	Any person who wishes to apply to subscribe in the Fund and does not own any Units in this Fund.



<b>Investments</b>	Means the cash, shares, and Units in other mutual fund, in addition to the related assets held by the Fund.
<b>Investment Account</b>	The Investment Fund account held by Investors with SNB Capital.
<b>Fund's Net Asset Value</b>	The Fund's Total Assets Value minus its liabilities.
<b>Register</b>	Means the register of Unitholders held by the Fund Manager or any party appointed by the Fund Manager to hold such register.
<b>Tadawul</b>	The Saudi Stock Exchange.
<b>Shariah Guidelines</b>	The Shariah guidelines set by the Shariah Committee for investing in securities.
<b>Shariah Committee</b>	Shariah Committee of the Saudi National Bank ("SNB").
<b>Murabaha</b>	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.
<b>Real Estate Funds</b>	real estate investment fund that aims to capital growth or/and generate periodical income to its investors.
<b>Sukuk</b>	Certificates of equal value representing undivided shares in ownership, or usufruct of tangible assets, or (in the ownership of) the assets of particular projects and subsequent financial rights.
<b>Sukuk Initial Offer</b>	Offering Sukuk for the first time by an issuer by way of public or private offering.
<b>Asset-Backed Investments</b>	It's investments in securities that linked or affected by the exposure to an investment that is collateralized by assets or instalment contracts provided that the asset is not land or real estate.
<b>Ordinary Fixed Income Instruments Shariah-compliant</b>	Money market transactions and Sukuk, with fixed and variable income.
<b>REITs</b>	A security issued by a company that owns and operates income-generating Real Estate assets and pays dividend to the unitholders.
<b>Leasing</b>	It's investments in securities that linked or affected by the exposure to investments in equipment or other assets leased to beneficiaries.
<b>Sukuk-linked Certificate</b>	A security which its return is linked to the return of one Sukuk or a basket of Sukuk.
<b>Commodity linked securities</b>	A Securities which its return is linked to one a basket of commodity.
<b>Money Markets Transactions</b>	Murabaha, Wakala, and Mudaraba transactions concluded with a party regulated by Saudi Arabian Monetary Authority (SAMA) or equivalent regulator in a jurisdiction other than the Kingdom.
<b>Hedging Derivatives</b>	Hedging instruments for a currency that are based on a unilateral promise (i.e. Wa'ad contract) or such other formulas approved by the Shariah Committee.
<b>CML</b>	Capital Market Law of Saudi Arabia, which was issued by Royal Decree No. (M/30) dated 16th June, 2003.
<b>Anti-Money Laundering Regulation</b>	The Saudi Anti Money Laundering Regulations.
<b>Independent Fund Director</b>	An independent fund director who enjoys complete independence by way of example, the following shall constitute an infringement of such independence: <ol style="list-style-type: none"><li>1. He is an employee of the fund manager or any of its affiliates, or any sub-manager or custodian for a fund or have a material business, or</li></ol>



contractual relationship with the fund manager or any sub-manager or custodian for such fund.

2. He, during the preceding two years, has been a senior executive of the fund manager or any of its affiliates.
3. He is a first-degree relative of any board member or any senior executives of the fund manager or of any its affiliates.
4. He is a controlling shareholder of the fund manager or any of its affiliates, during the preceding two years.

<b>Data processing and operations expenses</b>	These are the expenses related to the fund's operations and administrative affairs.
<b>Transactions suspended</b>	It means the suspension of subscriptions and redemptions in the Fund.
<b>Agricultural Investments</b>	It's investments in securities that linked to or affected by the exposure to agricultural sector and related commodities.
<b>Mudaraba</b>	Means a partnership between the first party (Mudareb, one or more) and a financial institution (second party) whereby the first party authorizes the second party to invest and manage the former's Investments to gain profits.
<b>Infrastructure Investments</b>	It's investments in securities that linked or affected by the exposure to infrastructure investments such as toll roads, railways, utility companies, airports, seaports, and other real assets.
<b>Wakala</b>	Means granting a financial institution an authorization to manage investments on the investors' behalf.
<b>Real Estate</b>	It's investments in securities that linked or affected by the exposure to real estate investment that aims to capital growth or/and generate periodical income to its investors.
<b>Trade, Supply Chain and Working Capital Finance</b>	It's investments in securities that linked or affected by the exposure to short-term transactions aimed to optimize the working capital cycle of a counterparty and/or facilitate international and local trades.
<b>Exchange Traded Funds (ETFs)</b>	An index fund the units in which are traded on the exchange or on another exchange which is recognized by the CMA.
<b>securities IPO</b>	securities that offered for the first time by an issuer through the public or private offering.
<b>Other Investments</b>	Includes any investment in securities leading to capital growth and/or income generating investments other than money market instruments, sukuk and stocks mentioned in subparagraph (b) of paragraph (3) "Investment Policies and Practices" of these Terms and Conditions.
<b>Individual Saving Program (ISP)</b>	A program provided by the fund manager, in which fixed amounts are deducted monthly (minimum 100 Saudi riyals) and invested in the investment funds available at the clients choice.
<b>Private debt instruments</b>	It is a non-bank lending where the debt is not issued or traded in the public market. In general, investment in this type of debt is done through investing in securities.



### Fund Summary:

<b>Name of the Investment Fund</b>	SNB Capital Multi-Asset Income Plus Fund.
<b>Class/type of the Fund</b>	An open-ended public Multi-Asset Shariah-compliant Investment Fund.
<b>Name of the Fund Manager</b>	SNB Capital Company.
<b>Purpose of the Fund</b>	Achieve medium to long term capital growth and offer a yield enhancement over Money Market Transactions and Fixed Income Instruments by investing in a variety of securities and instruments, including money market, Fixed Income Instruments, and Other Investments.
<b>Risks level</b>	Low to moderate risk.
<b>Minimum amount for subscription</b>	SAR 5,000.
<b>Minimum additional amount for subscription</b>	SAR 2,000.
<b>Minimum amount for redemption</b>	SAR 2,000.
<b>Minimum amount for subscription and additional subscription through Individual Saving Program (ISP)</b>	100 SAR.
<b>Valuation days</b>	Every Saudi Business Day
<b>Dealing days</b>	Every Saudi Business Day
<b>Announcement days</b>	The Unit Price will be announced on the Business Day following the Valuation Day.
<b>Paying redemption amount days</b>	Redemption proceeds shall be available to the unitholder by no later than the close of business (in Saudi Arabia and the US) on the fourth day following the valuation point (Dealing Day) at which the redemption price is determined.
<b>Unit price at initial offer (nominal value)</b>	1 SAR.
<b>Currency of the Fund</b>	SAR.
<b>Period of the investment fund and its maturity date</b>	SNB Capital Multi-Asset Income Plus Fund is an open-ended fund, with no maturity date.



<b>Date of commencing the fund</b>	8 Ramadan 1437H, corresponding to June 13, 2016G.
<b>Date of issuing the Terms and Conditions, and latest update of it</b>	The Fund's Terms and Conditions were issued in Sha'ban 1424H, corresponding to October 2003G, and the CMA was notified of its amendment on 8 Rabi' II, 1445H, corresponding to 23 October 2023G.
<b>Early Redemptions fees</b>	3% of the redemptions amount,
<b>Benchmark</b>	The Fund does not have or follow any Benchmark. However, The Saudi Arabian Interbank Offered Rate (SIBOR) for 3 months + 75 bps (0.75%).
<b>Name of the Fund Operator</b>	SNB Capital Company.
<b>Name of the Custodian</b>	AlBilad Investment Company (Albilad Capital).
<b>Name of the Auditor</b>	KPMG Professional Services
<b>Tax Advisor</b>	KPMG Professional Services.
<b>Fund Management fees</b>	1% of the Net Asset Value of the Fund.
<b>Subscription and Redemption fees</b>	None.
<b>Custodian fees</b>	The Custodian shall receive an annual custody fee of (0.02% when investing in other than Money Markets, 0.0025% when investing in Money Markets) of the Net Asset Value of the Fund under custody calculated proportionally on each Valuation Day and deducted monthly. The Custodian is entitled to a fixed fee for each transaction of SAR 20, plus SAR 10 for each transaction not carried out electronically.
<b>Dealing (Brokerage) fees and charges</b>	Brokerage fees or any other trading fees will be paid by the Fund directly at levels determined by local regulations or the dealing broker 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.
<b>Other fees and expenses</b>	The Fund Manager reserves the right to charge the Fund any other actual fees and expenses, such as custody fees, auditor fees, Tax Advisor fees and any other tax-related fees, remuneration of independent directors of the Fund Board, Shariah Committee services fees, CMA fees, Tadawul fees, as well as administrative, data processing and operational expenses. The other fees and expenses will not exceed 1% of the average value of the Fund's assets during the financial year.





## Terms and Conditions:

### 1) Investment Fund

#### a. Name of the investment fund, its type and class

SNB Capital Multi-Asset Income Plus Fund an open-ended public multi-asset investment fund compliant with Shariah guidelines.

#### b. Date of issuing the Terms and Conditions and the last update

The Fund's Terms and Conditions were issued on 5 Rajab 1437H, corresponding to April 12, 2016G, and the Authority was notified of its update on 8 Rabi' II, 1445H, corresponding to 23 October 2023G.

#### c. Date of the Authority's approval on the offering of the fund's units

The CMA approved of the offering the Fund's Units on 5 Rajab 1437H, corresponding to April 12, 2016G.

#### d. The duration of the investment fund and maturity date

SNB Capital Multi-Asset Income Plus Fund is an open-ended public multi-asset investment fund, with no maturity date.

### 2) Governing Laws

The Fund and the Fund Manager are subject to the Capital Market Law (CML), and its Implementing Regulations as well as other relevant laws and regulations applicable in the Kingdom of Saudi Arabia.

### 3) Investment Policies and Practices

#### a. The fund's investment objectives

SNB Capital Multi-Asset Income Plus Fund is an open-ended multi-asset Investment Fund which aims to provide income distribution to its Unitholders, capital growth over the medium to long term, and to provide gross total return higher than Traditional Shariah Compliant Fixed Income.

The Fund Manager will achieve the Fund objective by investing in a multi-asset portfolio investing in several classes of securities, investment funds, and other investments through investing in money markets dealings, Sukuk, Sukuk related certificates, Trade Finance deals, supply chains, Working Capital Finance, Leasing, Asset-backed Investment, Income Generating Real Estate, real estate investment traded funds (REITs) and/or other investments; locally and internationally.

#### b. Types of securities in which the fund will invest in primarily

The Fund invests in multi-asset, including the following listed securities:

- **Money Market:** these include, but are not limited to cash, money market dealings, units of money market funds that invest wholly or partly in money market dealings and/or sukuk.
- **Sukuk:** these include, but are not limited to listed or non-listed Sukuk, Sukuk IPO, Sukuk linked certificates.
- **Other Investments:** these include, but are not limited to Securitas invest in or provide a return related to the following investments: Trade Finance deals, supply chains, Working Capital Finance, Leasing, Asset-backed Investment, Real Estate, infrastructure investments, Real estate investment traded funds (REITs), agriculture investments, Private debt instruments, agricultural lands and others.

#### c. Investment concentration policy

- The Fund assets are allocated primarily to Money Market instruments and Sukuk with lower exposure to public equity and Other Investments as mentioned in paragraph (d) of paragraph (3) "Investment Policies and Practices".
- When the Fund invests in Money Market Transactions or in direct Sukuk issued by a corporate or a government, the minimum credit rating of counterparty or security shall be as determined by one of the international credit rating agency as follows: Standard & Poor's: BBB-, Moody's: Baa3, Fitch: BBB.



However, the Fund may invest up to 20% of its Net Asset Value in “sub-investment grade” counterparties or securities, i.e. less than the above ratings. In the absence of a credit rating from an international credit rating agency, the Fund Manager will assign a credit ratings of investments internally based on the financial position and stability of the counterparty or the issuer. Credit rating restrictions do not apply to investments in funds, and Certificates.

- The fund manager will be committed to diversifying the fund’s investments as mentioned in the Fund strategy. In addition, to notes that the fund is not classified as money market or debt instrument fund, and the fund does not comply with the requirements of Article (54) of the Investment Funds Regulations, specifically the liquidity policy requirements.

**d. A table shows the percentage of investment in each investment field**

<b>Asset Class</b>	<b>Minimum Limit (As a percentage of the Fund’s Net Assets Value)</b>	<b>Maximum Limit (As a percentage of the Fund’s Net Assets Value)</b>
Cash	55%	80%
Sukuk	55%	50%
Other Investments	0%	45%

**e. The markets in which the investment fund intends to invest in**

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

**f. 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’s Subscriptions”.

**g. Transactions and methods used for investment decisions purposes**

- The Fund invests by active strategy in a multi-asset portfolio consists of investment denominated in one or more currencies. The Fund Manager builds up a diversified portfolio of assets and selects the Fund’s investments from the Money Market Transactions, Sukuk and Other Investments referred to in sub paragraph (b) of section (3) based on bottom-up analysis. The financial instruments will also be selected based on their credit risk and liquidity levels to create a balanced and diversified portfolio with a preference to income-generating assets.
- Investments denominated in currencies other than Saudi Riyal, US Dollar, currencies pegged to the US Dollar shall not exceed 10% of the fund Net Asset Value unless their currency exposure is hedged.
- The Fund Manager seeks to minimize risks by investing with the different counterparties, in different sectors, and multiple geographical regions.
- 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.

**h. 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 (d) of paragraph (3) “Investment Policies and Practices” of this Terms and Conditions.



**i. Investment limitations**

The Fund will comply with the applicable restrictions set out in Article (41) "Investment Limitations" of the Investment Funds Regulations and will comply with Shariah guidelines set by Shariah Committee.

**j. Investment of the fund's assets in investment fund units managed by the Fund Manager or other fund managers**

The Fund manager reserve the right to invest %45 of the fund asset in listed ETFs. The fund manager is also entitled to invest %60 of the fund assets in non-traded investment funds. The fund may invest in investment fund units issued by the fund manager or any of its affiliates in accordance with the fund's objectives.

**k. Lending and financing powers**

The Fund has the right to obtain Shariah-compliant financing up to a maximum of 15% of the net assets of the Fund for a maturity period of no more than one year. Such percentage excludes Shariah-compliant financing to meet Redemption Requests. The assets of the Fund may be pledged for financing so as not to cause the Fund to bear unlimited liability. The fund manager does not intend to lend securities from the fund's assets.

**l. Maximum limit for dealing with any counterparty**

Not applicable.

**m. 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, 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.
- The Risk Management Department provides the Fund Board with periodic reports on the performance of the Fund, discussing operational risks, credit risks, and risks of violating the investment limitations. Accordingly, these risks are assessed, and necessary actions are taken in the interest of the unitholders in line with applicable laws and regulations.

**n. The benchmark**

The Fund does not have or follow any Benchmark.

However, The Saudi Arabian Interbank Offered Rate (SIBOR) for 3 months + 75 bps (0.75%).

**• Benchmark calculation method:**

The index is calculated based on a composite of 3 month SAIBOR, which is calculated based on the inter-bank offered rate when one Bank borrows from another

Investors can monitor the performance of the Index on the Fund Manager's website [www.alahlicapital.com](http://www.alahlicapital.com).

**o. Derivatives**

The Fund may use securities derivatives for currency hedging purposes after being approved by the Shariah Committee not exceeding 15% of the Fund' Net Assets Value.

**p. Waivers approved by Capital Market Authority for any investment limits and restrictions**

None.



#### 4) The Main Risks of Investing in the Fund

- a. The Fund is considered to be of low to moderate risk, and SNB 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. SNB Capital gives no assurance that the Fund's investment objectives will be achieved.
- b. The past performance of the Fund or the Benchmark is not an indication of their future performance. The performance of the Fund is subject to fluctuations according to the financial market conditions. Therefore, the Units' value might drop or Unitholders might lose some or all of their invested capital. There is no guarantee that the performance of the fund will be repeated or its performance relative to the Benchmark similar to the expected fund performance.
- c. The Fund does not guarantee that its absolute performance or its performance relative to the Benchmark will be repeated or similar to any past performance.
- d. 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.
- e. The value of the Units and their returns are subject to fluctuations. 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.
- f. 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:
  1. **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.
  2. **IPO Investment Risk:** This is the risk of investing in green field companies with no operating history that would allow the Fund Manager to properly assess the company's performance. Moreover, the companies that offer their securities may represent new sectors or ones that are in the early stage of operation. This could reflect negatively on the Fund performance and the Unit price.
  3. **Risk of Other Investments:** For asset diversity purposes, the fund may invest in the class of other investments as clarified in subparagraph (b) from paragraph (3) of the Terms and Conditions. These investments are generally considered more risky compared to traditional asset classes - such as money markets and fixed income and Equity - due to the fact that these investments 1) don't include regular daily market prices; however, their values depend on periodic valuations which will impact the ability to accurately estimate volatility risks, 2) Mostly, they have low liquidity due to the absence of an active secondary market for them, which may affect the ability of the fund manager to dispose these investments within a certain time frame to provide liquidity or for the purpose of restoring balance to the fund's investments to take advantage of dynamic changes in the market, 3) The Fund Manager performs due diligence procedures, but there is no guarantee on the performance, capabilities and competencies of the issuers or managers of such investments, and therefore, the investments may be subject to performance risks.
  4. **Risk of Agricultural investment:** entails a numbers of risks associated to uncertainties relating to weather, yields, prices, government policies and global markets which may cause a swing profitability. Production risk is derived from the uncertain natural growth processes of crops and livestock. Weather, diseases, pests and other factors can affect both the quality and quantity of commodities produced. Institutional risk results from the uncertainty surrounding government actions, Tax laws, and regulations for chemical use, rules for animal waste disposal and the level of price or income support payment are instances of government decisions that can have major impact on agricultural businesses. Financials risk arise when agricultural business borrows money and create an obligation to repay debt. Rising interest rates, the prospect of loans being called by lenders and restricted credit availability are also aspect of financial risk.



5. **Risk of agricultural land Investments:** Agricultural land is a united asset, as it cannot be divided easily. It is considered an illiquid asset in the short term and it may take years to sell if the owner plans to exit.
6. **Risk of infrastructure Investments:** in infrastructure can expose investors to a number of key risks that may exist concurrently. Development risks relates to the uncertainties and obstacles endured during the construction of Greenfield and brownfield projects. Given the scale of the projects, this is a substantial risk for investors in the bidding and construction phases. Infrastructure portfolios can be quite concentrated in nature due to the size of assets. Infrastructure can therefore be particularly exposed to single events. Revenue from regulated or government contracted payments are exposed to potential changes in government policies. Infrastructure investments are also exposed to issues such as rejection of contracts, changing tax laws, currency risk, political instability and sovereign credit risk.
7. **Risk of Real estate investments:** Real estate markets are characterized by up and down market cycles. Good markets are characterized by strong occupancies and steady rent growth while downturns often result in lower occupancies and flat or even discounted rents. There are myriad market risk factors that can trigger an imbalance in the supply and demand for space, such as a surge in new development or a dip in demand from a slowing economy. In terms of tenancy risk, there are two primary subsets of tenant risk. Firstly, rent roll out quality, this usually refers to the credit worthiness, stability and numbers of tenants. Secondly, rollover risk refers to the remaining term left on leases at a property and its effects on properties.
8. **Risk of trade finance investment:** Trade finance instruments are usually difficult to liquidate and require longer investment timeline when compared with other investments. These instruments don't have regular daily market prices, and their valuations are based on periodical appraisals which may have the effect of understating volatility. Moreover, originator risk is prevalent as such instruments are originated by external transaction originators and managers, whilst robust due diligence has been conducted on such transaction originators, there is no guarantee on the performance of such originators or their capabilities and competences and therefore the transactions may be subject to performance risk. In addition to credit risk which is the risk of nonpayment of scheduled interest or principal payments on a debt investment. Because trade finance credit can be debt investments in non-investment grade borrowers, the risk of default may be greater. Should a borrower fail to make a payment, or default, this may affect the overall return to the lender. Interest rate changes will affect the amount of interest paid by a borrower in a floating rate loan, meaning they move in-step with broader interest rate fluctuations. However, this typically has impact on the underlying value of floating rate debt. Therefore, the above risks negatively affect the fund's investments, performance and unit price.
9. **Risks Associated with Complying with Shariah:** This is the risk of concentrating on Shariah-compliant Investments; which includes the risk of disposition or selling of non Shariah-compliant shares during unfavorable market conditions, and that might have an effect on the Unit price and the Fund's performance.
10. **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.
11. **Concentration risk:** The Fund will mainly invest in contracts and securities issued by financial institutions, so the performance of the Fund and the Unit price may be adversely affected by the performance of the sector in general.
12. **Geopolitical Risk:** This is the risk of changes in political conditions and applicable laws in the countries in which markets the Fund is investing or in neighboring countries, which may have adverse impact on the Units' value and the Fund's performance.
13. **Regulatory Risk:** This is the risk of changes in the regulatory environment and legislation, accounting, or local government regulations, which may adversely affect the Fund Manager's ability to manage the Fund or cause the value of the securities invested in to decline, and which may have an adverse impact on the Fund's performance and Unit value.
14. **Economic Risk:** This is the risk of changes in the economic conditions such as recession, inflation, oil prices, which may negatively affect the value of Investor shares, thus adversely impacting Fund performance and Unit value.



15. **Interest (Return) Rate Risk:** This is the risk that the value of investment will fluctuate due to changes in return rates such as interest rates. Also, Investments and returns valued at market value may be negatively affected, as a result of which the Fund's performance of securities and the prices of Units may be adversely affected.
16. **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. In addition, low market liquidity may increase the difficulty of liquidating such Investments. Reduced market liquidity may adversely affect the market price of the Fund's Investments and the Fund's ability to dispose particular Investments to meet its liquidity requirements. over-the-counter (OTC) securities. 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. 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).
17. **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.
18. **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. The Fund's performance may be significantly affected in the event of a resignation or absence of any one of them should the Fund Manager fail to secure a suitable replacement.
19. **Currency Risk:** The Fund's Investments may be denominated in currencies other than its base currency. The value of financial instruments will fluctuate due to a change in foreign exchange rates between subscription and redemption. Accordingly, the value of the Fund's assets may be affected unfavorably by fluctuations in currency exchange rates.
20. **Risk of investing in Sukuk Initial Offer:** Investing in securities exported from newly established firms or representing new sectors or do not have a credit history that allows the Fund Manager to assess the performance of the firm adequately. Moreover, investing in securities issued by firms going through growth and development stage considered as high risk, as it could potentially be reflected in the performance of the fund and unit prices.
21. **Borrowing Risk:** In case of borrowing by the Fund for investment purposes, the Fund may not be able to repay its obligations on time for reasons beyond the control of the Fund Manager may result in late payment fees or cause the Fund to sell some of its Investments. In addition, the finance costs could affect the Fund's performance, and negatively impact the Unit prices.
22. **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.
23. **Risk of Large Redemptions:** This is the risk of large and consecutive Redemptions by unitholders, which may cause the Fund Manager to liquidate assets of the Fund at less favorable prices, which leads to reducing the value of the Fund's assets and lower Unit price.
24. **Credit Risk:** This is the risk relating to the possibility of failure by the counterparties to fulfill their contractual obligations with the Fund Manager under the contracts or agreements. These risks apply to the Fund in the event of investing in Money Market Funds or directly in Murabaha Funds which engage in Murabaha Transactions with third parties, the default of which would adversely affect the Fund's Investments and Unit Price.
25. **Legal and Regulatory Risk:** The Fund may be exposed to risks due to changes in regulatory, legal, tax or other government applicable procedures relating to the Fund's Investments that may adversely affect the performance of the Fund.
26. **IT Related Risk:** The Fund Manager relies on the use of technology in managing the Fund's operations and maintaining its assets. It is possible that, despite the high security precautions in place, the Fund Manager's IT systems may be hacked or targeted by virus attacks, or sustain partial disruption or total breakdown, thus limiting the Fund Manager's ability to manage the Fund's Investments effectively. This could adversely affect the performance of the Fund.
27. **Risk of Natural Disasters:** Natural disasters, which are beyond the control of the Fund Manager, such as earthquakes, volcanoes, hurricanes, floods and other natural phenomena may have a devastating effect on assets and properties, which may include the economic and investment sectors of the Fund's





business, could adversely affect the performance of the Fund, and therefore may affect the Fund's Investments and performance and consequently the Unit price.

28. **Rating Downgrade Risk:** Any downgrade revision by any credit rating agency of the credit rating of the security/issuer of Fixed Income Instruments, which constitute a part of the Fund, or the counterparty, may adversely affect the value of Investments. Moreover, the Fund's NAV and Unit price may decline as a result of devaluation of the Fund's Investments affected by such downgrading.
29. **Risk of Call Options and Reinvestment:** Some Fixed Income Instruments may carry a call option that gives issuers the right to call Fixed Income Instruments before maturity. This would result in the failure to achieve the Fund's target returns and profits from such instruments and may adversely affect the Fund's performance and Unit Price.
30. **Risks of investing in non-rated instruments:** Unitholders will assume the risks resulting from investment in non-rated instruments in which the Fund may invest, based on in-house assessment and analysis by the Fund Manager, as the weak financial or credit rating of the issuers of such instruments may cause a reduction in the Fund's net asset value and Unit Price.
31. **Risk of Limited Performance:** The Fund has no operational history that can be referred to as the Fund is newly-established, therefore, it will be difficult for Investors and Unitholders to anticipate the Fund's performance, which may be negative when the Fund is launched.
32. **Risks of investing in derivatives for hedging purposes:** Though the Fund may invest in derivatives for hedging against currency risk, this does not guarantee the Fund Managers' ability to protect the Fund's assets against the risk of currency fluctuation, which may cause the Fund to incur losses and its net asset value and Unit Price to decline as a result of failing to benefit from its investment in derivatives.
33. **Risks of investment in low credit rating instruments:** Investment in instruments with lower credit rating involves a relatively higher risk than those in investment in instruments with high rating. This means that there is an increased likelihood that the issuer will be unable to pay its financial obligations, in which event, the value of the Fund's assets and Unit Price will decline.
34. **Risks of Sukuk -linked certificates:** The Sukuk index-linked certificates may not provide their expected return since their performance depends entirely on the underlying assets of the Sukuk index, the performance of which may fluctuate depending on their maturity period. Moreover, such certificates may be difficult to liquidate, which will negatively affect the Fund's performance and Unit Price.
35. **Risk of Asset-Backed investments:** Investment in Asset-Backed Securities involves credit risks, default risks, and early repayment risks. In addition, these securities may be concentrated in limited asset classes and perform poorly, which may adversely affect the Fund's performance and Unit Price.
36. **Zakat and Tax Risks:** Investing in the Fund may result in tax obligations including zakat. These taxes may apply to the Fund and its investments or to the Unitholder. The Authority of Zakat, Tax and Customs of the Kingdom of Saudi Arabia or any other authority may impose taxes on investment funds leading to reduction of the Fund's NAV and Unit price.

## 5) Mechanism for Assessing Risks

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

## 6) Targeted Class for Investing in the Fund

The Fund targets Investors seeking to achieve capital growth and capital preservation over the medium to long term.

## 7) Investment Restrictions / Limitations

The Fund Manager shall abide by the limits and restrictions of the Investment Fund Regulations, the Fund's Terms and Conditions, and guidelines set out by the Shariah Committee.



## 8) Currency

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

## 9) Fees, Charges and Expenses

### a. Details on all payments from the assets of the investment fund, and the method for calculating them

- **Management Fees:** The Manager will charge the Fund on every Dealing Day an annual management fee of 1% to be payable proportionately from the Fund's Net Asset Value. The management fee will be waived or rebated if the Fund invests in other Investment Funds managed by SNB Capital Company. 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.
- **Shariah 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.
- **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.
- **Other Fees and Expenses:** The Fund Manager reserves the right to charge the Fund any other actual fees and expenses, allowed to be charged by regulations, such as custody fees, auditor fees, Tax Advisor fees and any other tax-related fees, remuneration of independent directors of the Fund Board, Shariah Committee services fee, CMA fees, Tadawul fees, as well as administrative, data processing and operational expenses. The other fees and expenses will not exceed 1% of the average Net Assets Value of the Fund's assets during the financial year, and they are as follows:
  1. **Custody Fees:** The Custodian shall receive an annual custody fee of (0.02% when investing in other than Money Markets, 0.0025% when investing in Money Markets) of the Net Asset Value of the Fund under custody calculated proportionally on each Valuation Day and deducted monthly. The Custodian is entitled to a fixed fee for each transaction of SAR 20, plus SAR 10 for each transaction not carried out electronically.
  2. **Remuneration of the Independent Fund's Board Members:** Each Independent Fund Board Member shall receive SAR 2,000 for each meeting he attends. A minimum of two meetings shall be held per year.
  3. **Auditor's Fees:** SAR 32,568 annually, calculated on each Valuation Day and deducted monthly.
  4. **Shariah Committee Services Fees:** SAR 27,000 annually, calculated on each Valuation Day and deducted monthly.
  5. **Capital Market Authority Fees:** SAR 7,500 annually, calculated on each Valuation Day and deducted monthly.
  6. **Publishing Fund's Information on Tadawul Website Fees:** SAR 5,000 annually, calculated on each Valuation Day and deducted monthly.
  7. **Administrative, Data Processing and Operational Expenses:** Charged to the Fund based on the percentage of the Fund's assets as a portion of all open-ended public Funds assets under the Fund Manager for purposes of data processing operations.

All fees, charges, commissions and expenses payable to SNB 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. A table showing all fees and expenses, how the fees, charges and expenses are calculated and when it is paid by the investment fund

Type of Fee/ Expense	Percentage/Assigned Amount in SAR	Calculation Method	Frequency of the Payment
<b>Management Fees</b>	1% annually	Calculated on each Valuation Day	Deducted Monthly
<b>Shariah Compliant Financing Charges</b>	Based on the prevailing market rates and the requirements of the financier.		
<b>Dealing (Brokerage) Fees and Charges</b>	Based on the turnover of the Fund's assets and the volume of operations.		
<b>Other Fees and Expenses*</b>			
<b>Custody Fees</b>	(0.02% when investing in other than Money Markets, 0.0025% when investing in Money Markets) annually	Calculated on each Valuation Day from the Fund's assets.	Deducted Monthly
<b>Auditor's Fees</b>	SAR 32,568 annually	Calculated on each Valuation Day from the Fund's assets.	Deducted Monthly
<b>Remuneration of the Independent Fund's Board Members</b> (For each meeting attended)	SAR 2,000 annually (for each independent member)	Calculated on each Valuation Day from the Fund's assets.	Deducted Monthly
<b>Shariah Committee Services Fees</b>	SAR 27,000 annually	Calculated on each Valuation Day from the Fund's assets.	Deducted Monthly
<b>Capital Market Authority Fees</b>	SAR 7,500 annually	Calculated on each Valuation Day from The Fund's assets.	Deducted Monthly
<b>Publishing Fund's Information on Tadawul Website Fees</b>	SAR 5,000 annually	Calculated on each Valuation Day from the Fund's assets.	Deducted Monthly
<b>Administrative, Data Processing and Operational Expenses</b>	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 Fees and Expenses will not exceed 1% 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. Hypothetical table that shows the percentage of the fund expenses against the total fund asset value for the fund and the Unitholder throughout the lifespan of the fund. Such fund shall include percentage of recurring non-recurring expenses**

The following table shows a hypothetical investment of an investor who would make an investment of SAR (100) Million which has not changed throughout the year, and that the size of the fund at this period amounts is SAR (100) Million; with a 5% return on investment:

Description	Fees Percentage of the Total Assets	Fees Amounts as of a Percentage the Total Assets (Annually) in SAR *(Estimated Amount)*
Hypothetical Investor Investment		100,000,000.00
Return + Units' Value of the Investor	5.00%	105,000,000.00
Management Fees	1.00%	(1,000,000.00)
Dealing (Brokerage) Fees and Charges	0.00%	(0.00)
Custody and Accounting Fees	0.02%	(20,000.00)
Remuneration of the Independent Fund's Board Members	0.02%	(23,333.33)
Auditor's Fees	0.03%	(32,568.00)
Shariah Committee Services Fees	0.03%	(27,000.00)
Capital Market Authority Fees	0.01%	(7,500.00)
Publishing Fund's Information on Tadawul Website Fees	0.01%	(5,000.00)
Administrative, Data Processing and Operational Expenses	0.03%	(29,000.00)
<b>Total Fees and Expenses</b>	<b>1.14%</b>	<b>(1,144,401.33)</b>
VAT on Total Fees and Expenses	15.00%	(171,660.20)
<b>Net Unit's Value of the Investor</b>		<b>103,683,938.5</b>

**d. Details on charges imposed for subscription, redemption and ownership transfer**

**• Early Redemption fee:**

- An early Redemption fee of 3% will be imposed on partial and full Redemptions.
- An early Redemption fee shall be imposed on any Unitholder requesting Redemption of their Units within 90 days of purchase.
- Any such charge shall be made against Units redeemed on a "first-in-first-out" basis.

**e. Fund Manager policy on rebates and special commissions**

The Fund Manager may enter into special commission arrangements that are limited to goods and services, which the Fund Manager may obtain, provided that they are related to the execution of transactions services on behalf of the Fund, or to the provision of research in favor of the Fund, in accordance with the Capital Market Institutions Regulations.

**f. Information regarding Tax and/or Zakat**

The Fund is subject to Zakat Collection Rules issued by the Zakat, Tax and Customs Authority. Value Added Tax ("VAT") is applied to the Fund in accordance with the relevant laws and regulations. The Fund does not pay Zakat on behalf of the unitholders.



**g. Special commission concluded by the Fund Manager**

The Fund Manager may enter into special commission arrangements that are limited to goods and services, which the Fund Manager may obtain, provided that they are related to the execution of transactions services on behalf of the Fund, or to the provision of research in favor of the Fund, in accordance with the Capital Market Institutions Regulations.

**h. Hypothetical example illustrating all fees, charges paid from The Fund's Assets or unitholders based on the currency of the fund**

Please refer to sub-paragraph (c) from paragraph (9) of these terms and conditions.

## 10) Valuation and Pricing

**a. Valuation of Fund Assets**

- 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. The securities subscribed to under an IPO will be valued during the subscription period at the subscription price.
- Investments in other investment funds will be valued based on the latest unit price declared by the investee Fund.

**b. Frequency of valuation and number of valuation points**

The Fund's assets shall be valued on every Saudi Business Day, based on the latest 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. Actions to be taken in case of mis-valuation or mis-pricing**

In the event of incorrect valuation or mispricing of any asset of the Fund or in case of calculations errors to the unit price, the Fund Manager and Operator shall:

- The fund operator must record each instance where an asset of the public fund is valued incorrectly or the price of a unit is calculated incorrectly.
- The fund operator must compensate all harmed unitholders (including former unitholders) as soon as reasonably practicable for all valuation or pricing errors.
- The fund manager must immediately report to the Authority any valuation or pricing error of (0.5% or more of the price of a unit and disclose it immediately on its website and any other website available to the public according to the controls set out by the Authority and in the public fund's reports prepared in accordance to articles (76) of Investment Funds Regulations.
- The fund manager, in its reports to the Authority pursuant to Article (77) of Investment Funds Regulations., must provide a summary of all valuation and pricing errors.

**d. Method for calculating the unit price**

The nominal value of the Fund Unit is SAR 1. The Unit Price shall be calculated by dividing total Fund asset value plus total income, including accrued income and dividends reinvested in the Fund, minus liabilities, administrative fees, and any outstanding expenses by the total number of Units exiting at that time.

**e. The publication time and place of the unit price, and its frequency**

The Unit price shall be announced on next Business Day in the Kingdom following the Valuation Day on the Fund Manager's website: [www.alahlicapital.com](http://www.alahlicapital.com) and on Tadawul website: [www.Tadawul.com.sa](http://www.Tadawul.com.sa) and any other website available to the public according to the controls set out by the Authority.



## 11) Dealings

### a. Details of the initial offer and unit price

The Fund started accepting Subscription Requests during the initial Offering Period of the Fund Units on 8 Sha'aban 1437H, corresponding to 15 May 2016G. And the Unit price was set at SAR 1 at the beginning of the offering.

### b. Date and deadline for submission of requests for subscription, redemption and the responsibilities of the fund manager and operator in relation to these requests

#### • Fund Manager and Operator responsibilities in relation to subscriptions and redemption requests:

- Subscription and Redemption Requests may be submitted on every Dealing Day and processed based on the Unit price calculated on the most recent Dealing Day provided that the request was submitted prior to the deadline for Subscription and Redemption Requests, as demonstrated in the terms and conditions.
- The Operator shall execute the subscription and redemption requests and pays the redemption proceeds in accordance with the terms and conditions of the Fund, in a manner not inconsistent with the Investment Funds Regulations.

#### • Subscriptions requests:

All Subscriptions payable in SAR must be made no later than 12:00 p.m. on the Dealing Day in order to commence participation in the Fund at the same Dealing Day in which Subscription is made. Applications received after 12:00 p.m., or when the target Dealing Day falls on an official holiday for banks or Authorized Persons in Saudi Arabia, will be processed on the following 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 no later than 12:00 p.m. on the Saudi Business Day preceding the Dealing Day. Where Redemption Requests are received on a Saudi Business Day after 12:00 p.m. or when the target Dealing Day falls on an official holiday for banks or Authorized Persons in Saudi Arabia, Redemptions will be processed on the following Dealing Day.

### c. Subscription, redemption and ownership transfer procedures and the period between request for redemption and payment of redemption proceeds

#### • Subscription procedures:

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 procedures:

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/she wishes to redeem through branches. The Unitholder must also determine whether he/she wishes to recover the value of his/her 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.

- **Redemption by Fund Manager:**  
The Fund Manager reserves the right to redeem units sold to any investor in full or in part, with notice to the investor later if he believes that such subscription may result in a violation of CMA regulations and / or other applicable regulations and / or Terms and Conditions of the Fund without holding the Fund Manager liable.
- **The period between the redemption request and the payment of redemption proceeds:**  
Redemption proceeds shall be available to the unitholder by no later than the close of business (in Saudi Arabia and the US) on the fourth day following the valuation point (Dealing Day) at which the redemption price is determined.
- **Transfers between two funds:**  
A transfer between funds managed by SNB Capital Company 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.

**d. Restrictions on dealing in units of the fund**

The Fund Manager shall comply with the provisions of the Investment Funds Regulations and with these Terms and Conditions when executing subscription and redemption requests.

**e. Circumstances in which dealing in units may be deferred or suspended, and the procedures followed in those cases**

- **Deferring redemption request:**  
The Fund Manager may postpone the execution of any Redemption Request until the following 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 Operator, 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:**
  - The fund manager must suspend the subscription and redemption of units if the Authority orders any such suspension.
  - If the fund manager reasonably believes that any such suspension is in the best interests of the unitholders in the fund.
  - If there has been a suspension of dealing on the principal market in which the securities or other assets held by the fund are dealt, either in general or in relation to assets of the fund which the fund manager reasonably believes to be material to the net asset value of the public fund.
- **Procedures to be taken by the Fund Manager in case of suspension of dealing in the fund's units:**
  - Ensure that any suspension continues only for as long as it is necessary and justified having regard to the best interests of the unitholders.
  - Review the suspension on a regular basis and shall consult with the fund's board of directors, the custodian and the fund operator on a regular basis regarding that.
  - Notify both the Authority and the unitholders immediately of any suspension, and give the reasons for the suspension, and shall similarly notify both the Authority and the unitholders as soon as the



- suspension ends and disclose it on its website and any other website available to the public according to the controls set out by the Authority.
- The Authority shall have the power to lift such suspension if the Authority believes that to do so is in the best interests of unitholders.
- **Rejection of Subscription Requests:**  
The Fund Manager has the right to reject any request to subscribe in 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.
- f. **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 (66) "Deferring Redemption" of the Investment Funds Regulations.
- g. **Provisions governing the transfer the ownership 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.
- h. **Minimum ownership**
- Minimum Subscription: SAR 5,000.
  - Minimum Additional Subscription: SAR 2,000.
  - Minimum amount for subscription and additional subscription though Individual Saving Program (ISP): SAR 100.
  - Minimum Redemption: SAR 2,000.
  - Minimum Ownership of Fund Units: SAR 2,000.
- i. **The minimum amount that the Fund Manager intends to raise, and the actions to be taken in case of not reaching that minimum**  
There is no minimum size of the Fund's assets to initiate investment.

## 12) Distribution Policy

- a. **Policy of distribution of income and gains**  
The Fund Manager reserves the right, at its own discretion, to fully or partially distribute periodic profits received from underlying investments (if any) and/or realized capital gain (if any) in the best interest of Unitholders.
- b. **Approximate date of maturity and distribution**  
These profits are distributed twice a year within seven business days from the end of June and December of each year, provided that the eligibility to receive profits is for investors registered in the fund's records according to the date of the evaluation day that precedes the date of the last evaluation in June and December of each year. After obtaining the approval of the fund's board of directors. It should be noted that the fund may not be able to distribute any dividends to unitholders on the specified date due to non-approval, delay or lack of distributions by the investee companies. After the unit owner's subscription to the fund is completed.
- c. **Dividends' method of payment**  
These profits are distributed to each investor by depositing them in the investor's investment account with SNB Capital.



### 13) Reporting to Unitholders

#### a. Information related to the financial reports

- The fund manager must publish the quarter statement in accordance with the requirements of Annex (4) of the Investment Funds Regulations within a period not exceeding (10) days from the end of such quarter, in such locations and by such means as specified in the Fund's Terms and Conditions as well as on the fund manager's website and the Exchange's website or any other website available to the public according to the controls set out by the Authority. Also, it must be provided to unitholders on request and without charge.
- The interim financial statements must be prepared and made available to the public within a period not exceeding (30) days from the end of the period to which the statements relate in such locations and by such means as specified in the Terms and Conditions, as well as in the fund manager website and the Exchange's website or any other website available to the public according to the controls set out by the Authority.
- The fund manager must prepare the annual reports that include (audited annual financial statement) in accordance with the requirements of Annex (3) of the Investment Funds Regulations. Also, it must be provided by the fund manager to unitholders on request and without charge. The annual reports must be made available to the public no later than (3) months from the end of the period to which the report relates in such locations and by such means as specified in the Terms and Conditions as well as on the fund manager's website and the Exchange's website or any other website available to the public according to the controls set out by the Authority.
- The fund manager must make available for inspection by unitholders the current net asset value of the public funds to which it is fund manager free of charge, and all historical net asset value figures at the registered offices of the fund manager.

#### b. Locations and means of making fund's reports available

Annual reports of the Fund, including the financial statements, will be available on the Fund Manager's website: [www.alahlicapital.com](http://www.alahlicapital.com) and Tadawul's website: [www.Tadawul.com.sa](http://www.Tadawul.com.sa) or on any other website available to the public according to the controls set out by the Authority. Other notices, if any, are sent to the postal address and/or e-mail and/or as a SMS and/or by fax as indicated in the records of the Fund Manager.

#### c. Means of making the fund's financial statement available

The fund's audited annual financial statements shall be available to the unitholders and the potential unitholders free of charge on the Fund Manager's website: [www.alahlicapital.com](http://www.alahlicapital.com) and Tadawul's website: [www.Tadawul.com.sa](http://www.Tadawul.com.sa) or on any other website available to the public according to the controls set out by the Authority.

#### d. The fund manager acknowledges providing the audited financial statements at the end of each financial year.

#### e. The fund's audited annual financial statement are available to the unitholders free of charge and upon request.

### 14) Unitholders Register

#### a. Statement regarding the maintenance of an up-to-date register of unitholders in the kingdom

The Fund Manager and Operator are responsible for preparing an updated unitholders Register in accordance with the requirements of the Investment Funds Regulations, and to be kept in the Kingdom of Saudi Arabia and treated with the utmost confidentiality. The unitholders Register of represents a conclusive evidence to proof the ownership of the units.





**b. Statement of details on the unitholders register**

The unitholder can obtain a summary of the register (which will include all the information only related to the unitholder) and in the means determined in Fund's Terms and Conditions.

## 15) Meeting of Unitholders

**a. Circumstances in which a meeting of unitholders is called**

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

- Initiative by the Fund Manager.
- The fund manager must call for a meeting of unitholders within (10) days of receiving a written request from the custodian.
- The fund manager must call for a meeting of unitholders within (10) days of receiving a written request from the unitholder or unitholders own collectively or individually at least (25%) in value of the units in the fund.

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

The Fund Manager abides by Article (75) "Meetings of Unitholders" of the Investment Funds Regulations. The fund manager shall call for a meeting of unitholders by announcing it on its website and any other website available to the public according to the controls set out by the Authority, and by sending a notice in writing to all unitholders and the custodian giving not less than (10) days' prior notice of the meeting and not more than (21) days' notice before the meeting. The announcement and notice must specify the date, place, time and agenda of the meeting and the resolutions proposed. The fund manager must at the same time as sending a notice to unitholders convening any meeting of unitholders also send a copy of any such notice to the Authority. The quorum required to conduct a meeting of the unitholders shall be a such number of unitholders own collectively at least (25%) in value of the units in the fund. If the quorum requirements are not met, the fund manager must call for a second meeting by announcing it on its website and any other website available to the public according to the controls set out by the Authority and shall send a notice in writing to all unitholders and the custodian giving not less than (5) days' notice of the second meeting. The second meeting is considered valid regardless of the percentage of units represented in the meeting.

**c. The manner in which unitholders' cast their votes and their voting rights at meetings**

- **Voting Method:** Every unitholder may be entitled to appoint a proxy to represent such unitholder at a meeting of the unitholders. Every unitholder may be entitled to exercise one vote at the meeting of the unitholders for each unit which the unitholder holds as at the time of the meeting. The Fund Manager may conduct the unitholders meetings and its deliberations and voting on decisions through modern technology.
- **Voting rights in the unitholders meeting:** Each unitholder is entitled to exercise all rights associated with their units, including obtaining their approval for any changes that require their approval in accordance with the Investment Funds Regulations.

## 16) Unitholders' Rights

**a. A List of unitholders rights**

- Receive an updated copy of the Terms and Conditions of the Fund in Arabic free of charge.
- Receive the Fund's reports and data in accordance with paragraph (13) "Reporting to Unitholders" of the Fund's Terms and Conditions and in accordance with Article (76) "Reporting to Unitholders" of the Investment Funds Regulations.
- Notify the Unitholders of any fundamental and non-fundamental changes in the Terms and Conditions of the Fund. Also, send a summary of these changes before they become effective, depending on the change's nature, and the period specified in the Investment Funds Regulations.





- Obtain the unitholders consent through an Ordinary Fund Resolution on any fundamental changes to the Fund's Terms and Conditions.
- Managing the Fund's assets by the Fund Manager to the best interest of the unitholder in accordance with the Terms and Conditions of the Fund and the Investment Funds Regulations.
- Managing the Fund's business and the Investments of its participants by the Fund Manager 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 unitholder's 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 if the sharing of such information is in the interests of the unitholders.
- Receive an updated version of the Fund's Terms and Conditions on annual basis showing the actual fees and commissions of the Fund upon request.
- Notify the unitholders, in writing, of the Fund Manager desire to terminate the Fund at least (21) days prior to the intended date for terminating the fund, without prejudice to the Fund's Terms and Conditions.
- 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 fundamental or non-fundamental changes occur without imposing redemption fees.
- Any other relevant rights imposed by the CMA regulations and instructions applicable in the Kingdom of Saudi Arabia.

**b. Fund Manager's policy regarding voting rights associated to any assets of the fund**

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

### 17) 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 negligence, infringement or omission.
- Other than losing his\ her investment in the fund or part of it, the unitholder shall 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, 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, he/ she shall be subjected to such laws without any obligation on the Fund or the Fund Manager.

### 18) Units Characteristics

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



## 19) Changes to the Fund's Terms and Conditions

### a. Provisions governing changes to the fund's terms and conditions, including any approvals and notification

The Fund Manager shall comply with the provisions of the Investment Funds Regulations related to changes to the terms and conditions of the public funds. Those changes are divided into two main changes, namely fundamental changes, and non-fundamental changes.

#### • **Fundamental Changes:**

- The fund manager must obtain the consent of the unitholders in the fund to the proposed fundamental change by way of an ordinary fund resolution.
- The fund manager, having obtained the approval of the must obtain the consent of the Authority and ensures the approval of Shariah committee to the proposed fundamental change.
- The fund manager must obtain the fund board approval before carrying out any fundamental change.

"Fundamental Change" means:

1. A change which significantly changes the purposes, nature or class of the fund.
2. A change which alters the risk profile of the public fund.
3. The voluntary withdrawal of the fund manager from its position as the fund manager.
4. Any other instances determined by the Authority from time to time and reported to the fund manager.

#### • **Non-fundamental Changes:**

- The fund manager must notify the Authority and unitholders, and disclose on its website and any other website available to the public according to the controls set out by the Authority regarding any non-fundamental changes in the fund (10) days before the change becomes effective.
- The fund manager must obtain the fund board approval before carrying out any non-fundamental change.

"Non-fundamental Change" means:

1. Any change, excluding Article (62) provisions of the Investment Fund Regulations.

### b. Procedures to be employed on notifying changes to the fund's terms and conditions

- The fund manager must send a notification to the unitholders and disclose the details of the Fundamental Changes on its website and on any other website available to the public according to the controls set out by the Authority (10) days before the change becomes effective.
- The fund manager must send a notification to the CMA and unitholders and disclose the details of the Non-Fundamental Changes on its website and on any other website available to the public according to the controls set out by the Authority (10) days before the change becomes effective.
- Details of all Fundamental Changes and Non-Fundamental Changes must be included in the next fund report prepared by the fund manager pursuant to Article (76) of Investment Fund Regulations.
- The unitholders have the right to redeem their units before any fundamental or non-fundamental change takes effect without imposing any redemption fees (if any).

## 20) Termination of the Fund

### a. Events of which will result in the termination of the investment fund

- The fund manager desires to discontinue and terminate the Fund.



#### **b. Procedures to terminate the fund under the article (22) of the Investment Funds Regulations**

- For the purpose of terminating a fund, the fund manager must prepare a plan and procedures for the termination of the fund consistent with the unitholders interests and must obtain the fund board of directors' approval on such plan and procedures prior to carrying out any procedure in this regard.
- The fund manager must notify the Authority and the unitholders, in writing, of the details of the plan and procedures for the fund termination at least (21) days prior to the intended date for terminating the fund, without prejudice to the Fund's Terms and Conditions.
- The fund manager must notify the Authority and unitholders, in writing, regarding the fund's termination within (10) days from the end of the fund term in accordance with the requirements in Paragraph (d) of Annex (10) of the Investment Funds Regulations.
- The fund manager must treat all unitholders equally during the fund termination process.
- The gradual sale of the fund's assets.
- The fund manager must immediately upon the end of fund term distribute the dues of the unitholders among them, without delay and in a manner that does not conflict with the interest of unitholders and the Fund's Terms and Conditions.
- Notify the parties contractually related to the fund of the termination of the fund.
- Remove the fund's information from the fund manager's website and the market's website (Tadawul).
- The fund manager must disclose, on its website and the Exchange's website or any other website available to the public according to the controls set out by the Authority, regarding end of term of the fund.
- The fund manager must provide the unitholders with the fund termination report, in accordance with the requirements of Annex (14) of the Investment Funds Regulations within a period not exceeding (70) days from the date of completion of its termination, including the final audited financial statements of the fund for the period subsequent to the last annual audited financial statements.

### **21) Fund Manager**

#### **a. Fund Manager's name, responsibilities and duties**

- **Fund Manager name:**  
SNB Capital Company (SNB Capital).
- **Responsibilities and duties of the Fund Manager:**
  - The fund manager shall comply with all bylaws and regulations issued by CMA Board in addition to the applicable instructions in the Kingdom in relation to the investment fund and in accordance with the requirements of Investment Funds Regulations and the Capital Market Institutions Regulations including the fiduciary duty towards unitholders, which includes the duty to act in the best interests of the unitholders and duty to exercise all reasonable care and skill.
  - The fund manager shall have the primary responsibility for compliance with the Investment Funds Regulations, whether it directly performs its responsibilities and duties or delegated them to an external party under the Investment Funds Regulations and the Capital Market Institutions Regulations. The fund manager shall be responsible toward unitholders for losses incurred by the investment fund, which are caused by, fraud, negligence, misconduct or willful default of the fund manager.
  - The fund manager must develop policies and procedures that detect risks effecting the fund's investments and ensure treatment of these risks as soon as possible. These policies and procedures must include conducting risks assessment, at least, once a year.



- The fund manager must implement a compliance monitoring program, and provide the Authority with the results of the implementation of the program upon its request.
- The fund manager shall submit the information declaration to the Zakat, Tax and Customs Authority within (120) days from the end of the Fund's fiscal year.
- The fund manager shall submit the fund's financial reports and financial statements to the Zakat, Tax and Customs Authority.
- The fund manager shall submit the required data to the Zakat, Tax and Customs Authority according to their used mechanism.
- The fund manager shall disclose the required information by the Zakat, Tax and Customs Authority to the unitholders in the fund's financial statements.
- The fund manager is committed to provide the Zakat, Tax and Customs Authority with all reports and requirements regarding zakat declarations and any information requested by the Zakat, Tax and Customs Authority for the purposes of examining and reviewing the fund manager's declarations. The fund manager will also provide the unitholder (Tax payer) with zakat declarations upon request in accordance to the Zakat Collection Rules for Investing in Investment Funds which issued by the Zakat, Tax and Customs Authority. The investors (Tax payers) are subject to the provisions of that rules - who own investment units in the Fund - and they are required to calculate and pay Zakat on their investments. The Rules for Collecting Zakat from Investing in the Investment Funds which issued by the Zakat, Tax and Customs Authority, can be viewed through the Zakat, Tax and Customs Authority website.

**b. Authority authorization number and date**

License no. (06046-37) dated 10 Jumada al-Akhirah 1428 H corresponding to June 25, 2007 G.

**c. Fund Manager's address**

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

Tel: +966920000232

Fax: +966114060049

**d. The Fund Manager's website and any website, related to the Fund Manager, contain information on the fund**

- Fund Manager's Website: [www.alahlicapital.com](http://www.alahlicapital.com).
- Tadawul Website: [www.tadawul.com.sa](http://www.tadawul.com.sa).

**e. Paid up capital to the Fund Manager:**

SNB Capital Company is a Saudi Joint Stock Closed Company with a paid up capital of SAR 1billion.

**f. Summary of the Fund Manager's financial information in the preceding fiscal year (in thousands of Saudi Riyals)**

Item	fiscal year ended on December 2022
Total Operating Income	2,053,418
Total Operating Expenses	(483,808)
Total Operating Profit	1,569,610
Zakat	(151,000)
<b>Net Profit</b>	<b>1,304,239</b>

**g. Primary roles, responsibilities and duties of the fund manager**

- The fund manager must act for the benefit of unitholders in accordance with the Investment Funds Regulations, the Capital Market Institutions Regulations and the Fund's Terms and Conditions.
- With respect to the investment funds, fund manager's responsibilities shall include:
  1. Fund management for the benefit of unitholders in accordance with the Fund's Terms and Conditions.



2. Offering of fund units.
  3. Ensuring the accuracy of the Fund's Terms and Conditions, and verify that the terms and conditions are complete, clear, accurate, and not misleading.
- The fund manager must prepare an annual report that includes an assessment of the performance and quality of services provided by the parties involved in providing material services to the fund - including the custodian- and the fund manager must submit this report to the fund's board of directors.
  - The fund manager must prepare an annual report that includes all complaints and actions taken towards them. The fund manager must submit this report to the fund's board of directors.

**h. Other business activities or interests of the Fund Manager that are of significance or could potentially conflict with those of the fund**

The Fund Manager and other SNB 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 himself 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 Terms and Conditions, no other business activity or interest important to the Fund Manager is likely to conflict with the interests of the Fund.

**i. Right of the Fund Manager to appoint a Fund Sub-Manager**

The fund manager may delegate one or more third parties or affiliates as a fund sub-manager. The remuneration of any fund sub-manager must be paid by the fund manager out of its own resources.

**j. Provisions governing the removal/replacement of the Fund Manager**

- a. The Authority shall have the power to remove a fund manager in relation to a particular investment fund and to take any action it deems appropriate to appoint a replacement fund manager for that investment fund or to take any other measures it deems necessary in the event of:
  1. The fund manager ceasing to carry out managing investments and operating funds activity or managing investments activity without notification to the Authority under the Capital Market Institutions Regulations;
  2. The cancellation, withdrawal or suspension by the Authority of the fund manager's authorization(s) to carry out managing investments and operating funds activity or managing investments activity under the Capital Market Institutions Regulations;
  3. A request by the fund manager to the Authority to cancel its relevant authorization to carry out managing investments and operating funds activity or managing investments activity;
  4. The Authority believing that the fund manager has failed, in a manner which the Authority considers material, to comply with the Capital Market Law or its Implementing Regulations;
  5. The death, incapacity or resignation of a portfolio manager who manages the assets of the investment fund, if no other registered person employed by the fund manager can manage the assets of the relevant investment fund or the assets of the funds managed by the portfolio manager;
  6. Any other event determined by the Authority on reasonable grounds to be of sufficient material.
- b. Notice of any event described in sub-paragraph (5) of paragraph (a) above must be provided by the fund manager to the Authority within (2) days from the date of its occurrence.
- c. Upon removal of the fund manager in accordance with the cases stipulated in sub-paragraphs (1-6) of paragraph (a) above, the Authority shall direct the removed fund manager to call for a unitholders meeting within (15) days from the date of the Authority's removal decision, in order to appoint the custodian or other party, through an ordinary fund resolution, to find and negotiate with a replacement fund manager and specify the time limit for finding and negotiation.
- d. The fund manager must notify the Authority of the results of the unitholders meeting within (2) days of its convening date.



- e. The fund manager must cooperate and provide the custodian or the party assigned to find and negotiate any documents required by it for the purpose of appointing a replacement fund manager within (10) days from the date of the request, and both parties must maintain the confidentiality of the information.
- f. The fund manager must, upon approval of the replacement fund manager to manage the fund and transfer of the fund management to it, send a written consent of the replacement fund manager to the Authority as soon as it is received.
- g. If the Authority exercises any of its powers pursuant to paragraph (a) above, the relevant fund manager shall co-operate fully in order to help facilitate a smooth transfer of responsibilities to the replacement fund manager during the initial (60) days period after the appointment of the replacement fund manager. The fund manager shall where necessary and applicable and at the discretion of the Authority, novate all of the contracts relating to the relevant investment fund to which it is a party to the replacement fund manager.
- h. In case a replacement fund manager has not been appointed within the time limit for finding and negotiation with the replacement fund manager referred to in paragraphs (c) above, the unitholders are entitled to request the liquidation of the fund through a special fund resolution.

## 22) Fund Operator

### a. Fund Operator's name

SNB Capital Company.

### b. Authority authorization number and date

License no. (06046-37) dated 10 Jumada Al Akhirah 1428 H Corresponding to June 25, 2007 G.

### c. Fund Operator's address

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

Tel: +966920000232

Fax: +966114060049

### d. Primary roles of the Fund Operator

- The fund operator shall be responsible for operating the fund.
- The fund operator must maintain the books and records related to the operation of the fund.
- The fund operator must establish and update a register of unitholders and must maintain it in the Kingdom in accordance with Investment Funds Regulations.
- The fund operator must process requests for subscriptions, redemption and transfer as stipulated in Fund's Terms and Conditions.
- The fund operator shall be responsible for valuing the assets of the fund. In so doing, the fund operator shall conduct a full and fair valuation as per paragraph (10) of these Terms and Conditions.

### e. The Fund Operator's right to appoint a Sub-Fund Operator

The fund operator may delegate one or more third parties or affiliates as a fund sub-operator.

### f. Functions to which the Operator has delegated to a third party

The fund operator may delegate one or more third parties or affiliates as a fund sub-operator.

## 23) Custodian

### a. Custodian's name

AlBilad Investment Company.

### b. Authority authorization number and date

License no. (08100-37) dated 1 Sha'ban 1428 H corresponding to 14 August 2007 G.



**c. Custodian's address**

King Fahad Road, P.O. Box 140, Riyadh 11411, Kingdom of Saudi Arabia.

Tel: +966 92000 3636

Fax: +966112906299

Website: [www.albilad-capital.com](http://www.albilad-capital.com)

**d. Primary roles and function of the Custodian**

- Notwithstanding the delegation by a custodian to one or more third parties under the provisions of the Investment Funds Regulations or the Capital Market Institutions Regulations, the custodian shall remain fully responsible for compliance with its responsibilities in accordance to the provisions of Investment Funds Regulations.
- The custodian shall be held responsible to the fund manager and unitholders for any losses caused to the investment fund due to the custodian fraud, negligence, misconduct or willful default.
- The custodian shall be responsible for taking custody and protecting the fund's assets on behalf of unitholders, and taking all necessary administrative measures in relation to the custody of the fund's assets.

**e. The Custodian's right to appoint a Sub-Custodian**

The custodian may delegate one or more third parties or affiliates as a fund sub-custodian. The remuneration of the fund sub-custodian shall be paid by the custodian out of its own resources.

**f. Functions to which the Custodian has delegated to a third party**

The Custodian (Albilad Capital) has assigned a third party to support custodial services which is Standard Chartered Company for corporate action and international settlement purposes.

**g. Provisions governing the removal/replacement of the Custodian**

- The Authority shall have the power to remove the custodian which was appointed by the fund manager of an investment fund and take any other measures it deems necessary, as appropriate, in the event of:
  1. The custodian ceasing to carry out custody activity without notification to the Authority under the Capital Market Institutions Regulations.
  2. The cancellation or suspension by the Authority of the custodian's relevant authorization to carry out custody activity.
  3. A request by the custodian to the Authority to cancel its authorization to carry out custody activity.
  4. The Authority believing that the custodian has failed, in a manner which the Authority considers material, to comply with the Capital Market Law or its Implementing Regulations.
  5. Any other event determined by the Authority - based on reasonable grounds- to be of sufficient significance.
- The custodian appointed by the fund manager may be subject to removal by written notice by the fund manager upon the fund manager forming the reasonable opinion that the removal is for the interest of the unitholders, the fund manager shall notify the Authority and the unitholders in writing immediately.

**24) Fund Board**

**a. Names of Fund Board members**

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 Jaafar AlSaggaf  | Chairman - Non-Independent Member |
| ● Lloyd Kawara              | Non-Independent Member            |
| ● Dr. Basmah M. Al-Tuwajiri | Independent Member                |
| ● Abdulaziz Abalkhail       | Independent Member                |





#### **b. A Brief about the Fund Board members' qualifications**

- **Mohammed Jaafar AlSaggaf (Chairman - Non-Independent Member)**

Head of Wealth Management at SNB Capital. He joined SNB Capital at its inception in 2007 and worked with SNB Group in several departments including the Investment Department, and the Branch Management. He has more than (24) years of experience in the financial sector. He has a diploma in Personal Financial Planning and Wealth Management from IOB, Dalhousie Alum, Canada.

- **Lloyd Kawara (Non-Independent Member)**

Chief Risk Officer at SNB Capital and he was hired as Vice President of Market Risk at SNB Capital in February 2015. Prior to that he worked at the African Development Bank where he was Principal Treasury Risk Officer, managing counterparty risk, market risk, investment and asset liability risks, and he has over (13) years of banking experience, of which (9) years were spent in senior risk management roles within the region, including as Chief Risk Officer for Bank Alkhair BSC Bahrain and Head of Risk for Bahrain Middle East Bank and Risk Management Officer with Riyadh Bank. Lloyd is a CFA charter holder, a Certified Financial Risk Manager (FRM) with Global Association of Risk Professionals (USA), a Chartered Alternative Investment Analyst with CAIA (USA) and an Associate Chartered Management Accountant with CIMA (UK).

- **Dr. Basmah Al-Tuwaijri (Independent Member)**

Retired from academic work at King Saud University, independent researcher, member of the Financial Sector and Finance Committee in the Riyadh Chamber, a Member in the SBWA - Saudi Business Women Association (A private association), member of the supervisory board of the Think Tank Forum. Dr. Basmah worked as a faculty member in the Finance Department of the College of Business Administration in King Saudi University for more than (20); during which, she taught different courses in the topics of corporate finance, investment, portfolio management and financial markets. In addition, she held several leadership positions in academics and administration, and contributed in developing the strategic plan for King Saud University and conducting the internal studies for academic accreditation. She holds a PhD in finance from King Saud University. She has several publications in the field of corporate governance and financial markets.

- **Abdulaziz Abalkhail (Independent Member)**

General Director of the Internal Audit Department at Arabian Internet and Communications Services Co. (Solutions by STC). He was the Chief Audit Executive of the National Industrialization Co. "TASNEE" and serves as an independent member of the Audit Committee of the Arabian Cement Company. Prior to TASNEE, he held several managerial positions at CMA's Continuous Disclosure Department and Market Institutions Compliance, the Industrial Development Fund, and the Arab Petroleum Investment Company. Eng. Abdulaziz has joined specialized programs in recognized international institutions such as U.S. Securities and Exchange Commission, the Financial Industry Regulatory Authority and Chase Manhattan Bank. He has more than (20) years of experience in financial institutions and markets. He holds an MBA from University of Nottingham in Britain.

#### **c. Roles and responsibilities of the Fund Board members**

Fund board of directors' responsibilities include, but are not limited to, the following:

1. Approving material contracts, decisions and reports involving the fund.
2. Approving a written policy in regards to the voting rights related to the fund's assets.
3. Overseeing and, where appropriate, approving or ratifying any conflicts of interest the fund manager has identified in accordance with the Investment Funds Regulations.





4. Meeting at least twice annually with the fund manager's compliance committee or its compliance officer to review the fund manager's compliance with all applicable rules, laws and regulations.
5. Approving all changes stipulated in Articles (62) and (63) of the Investment Funds Regulations before the fund manager obtains the approval or notification of the unitholders and the Authority (as applicable).
6. Confirming the completeness and accuracy (complete, clear, accurate, and not misleading), and compliance with the Investment Funds Regulations, of the Terms and Conditions and of any other document, contractual or otherwise, that includes disclosures relating to the fund and/or the fund manager and its conduct of the fund.
7. Ensuring that the fund manager carries out its obligations in the best interests of the unitholders, in accordance with the Investment Funds Regulations and the Fund's Terms and Conditions.
8. Reviewing the report that includes assessment of the performance and quality of services provided by the parties involved in providing significant services to the fund referred to in Paragraph (l) of Article (9) of the Investment Funds Regulations, in order to ensure that the fund manager fulfils his responsibilities in the interest of unitholders in accordance with the Fund's Terms and Conditions and the provisions stipulated in the Investment Funds Regulations.
9. Assessing the mechanism of the fund manager's handling of the risks related to the fund's assets in accordance with the fund manager's policies and procedures that detect the fund's risks and how to treat such risks.
10. Having a fiduciary duty to unitholders, including a duty to act in good faith, a duty to act in the best interests of the unitholders and a duty to exercise all reasonable care and skill.
11. Approving the appointment of the external Auditor nominated by the Fund Manager.
12. Taking minutes of meetings that provide all deliberations and facts of the meetings and the decisions taken by the fund's board of director.
13. Reviewing the report containing all complaints and the measures taken regarding them referred to in Paragraph (m) of Article (9) of the Investment Funds Regulations, in order to ensure that the fund manager carries out his responsibilities in a way that serves the interest of unitholders in accordance with the Fund's Terms and Conditions and what contained in the Investment Funds Regulation.
14. The Fund Board members of the fund determine the distribution ratio and the disbursement mechanism.

**d. Remuneration of Fund Board members**

The Fund shall be charged with remuneration for the Board's services. Each Independent Board Member shall receive SAR 2000 for every meeting he attends, and a minimum of two meetings shall be held per year. For more details, please review Paragraph (9) "Fees, Charges and Expenses" of this Terms and Conditions.

**e. Conflict of interest or potential conflict between the Fund 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 Terms and Conditions, 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. Table showing all the funds boards that the relevant Board member is participating in

Fund/Board Member	Mohammed AlSaggaf	Lloyd Kawara	Dr. Basmah M. Al-Tuwaijri	Abdulaziz Abalkhail
SNB Capital Saudi Riyal Trade Fund	✓	✓	✓	✓
SNB Capital Sadaqqat Fund	✓	✓	✓	✓
SNB Capital Diversified Saudi Riyal Fund	✓	✓	✓	✓
SNB Capital Multi-Asset Conservative Fund	✓	✓	✓	✓
SNB Capital Multi-Asset Income Plus Fund	✓	✓	✓	✓
SNB Capital Multi-Asset Moderate Fund	✓	✓	✓	✓
SNB Capital Multi-Asset Growth Fund	✓	✓	✓	✓
SNB Capital International Trade Fund	✓	✓	✓	✓
SNB Capital Diversified USD Fund	✓	✓	✓	✓
SNB Capital USD Sukuk Fund	✓	✓	✓	✓
SNB Capital - King Saud University Waqf Fund	✓	✓	✓	✓
AIAhli SEDCO Residential Development Fund	✓			
AIAhli REIT Fund (1)	✓			
AIAhli Makkah Hospitality Fund	✓			
SNB Capital Real Estate Opportunistic Fund	✓			
SNB Capital Tier One Sukuk Fund III	✓			
SNB Capital Real Estate Income Fund	✓			
SNB Capital Danat AlJanob Real Estate Fund	✓			
SNB Capital AlJawharah Real Estate Fund	✓			
SNB Capital AlJawharah Real Estate Fund II	✓			
SNB Capital Logistic Fund	✓			



Fund/Board Member	Mohammed AlSaggaf	Lloyd Kawara	Dr. Basmah M. Al-Tuwajri	Abdulaziz Abalkhail
Nusaned Fund II	✓			
SNB Capital Real Estate Fund	✓			

## 25) Shariah Committee

### a. Names and qualifications of the Shariah Committee members

- **Sheikh Abdullah Suleiman Al-Maniya (Chairman)**

Sheikh Al-Maniya is a 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 Shariah 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 and was formerly Deputy President of the Makkah Al-Mukarramah Courts and a former Judge of the Court of Cassation in Makkah Al Mukarramah. 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 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 Abdulaziz Al Musleh (Member)**

Sheikh Dr. Al Musleh is a well-known Shariah 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. He has also served as the Dean of Shariah and Principles of Religion at the Imam Muhammad bin Saud Islamic University. Sheikh Al Musleh is also a member of many Shariah supervisory committees supervising banks in the Kingdom and is a frequent speaker on TV Islamic programs. He is also an author of several books in Islamic finance and Fiqh.

- **Sheikh Dr. Saad Nasser Al-Shithri (Member)**

Sheikh Dr. Al-Shithri is an advisor to the Royal Court. A member of the senior scholar council - KSA. And, a Professor at many Universities. And, has a lot of studies and publications related to Islamic banking industry and other Shariah aspects.

- **Sheikh Dr. Abdullah Mohammed Al Mutlaq (Member)**

Sheikh Dr. 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 Shariah Committee s of several Islamic banks and financial institutions.

- **Sheikh Dr. Muhammad Ali Elgari (Member)**

Sheikh 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 Shariah Committee s 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 Shariah 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, Journal of Islamic Economic Studies published by the Islamic Development Bank, Journal of Islamic Economics published by the International Association of Islamic Economists (IAIE), London, and the advisory board of 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.

- **Sheikh Dr. Khaled Mohammed Al-Sayari (Member)**

Sheikh Dr. Al-Sayari has a Ph.D. in comparative jurisprudence from the Higher Institute of Judiciary at Imam Muhammad bin Saud Islamic University in Riyadh. He also has practical experiences gained through his work in a number of specialized financial institutions and his participation in a number of seminars, conferences and discussion panels specialized in the jurisprudence of Islamic financial transactions and the Islamic banking industry, as he is a principal researcher participant in the Al-Baraka symposium on Islamic economics and the Future of Islamic Banking Symposium organized by the Saudi National Bank and the conferences of the Accounting and Auditing Organization for Islamic financial institutions and others.

**b. Roles and responsibilities of Shariah Committee**

- Reviewing the Fund's offering documents, including the Terms and Conditions of the Fund, and approving any subsequent amendments;
- Preparing the Shariah guidelines to be followed by the Fund's Investments;
- Meeting as required to discuss issues related to the Fund;
- Responding to the inquiries coming from the Fund Manager regarding the Fund's investments, activities or investment structure, and compliance with Shariah guidelines;
- Supervising and monitoring the activities of the Fund to ensure compliance with Shariah guidelines or delegating that responsibility to another party;
- Delegating some or one of its members to perform some or all of the roles required of the Committee.

**c. Shariah Committee remuneration**

The Fund will bear the Shariah audit fees in an amount of SAR (27,000) annually. The Shariah advisory fees, if any, will be charged separately.

**d. Shariah guidelines**

The fund manager is required to ensure that all the investments and investment strategies meet the Shariah guidelines issued by the Shariah Committee. If the fund manager wishes to enter into a transaction that is not permissible by the Shariah guidelines issued by the Shariah Committee, he is required to obtain an approval in an independent decision from the Shariah Committee.

- **Tradable investment instruments and methods**

The Shariah Committee considered that it is not permissible to buy and sell shares of joint stock companies with the following characteristics:

- Conduct of financial activities that doesn't meet Shariah guidelines such as traditional disbursement channels that deals with interest or financial instruments that contradicts with the Shariah guidelines (insurance companies except for the companies agreed by the Shariah Committee).
- Production and distribution of alcohol or tobacco products and what falls within this category.
- Production and distribution of pork and its derivatives.
- Production and distribution of meat products that is not slaughtered according to Islamic Law.



- Operating gambling casinos or manufacturing the gambling machines and equipment.
- Operating cinemas and the creation, publication and distribution of pornography.
- Operating hotels and restaurants that are engaged in any of the prohibited industries mentioned above.
- **Financial indicators**  
It is not allowed to invest in the shares of companies which their:
  - Total Riba deposits exceed (33%) of the market value of the company's shares or the total assets' value in the company's books; whichever is higher.
  - Riba loans; according to its balance sheet, exceed (33%) of the market value of the company's shares or the total assets' value in the company's books; whichever is higher.
  - Total shariah non-compliant income from different sources exceeds (5%) of the Company's total income; whether such sources are from Riba interests or from any other shariah non-compliant sources.
- **The following standards are applied if the fund invests in REITs**
  - It is not allowed to invest in shares of companies' which their total Riba deposits exceed (33%) of the company's total assets.
  - It is not allowed to invest in shares of companies' which their total Riba loans exceed (33%) of the company's total assets; and this depends on the companies' assets' market value based on a valuation conducted by an independent third party to determine the company's total assets' value; or its Book value; if the market value is not available.
  - It is not allowed to invest in shares of companies' which their total shariah non-compliant income derived from different sources exceed (5%) of the company's total income whether such sources are from Riba interests or from other shariah non-compliant sources.
  - The Fund Manager will provide the fund's investors with the accounting method of the market value of the companies' shares and the shariah non-compliant income; upon their request and free of charge.
- **The investments in international REITs**  
The Fund will invest in the funds in accordance with the IdealRatings Global REITs which comply with the Shariah guidelines.
- **Investment standards of Money Market Funds**
  - Murabaha, Mudarabah, and Musharaka transactions in addition to others which the Shariah Committee; or whoever represents it, approved on their structure.
  - Investment Sukuk approved by its Shariah Supervisory Committee after being approved by the Shariah Committee or whoever represents it.
  - Trade finance transactions which the Shariah Committee; or whoever represents it, approved their structure.
- **Purification**  
The Fund Manager should determine the Shariah non-compliant income and deposit it in a separate account to be spent on charities. And this process will be on a quarterly basis in accordance with the Shariah guidelines.
- **Non-tradable investment instruments and methods**  
There will be no dealing in the following investment instruments:
  - Futures;
  - Preferred Stock;
  - Options;
  - Swaps;
  - Overdrafts.



- **The Fund may invest in Sukuk, Murabaha transactions, financial certificates and investment funds which conduct their investments in accordance with the Shariah guidelines.**
- **Periodic Review**  
The Fund's compliance with Shariah guidelines shall be examined quarterly. In the event that one of the owned companies by the fund doesn't comply with the Shariah guidelines, it will be sold within a period not exceeding (90) days from the review date.

## 26) Investment Advisor

Not applicable.

## 27) Distributor

Not applicable.

## 28) Auditor

### a. Auditor's name

KPMG Professional Services.

### b. Auditor's address

Riyadh Front - Airport Road P.O. Box 92876, Riyadh 11663 Kingdom of Saudi Arabia.

Tel.+966118748500

Fax:+966118748600

Website: [www.kpmg.com/sa](http://www.kpmg.com/sa)

### c. Primary 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.
- The auditor, through reviewing the annual financial statements and based on the information provided to it, must include in its report what may come to its attention of violations to the provisions of the Investment Funds Regulations and the Fund's Terms and Conditions.

### d. Provisions governing the replacement of the Auditor

The fund manager may replace the auditor and after obtaining the consent of the Fund Board in the following cases:

1. There are any outstanding and material allegations of professional misconduct in relation to audit functions by the auditor;
2. The auditor of the fund ceases to be an independent auditor;
3. The auditor of the fund is no longer registered with the Authority;
4. The Fund Board determines that the auditor does not have sufficient qualifications and experience to perform a satisfactory auditing functions; or



5. The Authority, in its absolute discretion, instructs the fund manager to replace the auditor appointed in relation to the fund.

### 29) Fund's Assets

- a. The assets of the Fund are held by the Custodian on behalf of the Fund.
- b. The Custodian must segregate the assets of the fund from its assets and from the assets of its other clients.
- c. The assets of the fund are owned collectively by the unitholders. A fund manager, fund sub manager, fund operator, custodian, sub custodian, distributor or investment advisor may not have any interest in or claims against such assets, other than when the fund manager, fund sub manager, fund operator, custodian, sub custodian, distributor or investment advisor is a unitholder, and for claims permitted under the Investment Funds Regulations and disclosed by way of statement in these Terms and Conditions.

### 30) Complaints Procedures

If the Unitholder has any complaint related to the Fund, he/she should send it to SNB Capital, through the Fund Manager's website at [www.alahlicapital.com](http://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/her 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.

### 31) Other Information

- a. Policies and procedures to be followed in addressing conflicts of interests, and any potential and/or actual conflicts of interests will be made available upon request and free of charge.
- b. The "Committee for The Resolution of Securities Disputes" has the jurisdiction to adjudicate disputes arising from investing in the investment funds.
- c. **A List of the available documents for unitholders**  
The list shall include the followings:
  - The Fund's Terms and Conditions.
  - Contracts mentioned in the Fund's Terms and Conditions.
  - The Fund Manager's financial statements.
- d. Up to the date of preparing this Terms and Conditions, there aren't any other information known to, or that ought reasonably to be known to the fund manager or the fund board, the current or potential unitholders and their professional advisors might reasonably require or expect to be included in the Fund's Terms and Conditions upon which an investment decision is to be made.
- e. Any waivers from limitations in the Investment Funds Regulations approved by the Capital Market Authority, except those stipulated in investment policies and practices  
None.
- f. **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.



**g. Death of unitholders**

The Investor's consent to these Terms and Conditions shall not terminate automatically upon his/ her death or disability; these Terms and Conditions shall be binding to his/ her 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 until the Fund Manager receives a court order, authorization, or such other sufficient evidence to prove the power of those mentioned above before allowing them to dispose of the units.





### 32) Unitholder Declaration

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I/We have read and understood SNB Capital Multi-Asset Income Plus Fund Terms and Conditions, and approved the characteristics of the Units in which I/We have subscribed.

Name:

Date:

Signature:

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### 33) Fund's Financial Disclosure

Summary of the Fund's actual fees and expenses for the period ended December 2022 in thousands of SARs:

Type of fees/expenses	Amount SAR '000
Management Fees	2,530
VAT on Management Fees	379
Custody Fees *	28
Auditor Fees *	53
Administrative, Data Processing and Operational Expenses*	669
CMA Fees *	8
Publishing Fund's Information on Tadawul Website Fees*	0
Shariah Committee Services Fees *	2
Remuneration of the Independent Fund's Board Members *	0
<b>Total Fees &amp; Expenses</b>	<b>3,669</b>

\*Other expenses shall not exceed in total 1% of the annual average value of the Fund's assets. The actual expenses were around 0.47% 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 SNB Capital invests in that Fund.