



## Bank Muscat Al Tharwa Fund

This is an unofficial English translation of the original Prospectus prepared in Arabic and approved by the FSA pursuant to FSA Decision No. (kh/45/2024) dated 22 August 2024.

## Prospectus

### Investment Manager

Bank Muscat S.A.O.G

### Issue Manager

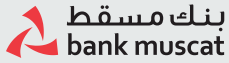
Bank Muscat S.A.O.G

### Collecting Banks/Agents

Bank Muscat S.A.O.G  
Meethaq Islamic Banking  
Ubhar Capital S.A.O.C.

### Legal Advisers

Al Busaidy, Mansoor  
Jamal & Co.





## **TO ALL INVESTORS**

This Prospectus contains material information regarding Bank Muscat Al Tharwa Fund, an open-ended investment fund (under formation) regulated by the Financial Service Authority (FSA) (formally known as Capital Market Authority (CMA)) under the Securities Law (Royal Decree 46/2022). This Prospectus has been prepared in accordance with the rules and regulations issued by the FSA.

The FSA assumes no responsibility for the accuracy and adequacy of the statements and information contained in this Prospectus nor shall it have any liability for any damages or loss howsoever arising from the reliance upon or use of any part of the same by any person.

This Prospectus does not constitute an offer to sell or an invitation by or on behalf of the Fund to subscribe for Units in any jurisdiction outside Oman where such offering or subscription is, or may be, unlawful.

None of the Fund, Investment Manager, Investment Advisor, Issue Manager or Legal Advisor shall be held responsible for any information interpreted differently from the approved original Arabic Prospectus.



**His Majesty Sultan Haitham bin Tarik**



## **Bank Muscat Al Tharwa Fund (under formation)**

### **An Open-Ended Mutual Fund**

Initial public offering of Units in an aggregate amount of at least OMR 2,000,000 comprising 20,000,000 units. The Unit Price is OMR 0.101 including issue expense of OMR 0.001

Offer Subscription Period – 01 September to 12 September 2024

#### **Issue Manager**



Bank Muscat S.A.O.G.

P.O. Box 134, Postal Code 112, Ruwi, Sultanate of Oman

Tel: +968 2476 7032

Email: [ImanYa@bankmuscat.com](mailto:ImanYa@bankmuscat.com)

#### **Investment Manager**



Bank Muscat S.A.O.G.

P.O. Box 134, Postal Code 112, Ruwi, Sultanate of Oman

Email: [PublicMarkets@bankmuscat.com](mailto:PublicMarkets@bankmuscat.com)

#### **Collecting Banks/Agent**

<b>Collecting Agent</b>	<b>Phone</b>	<b>Address</b>	<b>Email</b>
Bank Muscat S.A.O.G.	+968 2480 1032	P.O. Box 134, P.C. 112 Ruwi, Sultanate of Oman	<a href="mailto:FundBackOffice@bankmuscat.com">FundBackOffice@bankmuscat.com</a>
Meethaq Islamic Banking	+968 2480 1084	P.O. Box 134, P.C. 112 Ruwi, Sultanate of Oman	<a href="mailto:Bulund@bankmuscat.com">Bulund@bankmuscat.com</a>
Ubhar Capital S.A.O.C.	+968 24949053	P.O. Box 1137, PC 111, Sultanate of Oman	<a href="mailto:Hunaina@u-capital.net">Hunaina@u-capital.net</a>



#### Auditor



Crowe

Level 5, The Office, Al Khuwair  
P.O Box 971 PC. 131, Sultanate of Oman  
Tel: +968-24036300

#### Legal advisor



Al Busaidy Mansoor Jamal & Co.  
Muscat International Centre,  
Ground and Mezzanine Floor, Bait Al Falaj Street,  
P.O Box 686, Postal Code 112, Muscat, Sultanate of Oman  
Tel: +968 24829200  
Email: [mj-co@amjoman.com](mailto:mj-co@amjoman.com)

#### Custodian



الشركة الخليجية لحفظ الأوراق المالية  
Gulf Custody Company

Gulf Custody Company SAOC  
PO Box 1110, P.C. 114, Muttrah Port District,  
Sultanate of Oman  
Tel: +968 2421 6941  
Email: [gccotrade@gulfcustody.com](mailto:gccotrade@gulfcustody.com)

#### Administrator



الشركة الخليجية لحفظ الأوراق المالية  
Gulf Custody Company

Gulf Custody Company SAOC  
PO Box 1110, P.C. 114, Muttrah Port District,  
Sultanate of Oman  
Tel: +968 2421 6941  
Email: [gccotrade@gulfcustody.com](mailto:gccotrade@gulfcustody.com)



## Important Notice

The purpose of this Prospectus is to present material information that may assist potential investors to make an appropriate investment decision as to whether or not to subscribe for in the Units.

All investors should examine and carefully review this Prospectus in order to decide whether it would be appropriate for them to subscribe for the Units by taking into consideration all the information contained in this Prospectus, in particular the risk factors set out in chapter XIII.

Investors should not consider this Prospectus a recommendation by the Fund, the Sponsor, the Investment Manager, the Investment Advisor, the Issue Manager, the Collecting Banks or the Custodian and Fund Administrator (each as defined below) to subscribe for the Units.

No person has been authorised to make any statements or provide information in relation to the Fund, the Investment Manager or the Units other than the persons whose names are indicated in this Prospectus. Where any other person makes any statement or provides information it should not be taken as authorised by the Fund, the Sponsor, the Investment Manager, the Investment Advisor, the Issue Manager, the Collecting Banks or the Custodian and Fund Administrator.

This Prospectus does not constitute an offer to sell or an invitation by or on behalf of the Fund to subscribe for Units in any jurisdiction outside Oman where such offering or subscription is, or may be, unlawful. It is the responsibility of any Prospective Investor in possession of this Prospectus and any persons wishing to apply for Units to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdiction when evaluating and/or subscribing for Units including to the legal requirements applicable when subscribing for Units, applicable exchange control regulations and taxes in the country of their respective citizenship, residence, domicile or incorporation.

The delivery of this Prospectus to a Prospective Investor or the issue of Units shall not be interpreted as a representation that there has been no change in the information contained in this Prospectus or that the affairs of the Fund have not changed since the date of this Prospectus.

US Persons are not permitted to subscribe for Units. The Units have not and will not be registered under the United States Securities Act 1933, the United States Investment Company Act 1940, or the securities laws of any of any of the States of the United States of America and may not be directly or indirectly offered or sold in the United States of America or for the account or benefit of any US Person.

Investments made by the Fund are subject to market fluctuations and to the risks inherent in all investments. Therefore, the NAV of Units may go down as well as up and the value of an Investor's investment may be subject to sudden and substantial loss.

The Units may not be a suitable investment for all investors. Every Prospective Investor is responsible for undertaking its own independent evaluation of making an investment in the Units including obtaining professional advice on the investment in the Units and for conducting an independent evaluation of the information and assumptions contained in this Prospectus using whatsoever analysis or projections the investor deems appropriate in light of its own circumstances. In particular, each potential investor should:



- have sufficient knowledge and experience to make a meaningful evaluation of the Units, the merits and risks of investing in the Units and the information contained in this Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Units and the impact the Units will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Units including where the currency of payment is different from the potential investor's currency;
- understand thoroughly the terms of the Units and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic and other factors that may affect its investment and its ability to bear the applicable risks.

### **Sources of Information and Forward Looking Statements**

DISCLAIMER: Unless otherwise noted, the information in this Prospectus has been derived from sources believed to be accurate as of 30 June 2024. Information derived from different sources is believed to be reliable; however, we do not independently verify or guarantee its accuracy or validity. This material contains general information only and should not be construed as investment advice, recommendation or be relied on in any way as a guarantee, promise, forecast or prediction of future events regarding an investment or the markets in general. The opinions and predictions expressed are subject to change without prior notice. Subject to any contrary provisions of applicable law, Bank Muscat SAOG and its respective affiliates, and officers, directors, employees, agents, disclaim any express or implied warranty of reliability or accuracy and any responsibility arising in any way for errors or omissions in this document or in the information or data provided in this document.

Past performance is not a reliable indicator of future performance and should not be relied upon to make investment decisions. The value of investments and the income from them may fall as well as rise. Past performance is no guarantee of future results and should not be relied upon to make an investment decision. Investing involves risk, including possible loss of principal. The financial market outlook is based on current market conditions. There is no assurance that such events or projections will occur and actual conditions may be significantly different than that shown here. This Prospectus may contain 'forward looking' information that is not purely historical in nature. These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe the Fund's strategies, objectives, plans or goals are also forward-looking statements. Such information may include, among other things, projections and forecasts. There is no guarantee that any forecasts made will come to pass. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. The Sponsor has conducted the required due diligence to the best of their knowledge and believes that the Prospectus reflects the executable future plan of the Fund. Reliance upon information in this material is at the sole discretion of the reader. Important factors that could cause actual results to differ materially from the Fund's expectations include, among others:



- Global and local economic and business conditions;
- Changes in interest rates;
- Inability to estimate future performance;
- Inability to find suitable investments; and
- Changes in laws and regulations that apply to the Fund or its investments.

For a further discussion of factors that could cause actual results to differ, see chapter XIII entitled “Risk Factors” of this Prospectus.

This Prospectus has been authorized and approved by the FSA and will be governed by the rules and regulations of the Sultanate of Oman and the FSA.

The FSA is not responsible for the accuracy and adequacy of the information provided in this Prospectus. The FSA does not take any responsibility for any loss that may arise from dependence on information contained in this Prospectus. The FSA has not assessed the suitability of the Units to which this Prospectus relates to any particular investor or type of investor.

The Arabic language version is the official version of this Prospectus. In case of any difference or discrepancy between Arabic and English versions, the Arabic version shall prevail.





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# CHAPTER I

## ABBREVIATIONS AND DEFINITIONS

<b>Administrator</b>	Entity responsible for administration of the Fund, as per the Fund Administration Services Agreement.
<b>Articles of Association</b>	Articles of association of the Fund, which set out the rights, obligations and powers of Unitholders, the Fund, the Investment Manager and service providers.
<b>Baisa/Bzs Rial</b>	Omani Baisa (bzs 1,000 = 1 Rial Omani).
<b>Business Day</b>	Any day on which banks in Oman are open for business in Oman, except Fridays, Saturdays, and official holidays.
<b>Business Hours</b>	Official banking hours of Sultanate of Oman presently 8.00 am to 2.00 pm.
<b>Closing Date</b>	The last day of the Initial Subscription Period.
<b>Collecting Bank/Agent</b>	A bank/entity appointed to collect applications for Units during the Initial Subscription Period.
<b>Continuous Offer Period</b>	Period when the Fund reopens for continuous Subscription and Redemption of Units following the conclusion of the Initial Subscription Period.
<b>Executive Regulations</b>	Executive Regulation issued pursuant to CMA Decision No. 1/2009.
<b>Custodian</b>	Company/entity responsible for safekeeping the assets of the Fund as per the terms of the Custodian Agreement.
<b>Custodian Agreement</b>	Agreement signed between the Custodian and the Fund, represented by the Management Body.
<b>Developed Markets</b>	Financial markets that are considered most developed with regard to their economy, ease of access to its capital markets, liquidity, foreign ownership laws, and corporate governance requirements as determined by the Investment Manager.
<b>Dividend</b>	Distribution per Unit made by the Fund to Unitholders.
<b>EGM</b>	Extraordinary General Meeting of the Unitholders.
<b>Embargoes</b>	Countries subject to comprehensive sanctions, bans on trade, or other like prohibitions imposed by any applicable statute, law or regulations of the Sultanate of Oman, the United States of America, the European Union, the United Kingdom, Hong Kong and the United Nations.
<b>Financial Year</b>	The period of twelve months starting on 1 January and ending on 31 December of that particular year.
<b>FSA</b>	Financial Services Authority
<b>Fund</b>	Bank Muscat Al Tharwa Fund.



<b>Fund Administration Services Agreement</b>	Agreement signed between the Administrator and the Fund, represented by the Management Body.
<b>GCC</b>	Gulf Cooperation Council comprising the Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates.
<b>GDP</b>	Gross Domestic Product.
<b>General Meeting</b>	The General Meeting of the Unitholders.
<b>IFRS</b>	International Financial Reporting Standards.
<b>Initial Subscription Form</b>	Form to be submitted by Subscribers for subscription for units in the Initial Subscription Period.
<b>Initial Subscription Period</b>	The period during which Units of the Fund will be available for subscription at the Initial Subscription Price.
<b>Investment Management Agreement</b>	The agreement signed by the Investment Manager and the Fund, represented by the Management Body.
<b>Investment Manager</b>	The entity responsible for managing the assets of the Fund, as per the Investment Management Agreement.
<b>Investment Universe</b>	The set of securities and investments from amongst which the Investment Manager will select investments for the Fund.
<b>Management Body</b>	A body having overall responsibility for the affairs of the Fund and comprising the persons whose details appear in Chapter V of this Prospectus.
<b>MSX</b>	Muscat Stock Exchange.
<b>NAV (of the Fund)</b>	The Net Asset Value of the Fund is calculated and published on a daily basis every Business Day.
<b>NAV (per Unit)</b>	The Net Asset Value per Unit, which is calculated at any point of time by dividing the Net Asset Value of the Fund by the total number of Units in issue at such point of time.
<b>NRV</b>	The Net Realizable Value of the Fund.
<b>OGM</b>	Ordinary General Meeting of the Unitholders.
<b>Oman</b>	The Sultanate of Oman.
<b>Prospectus</b>	This prospectus document that has been filed with the FSA providing details on the offer of Units in the Fund.
<b>Redemption</b>	Redemption of Units through the submission of a duly completed Redemption Form to the R&T Agent.
<b>Redemption Form</b>	Redemption Form to be used to redeem Units in the Continuous Offer Period.
<b>Registrar &amp; Transfer Agent (R&amp;T)</b>	Agency appointed by the Management Body to act as registrar and transfer agent for the Fund.



<b>Rial Omani/OMR</b>	The lawful currency of Oman.
<b>Sanctioned Persons</b>	Any persons (whether natural or juristic) identified on as part of any applicable law or regulation or any applicable governmental or other published list of the Sultanate of Oman, the United States of America, the European Union, the United Kingdom, Hong Kong and the United Nations with whom the Fund, the Investment Manager, the Investment Advisor or the Administrator is prohibited or otherwise restricted from transacting business, or any person (whether natural or juristic) owned or controlled by such persons.
<b>Securities Law</b>	The Securities Law of Oman issued by Royal Decree 46/2022.
<b>Sponsor</b>	Sponsor of the Fund.
<b>Subscriber</b>	Subscriber for Units in the Initial Offer Period or Continuous Offer Period in physical or digital format.
<b>Subscription</b>	Subscription for Units, through the submission of a duly completed subscription form or digital platform, to the Registrar and Transfer Agent during the Continuous Offer Period.
<b>Subscription Form</b>	Subscription Form in physical or digital format to be used by Subscribers to subscribe for units in the Continuous Offer Period.
<b>Sub-Custodian</b>	A Sub-Custodian appointed by the Custodian to provide custody services for the Fund in jurisdictions other than Oman.
<b>Unitholders</b>	A natural or legal person that holds Units.
<b>Units</b>	means each Unit in the Fund, having a nominal value of OMR 0.100 (One Hundred Omani Baiza) each.
<b>USA</b>	United States of America.
<b>USD</b>	United States Dollar (OMR 1 = USD 2.6008, based on the prevalent fixed currency peg as sourced from Central Bank of Oman).
<b>US Person</b>	(a) a citizen of the United States; (b) an entity or juristic person organised under the laws of a jurisdiction other than those of the United States or any state, territory or possession of the United States; (c) the government of the United States or of any state, territory or possession of the United States; or (d) a representative of, or entity controlled by, any person referred to in any of paragraphs (a) through (c).
<b>Valuation Day</b>	Each Business Day on which the Administrator calculates the NAV.
<b>Yield</b>	The discount rate that makes the present value of the bond's periodic interest payments equivalent to its current market price per bond.



## CHAPTER II

### SUMMARY

The information set out below has been derived from, and should be read in conjunction with, the full text of this Prospectus. The Fund is a collective investment vehicle. The Fund is constituted under the provisions of the Securities Law and the Executive Regulations. The Fund's Management Body will supervise the activities and assets of the Fund.

Investments in the Fund are exposed to various economic and financial risks. The Fund does not guarantee any returns. Please refer to Chapter XIII for further discussions on key risk factors applicable to this Fund.

<b>Fund Name</b>	<b>Bank Muscat Al Tharwa Fund</b>
<b>Address</b>	Bank Muscat Al Tharwa Fund, Bank Muscat S.A.O.G, Asset Management Division, P. O. Box 134, Postal Code 112, Ruwi, Sultanate of Oman.
<b>Fund Term</b>	Open-ended fund.
<b>Fund Structure</b>	Open-ended fund registered with Financial Service Authority, Oman.
<b>Fund Objectives</b>	The primary objective of the Fund is to generate regular income and capital appreciation by investing in a diversified portfolio of equity and fixed income instruments in the GCC and international markets.
<b>Fund Currency</b>	OMR and USD.
<b>Fund Capital</b>	Minimum: 2,000,000 Omani Rial (Two Million Omani Rial).
<b>Initial Issue Price per Unit</b>	OMR 0.101 per unit (including issue expense).
<b>Initial Subscription Period</b>	1 September until 12 September 2024.
<b>Minimum Subscription During Initial Subscription Period</b>	OMR 50 per Subscriber.
<b>Minimum Subscription Among during Continuous Offer Period:</b>	OMR 50 per Subscriber.
<b>Maximum Subscription</b>	There shall be no maximum limit on Subscription.
<b>Minimum Redemption</b>	The minimum value of Units that may be redeemed by a Unitholder is OMR 50.
<b>Receiving Redemption and Subscription requests</b>	Every Business Day.



<b>Processing Redemption and Subscription requests</b>	Every Business Day.
<b>Valuation/ NAV Frequency</b>	Every Business Day.
<b>Mode of payment</b>	All payments to be made by: Electronic fund transfer; or Cheque.
<b>Investment Manager</b>	Bank Muscat S.A.O.G.
<b>Issue Manager</b>	Bank Muscat S.A.O.G.
<b>Custodian</b>	Gulf Custody Company S.A.O.C
<b>Fund Administrator</b>	Gulf Custody Company S.A.O.C
<b>Auditors</b>	Crowe, Oman.
<b>Legal Advisors</b>	Al Busaidy, Mansoor Jamal & Co.
<b>Collection Banks/ Agents</b>	Bank Muscat S.A.O.G., Meethaq Islamic Banking, and Ubhar Capital SAOC.
<b>Registrar and Transfer Agent</b>	KFin Technologies Limited.
<b>Eligible Investors</b>	The Fund is open for investment to Omani and non-Omani investors (except US Persons) that are both retail and non-retail investors. All investors are responsible for ensuring that they have undertaken adequate due diligence to inform themselves of all applicable investment restrictions, which are applicable to them, and satisfied themselves that subscription for Units is permitted under all laws and regulations applicable to them including the laws and regulations of Oman. Please also carefully read the information set out in the Important Notice above.
<b>Subscription and redemption fees</b>	Subscription fees: 1% on the invested amount during the Continuous Offer Period only. Redemption fees: None.
<b>Management Fees</b>	The Investment Manager is entitled to a management fees of 1.25% per annum of the Net Asset Value of the Fund plus any applicable VAT and other taxes. The management fee will be calculated based on the daily NAV of the Fund and paid monthly in arrears.
<b>Operating Expenses</b>	The Fund will also deduct other operating expenses as discussed in detail in Chapter XII.
<b>Method of Payment</b>	All payments will be made by a cheque or through a bank transfer.
<b>Fund's Financial Year</b>	From 1st January until 31st December of each year. The first year will commence at the end of the Initial Subscription Period and end on 31st of December of the same year.



## CHAPTER III

# THE FUND AND ITS INVESTMENT POLICY

### 1. The Fund

The Fund is being established as an unlisted open-ended fund under the auspices and the regulatory supervision of the FSA.

The Fund is sponsored by Bank Muscat S.A.O.G.

The Fund will be managed and supervised by the Management Body elected in accordance with the provisions of the Executive Regulations and the Fund's Articles of Association. The Fund shall entrust the management of its investments to Bank Muscat, the Fund's Investment Manager.

### 2. Dividend Policy

The Management Body may declare dividends, in respect of any financial period, to be paid to Unitholders out of the following:

- a) Dividends received by the Fund;
- b) Profit (or equivalent) received by the Fund;
- c) Realized and Unrealized profits derived from the purchase and sale of securities.

Dividends will not be declared out of the proceeds from or the issue of Units.

The Management Body may decide to reinvest in the Fund any dividends, proceeds and returns from investments or other balances available to the Fund as deemed appropriate by the Management Body after considering the recommendations of the Investment Manager.

Unitholders may elect in writing to receive dividends by cheque or through payment by electronic bank transfer, net of bank charges. Payment will be made in Rial Omani. If requested, payment may be made in USD at the prevailing rate of exchange and subject to any applicable charges.

### 3. Investment Policy

#### i. Fund Investment Objective

The primary objective of the Fund is to generate regular income and capital appreciation by investing in a diversified portfolio of equity and fixed income instruments in the GCC and international markets.

#### ii. Fund Investment Strategy

The Fund will primarily invest in equity and equity related securities, fixed income and fixed income related securities. The remaining assets of the Fund not invested in the above asset classes will be invested in cash or cash equivalent including short-term money market instruments and money market funds. The Fund may also invest in initial public offers, mutual funds and private placements including those managed by the investment manager. The Fund may deal in, and own funds in, foreign currencies apart from the currencies in which it has invested and which are freely convertible in Omani Rial and United States Dollar.



The maximum allocation to each of these asset classes is as follows; (1) Equity and equity equivalents at 75% of the Fund's Net Asset Value, (2) Fixed-income securities at 75% of the Fund's Net Asset Value, and (3) Cash & Cash equivalents at 25% of the Fund's Net Asset Value. However, there is no guarantee or assurance that the investment objective of the Fund will be achieved. The Fund doesn't assure or guarantee any returns.

### **iii. Investment Restrictions**

The Fund will be investing its capital with the following restrictions:

1. The Fund shall not hold more than 10% of the outstanding securities of any issuer.
2. The Fund's investment in any securities issued by any single issuer shall not exceed 10% of the net asset value of the Fund.
3. The Fund shall not borrow more than 10% of its net asset value.

In addition to the above, the Investment Manager shall accomplish the Fund's investment objective by following the policies:

1. The Fund will not invest more than 10% of its assets in the securities of any one company or single issuer.
2. The Fund will not invest in securities carrying unlimited liability.
3. The Fund will not make investments for the purpose of exercising control or management.
4. The Fund will not buy or sell commodities or commodity contracts or real estate or interests in real estate, although it may purchase and sell securities which are secured by real estate or commodities and securities of companies which invest in or deal in real estate or commodities.
5. The Fund will not commit its assets in the purchase of foreign exchange contracts or financial futures contracts or put or call options or in the purchase of securities on margin.
6. None of these restrictions will require the realization of assets of the Fund where a restriction is breached as a result of an event outside the control of the Investment Manger which occurs after the investment is made. However, no further relevant assets may be acquired by the Fund until the relevant restrictions can again be complied with.
7. The Investment Manager may also arrange for temporary financing to provide liquidity in connection with redemption payments, provided that the amount of the financing does not at any time exceed 10% of the Net Asset Value.
8. The Fund will not short sell any security.





# CHAPTER IV

## INVESTMENT RATIONALE

### Market Performance During 2023:

Index	2023	2022
MSCI ACWI Index	20.09%	-19.80%
MSCI World Index	21.77%	-19.46%
S&P 500 Index (U.S.)	24.23%	-19.44%
MSCI EM Index	7.04%	-22.37%
S&P GCC Index	5.70%	-7.16%
Bloomberg Global-Aggregate Bond Index	5.72%	-16.25%
S&P GCC Bond Index	5.16%	-12.76%

The capital markets delivered positive returns during 2023 after negative returns during 2022, as highlighted in the table above. Equity markets delivered gains in 2023 amidst volatility, rising interest rates and geopolitical events with developed markets outperforming emerging markets, as the latter was weighed down by weak performance from China. Growth stocks outperformed, driven by the strong performance of key technology stocks. Fixed income markets, while they recovered from 2022 levels, rising interest rates and inverted yield curve impacted overall returns. Yields rose sharply with the U.S. federal Reserve raising policy rates by another 100 basis points during 2023 taking the cumulative rate hikes to 525 basis points, since March 2022.

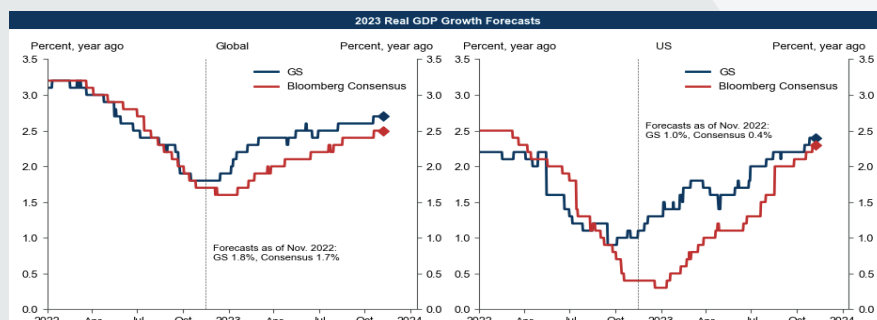
Source: Bloomberg; Performance as on 31 December 2023; All are price returns in USD; IMF World Economic Outlook

### Equity Market Outlook:

The key drivers of the global equity markets in the medium to long term are highlighted below:

#### 1. Improving outlook for GDP growth:

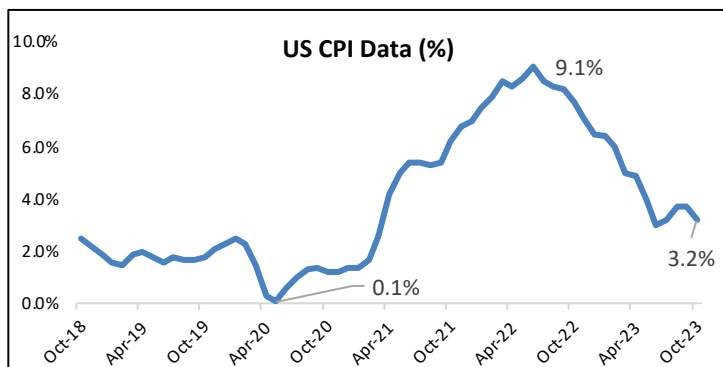
The global growth outlook continued to improve through 2023 with IMF upgrading its forecast for the global GDP from 2.7% to 3% currently, driven by improved outlook for the developed markets, particularly the U.S. IMF is expecting the global economy to expand by 2.9% in 2024. As such, the trend of upgrades seen in 2023 has the potential to continue in 2024 on the back of stable-to-improving growth in the developed markets and positive updates for growth coming from the emerging markets.



Source: Goldman Sachs



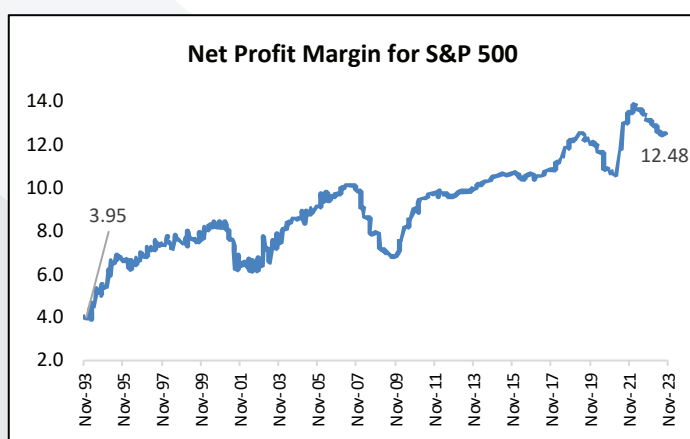
**2. Moderation in inflation is generally considered to be positive for risky asset classes:**



Global inflation has seen a steady decline through the course of 2023. As per IMF, the global headline inflation is expected to decline from its peak of 9.5% in 2022 to about 5.9% by the end of 2023. The moderation in inflation in developed economies is faster, with U.S. inflation expected to touch 3.2% by the end of 2023. The impact of core goods disinflation, fall in shelter inflation and more

importantly, the favorable dynamics from the labor market, are expected to lead to lower inflation during 2024. This is likely to be positive for both equities and fixed income.

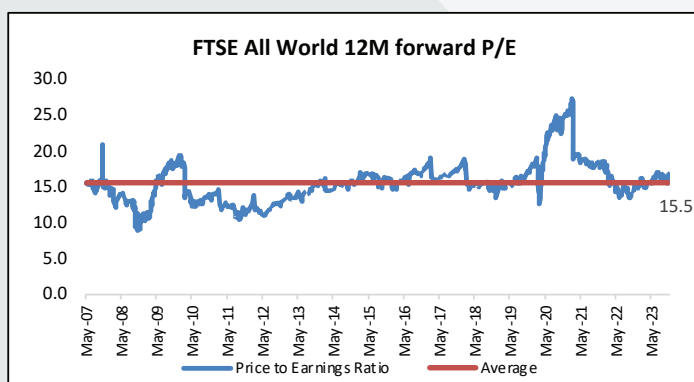
**3. Benign earnings growth outlook:**



As per Bloomberg consensus estimates, the global earnings growth is estimated at 11% for 2024, driven by margin expansion, topline growth and a favorable base. Slower inflation is expected to ease cost pressures and improve margin outlook. In addition, increased adoption of technology and productivity improvements should aid operational improvement for companies across the globe. Net profit margins for companies in developed markets have improved over the past three

decades and this trend is expected to continue through the current decade as well.

**4. The scope for a re-rating in valuations:**

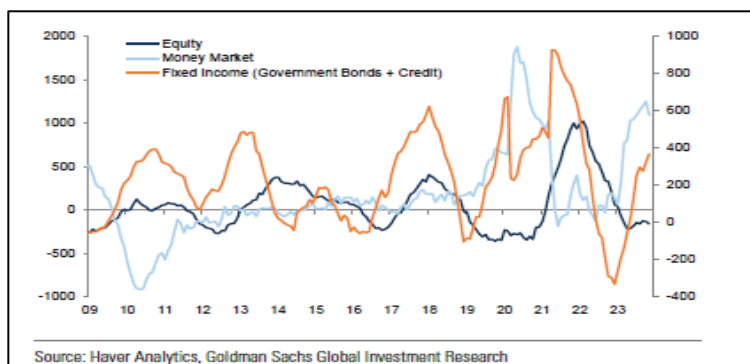


Currently, valuations of global equities\* are trading closer to historical averages. However, valuations may have scope for an expansion driven by potential monetary policy easing, which, if materializes, may bring down the risk-free rate and the cost of equity.

Source: FTSE All World Index



## 5. Supportive liquidity environment:



Higher yields offered on cash during the past 2 years may have resulted in investors prioritizing cash over other asset classes as evident from the growth in AUM of Money Market Funds (MMFs). Global MMFs' total AUM stands at a record USD 8 trillion after witnessing significant inflows (12 month rolling flows), while equities have seen outflows during the past year. With expected reversal of monetary policy in

2024, interest rates are expected to soften, which may lead to rotation away from cash into other asset classes such as equities in the subsequent years.

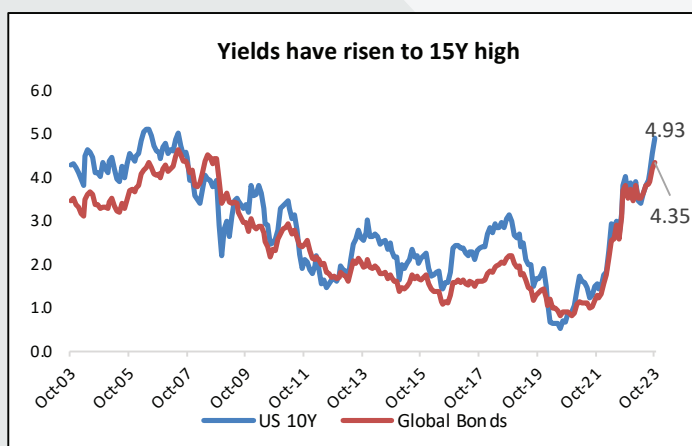
## 6. Technology enhancements to drive value creation:

The adoption of new technologies across various businesses and sectors are likely to result in higher revenue opportunities and better productivity. Thus, improving the top and bottom line growth for the corporate sector. For example, rise of AI systems such as ChatGPT (fastest growing consumer app in history), Electric Vehicle (EV) penetration, robotic intervention and advanced research on genomics in the healthcare space are revolutionizing their respective sectors. These themes are expected to drive the upside potential for equities in these sectors going forward.

### Fixed Income Market Outlook

The Fixed Income asset class is likely to be driven by (i) inflation trend; (ii) policy rates and (iii) movement in yields.

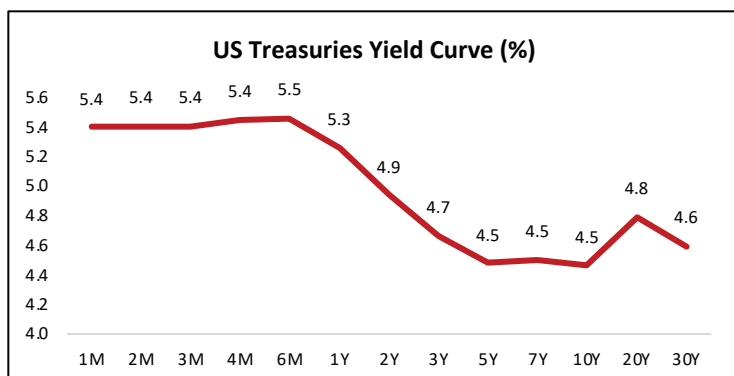
#### 1. Current Yields Provide Opportunity to Lock-in at Higher Interest Rates:



2023 has been an eventful year for fixed income markets with the 10-year U.S. Treasury yields breaching the 5% mark for the first time in almost 15 years. Inflation on the other hand, has been coming down from its peak seen during late 2022. Given the market expectation of policy reversal starting in 2024, the current phase may be an opportune time to take advantage of the higher yields and improve the accrual potential of portfolios.



## 2. Duration Strategy to Benefit in the Rate Reversal Phase:



Significant rise in interest rates globally has impacted bond prices. The yield curve has remained inverted for a while now and the yield curve normalization could coincide with the rising expectation of lower rates next year. This could mean that the shorter to medium duration bucket may reprice faster in a rate reversal cycle, providing an opportunity for investors.

### Fund – Unique Combination of Two Core Asset Classes:

Fund provides a unique proposition by combining the two core asset classes viz Equity and Fixed Income. Given the low correlation between the two asset classes, exposure to both in a portfolio can enhance returns while providing stability to portfolio. Fixed Income and Equities behave differently during different economic and credit cycles and a combination of both along with dynamic rebalancing, can improve overall returns of the investors' portfolio. As highlighted above, the global market outlook continues to improve, driven by supportive factors of moderating inflation, expected reversal in policy rates, economic soft landing and a resilient corporate sector. As a result, the current market environment provides an opportune time for investors to benefit from two core asset classes and Fund provides an ideal vehicle for capitalizing on this opportunity.



## CHAPTER V

# THE MANAGEMENT BODY

The management of assets of the Fund will be the responsibility of the Management Body, who will delegate day-to-day investment management to the Investment Manager subject to the terms of the Investment Management Agreement. The Management Body will be responsible for formulating the Fund's investment strategy and guidelines to be adopted by the Fund and will review the activities of the Investment Manager on an on-going basis. The Investment Manager will manage the assets of the Fund by investing and trading in securities on behalf of the Fund in accordance with the instructions of the Management Body and the rules and principles stated in this Prospectus. No other party will have the right to interfere in the management of the Fund and in any decision taken in relation thereto so long as the terms of this Prospectus are observed.

The initial Management Body will be appointed by the Investment Manager in coordination with the Sponsor. The initial Management Body's term will not exceed one year from the date of the Fund's registration in the investment funds registry at the FSA. Within one year from the date of the Fund's registration in the investment funds register with the FSA, the Management Body will convene and hold an Ordinary OGM for Unitholders to elect a new Management Body in accordance with the laws and regulations and the Articles of Association. Members of the Management Body shall be elected by secret ballot at an OGM for Unitholders, for a period of five years at most, a member of the Management Body may be re-elected for another term. The Fund's Management Body consists of up to five (5) members.

The Management Board shall carry out oversight and supervision of the Fund's activities and shall undertake the following:

1. Evaluation of the Fund's investment performance compared to similar funds or any other benchmark taking into account the investment objectives of the Fund.
2. Ensure the Fund's compliance with the Prospectus, Articles of Association and statutory requirements.
3. Evaluation of the performance of the Investment Manager and other service providers.
4. Ensure adequacy of the Fund's systems to safeguard its assets and ensuring that adequate accounting controls are in place.
5. Ensure the Investment Manager's systems and controls are adequate to ensure compliance with the interests of the Fund and Unitholders.
6. Avoid conflicts of interest and ensure that adequate measures are in place to resolve any conflict of interest in the best interest of the Fund and Unitholders.
7. Ensure segregation of functions and responsibilities when one company provides more than one service to the Fund.
8. Approve the transactions with related parties and disclose the same.
9. Approve the annual report, financial statements and other information and disclose the same to the public and Unitholders to ensure that disclosure is fair, timely, transparent and not misleading.
10. Appointment and removal of service providers and determining their fees
11. Taking decisions pertaining to distribution of dividends.



**The members of the Management Body shall satisfy the following criteria:**

1. Having a record of good conduct and sound reputation.
2. Not be convicted in any crime or offence involving dishonesty, or breach of trust or a crime stipulated in the Securities Law, Commercial Companies Law or Oman's Commercial Law unless rehabilitated.
3. Not be declared as bankrupt, and have the ability and necessary experience to fulfil the work needed.

**Members of the Initial Management Body**

	<b>Candidate</b>	<b>Summary of the candidate</b>	<b>Position</b>
1	Mr. Ghusen Hilal Abdullah Al Abri	<p>Mr. Ghusen Al Abri specializes in strategic leadership, investing, public sector administration and team management, with over 23 years of experience at Royal Court Affairs (RCA), Sultanate of Oman. He is currently the Assistant Director General of Expenditure at RCA. With a wealth of experience at RCA, he is part of leadership team managing multi-asset portfolio in the global financial markets.</p> <p>He currently serves as the Chairman of Bank Muscat Money Market Fund, the largest fund of its category in the country. He also holds the position of Vice Chairman of Izdihar Real Estate Fund and Oman Fixed Income Fund. He is a valued member of the Management Body at Oryx Fund. Within RCA, he serves as a member of the Tender Committee. Beyond RCA, he plays an active role in supervisory and management committees of companies operating in hospitality and education sector in Oman. He holds a degree in Business Administration.</p>	Chairman



2	Mr. Hussein Abdul Redha Al Lawati	Mr. Hussein Abdul Redha Al Lawati has over 25 years of experience in managing international investments. He is currently the Director of Fixed Income Investments at the Social Protection Fund, leading a team managing the fixed income investments for the fund. Prior to this, he was the Director of Investments at Diwan of Royal Court Pension Fund, taking the lead role in managing asset allocation strategy for multi-asset class investments in global markets. Before joining the Social Protection Pension Fund, he was the Executive Director at Horizons Capital Markets. He collaborated with leading investment management firms including National Investment Company, Kuwait and Vision Investment Services, The Sultanate of Oman. His experience includes overseeing investments in public & private equity, fixed income, real estate & alternatives and funds. He is the Vice Chairman of Shumookh Investment Services. In addition, he serves as Board member of Oman Oil Marketing Company and Sembcorp Salalah Power & Water Company. He is a member of Investment Committee at Oman Chamber of Commerce & Industry. His academic credentials include a CFA qualification from the CFA Institute, and an MSc in Finance from the University of Strathclyde in Scotland.	Vice-Chairman
3	Mr. Sulaiman Abdullah Khalfan Al Balushi	Mr. Sulaiman Abdullah Khalfan Al Balushi is the Director of Investment Department at Royal Court Affairs. He has completed his Master in International Banking, Finance and Risk Management in 2015 from Glasgow Caledonian University. He is holder of Diploma in Accounting from Sultan Qaboos University. He is serving Royal Court Affairs in different capacities and have accumulated experience in operational management, audit, administration along with investment management. He is Deputy Chairman of Bank Muscat Oryx Fund and board member of Izdihar Real Estate Fund.	Member
4	Mr. Yousuf Ali Al Balushi	Mr. Yousuf Al Balushi holds a Bachelor's Degree in Marketing and has accumulated 18 years' worth of experience in the field of investments. He held numerous positions in the financial services sector and served as a board member in a variety of public and private companies operating across multiple industries. Yousuf contributed to the growth of the companies and to the corporate governance of the boards in which he served. He is currently the Director of Hasad Fund at the Diwan of Royal Court.	Member





### **Proceedings of Management Body Meetings**

The Management Body meeting shall observe the following requirements:

1. The number of attending members of the Management Body shall not be less than two-thirds of the total number of members.
2. The members of the Management Body shall not take part in discussions and/or voting on matters if he or his spouse or relatives up to second degree have an interest in the subject matter.
3. Approval of resolutions shall need support from a majority of the members of the Management Body.
4. Objection by a member of the Management Body to any resolution shall be recorded in the minutes of the meeting.
5. The Management Body shall meet at least four (4) times per year with a maximum time gap of four (4) months between any two (2) consecutive meetings.

### **Appointment of Members**

Each member of the Management Body shall serve until his or her office is vacated. Whenever any member's position falls vacant prior to the end of the term, the other members of the Management Body may approve a new member of the Management Body as replacement until the end of the term. Any such appointment requires unanimous agreement of all members of the Management Body.

### **Alternate Members**

Each member of the Management Body may, by notice in writing under his/her hand served upon the Management Body, appoint any member of the Management Body as his/her proxy to attend and vote in his/her place at any meeting of the members of the Management Body at which he/she is not personally present, or to undertake and perform such duties and functions and to exercise such rights as he/she could personally undertake and perform; such appointment may be general or specific for any particular business. Any such appointee will not act on behalf of more than one member of the Management Body as a proxy excluding himself/herself of the Management Body in a meeting.

### **Vacation of office**

The office of a member of the Management Body shall be vacated in the following cases:

1. He or she resigns his or her office by written notice.
2. He or she has absented himself or herself (such absence not being pre-informed absence with leave or by arrangement with the Management Body) for meetings of the Management Body for a consecutive period of twelve (12) months.
3. He or she becomes of unsound mind or incapable of performing his or her roles and responsibilities.
4. He or she becomes bankrupt, suspends payment with his or her creditors, or compounds with his or her creditors.
5. An OGM resolution is passed removing him or her of his or her position.
6. The board of directors of the FSA issues a resolution to dismiss a member of the Management Body.



**Remuneration of Members:**

Members of the Management Body will altogether be entitled to fees not exceeding OMR 20,000 (twenty thousand Omani Rial) per annum, together with reimbursement of expenses properly and reasonably incurred by them in the execution of their duties.



## CHAPTER VI

# THE INVESTMENT MANAGER

Bank Muscat S.A.O.G. has been appointed as the Investment Manager of the Fund pursuant to an Investment Management Agreement entered into between the Fund and the Investment Manager. The Investment Manager will manage the assets of the Fund in accordance with the rules and principles stated in this Prospectus, the Articles of Association and the terms of the Investment Management Agreement. A copy of the Investment Management Agreement shall be made available for inspection at the office of the Investment Manager.

### Profile of the Investment Manager

Bank Muscat Asset Management has a proven track record of more than 30 years and is the largest asset manager in Oman and one of the leading asset managers in the GCC region, with approximately USD 2.6 billion of assets under its management. It offers tailored investment solutions across multiple asset classes including equity, fixed income, real estate and private equity, through mutual funds and managed portfolio mandates for conventional and shariah compliant investments.

Bank Muscat Asset Management has created long-term partnerships across wider investor base that include local and international pension funds, fund of funds, family offices, high net worth individuals, corporations and other entities. The Asset Management team also provides its expertise across multiple asset classes to retail investors through various mutual funds and products.

Bank Muscat Asset Management team has won numerous awards for its credentials in the field of fund management. Some of the recent awards are shown below:

- Oman Asset Manager of the Year in 2010, 2011, 2013, 2015, 2017 and 2018 by MENA FM.
- Best Asset Manager - Oman in 2010, 2011, 2013 and 2015 by EMEA Finance.
- Winner of the 2011, 2014, 2015, 2016 and 2018 Oman Best Asset Manager by Global Investor.

The Bank Muscat Asset Management team believes that its expertise, rigorous investment process and customer focus resulted in delivering robust performance to our clients. Some of our competitive advantages are as highlighted below:

<b>Experienced team</b>	Investments are managed by a team of experienced professionals with average years of experience of more than 10 years. The key individuals managing our core strategies have been working with the team for more than 15 years. The core investment team is quite stable with very low turnover thus ensuring consistency of performance.
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<b>Proven track record</b>	The portfolios and funds managed by Bank Muscat have consistently delivered outstanding returns with lower volatility than the market thus outperforming the benchmark as well as the peer funds.
<b>Disciplined and rigorous investment processes</b>	Investment decisions are driven by a combination of fundamental research and technical analysis. The process has evolved over the years and has been refined continuously to reflect the current market requirements. The team-based approach towards investment decisions ensure consistency of performance.
<b>Strong operational controls</b>	Independent back office operations provide strong controls on operations. Bank Muscat emphasizes clear segregation of client portfolios, with dedicated and best in class IT systems.
<b>Robust risk management</b>	Strict compliance to regulatory and accounting guidelines and strong process orientation with monitoring by multiple internal and external control functions and regulators.

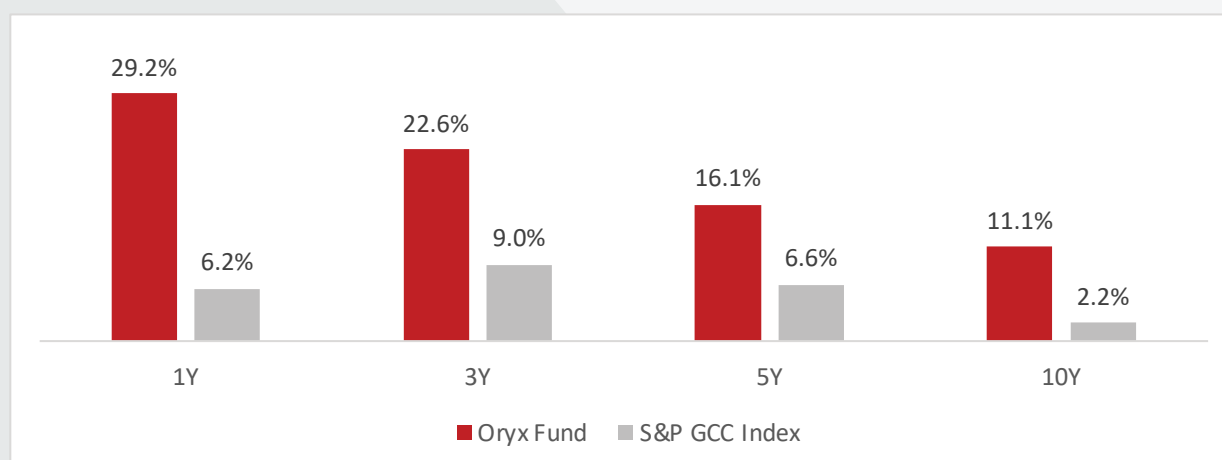
The details on various funds managed by Bank Muscat Asset Management are as given below:

### 1. Bank Muscat Oryx Fund (since 1994):

Bank Muscat Oryx Fund primarily invests in stock markets in the GCC region and has a consistent and proven track record of generating attractive returns for 29 years. The Fund is one of largest fund in GCC region within its category and it is regulated by the Financial Service Authority (formally known as CMA) as per the applicable laws and regulations in Oman. The Fund clearly stands out as an attractive investment choice for prospective investors with a medium to long term view.

The main objective of the fund is to achieve capital appreciation and regular income by investing into the stocks listed in the GCC stock exchanges. The fund can allocate up to 25% of its assets to the international markets and mutual funds. The fund follows a bottom-up stock specific investment approach with a proven investment process and philosophy.

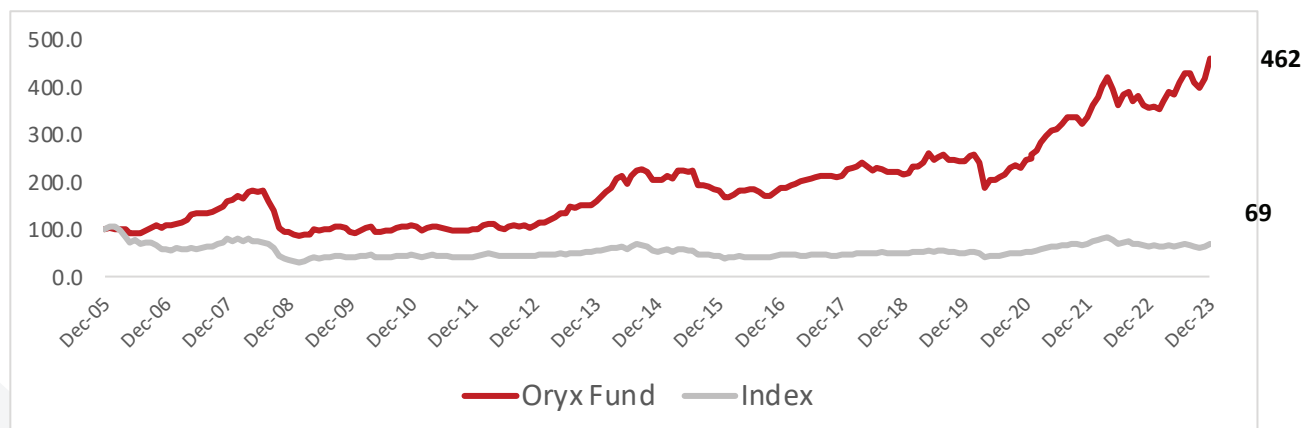
The performance of the fund across various periods as at 31 December 2023 is as given below.



Annualized fund performance for 3, 5 and 10 year period.

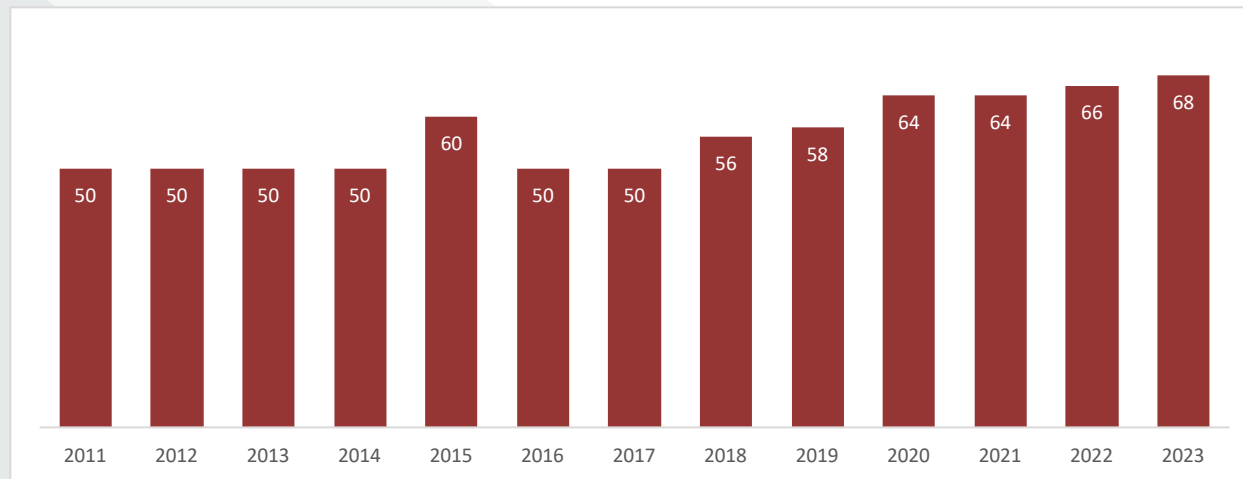


The growth of OMR 100 invested into the fund on 31/12/2005 is as shown below:



Thus, Oryx Fund has consistently outperformed the underlying benchmark by a wider margin across various periods and has generated significant outperformance against the benchmark over the longer period.

The fund also rewarded its investors with consistent dividend distribution as shown in the below chart (in Baizas per year).



The fund has been accredited by multiple awards such a Lipper Award for the Best GCC fund in 2009, 2015, 2016, 2018, 2019 and 2020, and best GCC Equity Fund under USD 30 million by MENA FM in 2013, 2014, 2015 and 2018.

## 2. Oman Integrated Tourism Projects Fund (since 2007):

A USD 259 million fund, which was structured and placed in 2007. The Oman Integrated Tourism Projects Fund was the first and largest Omani real estate fund with a mandate to invest primarily in the development of integrated tourism projects in Oman. The fund completed its investment exits in 2018 and has been fully wound down.



**3. Bank Muscat India Fund - domiciled in Mauritius (since 2009):**

A fund established in Mauritius for investing directly in equities and convertible securities of Indian listed companies. The Fund offers a platform for GCC nationals to invest in one of the fastest growing economies of the world.

**4. Oman Fixed Income Fund (since 2010):**

A fund registered with the FSA, Oman with a corpus of USD 230 million is the largest and first-of-its-kind in Oman for subordinated investments. The fund has an attractive track record of delivering annualized returns of 7.4% since its inception in 2010 much above the target returns indicated to investors.

**5. Bank Muscat Money Market Fund (since 2013):**

A short-term liquidity management tool and the only one of its kind available in Oman with daily liquidity and no entry or exit load. The fund is registered with the FSA, Oman and is the largest open-ended fund in Oman.

**6. Bank Muscat GCC Property Income Fund (since 2014):**

The fund is registered as an Exempted Limited Partnership in Cayman Islands in 2014 to invest in income generating real estate assets in the GCC region. The Fund's investment aggregated over USD 220 million across assets in Oman and UAE.

**7. Izdihar Real Estate Fund (since 2015):**

The FSA (formally known as CMA), Oman registered fund established in 2015 has a mandate to provide steady income through investments in income generating real estate assets in the GCC. The Fund has grown to be the largest REIT in Oman with assets of over USD 220 million in the UAE and Oman.

**Duties and Responsibilities of the Investment Manager**

The duties of the Investment Manager include the following:

1. Managing the portfolio of the Fund in accordance with the investment objectives of the Fund;
2. Taking all investment decisions or other decisions in relation to the Fund in the best interests of the Fund and its Unitholders;
3. Procuring and supervising the accurate recording of all purchase and sale transactions undertaken in favour of the Fund;
4. Check all transactions in the Fund's portfolio which are entered into the system and adjusting to the cash and securities accounts opened in the name of the Fund with the Custodian;
5. Providing liquidity for the Fund to discharge any Fund obligations;
6. Safeguarding the Fund from any unnecessary investment risks; and
7. Procuring the preparation of financial reports and statements and publication of the same in accordance with the provisions of the Articles of Association.



## CHAPTER VII

# OTHER SERVICE PROVIDERS

### **Custody Services**

The Custodian of the Fund will be Gulf Custody, appointed in accordance with the terms and conditions of the Custodian Agreement. A copy of the Custodian Agreement shall be available for inspection at the office of the Investment Manager. Whilst all services rendered by the Custodian to the Fund shall be covered in the Custodian Agreement, the main duties of the Custodian shall include the following:

- (a) set up and maintain custody accounts for the assets held by it for the benefit of the Fund, credit the assets to the custody accounts and keep the assets in safekeeping. The Custodian shall be liable to the Fund for any loss suffered by them as a result of its unjustifiable failure to perform its obligations or its improper performance of them;
- (b) maintain separate internal records in the name of the Fund;
- (c) identify, record and hold the assets of the Fund in such a manner that the identity and location of the assets can be identified at any time and readily identifiable as property belonging to, and held for the benefit of, the Fund;
- (d) keep the assets held by it for the Fund segregated from assets held by the Custodian for its own account or for the account of assets held by the Custodian for other clients;
- (e) promptly notify the Fund of all notices, reports, offers, rights issues, distribution of dividends, bonus shares, investor meetings and other events relating to the assets of which the Custodian has received notice in its capacity as custodian provided that the Custodian shall not be responsible for exercising any voting rights attaching to assets except on receipt of instructions from, or on behalf of, the Fund, in which case the Custodian shall take sufficient steps to obtain the best possible result when effecting a transaction in relation to the assets, taking into account price, costs, speed, likelihood of execution and settlement, size, nature or any other relevant considerations;
- (f) deliver to the Fund a list of all the assets held by the Custodian in its custody on behalf of the Fund, with the relevant values of such assets included in such list;
- (g) comply with any instructions issued by, or on behalf of, the Fund in connection with the assets held by the Custodian;
- (h) if so requested by, or on behalf of, the Fund, promptly arrange for the execution and production of any documents necessary to carry out and settle transactions effected in accordance with applicable law;
- (i) explain to the Fund the procedures of authorization in respect of purchase, cash withdrawal and transfer of assets held by the Custodian;
- (j) notify the Fund of all income received in respect of the assets;
- (k) report to and furnish the Fund with copies of all custody and settlement bank accounts and information about the assets as the Fund may request from time to time;



- (l) maintain records showing that the Fund is the beneficial owner of assets, based on ownership information provided by the Fund to the Custodian, and where requested, deliver to the Fund or its appointed service providers documents evidencing title to the assets;
- (m) ensure compliance with applicable data protection laws and regulations; and
- (n) at the request of the Fund, and subject to reasonable prior notice, permit the Auditor to have access during normal business hours to its premises, book-keeping and other records to examine any matter relating to the assets, provided that the Custodian may at its discretion restrict access to the extent that it will prejudice the Custodian's security arrangements or its duty of confidentiality to its other clients.

The Custodian Agreement shall be in force until terminated, (i) by at least 3 months' notice in writing by either the Investment Manager or the Fund; (ii) automatically upon the appointment of the liquidator of the Fund; and (iii) immediately by the Fund upon certain occurrences set out in the termination provision of the Custodian Agreement relating to the Custodian's breach of its obligations, winding-up, ceasing to hold required authorizations, licenses and approvals to conduct its business and if the Fund is required to be terminated by any governmental authority in Oman.

The Custodian is not liable for any occurrences arising out of the performance of its duties and obligations under the Custodian Agreement unless in an occurrence where the Fund suffers loss as a result of negligence, bad faith or willful default of the Custodian or any of its officers, employees or agents.

The Fund shall indemnify the Investment Manager or any of its officers, employees or agents against all claims, actions and expenses which may be brought against, suffered, or incurred by the Investment Manager by reason of the proper performance of its duties.

The Custodian may, with the prior consent of the Management Body, appoint one or more third parties as sub-custodian.

### **Fund Administration Services**

The Administrator of the Fund will be Gulf Custody Company SAOC pursuant to the terms and conditions of the Fund Administration Services Agreement and is licensed to carry out such functions. A copy of this Agreement will be available for inspection at the office of the Investment Manager/Administrator. The Administrator is responsible for the general administration of the Fund in accordance with the Administration Services Agreement, this Prospectus and the Articles of Association. The duties of the Administrator include the following:

1. Calculating and publishing the Net Asset Value of the Fund on the MSX website on a daily basis i.e. on every Business Day. This includes making available the details of how the Net Asset Value is determined to the Management Body and the FSA;
2. Administering the issue of Units in accordance with the instructions of the Management Body and also the accounting of the issue and redemption of the Units;
3. Preparing the quarterly and annual accounts of the Fund and arranging for the annual accounts to be audited and uploaded on to the MSX's portal;



4. Maintenance of the Fund's financial books and records;
5. E-mailing the annual accounts to the Unitholders, the members of the Management Body, the FSA and any other persons entitled to receive them as required by applicable laws;
6. Providing all information that is available when requested by the Investment Manager;
7. Dealing with and responding to all correspondences addressed to the Fund;
8. Calculating and notifying the Management Body in respect of the fees payable to the service providers of the Fund;
9. Calculating performance fees;
10. Monitoring the commitments of each investee to the Fund and providing written notification to the Investment Manager in any case of breach or default by such investee;
11. Preparing and delivering notices to the Unitholders, as may be advised by the Investment Manager;
12. Adhering to the rules and regulations of the MSX and the FSA, and all applicable laws in Oman;
13. Providing information to the Auditor and other professional advisers that provide services to the Fund, as may be advised by the Investment Manager;
14. Preparing all workings related to distributions to Unitholders subsequent to relevant declarations and approvals;
15. Advertising of the financials of the Fund in the newspaper in accordance with applicable laws;
16. Distributing via e-mail and/or other agreed communication methods, any Unitholder meeting agenda, minutes and other related information to Unitholders;
17. Perform all of its duties in accordance with applicable laws in force and such other services as may be agreed upon between the Administrator and the Management Body from time to time; and
18. Any other related activities.

The Administrator may take such steps as it may consider expedient to enable it to provide the administration services required in respect of the Fund and may, with the prior consent of the Management Body, appoint one or more third parties as sub-administrator provided that it is licensed by the FSA to perform such activity. A sub-administrator will only be appointed if the Management Body is satisfied that the proposed sub-administrator has the appropriate expertise and experience to perform this role.

The term of the Administration Services Agreement is 1 year from the effective date and may be extended for further consecutive periods of 1 year if agreed mutually in writing between the Administrator and the Fund.





The Fund may terminate the Administration Services Agreement, (i) at any time by providing 60 days' prior written notice to the Administrator; or (ii) immediately upon certain occurrences set out in the termination provisions of the Administration Services Agreement relating to the Administrator's insolvency, breach of its obligations, any illegal act or misconduct and the failure of the Administrator to meet the minimum standard which would be reasonably be expected of an administrator of a similar fund.

The Administrator may terminate the Administration Services Agreement (i) at any time by providing 90 days' prior written notice to the Fund; or (ii) by providing 90 days' prior written notice to the Fund upon certain occurrences set out in the termination provision of the Administration Services Agreement relating to the Fund's breach of its obligations and liquidation or insolvency of the Fund. The Administrator is not required to take any legal action on behalf of the Fund unless fully indemnified to its reasonable satisfaction for costs and liabilities.

### **Distributors**

The Fund may appoint distributors pursuant to distribution agreements in future for the purpose of marketing and distribution of the Fund.

### **External Auditor**

The first External Auditor of the Fund will be Crowe, with the address at Level 5, The Office, Al Khuwair, P.O Box 971 PC. 131, Sultanate of Oman, who are accredited by the FSA.

The Management Body shall appoint the Auditor on an annual basis from among the audit firms accredited by the FSA. The Auditor shall not serve as the Auditor of the Investment Manager. Appointment of the Auditor shall be for one Financial Year. The same Auditor should not act as an external auditor for more than four (4) consecutive years and they can be reappointed with a lapse of two (2) years since the last appointment.

The Auditor shall have the right to access the books of the Fund and request any statements or notes to verify the assets and liabilities and submit its report to the Management Body.

### **Legal Advisor**

Al Busaidy, Mansoor Jamal & Co has been appointed to provide legal services to the Fund for the purpose of establishing the Fund including advising on the compliance of the proposed terms of the Fund with the laws and regulations of Oman, primarily in reviewing the Prospectus, the Management Agreement, the Administration Services Agreement, the Custodian Agreement and the Registrar and Transfer Agent Agreement and drafting the Articles of Association, and may subsequently be retained for provision of annual services.

### **Registrar & Transfer Agent (R&T Agent)**

KFin Technologies Limited will act as the Registrar and Transfer Agent of the Fund. KFin Technologies is in the business of providing registrar and transfer agency services to all premier mutual Funds in India and has assets under similar arrangement of approximately USD 45 billion KFin Technologies is presently processing an average of 50,000 transactions per day with help of its state-of-the art technology.



The duties of the Registrar and Transfer Agent include the following:

1. Receiving applications from Subscribers and providing daily transaction reporting to the Fund;
2. Commercial transactions processing including conducting verification and timestamping processes and contacting Subscribers for further information;
3. Data capture of commercial and non-commercial investor related fund transactions and the maintenance of investor database;
4. Posting controls for registers and forwarding applicable registers to the Investment Manager;
5. Issuing statements of accounts and mailing these statements to investors or the Investment Manager;
6. Collection processing for purchase transactions and conducting reconciliations of cash and Units;
7. Creation of Units including for fresh and additional purchases, processing redemption of Units / switches and effecting transfers of Units;
8. Computation and payment of trail fees including in respect of any brokerages;
9. Effecting payouts by providing dividend details and funding controls to the Investment Manager as may be required;
10. Providing customer service and handling customer complaints/ queries;
11. Creation and distribution of required reports;
12. Dealing with systematic investment plans of the Fund and investors;
13. Providing accurate and timely management reporting compliance reports, including on an ad-hoc basis as may be required.



## CHAPTER VIII

# SUBSCRIPTION CONDITIONS AND PROCEDURES

### **Subscription Eligibility and remedies of the Fund in the case of breach of subscription requirements**

Investment in the Units is open to Omani and non-Omani institutions/individuals (other than US Persons) provided that they meet the eligibility requirements specified in the subscription application.

The Fund is not open to investment from sanctioned persons or persons (including persons owned or controlled by such persons) located or headquartered in jurisdictions that are subjected to Embargoes.

The Fund, the Investment Manager, and their affiliates seek to comply with all applicable anti-money laundering, economic sanctions, anti-bribery and anti-boycott laws and regulations applicable to them and in the jurisdictions in which they conduct business, other applicable laws and regulations relating to the prevention of money laundering and other similar applicable laws and regulations (collectively, the “**Anti-Corruption and Anti-Terrorism Laws**”) as may be amended from time to time.

As such, by submitting a subscription application each Subscriber represents and warrants that they and all of their beneficial owners are not: (i) in breach of the Anti-Corruption and Anti-Terrorism Laws, (ii) US Persons, (iii) Sanctioned Persons or otherwise listed on any economic sanctions list or (iv) persons (including persons owned or controlled by such persons) located or headquartered in jurisdictions subject to Embargoes. The Fund has the right at any time to procure information from the Subscriber to verify the accuracy of these representations and warranties and the Subscriber is required to provide any such requested information promptly upon receipt of any such request.

Should the representations and warranties of the Subscriber given under the previous paragraph of this Prospectus be false or misleading, the Fund shall have the right to freeze the account of the Subscriber and a right to compulsorily redeem, at its sole and absolute discretion and at any time, the relevant Subscriber’s Units at the prevailing NAV less the costs and liabilities caused to the Fund as a result of the Subscriber’s breach of such representations and warranties.

The Fund shall comply with all requirements of Omani law relating to the prevention of money laundering, anti-bribery, anti-terrorism, trade embargoes, and economic sanctions, now or hereafter in effect.

### **Initial Subscription Period**

#### **Minimum Size for Fund’s Establishment**

The Fund will be established with a minimum initial size of OMR 2,000,000 on a cumulative basis for all Units. In the event that subscriptions received during the Initial Subscription Period is less than OMR 2,000,000 on a cumulative basis for units, then all application money received during the Initial Subscription Period shall be refunded to the respective applicants.



### **Initial Subscription Forms**

Potential investors may obtain Initial Subscription Forms and a copy of this Prospectus from the main office(s) of the Collecting Banks / Agent or from the office of the Issue Manager. The Initial Subscription Forms will also be available on the digital platforms of Bank Muscat S.A.O.G. ([www.bankmuscat.com](http://www.bankmuscat.com)).

### **Initial Subscription Price**

During the Initial Subscription Period, the Initial Subscription Price shall be OMR 0.101 per Unit.

### **Subscription Fee**

Subscription fee will be applicable at the rate of 1% on the invested amount during the Continuous Offer Period.

### **Minimum Subscription for Initial Issue**

The minimum Initial Subscription shall be of OMR 50 per Subscriber and thereafter in multiples of OMR 50.

### **Maximum Subscription for Initial Issue**

There is no maximum limit on subscription.

### **Initial Subscription Period**

The Initial Subscription Period shall be from 1 September to 12 September 2024 during Business Hours.

### **Mode of subscription during Initial Subscription Period**

#### Application through Collecting Banks/Agent

- a) Each Subscriber should contact one of the Collecting Banks/Agent for further guidance on the channel made available by the Collecting Banks/Agent for submission of a Subscriber's application.
- b) Subscribers shall complete and submit the Initial Subscription Form through one of the Collecting Banks/Agent, along with payment in the form accepted by the relevant Collecting Bank/Agent towards the Units and ensuring that the documents in support of the information furnished referred to above are provided.
- c) In case of payment of the value for the subscription made through cheque/demand draft, the same shall be submitted in favor of "Bank Muscat Al Tharwa Fund" or as otherwise advised by the relevant Collecting Bank/Agent.
- d) Once completed, the relevant Collecting Bank/Agent will validate the Subscriber's application on and will provide the Subscriber with a copy of the acknowledgement of their application. Each Subscriber should ensure that they receive a copy of the acknowledgement from the relevant Collecting Bank/Agent.



- e) Before filling in the Initial Subscription Form, each Subscriber is required to examine this Prospectus and read the conditions and procedures governing subscription for Units. Each Subscriber shall have the responsibility of submitting all particulars, ensuring correctness and validity of information provided in the Initial Subscription Form when submitting the application.

#### **Subscription during the Initial Subscription Period on Behalf of Minors**

- (a) Any person aged less than 18 years as of the first day of the Initial Subscription Period will be considered a minor.
- (b) A father may subscribe on behalf of his minor children.
- (c) If an Initial Subscription Form is submitted on behalf of a minor by any person other than the minor's father, the person submitting the Initial Subscription Form will be required to attach a legally valid power of attorney authorizing him or her to deal in the funds of the minor through sale, purchase and investment.

#### **Bank Account and Documentation Detail**

- (a) Along with the duly completed Initial Subscription Form, the Subscriber is required to submit a document confirming the correctness of the bank account number as provided for in the Initial Subscription Form.
- (b) In case the Subscriber is applying for subscription through a Collecting Bank/Agent in which he/she does not hold an account, he/she can subscribe by submitting any document from his/her bank evidencing his/her account number and name such as the upper portion of the bank account statement issued by the bank containing these particulars only or a letter or any document issued by the said bank containing the said information. The Subscriber shall ensure that the evidence submitted is clearly readable and contains the account number and full name of the account holder.
- (c) An application for subscription which contains the bank account number of a person other than the Subscriber shall be rejected, except for an application made on behalf of minor children that contains bank accounts particulars of their father or legal guardian.
- (d) A copy of a valid power of attorney duly endorsed by the competent legal authorities must be submitted in the event the subscription is made on behalf of another person (with the exception of a subscription made on behalf of minor children by their father).
- (e) In case of applications by juristic persons (non-individuals), which are signed by a person in his/her capacity as an authorized signatory, a copy of adequate and valid documentation evidencing their authority should be provided.
- (f) Set out below is a check list for documentation that must be submitted by applicants for Units, together with any other documents that may be deemed necessary by the relevant Collecting Bank/Agent, the Registrar or Transfer Agent or the Administrator or may be requested by the authorities concerned.



a) Omani (male) 18 years and above	Copy of the passport or Identity Card.
b) Omani (female) 18 years and above	Copy of the passport or Identity Card.
c) Non-Omani nationals	Copy of passport.
d) Minors below 18 years	Copy of the birth certificate and copy of the identity card or passport of guardian/parent.
e) Companies and Enterprises	Copy of the Commercial Registration Certificate or equivalent certificate.
f) Authorities and Pension Funds	Copy of the constitutive decree or decision.
g) Proof of bank account	The applicant shall indicate a bank account number along with proof of bank account for the receipt of dividends and other distributions on the application.

### **Investor Identification and Anti-Money Laundering**

The Investment Manager, the Issue Manager, the Collecting Banks/Agent, the Registrar and Transfer Agent and the Administrator reserve the absolute right to require further verification of the identity of each potential Unitholder or that of the person or entity on whose behalf the potential Unitholder is applying for Units. Each potential Unitholder will provide evidence in a form and substance satisfactory to the Investment Manager, the Issue Manager, the Collecting Banks/Agent, the Registrar and Transfer Agent and the Administrator of its identity and, if so required, the source of its funds, within a reasonable time period as determined by the Investment Manager, the Issue Manager, the Collecting Banks/Agent, the Registrar and Transfer Agent and the Administrator. Pending the provision of such evidence, an application for Units will be postponed. If a potential Unitholder fails to provide satisfactory evidence within the time specified, or if a potential Unitholder provides evidence but the Investment Manager, the Issue Manager, the Collecting Banks/Agent, the Registrar and Transfer Agent or the Administrator are not satisfied with such evidence, the subscription application may be rejected, in which event any money received by way of application will be returned to the applicant by bank transfer to the account from which the monies originated, without any addition thereto and at the risk and expense of the applicant.

The Investment Manager, the Issue Manager, the Collecting Banks/Agent, the Registrar and Transfer Agent and the Administrator reserve the right to request such information as is necessary to verify the identity of a prospective Unitholder. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Investment Manager, the Issue Manager, the Collecting Banks/Agent, the Registrar and Transfer Agent and the Administrator may in their discretion refuse to accept the application from such potential Unitholder and the subscription monies relating thereto.

If any person who is a resident of Oman suspects that a payment made in relation to the Fund contains the proceeds of criminal conduct, that person is required to report such suspicion pursuant to the Anti-Money Laundering/Combating the Financing of Terrorism Law promulgated by Royal Decree 30/2016, as amended.

Unitholders will also be expected to comply with the anti-money laundering regulations of their respective jurisdictions to the extent that they are applicable to their investment in the Units.





### **Submission of application**

Each Applicant shall submit a duly completed Initial Subscription Form for initial subscription to one of Bank Muscat, Meethaq Islamic Bank, and Ubhar capital as the Collecting Banks/Agent, or the Registrar and Transfer Agent, during official working hours in the Initial Subscription Period.

The Collecting Banks/Agent or Registrar and Transfer Agent receiving Initial Subscription Forms shall be required to accept the Initial Subscription Forms after confirmation of compliance with all relevant procedures and requirements, in line with the requirements as provided for in this Prospectus. The Collecting Banks/Agent or Registrar and Transfer Agent shall instruct applicants to comply with and fulfill any requirements that may appear in the Initial Subscription Form and this Prospectus.

### **Acceptance or rejection of applications for subscription for Units**

The Collecting Banks/Agent or Registrar and Transfer Agent shall not accept an Initial Subscription Form under the following circumstances:

- a) if the Initial Subscription Form does not bear the signature of the applicant;
- b) in case of failure of payment of the full value of the Units subscribed;
- c) if the value of the Units subscribed for is paid through cheque and if the same is dishonored for any reason;
- d) if the Initial Subscription Form is submitted under joint names;
- e) if the Subscriber has subscribed through more than one Initial Subscription Form in the same name;
- f) if the supporting documents referred to in this Prospectus are not enclosed with the Initial Subscription Form;
- g) if the Initial Subscription Form does not contain all the particulars of the bank account of the applicant;
- h) if any particulars of the bank account held by the applicant as provided for in the Initial Subscription Form are noted to be incorrect) if the particulars of the bank account provided for in the application are found to be not relevant to the applicant, with the exception of applications submitted in the names of minor children, who are allowed to make use of the particulars of the bank accounts held by their father;
- i) in case of failure to submit any relevant power of attorney with the application as required by this Prospectus in respect of the person who subscribes and signs on behalf of another person (with the exception of a father who subscribes on behalf of his minor children);
- j) if the application has not complied with the legal and organizational requirements as provided for in this Prospectus or applicable laws and regulations; or
- k) for any other reason as deemed appropriate in the best interests of the Fund.

In the event that following acceptance of an Initial Subscription Form and before delivery of the same to the Issue Manager, a Collecting Bank/Agent or the Registrar and Transfer Agent observes that the Initial Subscription Form does not comply with legal requirements as provided for in this Prospectus, the relevant



Collecting Bank/Agent or the Registrar and Transfer Agent will endeavor to contact the applicant so as to rectify the position. In case of failure to rectify the position within the period referred to, the relevant Collecting Bank/Agent or the Registrar and Transfer Agent shall return the Initial Subscription Form to the applicant, together with the subscription money before expiry of the period specified for handing over of the applications to the Issue Manager.

The Collecting Banks/Agent or the Registrar and Transfer Agent shall submit a comprehensive report to the Issue Manager furnishing the details of the Initial Subscription Forms that are required to be rejected and reasons behind such rejection.

### **Allotment of Units and refunds following the Initial Subscription Period**

Following the completion of the Initial Subscription Period, the Issue Manager will arrange to allot Units within fifteen (15) days from the Subscription Closing Date and the Issue Manager, the relevant Collecting Bank/Agent or the Registrar and Transfer Agent shall refund the subscription money to applicants whose application has been rejected. The Issue Manager will send allotment notices to the applicants who have been allotted Units, at the addresses as specified in their Initial Subscription Forms.

The refund of subscription amounts in respect of which Units have not been allotted during the Initial Subscription Period (whether on account of rejection of the application) may be undertaken by electronically transferring such amounts to the bank account numbers provided in the Initial Subscription Forms.

### **Responsibilities, enquiries and complaint**

- a) The Issue Manager, the Collecting Banks/Agent and the Registrar and Transfer Agent receiving Initial Subscription Forms shall abide by the responsibilities and functions specified pursuant to the instructions and regulations established by the FSA. The Issue Manager the Collecting Banks/Agent and the Registrar and Transfer Agent shall also abide by any other responsibilities that are provided for in the agreements entered into between them and the Fund.
- b) All relevant parties shall take remedial measures with regard to the damages arising from any negligence committed in the performance of the functions and responsibilities assigned to them. The Issue Manager shall coordinate with the regulatory authorities in order to take all necessary actions and procedures in this regard.
- c) Applicants who wish to seek clarifications or file complaints with regard to issues related to applications, allotments or rejected applications may contact the branch of the Collecting Bank/Agent where the subscription was made or the Registrar and Transfer Agent if the application was made to them. In case of absence of any response from the branch, applicants may contact the following person:

Name: Khalid Al Hinai

Tel: +968 2480 1032

Email: FundBackOffice@bankmuscat.com





- d) In relation to initial applications for Units, if the Collecting Bank/Agent or the Registrar and Transfer Agent receiving the Initial Subscription Form fails to arrive at a solution or settlement with the person who has applied, it shall refer the subject matter to the Issue Manager, and keep the applicant apprised of the progress and developments in respect of the subject matter of the dispute. The applicant may also maintain contact with the Collecting Bank/Agent or the Registrar and Transfer Agent that received the Initial Subscription Form only so as to know the decision arrived at.

#### **Expected time schedule for completion of allotment of Units following the Initial Subscription Period**

	<b>Description</b>	<b>Business Days</b>
1	Date of FSA Approval of the Prospectus	22 August 2024
2	First day of the Initial Subscription Period	1 September 2024
3	Closing Date	12 September 2024
4	Due date for Issue Manager to receive Initial Subscription Forms from Collecting Banks	15 September 2024
5	Notifying FSA of the result of the subscription	17 September 2024
6	Approval of FSA with regard to the proposal for the allotment of Units	19 September 2024
7	Commencement of refund and dispatch of the notices regarding allotment of Units	22 September 2024
8	Incorporation of the Fund (subject to FSA approval)	22 September 2024
9	Commencement of subsequent subscriptions to the Fund	26 September 2024

#### **SUBSCRIPTION FOR UNITS DURING CONTINUOUS OFFER PERIOD**

- a) Following the closure of the Initial Subscription Period and establishment of the Fund, the Fund will offer subscriptions on every Business Day during the Continuous Offer Period, which shall begin immediately after the closure of Initial Subscription Period.
- b) Completed subscription applications must be submitted along with full payment for requested Units and must be received by the Registrar and Transfer Agent on any Business Day by 11:00 am. Applications and funds received after 11:00 am will be deemed as received the next Business Day.
- c) Subscription may only be made by submitting the Subscription Form prepared for such purposes in accordance with instructions contained therein.
- d) Subscription requests will be irrevocable unless the Investment Manager otherwise agrees. Any subscription request received after 11:00 am on a Valuation Day will be carried forward to the next Valuation Day, unless the notice period is waived or the subscription request is revoked, in each case with the Investment Manager's consent.
- e) The subscription price during the Continuous Offer Period will be based on the applicable NAV on that Business Day plus subscription charges as per the terms of this Prospectus. For example, if NAV is OMR 0.100, then the subscription price will be OMR 0.100 per Unit, plus the applicable subscription fee as per prospectus.



- f) The subscription price during the Continuous Offer Period shall be made known to applicants through an account statement that gives Units allotted, price, and amount received net of subscription fees and the date of allotment. The Registrar and Transfer Agent will issue an allotment notification to holders of new Units within 5 Business Days of the relevant Valuation Day.
- g) The minimum subscription for Units in the Fund shall be OMR 50.
- h) Applications for subscriptions during the Continuous Offer Period can also be done through the digital platforms of Bank Muscat. Investors who wish to subscribe for the Units in the Fund can log in to their online channels and choose to invest into the Bank Muscat Al Tharwa Fund. Subscriptions through online channels will not require an application form to be completed.

#### **PROCEDURES FOR SUBSCRIPTION DURING CONTINUOUS OFFER PERIOD**

- a) The Fund will allot Units based on the NAV computed as mentioned in this Prospectus after considering applicable sales charges on T+2 days.
- b) The Registrar and Transfer Agent will increase the relevant Unitholders account on T+1 day by the number of Units mentioned therein and the capital of the Fund will stand increased accordingly.
- c) Fractions of Units will be issued up to three decimal places.

#### **REQUIRED DOCUMENTS FOR SUBSCRIPTIONS DURING CONTINUOUS OFFER PERIOD**

Each application for Units during the Continuous Offer Period should be submitted along with the relevant documents. The Applicant will be required to submit the documents set out on page 36-37 along with any other documents that may be deemed necessary by the relevant Collecting Bank/Agent, the Registrar or Transfer Agent or the Administrator or may be requested by the authorities concerned.

#### **REFUSAL OF SUBSCRIPTION DURING CONTINUOUS OFFER PERIOD**

Applications for subscriptions will be declined and rejected by the Registrar and Transfer Agent in the following cases:

- a) The subscription price for the Units applied for is not paid in accordance with the conditions described in this Prospectus;
- b) If payment is made by cheque, however, the cheque through which payment was made is dishonored or rejected by the bank for any reason;
- c) A Subscription Form contains more than one name;
- d) The Subscription Form does not satisfy all the requirements in the subscription application or does not enclose the required documents;
- e) Any of the requirements mentioned in this Prospectus are not met.

The Registrar and Transfer Agent shall effect all refunds for subscription applications received during the Continuous Offer Period within three (3) Business Days from the relevant Valuation Day.



## **ENQUIRIES AND COMPLAINTS DURING CONTINUOUS OFFER PERIOD**

Subscribers that apply for Units during the Continuous Offer Period may contact the office of the Registrar and Transfer Agent (at the address set out in this Prospectus) in relation to any enquiries or for registration of any complaints.



## CHAPTER IX

# REDEMPTION OF UNITS

### METHOD OF REDEMPTION

- a) The Fund will offer redemptions on every Business Day. Units may be redeemed on each Valuation Day.
- b) Completed redemption applications must be submitted along with full payment for requested Units and must be received by the Registrar and Transfer Agent on any Business Day by 11:00 am. Applications and funds received after 11:00 am will be deemed as received the next Business Day.
- c) Redemptions may only be made by submitting the application form prepared for such purposes in accordance with instructions contained therein.
- d) Redemption requests will be irrevocable unless the Investment Manager otherwise agrees. Any redemption request received after 11:00 am on a Valuation Day will be carried forward to the next Valuation Day, unless the notice period is waived or the redemption request is revoked, in each case with the Investment Manager's consent.
- e) The realizable price will be based on the applicable NAV on that Business Day minus any realizable charges as per the terms of this Prospectus. For example, if NAV is OMR 0.1, then the redemption price will be OMR 0.1 per Unit, minus the applicable redemption charges as per prospectus.
- f) The minimum value of Units that may be redeemed by a Unitholder is OMR 50.
- g) Applications for redemptions can also be done through the digital platforms of Bank Muscat. Investors who wish to redeem for the Units in the Fund can log in to their online channels and choose to redeem their investments from Bank Muscat Al Tharwa Fund. Redemptions through online channels will not require an application form to be completed.
- h) To be effective, the request must refer to the Fund and contain full registration details, the number of Units to be redeemed and the bank's details for the payment of the redemption proceeds.
- i) If the Registrar and Transfer Agent determines that its requirements for redemption have not been satisfied, the Fund shall notify the Unitholder who has given the redemption order, by the end of the Business Day following the receipt of the redemption order, that its requirements have not been satisfied and further specify the procedures that would have to be completed or the documents which are needed to be submitted by the Unitholder.

The Fund may not suspend the right of the Unitholders to redeem their Units except:

1. For any period during which trading is suspended on securities representing at least 51% of the total assets of the Fund.
2. In accordance with any limits or provisions clearly stated in the Articles of Association.
3. In exceptional circumstances approved by the FSA.



4. No more than 5% of the Fund's capital may be redeemed on any single Business Day. If the Fund receives redemption requests for more than 5% of the Fund for any Valuation Day, applications will be satisfied pro rata amongst those requesting redemption. Undischarged redemption requests, unless revoked by Unitholders with the consent of the Investment Manager, will be carried forward to the next Valuation Day.
5. During any period in which the determination of the Net Asset Value has been suspended.

If Fund has suspended redemptions it shall, within the next Business Day after the date of suspension, send a notice to the FSA and disclose the same.

The Investment Manager and the Registrar and Transfer Agent will not be liable for any costs incurred by a Unitholder as a result of the suspension of redemptions set out above.

#### **PROCEDURES FOR REDEMPTION**

1. All redemption applications should reach the Registrar and Transfer Agent as specified in method of Redemption above.
2. The Registrar and Transfer Agent will process the redemption applications in accordance with this Prospectus and the Articles of Association.
3. The Fund shall pay the price of redeemed Units to the relevant Unitholders after deducting applicable charges, on or before the third Business Day after the date of calculation of the NAV which was used in establishing the redemption price. Any applicable VAT and taxes will be chargeable in addition to the relevant Unitholder and deducted from any redemption proceeds.
4. Units shall be redeemed only in cash and cannot be made through transfer of interests of securities and assets of other funds.



## CHAPTER X

# NET ASSET VALUE (NAV)

### Calculation of Net Asset Value

- a) The Net Asset Value per Unit is the Net Asset Value divided by the number of Units in issue. The valuation of the Units will be carried out on each Valuation Day. NAV per Unit will be published as per the guidelines of the FSA.
- b) The Net Asset Value is the value of the assets attributable to the Fund (including accrued income) less the attributable liabilities (including accrued charges and expenses and provisions for contingent liabilities as appropriate). Each purchase, issue, sale or redemption of Units shall be reflected in the first calculation of NAV following any such transaction.
- c) If the NAV of the Units is less than the NAV that is calculated on the basis of the redemption value, the NAV must not be discounted by more than 10%, except in the case of redemption at liquidation of the Fund.
- d) The value of the assets attributable to the Fund and the attributable liabilities are determined by the Management Body in accordance with the following:
  - 1. The assets of the Fund include:**
    - a) All shares, stocks, Sukuks, debenture stock, subscription rights, and other investments and securities owned or contracted on behalf of the Fund other than Units and rights to Units;
    - b) all cash in hand, under finance or in a bank account, or on call, including any profit (or equivalent) accrued thereon;
    - c) all bills, demand notes, promissory notes and accounts receivable;
    - d) all profit (or equivalent) accrued on any profit-bearing securities owned or held for the Fund;
    - e) all other investments held for the Fund; and
    - f) all other assets of the Fund of every kind and nature, including prepaid expenses as valued and defined from time to time by the Management Body.
  - 2. Any expense or liability attributable to the Fund may be capitalized and amortized over such period as the Management Body may determine from time to time to lengthen or shorten any such period and the unamortized amount thereof at any time will also be deemed to be an asset.**
  - 3. The assets of the Fund will be valued as below:**
    - a) Units in any quoted security or unit trust (whether in non-corporate or corporate form) or any shares in a company the quoted price of which is directly related to the underlying value of its net assets will be valued by reference to the closing price as quoted to the Management Body by the Investment Manager thereof as at close of business on the relevant Valuation Day provided that if, in the opinion



of the Management Body, the valuation shall be for the purposes of a subscription for or redemption of a material proportion of Units in issue at the Valuation Day, then such assets may be valued on an acquisition or realization basis respectively.

- b) Cash in hand or in a bank account, pre-paid expenses, cash dividends and profit declared and accrued but not yet received shall be valued at their full nominal amount thereof unless in any case the Management Body is of the opinion that the same is unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Management Body may consider appropriate in such case to reflect the correct value thereof.
- c) Demand notes, promissory notes and accounts receivable shall be valued at their face value or full amount thereof after making such discount as the Management Body may consider appropriate to reflect the true current value thereof.
- d) The value of other assets attributable to the Fund shall be valued by the Management Body on a fair valuation basis previously agreed with the Auditor.
- e) Any currency other than Rial Omani shall be converted into Rial Omani at the prevailing official bank rate for conversion with reference to Oman or, in the absence of an official bank rate, at the rate (whether official or otherwise) which the Management Body shall in its absolute discretion deem, after consulting with the Investment Manager, appropriate to the circumstances having regard to any premium or discount which the Management Body considers may be relevant and to the costs of exchange.

If in any case a particular value is not ascertainable as above provided or if the Management Body shall consider that some other method of valuation better reflects the fair value of the relevant investment then in such case the method of valuation of the relevant investment shall be such as the Management Body, in good faith in its absolute discretion, shall decide. The Management Body will have ultimate authority and responsibility to value investments and assets of the Fund and to calculate Net Asset Value. Any valuations made pursuant to the Prospectus and these Articles of Association will be binding on all persons.

The liabilities attributable to the Fund will be determined to include all its liabilities (including any amount the Management Body determines to provide in respect of contingent liabilities) of whatsoever kind and nature except liabilities represented by Units. In determining the amount of such liabilities, the Administrator may calculate any liabilities on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any such period. Where applicable, liabilities will be accrued from day-to-day.

In calculating the Net Asset Value, the Administrator may rely upon such automatic pricing services as it shall determine or, if so advised by the Investment Manager may use information provided by particular pricing services, brokers, market makers or other intermediaries. Furthermore, in calculating the Net Asset Value, the Investment Manager shall use reasonable endeavors to verify pricing information provided by it or any connected person but in certain circumstances it may not be possible or practicable to verify such information. In all cases, the standard accounting practice will be applicable on NAV calculation.

## **PUBLICATION AND ADVERTISEMENT**

The Net Asset Value per Unit will be made known to the MSX and to the Unitholders on every Business Day by publishing at the website of the MSX.





## CHAPTER XI

# UNIT OWNERSHIP AND RIGHTS

### UNIT OWNERSHIP

Each Unitholder shall hold an indivisible proportionate unit in the Fund, the proportion being equal to the proportion of the total number of Units in issue held by the relevant Unitholder. A Unitholder will not become a unitholder of Investment Manager or any of its affiliates by virtue of being a Unitholder of the Fund. The assets of the Fund will be kept separate from the assets of Investment Manager or any of its affiliates. The Unitholders will jointly own the profits and (subject to the limit on liability) the losses of the Fund.

### UNITHOLDER'S RIGHTS

All Unitholders shall have the following rights inherent in the ownership of the Units, including:

- a) the right to one vote at any meeting of Unitholders for every Unit held by him/her;
- b) the right to receive cash dividends that maybe distributed to Unitholders from time to time as determined by the Management Body;
- c) the right to share in the distribution of the Fund's assets upon liquidation of the Fund;
- d) the right to inspect the annual balance sheet, profit and loss statement and cash flow statement and the other financial books of accounts and records relating to the Fund;
- e) the right to receive notice of and the right to participate and vote in any meeting of the Unitholders;
- f) the right to apply for the annulment of any decision by a meeting of the Unitholders or the Management Body or the Investment Manager which is contrary to the laws of Oman, this Prospectus or the Articles of Association;
- g) the right to institute actions against the Management Body, the Investment Manager or the Auditor on behalf of the Unitholders;
- h) the right to redeem their Units in the Fund subject to the provisions of the Articles of Association and this Prospectus;
- i) A Unitholder who holds at least 5% of Units may request the Management Body to cancel any resolution adopted by the Management Body or in the general meeting of the Unitholders as the case may be, if such resolution is detrimental to the Fund or the Unitholders. The request shall be referred to the same body which has issued the resolution, to decide on it and the respective body may accept or reject such request in its sole discretion.

### LIMITS OF LIABILITY

Liability of the Unitholders for obligations of the Fund is limited only to the extent of their subscription. No Unitholder will be obligated to make any payment in excess of their subscription amount for any liability or for the discharge of the obligations of the Fund. Once the subscription price has been paid in full, a





Unitholder will have no further financial liability to any party in respect of his/her holding of Units or the liabilities of the Fund.

### **OWNERSHIP OF FUND ASSETS**

Assets of the Fund will be kept separate from the assets of the Investment Manager.

Unitholders shall own the Fund jointly, each holding an indivisible proportionate share in the Fund, the proportion being equal to the proportion of the total number of Units in issue held by the relevant Unitholder. A Unitholder will not become a shareholder of the Sponsor/Bank Muscat S.A.O.G. or any of its affiliates by virtue of being a Unitholder of the Fund. The Unitholders will jointly own the profits and (subject to the limit on liability described) the losses of the Fund.

### **PROFITS**

The Unitholders are entitled to the net returns realized by the Fund after deducting all liabilities, including fees, expenses and tax.

### **DIVIDENDS & DISTRIBUTIONS**

The Management Body may declare dividends, in respect of any financial period, to be paid to Unitholders out of the following:

- a) Dividends received by the Fund;
- b) Profit (or equivalent) received by the Fund;
- c) Realized and Unrealized profits derived from the purchase and sale of securities.

Consequently, such dividends may be paid regardless of any accumulated deficit on the capital account, including as a result of net realized or unrealized losses. As a result, such dividends may be paid in circumstances where Unitholders may have a holding with a Net Asset Value less than the cost of its acquisition.

Dividends will not be declared out of the proceeds from or the issue of Units.

The Management Body may decide to reinvest in the Fund any dividends, proceeds and returns from investments or other balances available to the Fund as deemed appropriate by the Management Body after considering the recommendations of the Investment Manager.

Unitholders may elect in writing to receive dividends by cheque or through payment by electronic bank transfer, net of bank charges. Payment will be made in Rial Omani. If requested, payment may be made in USD at the prevailing rate of exchange and subject to any applicable charges.



## **EXPENSES**

The expenses of running the Fund may be charged as per the terms and conditions in this Prospectus in accordance with the IFRS and the treatment may alter at any time and from time to time in accordance with those standards.

## **VOTING RIGHTS**

Each Unitholder has a right to exercise a vote at any meeting of Unitholders, equivalent to the Units held by him/her.

## **UNITHOLDER MEETINGS (GENERAL MEETINGS)**

- The general meeting is the supreme authority of the Fund and shall comprise of all Unitholders and shall be held in accordance with the Articles of Association.
- Every Unitholder or his/her proxy carrying a written authorization may attend the general meeting and shall have one vote for every Unit held by him/her.
- Where the Management Body fails to convene the general meeting, the Investment Manager shall convene it. Notice to attend the general meeting shall not be valid unless it also includes the agenda. Notice to attend the general meeting shall be published, after the notice has been approved by the FSA, in at least two (2) daily newspapers for two (2) consecutive days. The notice shall be sent to each Unitholder by ordinary post or delivered by hand or to his/her representative after recording his/her signature, at least two (2) weeks prior to the date of the meeting together with the authorization form, agenda, memos and documents to be discussed by the meeting.
- The Management Body shall establish the agenda of the general meeting or it may be established by the Investment Manager if the meeting is convened by the Investment Manager. The agenda shall also include proposals by any Unitholder who holds at least 5% of the capital of the Fund, received at least two (2) weeks prior to the date of sending the notice to the Unitholders to attend the meeting.
- The general meeting shall not consider any issues that are not included in the agenda.
- Investors and proxies who hold all the Units of the Fund may hold a general meeting without regard to the rules stipulated for such meeting. The meeting may adopt any resolutions within the authority of the general meeting.
- The general meeting shall be chaired by the chairman of the Fund's Management Body or by his/her vice chairman, and by the Investment Manager if it has called for the general meeting and if the chairman and vice chairman are absent.
- The general meeting shall appoint a secretary to record the minutes including deliberations, resolutions and votes. Every Unitholder shall have the right to access the minutes of meetings of the general meeting.
- The FSA may send an observer to attend all general meetings, supervise its procedures and ensure that resolutions are adopted in accordance with the law. The minutes signed by the secretary and approved by the chairman of the meeting, auditor and the legal advisor of the Fund shall be filed with the FSA within fifteen (15) days from the date of the meeting.



## OGM

- The OGM shall be held for following purposes:
  - a) To elect the Members of the Management Body.
  - b) For any other purpose as deemed fit by the Management Body or the Investment Manager.
- The general meeting shall be valid if attended by Unitholders or their proxies representing at least 50% of the Units outstanding.
- Where the required quorum is not present, a second ordinary general meeting shall be called within one (1) month from the date of the first meeting. The notice shall be published in at least two (2) daily newspapers at least one (1) week prior to the date of the meeting. The second ordinary general meeting shall be valid regardless of the percentage of attendance.
- Resolutions of the OGM shall be adopted by absolute majority.

## EGM

- The EGM may be held if the Fund's interest so requires or in accordance with applicable law or regulation or on request by one or more Unitholders who hold 10% or more of the Fund's capital. However, in the case of any of the following issues, the EGM shall be convened to consider:
  - i) Amendment to the Articles of Association.
  - ii) Change in the main investment objectives of the Fund.
  - ii) Change in the frequency of calculation of the NAV or the net realizable value of the Fund.
  - iv) Reducing the frequency or limits on redemption.
  - v) Change of the Fund's status, such as a merger, spinoff, conversion or other.
  - vi) Dissolution and liquidation of the Fund.
- The EGM shall be valid if attended by Unitholders or their proxies representing at least 60% of the Units.
- Where the required quorum is not present, a second EGM shall be called within one (1) month from the date of the first meeting. The notice shall be published in at least two (2) daily newspapers at least one (1) week prior to the date of the meeting. The second EGM shall require attendance by Unitholders holding at least 50% of the Units of the Fund.
- Resolutions of the EGM shall be adopted by absolute majority.



## **TRANSFER OF OWNERSHIP OF UNITS**

Units will be transferable in accordance with the applicable provisions of the Securities Law and Article 233 of the Executive Regulations. Ownership of the Units shall transfer on registration in the register. Only the Registrar and Transfer Agent can effect a transfer of Units. The transfer of ownership of Units shall be registered free of charge within three (3) days from the date of receipt of the necessary documents. Units in respect of which a redemption request has been received by the Registrar and Transfer Agent will not be transferable unless the redemption request is revoked with the consent of the Fund. Transfers of Units may only be made to persons (natural or juristic) that would be eligible to subscribe directly for the Units under the terms of this Prospectus.



## CHAPTER XII

### FEES & CHARGES

#### ISSUE EXPENSES

##### a) The Initial Subscription Period

The expenses charged to the Fund during Initial Subscription Period shall be the following:

Items	Fee Amount
Issue Manager Fees	25,000 OMR
Legal Advisor's Fees	13,500 OMR
FSA Fees	2,000 OMR
Other fees (marketing, printing, distribution, etc.)	9,000 OMR

The Fund will be charged a maximum of OMR 50,000 towards these expenses.

##### b) Accumulation of Fees/Expenses

As the Fund may invest in other funds, the Fund may incur a duplication of fees and commissions (such as, but not limited to, management fees including performance fees, custody and transaction fees, subscription and redemption fees (if any), administration fees and other service providers' fees).

##### c) Other Fees & Charges

**Management Fee:** The Investment Manager is entitled to management fees of 1.25% per annum of the Net Asset Value of the Fund plus any applicable VAT and other taxes. The management fee will be calculated based on the daily NAV of the Fund and paid monthly in arrears.

**Subscription Fee:** 1% on the invested amount during continuous offer period.

**Redemption Fee:** None.

#### PERFORMANCE FEE

In case the NAV of the Fund at the end of a Financial Year appreciates by more than 7% compared to the NAV at the beginning of the year, incorporating all the dividends and other corporate actions for the Fund during the year, the Investment Manager will be paid an amount equivalent to 10% of the amount exceeding hurdle rate of 7%. The performance fees shall be calculated based of the closing NAV of the Fund at the end of year. The performance fee shall be calculated on a daily basis using the weighted average units in issue and shall be payable to the Investment Manager at the end of each Financial Year. or on premature termination whichever is sooner. The performance fees will be paid on pro rata basis if the full year is not completed.

**Custody and Administration Fees:** The Fund pays the Administrator and the Custodian fees for its services as agreed from time to time by the Fund and the Administrator and the Custodian. The Administrator and the Custodian are entitled to be reimbursed by the Fund for all reasonable out-of-pocket expenses.



The Fund will pay to the Administrator, R&T Agent & Custodian a fee totalling 0.195% per annum of the NAV of the Fund. The Fee will be calculated and paid monthly based on the daily NAV of the Fund.

**The breakdown of this fee is:**

- **Custody & Administration Fee:** 0.125%; per annum based on the daily Net Asset Value of the Fund
- **Registrar & Transfer Agent Fee:** 0.07% per annum based on the daily Net Asset Value of the Fund.

**Other Fees/expenses:** Any other expenses directly related to the Fund, which includes, but may not be limited to:

- a. Brokerage commission on purchase and sale of securities or any other investments;
- b. Printing, publishing and distribution expenses of NAV, accounts, General Meetings, and other notices/ materials as required by regulation;
- c. Losses/expenses incurred as a result of daily management of the Fund; and
- d. Taxes, duties or any other government levy, as and when applicable, if any.



## CHAPTER XIII

# RISK FACTORS

The risks described in this Prospectus should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in the Fund. Potential investors should be aware that an investment in the Fund that in turn is investing in different securities and instruments, may be exposed to various risks from time to time.

An investment in the Units is only suitable for investors who are capable of evaluating the risks and merits of such investment and who have sufficient resources to bear any loss which might result from such investment. Prospective investors should review carefully and in its entirety this Prospectus and consult with their professional and financial advisors before subscribing for Units in the Fund.

Past performance of the Investment Manager or the Investment Advisor or any of their affiliates or any other related fund should not be relied upon as an indicator of future performance. The difference at any one time between the sale price (to which may be added a sales charge or commission) and the redemption price means an investment should be viewed over a medium to long term period. The securities and instruments in which the Fund would invest are subject to normal market fluctuations and other risks inherent in investing in such investments and there can be no assurance that any appreciation in value will occur or that the investment objective of the Fund will actually be achieved.

Investors should note that the risk factors mentioned below are based on the Investment Manager's opinion based on current knowledge and information available to it. The actual risks and the impact of such risks could be materially different from that mentioned herein.

### 1. MARKET RISKS

The Fund will invest in GCC and international markets and the risks attached to investing in these markets are applicable to this Fund. The Fund investments are subject to market fluctuations and to the risks inherent in all such investments. Therefore, the price of the Units may go down as well as up and the value of an investor's investment may be subject to sudden and substantial falls. The Fund shall pay its fees and expenses despite the level of its profits.

### 2. POLITICAL & ECONOMIC RISKS

The value of Units and the income generated by the Fund may be affected by uncertainties such as political or diplomatic developments, changes in government policies, taxation and interest rates, currency repatriation and other changes to laws and regulations and in particular, the risks of expropriation, nationalization and confiscation of assets and changes in legislation relating to the level of foreign ownership.

### 3. LIQUIDITY RISKS

Investors should note that emerging markets, including GCC countries, are less liquid and more volatile than the world's leading stock markets, and this may result in fluctuation of the NAV.



#### **4. ACCOUNTING PRACTICE**

Accounting standards in the countries where the Fund may invest may not correspond to International Financial Reporting Standards in all material respects. In addition, auditing requirements and standards in those countries may differ from those generally accepted in the international capital markets and consequently information which would be available to Unitholders in developed capital markets is not always obtainable in respect of companies in the relevant jurisdictions.

#### **5. LEGAL RISKS**

The laws and regulations governing the Fund are subject to change.

#### **6. TAXATION RISKS**

The Fund is exempt from tax as per the prevailing regulation applicable in Oman, but may be subject to local taxation to the extent income is derived from other jurisdictions. Tax laws and practices in the countries in which the Fund may invest are not as clearly established as those of the Western nations. It is possible therefore that the current interpretation of the law or understanding of practice may change or the law may be changed with retrospective effect. Accordingly, it is possible that the Fund could become subject to taxation in the countries in which the Fund may invest that is not anticipated either at the date of this document or when investments are made, valued or disposed of.

#### **7. EXCHANGE AND CURRENCY RISKS**

The Fund expects to invest primarily in securities denominated in GCC and international currencies. Changes in exchange control regulations and economic or monetary policies can impact the Net Asset Value. The Investment Manager may not hedge foreign exchange risk and, accordingly, Unitholders will bear the risk of any adverse movements in local currencies/ foreign exchange rates.

#### **8. BORROWING**

The Investment Manager has the power to borrow no more than 10% of the NAV on behalf of the Fund. The use of borrowing may increase the Fund's investment risk. However, the purpose of the borrowings would be to provide liquidity to meet any redemption payments or any action in the benefit of the Unitholders.

#### **9. CONCENTRATION RISK**

The investments made by the Fund may be concentrated in a single stock, sector or country.

#### **10. OTHER RISKS**

The foregoing list of risk factors is not comprehensive. Investment in the Fund should be regarded as long-term in nature. Prospective Unitholders should consult their own advisors before subscribing.





## CHAPTER XIV

# MORE ABOUT THE FUND

### **Taxation**

As per the Income Tax Law No. 28 of 2009 (as amended), income accruing to investment funds set up in Oman under the Securities Law and Executive Regulations shall be exempted from tax in Oman. However, the income earned by the Fund may be subject to foreign taxation to the extent that income is derived from other jurisdictions.

Investors may also be subject to taxation on income or gains from the Units in their own jurisdiction. The investors shall confirm, through their financial advisors, of the cases where taxes are imposed in accordance with the laws and jurisdictions that they are subject to due to owning or selling the investment units. Note that taxes and other legal issues shall not be considered legal or tax consultancy for the holders of the units of the Fund. Prospective investors should consult their own legal counsel regarding tax laws and regulations. The tax and other matters described in this Prospectus are subject to change from time to time and do not constitute, and should not be construed as, legal or tax advice to the prospective Unitholders. Investors are urged to read chapter XIII entitled "Risk Factors".

### **GENERAL ACCOUNTING POLICIES**

1. The Fund shall have a financial liability independent from the Sponsor / Bank Muscat S.A.O.G. and the Management Body.
2. An independent and separate bank account for the Fund shall be maintained by the Custodian for the purpose of making withdrawals and deposits on behalf of the Fund.
3. The Fund shall be treated, in respect of all sales and purchases and other transactions, as an independent entity and shall be credited in the case of sales and debited in the case of purchases. All costs related to the Fund shall be directly paid from the assets of the Fund.
4. Accounting records for the Fund shall be maintained independently from the records of the Sponsor/ Bank Muscat S.A.O.G., and shall be audited by the Auditor approved or nominated by the Management Body. The Management Body has the power to remove or change the Auditor of the Fund during the life of the Fund. The appointment of the Auditor will be notified to the FSA.
5. The Financial Year of the Fund is from 1 January to 31 December of every year except in the first financial year which shall commence on the date of closing of the initial subscriptions for the Fund and end on 31 December of the same year.



## **ACCOUNTING POLICY**

The accounts of the Fund shall comply with the IFRS as required by Omani law.

## **REVENUES & EXPENDITURES OF THE FUND**

### **1. Revenues of the Fund shall consist of:**

- a) Profits earned as a result of dealing in securities held on behalf of the Fund;
- b) Profit credited to the accounts of the Fund;
- c) Any other revenue directly linked to the Fund and resulting from the investment of the assets of the Fund;
- d) Any dividend distribution from the underlying holdings.

### **2. Expenditure of the Fund shall consist of:**

- a) The set up costs of the Fund;
- b) The fees of the Investment Manager, Administrator, Custodian and Registrar and Transfer Agent;
- c) The fees of the FSA, the MSX and any other licensing and regulatory fees or similar charges and expenses;
- d) Expenses in respect of accounting records and auditing fees;
- e) Customary brokerage commission and banking fees paid in connection with the sale and purchase of securities held on behalf of the Fund;
- f) All liabilities of the Fund in relation to taxation, whether due on the assets or income of the Fund;
- g) Any expenditure related to the exercise of rights and duties in respect of the assets of the Fund;
- h) The cost of preparing, printing, publishing and distributing public notices, annual and interim reports, valuations, accounts and price lists and such other reports or documents as may be allowed or required under the applicable laws or regulations of Oman and any other communications to Unitholders;
- i) Costs of printing any certificates or proxies;
- j) Any losses incurred as a result of dealing in securities held on behalf of the Fund;
- k) The cost of maintaining accounts;
- l) The cost of preparing and filing all official documents concerning the Fund, including registration statements and offering circulars, with all authorities having jurisdiction over the Fund or the offering of Units;
- m) The cost of holding any meeting of Unitholders;
- n) Legal fees;
- o) The fees of the Management Body; and
- p) Any other expenditure directly related to the Fund.



## **REPORTS & ACCOUNTS**

The Fund's Financial Year is 1st January to 31st December in each year. The Administrator will within sixty (60) days of the closing of each Financial Year prepare the balance sheet, profit and loss accounts, statement of changes in Units, cash flow statement, report of the Management Body and further statements detailing the main items of revenues and expenditures duly audited by the Auditor. Audited financial accounts and fund related reports will be uploaded electronically on the MSX website within sixty (60) days of the closing of each financial year and shall be conveyed electronically to all Unitholders and by mail to those who specifically request for mailed copies within thirty (30) days of receipt of such request. The Administrator will within thirty (30) days of the end of the first, second and third quarter of each financial year prepare interim un-audited accounts for the Fund and publish them in two (2) daily newspapers in Oman of which at least one of them shall be in Arabic language. The Administrator will also publish audited annual financial statements, together with the accompanying reports (including the report of the Management Body) in two (2) daily newspapers in Oman within the time limits prescribed by applicable regulations. The quarterly and yearly reports will be published by the Administrator on the MSX website through the electronic transmission system of MSX within the statutory time limits.



## CHAPTER XV

# VERIFICATION

### **First: Bank Muscat Al Tharwa Fund**

The Members of the Management Body of the Fund jointly and severally hereby confirm that:

- all reasonable efforts have been made in order to ensure that the information furnished in this Prospectus is complete, correct and accurate, and to avoid omission of any material facts or information that would make the contents of this Prospectus misleading.
- All the provisions set out in the Articles of Association of the Fund, the Securities Law, the Executive Regulations, the CCL, and the rules and regulations issued pursuant to them have been complied with

### **On behalf of the Fund Management Body**

**Signed by:**

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**The Fund**



**Second: Legal Advisor:**

The legal advisor whose name is indicated below confirms that all actions taken on the offering of the Units is in accordance with the provisions of the laws and legislation related to the activities of the Fund and the Securities law and Executive Regulations and instructions issued by virtue of which and the requirements and the conditions for issuing units and form prospectus applicable to Financial Services Authority.

**Signed by:**

**Al Busaidy, Mansoor Jamal & Co.**



### **Third: Issue Manager**

In accordance with the responsibilities assigned to us pursuant to the provisions of the Securities Law and Executive Regulations and instructions issued by FSA, we have reviewed all the relevant documents and other material required for the preparation of this Prospectus and Bank Muscat Al Tharwa Fund Units through a public offering.

Issue Manager shall bear the responsibility with regards to corrections of the information provided for in the Prospectus, and they have confirmed not to have omitted any fundamental information there from, omission of which would make the Prospectus misleading.

#### **The Issue Manager hereby confirms as hereunder:**

1. We have taken necessary and reasonable care in ensuring that the information furnished to us by the issuing party and that contained in the Prospectus is consistent with the facts available in the documents and material pertaining to the issue.
2. On the basis of our perusal and information made available to us by the Fund, it is hereby confirmed that the Fund has neither concealed any fundamental information nor omitted any important information, omissions of which would have made the Prospectus misleading.
3. The Prospectus and the information contained therein is consistent with all the rules and conditions governing transparency as provided for in the Executive Regulations along with its amendments thereof, the regulations of FSA along with its amendments thereof and applicable specimen prospectus available with FSA.
4. The data and information presented in the Arabic Prospectus are correct, reasonable and adequate as per our perusal to assist the investor in taking an appropriate decision whether or not to invest in the Units issued for the Subscription in accordance with the rules and conditions governing the transparency.

#### **Signed by:**

**Bank Muscat S.A.O.G.**