Bank Muscat Oryx Fund

Fund Manager
Bank Muscat (SAOG)
P.O. Box 134, Postal Code 112
Ruwi, Sultanate of Oman
Custodian Gulf Clearing Company

This Prospectus has been prepared in accordance with the requirements prescribed by the Capital Market Authority (the "CMA"). This is the official English version of the original Prospectus, as translated to Arabic and approved by the CMA pursuant to Administrative

Decision: 1/2009 dated 1/4/2009.

IMPORTANT NOTICE

All investors are requested to read the following notice carefully.

The aim of this Prospectus is to provide material information that may assist investors to make an appropriate decision whether or not to invest in the Units offered. This Prospectus includes all material information and does not include any misleading information or omit any material information,.

The Fund Manager and the members of the Investors' Committee are responsible for the provision of this material information and confirm that no material information has been omitted, the omission of which would render this Prospectus misleading. Please note that investments in investment funds are not guaranteed (except to the extent expressly stated in this Prospectus), the value of the Units change frequently and past performances may or may not be repeated. All investors should examine and carefully review this Prospectus in order to decide whether it would be appropriate to invest in the Units offered, taking into consideration all the information contained in this Prospectus in the context.

The CMA assumes no responsibility for the accuracy and adequacy of the statements and information provided in this Prospectus nor shall it have any liability for any damage or loss resulting from dependence upon or use of any information contained in this Prospectus.

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PREFACE

This prospectus is an important document

A prospective investor should not treat the content of this propectus as investment, tax or legal advice. All prospctive investors must make their own investigation and evalaution of the opportunity to invest in the bankmuscat oryx and should consult with their own advisors concerning the evaluation of the risks of the investment and its suitability for their individual financial and tax cirumstances and risk preferences.

The fund has been authorized and approved by the Capital Market Authority (CMA) as an investment scheme. In giving these authorizations, the CMA does not vouch for the financial soundness of the scheme nor for the correctness of any of the statements made or opinions expressed with regard to them. Furthermore, neither the Capital Market Authority nor the Ministry of Commerce & Industry in the Sultanate of Oman will bear any responsibility to any Unit holders for any loss resulting from reliance on any information contained in this prospectus. The Units in the Fund are not listed on the Muscat Securities Market (MSM) and no application has been made for the Units in the Fund to be listed on the Muscat Securities Market (MSM).

This prospectus is issued by the Manager of the fund. The Manager is responsible for the information contained in this prospectus. To the best of the knowledge and belief of the Manager (which has taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The distribution of this prospectus and the offering of the units described herein may be restricted in certain jurisdictions and accordingly, persons into whose possession this prospectus may come must inform themselves about and observe any such restrictions. This prospectus does not constitute, and may not be used for the purpose of, an offer or solicitation by any person in any jurisdiction and may not be used for the purpose of, an offer or solicitation by any person in any jurisdiction:

(i) In which such offer or solicitation is not authorized; or

(ii) In which the person making such offer or solicitation is not qualified to do so; or

(iii) To any person to whom it is unlawful to make such offer or solicitation.

This Prospectus will be the Prospectus of the Bank Muscat Oryx Fund throughout the life of the same (subject to amendments), however neither delivery of this prospectus nor anything contained in it should be taken to imply that any information herein contained is correct at any time subsequent to the date hereof.

This Prospectus is based on the law and practice currently in force in Oman and is subject to the changes therein.

Persons interested in acquiring Units should inform themselves as to:

The legal requirement within the countries of their nationality, residence, ordinary residence or domestic for such acquisition;

Any foreign exchange restrictions or exchange control requirements which they might encounter on acquisitions or disposal of Units; And The income tax and other taxation consequences which might be relevant to the acquiring, holding or disposal of Unit.

ABREVIATIONS & DEFINITION

"Administrator"	BankMuscat SAOG,P.O. Box 134, Ruwi, P.C. 112, Sultanate of Oman, when performing administration services for the Fund or any successor thereto.
"Allotment Day"	In respect for each Unit, the day on which that Unit is allotted to the investor at the Subscription Price
"Articles of Association"	The articles of association of the Fund approved by the CMA on [ ], a copy of which is available for inspection at the office of the Fund Manager.
"Auditors"	Moore Stephens, PO Box 933, Postal Code 112, Sultanate of Oman.
"Benchmark"	GCC Markets Equally Weighted Index, as explained in section 3.3.
"Business Day"	Days on which the commercial banks and the Muscat Securities Market are open for business in Sultanate of Oman.
"CMA"	The Capital Markets Authority of Oman.
"CMA Law"	The Capital Markets Authority Law (issued pursuant to Royal Decree 80/98 as amended).
CMA Regulations	Executive Regulations of the CMA Law (issued pursuant to Administrative Decision No 1/2009)
"Currency of the Units"	Units are denominated in RO.
"Custodian"	Bank Muscat, when performing custodian services and otherwise providing for the safe-keeping of the assets of the Fund, or any successor thereto.
"Dealing Day"	Days on which units of the fund can be subscribed / redeemed.
"Dealing Frequency"	Daily, provided the day is a Business Day.
"Fees"	
- Administrations Fee	0.08% per annum
- Custodian Fee	0.05% per annum
- Management Fee	1.85% per annum
- Redemption Fee	3% of the value of the Units redeemed for Units held for less than 2 months.
- Registrar Fee	0.12% per annum
- Subscription Fee	Up to 3% on amount invested
"Financial Year"	1 January to 31 December
"Fund"	Bank Muscat Oryx Fund, an open-ended investment fund established and managed by BankMuscat (SAOG) under the laws of Oman..
"Fund Manager"	Bank Muscat SAOG, Asset Management Division, P.O. Box 134, Ruwi, P.C. 112, Sultanate of Oman, appointment pursuant to [Please confirm].

"GCC"	The Gulf Co-operation Council, as constituted from time to time. The countries that are part of GCC are, Kingdom of Bahrain, Kingdom of Saudi Arabia, Kuwait, Qatar, Sultanate Of Oman and United Arab Emirates
"Governing Law"	The laws of Sultanate Of Oman
"Index"	GCC Markets Equally Weighted Index
"Investment Advisor	No Investment Advisor
"Investors' Committee"	The committee, initially comprising the persons whose details appear in Chapter 6 of this Prospectus, who will have overall responsibility for the affairs of the Fund.
"Legal Advisor"	Al Busaidy, Mansoor Jamal & Co., P.O. Box. 686, Postal Code 112, Ruwi, Sultanate of Oman.
"Management Agreement"	The agreement between the Investors' Committee and the Fund Manager concerning the management of the Fund.
"Minimum Subscription"	RO 50 (with additional subsequent subscription in multiples of RO 50)
"MSM"	The Muscat Securities Market.
"NAV Calculation Frequency"	On each Valuation Day
"Date of calculation of NAV"	Business Day following the Valuation Day
"Net Asset Value" or NAV	The total assets less all liabilities of the Fund, calculated as stated in Chapter 10 of this Prospectus.
"Net Asset Value per Unit"	The Net Asset Value divided by the total number of Units in issue.
"Objective"	The primary objective will be to achieve long-term capital appreciation through a diversified portfolio, principally of equity and equity-related investments in companies listed on the registered stock exchanges of the GCC countries.
"Registrar and Transfer Agent"	Karvy Computershare Private Limited (KCPL) Karvy Plaza, Road no 10, Banjara Hills, Hyderabad, 500034. [Tel no: (9140) 23312454]
"RO"	Rial Omani, the lawful currency of Oman.
"Rules"	The rules governing the operations and membership of the Investors' Committee.
"Units"	Units, each representing one proportionate divisible share in the Fund. Fractions of Units will be issued up to three decimal places.
"Unit holders"	Holders of Units in the Fund.
"Valuation Day"	Every business day.

CHAPTER 1 – THE FUND

1.1 THE FUND

The Fund is an open-ended investment fund established under the laws of Oman. It is a contractual arrangement between investors, the Investors' Committee and the Fund Manager, under which investors acquire Units providing a pro-rata entitlement to the net assets of the Fund on a divisible basis and the terms and conditions described in this document. The Fund was launched in 1994 as a closed-end fund (Oryx JIA). In 1st October 2004 the Fund was converted into an open-ended fund with weekly liquidity and later the Fund offered daily subscription/redemption. The Fund is registered with CMA but is not listed on the MSM. For subscription and redemption process, please refer to chapter 8. There is no nominal value for the Units, and the Units are not capital guaranteed.

1.2 ESTABLISHMENT & GOVERNANCE

The Fund is an investment fund attached to BankMuscat with a variable capital divided into Units of no par value. The affairs of the Fund will accordingly be governed by this Prospectus and the Articles of Association which will serve as the constitution of the Fund. All provisions of the CMA Law, and the CMA Regulations and other directives issued by the CMA shall apply to the Fund at all times.

1.3 MINIMUM CAPITAL

Because it is an open-ended fund, there shall be no maximum capital. The minimum capital shall be R.O. 500,000.

CHAPTER 2 – INVESTMENT OBJECTIVES, PROCESS AND RESTRICTIONS

2.1 INVESTMENT OBJECTIVES

The Fund shall invest at least 75% of its capital to attain its main objectives. The primary objective will be to achieve long-term capital appreciation through a diversified portfolio, principally equity and equity-related investments in companies listed on the GCC stock exchanges. The countries that are part of GCC are, the Kingdom of Bahrain, the Kingdom of Saudi Arabia, Kuwait, Qatar, the Sultanate Of Oman and the United Arab Emirates. The tale below shows the key macro economic data for the GCC:

GCC	2003	2004	2005	2006	2007	2008	2009E	2010E
Real GDP Growth (% YoY)	9.6	8.0	7.3	6.1	5.6	6.0	5	2.5
Nominal GDP (USDbn)	405.1	482.8	622.9	736.7	822.6	1009.8	1099.8	1165.8
CPI (ave. % YoY)	1.4	2.1	3.1	4.7	6.7	10.7	4.2	3.4
Budget Balance (% GDP)	5.7	12.5	19.8	22.5	17.7	29.7	10	10
Current Account Balance (% GDP)	13.3	17.9	27.2	28.8	25.1	29.4	1.5	4.0
Population (mn)	32.7	33.7	34.7	35.8	36.9	38.3	39.0	39.7

The details of GCC country stock exchanges are as below:

Country	Index Name/code	Number of Stocks listed (total)	Market Cap $
Kingdom of Bahrain	Bahrain All Shares Index/ BHSEASI Index	45	16.47 Billion
Kingdom of Saudi Arabia	Tadawul All Shares Index/ SaSEIDX Index	136	118.7 Billion
Kuwait	Kuwait Stock Exchange/ KWSEIDX Index	206	122.63 Billion
Oman	Muscat Security Market/ MSM30 Index	133	6.18 Billion
Qatar	Qatar Exchange/ DSM Index	43	21.4 Billion
United Arab Emirates	Abu Dhabi Securities Exchange/ ADSMI	62	84.7 Billion
	Dubai Financial Market General Index/ DFMGI Index	45	21.2 Billion

*as on 31st August 2009

The Fund will be invested principally in equity securities and equity related instrument such as convertible bonds and warrants. The balance of the assets of the Fund not invested in equity and equity type securities will normally be invested in short-term debt securities or money markets instruments or placed in deposits. The Fund may deal and hold funds in major international currencies other than those of the countries in which it is invested which are freely convertible into RO.

The assets of the Fund will be denominated in RO. It is not the intention to hedge the currency exposure, although the Investors' Committee reserves the right to instruct the Fund Manager to do so. The normal policy will be for the Fund to be invested to a substantial extent in equity or equity related securities but, in exception circumstances and with the consent of the Investors' Committee, the Fund Manager may seek to protect the capital value of the assets by disposing off the whole or substantially the whole of the portfolio and investing the proceeds in debt securities, money markets instruments or bank deposits, in each case denominated in RO or the GCC currencies or major international currencies freely convertible into RO.

The Units provide the opportunity for both current income and capital growth. Current income will come from the cash dividends that the Fund may receive from time to time as a shareholder in the companies in which the Fund invests. The opportunity for capital growth will come from any increases in the overall share prices of the underlying companies in which the Fund invests. Although medium to long term growth may be expected, it is not to be taken as a guarantee that the markets will grow at any particular rate, or at all, or that it will not decrease. While overall control of investment is to be the responsibility of the Investors' Committee, day-to-day investment management will be delegated to the Fund Manager.

Any change to the investment policy is the responsibility of the Investors' Committee. The policy may be amended from time to time if at least three-quarters of the members of the Investors' Committee deem it to be in the best interests of the Unit holders and Unit holders will be notified of any such change in advance of its implementation. Any change to the investment policy will require the prior approval of the Unit-holders at an EGM (as described in Chapter 9) and the consent of the CMA.

2.2 BENCHMARK

The Investors' Committee will review the performance of the Fund, the Fund Manager and the Investment Advisor on an ongoing basis and against a pre identified benchmark. The benchmark will be an equally weighted index based on equal exposure to the indices published by the stock exchanges based in each of the GCC member state. The following are the indices that will be used for computing the equally weighted index:

Country	Index Name/code	Weightage in the benchmark
Kingdom of Bahrain	Bahrain All Shares Index/ BHSEASI Index	16.66%
Kingdom of Saudi Arabia	Tadawul All Shares Index/ SaSEIDX Index	16.66%
Kuwait	Kuwait Stock Exchange/ KWSEIDX Index	16.66%
Oman	Muscat Security Market/ MSM30 Index	16.66%
Qatar	Qatar Exchange/ DSM Index	16.66%
United Arab Emirates	Abu Dhabi Securities Exchange/ ADSMI	8.33%
	Dubai Financial Market General Index/ DFMGI Index	8.33%

The benchmark may be amended by the Investors' Committee at any time if an alternative measure or index reflects, which in the view of the Investors' Committee, provides a more appropriate comparison taking into account all relevant factors, including costs. The benchmark will in any event be reviewed annually with details of any change to be notified to Unitholders.

2.3 INVESTMENT PROCESS

The Fund Manager follows a bottom-up, research driven process in managing the Fund. The Fund Manager follows a disciplined investment process that attempts to identify companies that are trading at the lower end of their long-term valuation range, yet possess the potential for significant returns over the medium year time horizon. The Fund Manager will tend to use conventional financial measures, such as Price/ Earnings, Price/Book Value, Discounted Cash Flows, Dividend yields or such other appropriate metrics in evaluating stocks.

The other component of the investment process is to identify developments that can change the market's perception of the company. Such catalysts may come in varying forms; examples include: expansion, new product introductions, managerial changes, better financial performance.

Based on the outcome of the research process, the Fund Manager will decide on the purchase / sale of stocks in the Fund. The investments are actively monitored by the Fund Manager.

2.4 INVESTMENT RESTRICTIONS

The Fund Manager will attempt to accomplish the Fund's investment objective by following the policies set forth below:

- The Fund shall not hold more than 10% of the outstanding securities of any issuer.
- The Fund's investments in any security issued by any single issuer shall not exceed 10% of the net asset value of the fund (NAV).
- The Fund will not invest in securities carrying unlimited liability.
- The Fund will not make investments for the purpose of exercising control or management.
- 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
- Except as described below in relation to Bank Muscat, the Fund will not invest more than 10% of its assets in securities of any one company or single issuer (other than obligations of the Government

of Oman, the US or the UK or their agencies); the said restrictions are not applicable with respect to amounts placed as deposits in a bank;

- The Fund will not commit the 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, except in connection with hedging transactions effected on behalf of the Fund.
- None of these restrictions will, however, require the realization of any assets of the Fund where any restriction is breached as a result of an event outside of the control of the Fund Manager which occurs after the investment is made, but no further relevant assets may be acquired by the Fund until the relevant restriction can again be complied with.
- The Fund Manager may not invest the assets of the Fund in shares issued by Bank Muscat SAOG or any subsidiary company of the bank without the prior consent of the Investors' Committee. Furthermore the Fund will not invest in other investment funds established or managed by Bank Muscat SAOG or in investment funds and companies in which BankMuscat SAOG holds a 20% or greater interest without the prior consent of the Investors' Committee.
- The Fund may invest through wholly-owned subsidiaries or through contractual arrangements that give an indirect exposure to securities through a debt or similar liability of a bank or financial institution where the Investors' Committee consider this in the interests of Unitholders (for example where local regulations prohibit direct investment or direct investment is only available at a cost the Investors' Committee considers unreasonable). The investment restrictions do not apply to any such subsidiary or exposure to a bank or financial institution, but do apply to the securities to which indirect exposure is being provided.
- The Fund Manager may also arrange for temporary borrowings to provide liquidity in connection with redemption payments provided that the amount borrowed does not at any time exceed 10 per cent of the Net Asset Value.
- The Fund will not short sell any security.

Any change to the investment restrictions or borrowing limit will require the prior approval of an extraordinary resolution of Unitholders (as described in Chapter 9) and the consent of the CMA.

CHAPTER 3 – RISK FACTORS

Investors in the Fund are warned that there are risks involved with investing in the Fund which may affect the Fund's performance, including, but not limited to, the risks listed here:

3.1 MARKET RISKS

The Fund will invest in the GCC countries, which is an emerging market and the risks attached to an emerging market are applicable to this Fund.

The Fund investments are subject to market fluctuations and to the risks inherent in all investments. Therefore, the price of 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 will be responsible for paying its own fees and expenses regardless of the level of its profitability.

3.2 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 political and economic developments in law 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.

3.3 LIQUIDITY RISKS

Investors should note that GCC markets are less liquid and more volatile than the world's leading stock markets, and this may result in fluctuations of the NAV. The Fund will attempt to focus on the more liquid stocks in these markets, but there can be no guarantee that this objective can be achieved at all times.

3.4 ACCOUNTING PRACTICE

Accounting standards in the countries where the Fund may invest may not correspond to International Accounting 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 investors in developed capital markets is not always obtainable in respect of companies in the relevant jurisdictions.

3.5 LEGAL RISKS

The laws and regulations governing the Fund are subject to change. The rate of legislative change where the Fund may invest is extremely rapid and the content of the proposed legislation when eventually adopted into law is difficult or impossible to predict. Such proposed legislation may have an adverse effect on foreign investment. It is similarly difficult to anticipate the impact of legislative reforms on securities in which the Fund will invest.

3.6 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 law and practice in countries in which the Fund may invest is not as clearly established as that of the Western nations. It is possible therefore that the current interpretation of the law or understanding of practice may change or, indeed, that 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.

3.7 EXCHANGE & CURRENCY RISKS

The Fund expects to invest primarily in securities denominated in GCC currencies. Changes in exchange control regulations and economic or monetary policies can also impact the Net Asset Value. The Investors' Committee does not intend to hedge foreign exchange risk and, accordingly, investors will bear the risk of any adverse movements in the local currencies/foreign exchange rate.

3.8 CUSTODY & FOREGIN INVESTOR REGULATIONS

The Fund may be unable to obtain direct exposure to securities in certain of the target countries or be able to obtain direct exposure only at a cost that the Investors' Committee considers unreasonable in light of the costs of indirect exposure. In such circumstances the Fund may obtain exposure through a debt or other liability of a bank or financial institution (which may include the Custodian) the size of which will depend on the value of an identified portfolio of securities. In these circumstances the Fund may be at risk in the event of the insolvency of the bank or financial Institution. The Investors' Committee will take this factor into account when considering whether to approve any such arrangement for indirect exposure to securities.

3.9 BORROWING

The Investors' Committee has the power to borrow no more than 10 per cent. Of the Net Asset Value on behalf of the Fund. The use of borrowing creates special risks and may increase the Funds investment risk. However the purpose of the temporary borrowings is to provide liquidity to meet any redemption payments.

3.10 CONCENTRATION RISK

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

3.11 OTHER RISKS

The foregoing list of risk factors is not complete. Investment in the Fund should be regarded as long-term in nature. Prospective Unitholders should consult their own advisors before deciding to subscribe for Units.

CHAPTER 4 – TAXATION

4.1 TAX POSITION OF THE FUND

As per the Royal Decree No. 47/81 (as amended), the income of funds such as the Fund set up as joint investment accounts and registered with the CMA are exempt from income tax. The income earned by the Fund is therefore exempt from Omani taxation (but may be subject to local taxation to the extent income is derived from other jurisdictions).

4.2 UNITHOLDER TAXATION

There is no Omani tax on the receipt of dividends from the Fund, nor on the proceeds of any disposal of Units. Unitholders may be subject to taxation if they are subject to taxation in any other jurisdictions.

Investors should consult their professional advisors on the potential tax consequences of subscribing for, purchasing, holding, transferring or redeeming of Units under the laws of their country of citizenship, domicile, residence or incorporation.

CHAPTER 5 – THE FUND MANAGER

5.1 FUND MANAGER

The day to day management of the Fund's portfolio will be the responsibility of the Fund Manager who 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 Management Agreement.

Bank Muscat Asset Management is one of the most well known asset managers in Oman with assets under management of around US $750 million. Managing funds and portfolios since 1995, we have grown to become one of the largest Fund Managers in the GCC region and a leader in Sultanate of Oman. BankMuscat Asset Management manages a wide array of products, including mutual funds, discretionary Portfolios, structured products, private equity funds and real estate funds, and also provides investment advisory service to clients.

The two flagship funds - Oryx Fund and Muscat Fund - managed by the BankMuscat Asset Management team received a rating of AA and A respectively from Standard & Poor's (S&P) and currently these funds are the only Oman based funds to be rated by S&P. In addition the BankMuscat Asset Management also manages long only funds investing in shares listed on the Kuwait (BankMuscat MSCI® Kuwait Fund) and shares listed on Indian markets (BankMuscat India Fund).

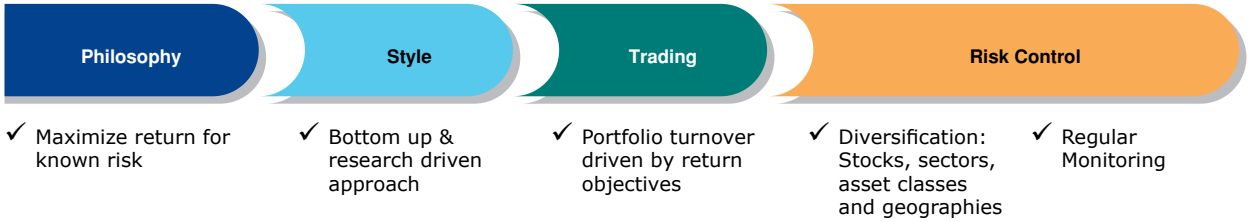
In addition to long equity funds, the division has structured Hedge funds (Muscat IP220, Muscat IP320, Muscat EMDP Note), Private Equity funds (BM CSAM PE Fund, BM Private Equity Fund II) AND ALSO THE ONLY Real Estate Fund in Oman (Oman Integrated Tourism Projects Fund LP).

Our clients include pension funds, global funds, high net worth individuals, corporations and other entities.

The strengths of BankMuscat AMD are as below:

- The portfolios and funds managed by Bank Muscat AMD have consistently delivered outstanding returns with significantly less volatility than the market.

- Disciplined and rigorous investment processes: Our investment decisions are driven by a combination of thorough fundamental research and technical analysis. Every product is tailored to fit our individual client needs. Our strong brand name yields easier access to local and regional market intermediaries for specific market information.

- 

- Experienced Team: Bank Muscat AMD management team is one of the most experienced teams in the region. The members of our team are seasoned investment professionals with exceptional quality experience.

- Strong Operational Controls: Bank Muscat AMD received ISO 9001 certification for all its processes. Independent back office operations ensure strong controls on our operations. Clear segregation of client portfolios, dedication, best in class IT systems, and strict compliance to regulatory and accounting guidelines are key features of our operations.

In performing its duties and obligations under the Management Agreement, the Fund Managers will be supervised by the Investors' Committee, and will be required to comply with the investment guidelines of the Fund as determined by the IC from time to time, as well as Applicable Laws and this Prospectus.

The Fund Manager and its related persons will not be liable to the Fund or the Unitholders for any losses to which the Fund or the Unitholders may become subject in connection with or arising out of or related to the Management Agreement, the Prospectus, the operation or affairs of the Fund or any other action or omission in relation to the Fund, unless and to the extent that such losses resulted from:

1. fraud, gross negligence or willful misconduct of the Fund Manager or its related persons
2. material breach of any provision of the Management Agreement or this Prospectus by the Fund Manager or its related persons; or
3. a material violation of any applicable securities laws by the Fund Manager or its related persons.

To the extent set out in the Management Agreements, the Fund Managers are authorized to employ the services of independent advisers and consultants if it is determined to be in the best interest of the Fund.

The Management Agreement provides that the appointment of the Fund Manager will continue unless and until determined by the Investors' Committee giving to the Fund Manager not less than 3 months' written notice. The agreement may be determined forthwith by notice in writing by either party to the other if the Fund Manager breaches or fails to perform any of its obligations under the agreement and fails to remedy such breach within 30 days of being required to do so by the Investors' Committee, or if the Fund Manager has commenced liquidation or if a receiver, administrator or similar officer is appointed. A copy of the Management Agreement is available for inspection at the office of the Fund Manager.

Any termination of the Management Agreement will only take place if a successor Fund Manager has been appointed or otherwise with prior consent of the CMA.

5.2 ROLE OF THE FUND MANAGER

The Fund Manager will be responsible for identifying investment opportunities and entering into transactions consistent with the objectives and investment guidelines of the Fund. After an investment is made, the Fund Manager will be responsible for monitoring the investment until the time of exit. More specifically, the Fund Managers shall be responsible for monitoring the portfolio structure, investment performance and compliance with the asset allocations.

The Fund Manager shall manage the portfolio of the Fund in the best interest of the investment objectives of the Fund as stipulated in the Articles of Association, and shall take all investment decision or other decisions in the best interest of the Fund and investors. The Fund Manager shall also provide liquidity for the Fund to discharge any obligations and safe guard from any unnecessary investment risks.

The Fund Manager manages the Fund in line with the Prospectus, the Articles of Association and any applicable laws or regulations for the time being in force. The Fund Manager shall:

- Take all day to day decisions and otherwise act as it deems appropriate in relation to the management, investment and reinvestment of the investments; Keep the investment policies and objectives of the Fund under review and, from time to time, suggest to the Investors' Committee such amendments as in its opinion might be made to them in the interests of Unitholders; Keep the investments under constant review; At all times give promptly to the Investors' Committee all information, explanations and such other advice as the Investors' Committee may require with respect to the Investments and the Fund; Render written reports of the composition of the Fund's portfolio as often as the Investors' Committee reasonably requires; Keep proper records of all work done by or on behalf of it concerning the provision of the Investment Management Services; Prepare or assist in the preparation of all necessary investment reviews, statements, circulars, advertisements, booklets or other documents describing or referring to the Fund;

CHAPTER 6 – MANAGEMENT OF THE FUND

6.1 MANAGEMENT OF THE FUND

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

6.2 INVESTORS' COMMITTEE

The members of the Investors' Committee are to be as follows (note that none of the members are representing any organization and are acting in their individual capacity):

Mr. Saif Bin Ali Sheikhan Al Amri – Chairman
Saif Ali Al Amri is the Defense Resource Advisor to the Ministry of Defense. He also sits on the board of Ministry of Defense Pension Fund. He is also a Director for Taageer Finance & Assets Leasing Co SAOG and BankMuscat SAOG.

Mr. Shawqi Abdulredha Sultan – member
Chairman of Majan Engineering Consultants, Occupational Training Institute and Comprehensive Insurance Brokers LLC. Director of Inchcape Shipping and Oman Loss Assessing Co. LLC; and Secretary-General of The Oman British Friendship Association.

Mr. Abdul Razak Ali Issa – member
Abdul Razak Ali Issa, Chief Executive Officer (CEO), was educated in the Sultanate of Oman. He attended various professional courses, including a management development programme at Harvard University Graduate School of Business Administration in Boston, Massachusetts, U.S.A. He has over 30 years of banking experience commencing with Grindlays Bank in Oman in 1969. In 1982 he joined the newly opened Oman Overseas Trust Bank (present name BankMuscat (SAOG)).

Dr. Tristan Clube – member
Dr Tristan Clube is the principal of Tethys Advisors Ltd., an investment consultancy business formed from a management buy out EFG-Hermes UK in 2004. Tethys Advisors provides stock selection and asset allocation advice to Emerging Market Management LLC in the Middle East, one of the largest and well established Global Investment organisations specialised in Emerging Markets. In addition, Tethys' provides advice to a number of specialist country funds managed from within the GCC and Indian sub-continent region including the BMA Pakistan Opportunities Fund and Commercial Bank of Qatar's Waseela Fund. Tristan Clube has over 20 years of experience in emerging markets including managing Global, Asian and Indian mandates, and has been exclusively involved in the MENA region for the last twelve years. He was previously Head of Emerging Markets at Martin Currie Investment Management and Head of Regional Asset Management at EFG-Hermes.

Mr. Saif Said Al Yazidi - member
He is a board member of National Bank Of Oman, Ominvest, Muscat Gas Company and ONEL he has 24 years of experience in Asset management and research, He did his Bachelors of Accounting in 1996 and MBA in 2002

The term of office of the members shall be 5 years from the date of appointment.

6.3 REMUNERATION OF MEMBERS

Each member of the Investors' Committee will be entitled to a fee not exceeding RO 8,000 per annum, with up to RO 10,000 for the Chairman, together with reimbursement of expenses properly and reasonably incurred by them in the execution of their duties.

6.4 RULES FOR THE INVESTORS' COMMITTEE

The Investors' Committee will conduct its business at all times in accordance with all applicable laws of Sultanate of Oman and the following rules:

(a) Number of Members
The number of members of the Investors' Committee (the "Members") shall be five members including chairman and vice chairman.

(b) Powers and Duties of the Investors' Committee

1. Evaluation of the Fund's investment performance taking into account 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 Fund 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 Fund Manager's system and controls are adequate to ensure compliance with the interests of the Fund and investers.

6. Avoidance of conflicts of interest and ensuring that adequate measures are in place to resolve any conflict of interest in the best interest of the Fund
7. Ensure segregation of function when one company is acting as provider of 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 to the public and investors to ensure that disclosure is fair, timely, transparent and not misleading.
10. Appointment and removal of service providers and determining their fees.
11. Take resolutions pertaining to distribution of dividend.

(c) Proceedings of Investors' Committee Meetings

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

(d) Appointment of Members

Where any member's position falls vacant prior to the end of the term, the other members may co-opt a member as replacement until the end of the term.

(e) Qualification of Members

1. Having good conduct and sound reputation
2. Not convicted in any crime or an offence involving a breach of honesty or trust or a crime stipulated in the Capital Market Law, Commercial Companies Law or Commercial Law unless rehabilitated.
3. Not declared as bankrupt.

(f) Vacation of Office

The office of a Member shall be vacated if:

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 absence with leave or by arrangement with the Investors' Committee) for meetings of the Investors' Committee for a consecutive period of twelve months and the Investors' Committee resolves that his or her office shall be vacated,
3. he or she becomes of unsound mind or incapable,
4. he or she becomes insolvent, suspends payment or compounds with his creditors,
5. he or she is requested to resign by a written notice signed by all the other Members,
6. an ordinary resolution requesting his resignation is passed at a meeting of Unitholders convened in accordance with the procedure described in Chapter 9, or
7. the board of directors of the CMA issues a resolution to dismiss the Member.

6.5 DIVIDEND POLICY

The Investors' Committee may approve dividends, in respect of any financial period, to be paid to Unitholders out of (a) dividends; (b) interest received by the Fund; and (c) realized or unrealized profits derived from the purchase and sale of securities; but not from (d) the proceeds from the issue of Units.

Such dividends may be paid regardless of any accumulated deficit on capital account, including as a result of net realized or unrealized losses.

6.6 CUSTODIAN

As per the Custodian Agreement, the duties of the Custodian include the following:

a. to hold or to arrange for the securities, investments, financial instruments and other assets of the Fund to be held in safe custody;

b. to hold bearer instruments in that form and to register other instruments in the name of the Custodian or any other person appointed by it;

c. to hold securities which are not fully paid, subject to such conditions as the Custodian may reasonably specify in accordance with applicable local practice;

d. to purchase or subscribe for any type of security or other investment in accordance with the Fund Manager's instructions;

e. to sell or otherwise dispose of Assets and to deal with the proceeds, in each case in accordance with the Fund Manager's instructions;

f. to enter into any agreement or instrument on behalf of the Fund in connection with any security or other investment to be included in the Fund, in each case in accordance with the Fund Manager's instructions;

g. to deliver the documents of title and any other instruments relating to the Assets to the Fund Manager or in accordance with the Fund Manager's instructions; and

h. where the securities acquired by or owned by the Fund are registered in the name of the Custodian or any other person appointed by it (but not otherwise), to keep the Fund Manager informed of all actions required in respect of each of the Assets.

In fulfilling the above duties, the Custodian shall:

1. maintain separate custody accounts in the name of the Fund. For the avoidance of doubt, the cash accounts to which all income and proceeds derived from the assets of the Fund shall be credited, will be maintained on behalf of the Fund by the Custodian;

2. maintain records showing the custody accounts held by the Fund Manager for the Fund if any; and

3. keep all assets of the Fund if any segregated from assets held by the Custodian for its own account.

The Custodian may take such steps as it may consider expedient to enable it to provide the custodian services required in respect of the Fund and may, with the prior consent of the Investors' Committee appoint one or more third parties as sub-custodian.

Sub-custodians will only be appointed if the Investors' Committee are satisfied the proposed sub-custodian has the appropriate expertise and experience to perform this role.

The officers of Bank Muscat responsible for the provision of custodian services to the Fund will operate independently of any officer appointed to be responsible for investment advice to, and/or taking day to day investment decisions for, the Fund.

6.7 REGISTRAR

Karvy Computershare Private Limited (KCPL) as the Registrar & Transfer Agent (R&T) of the Fund. KCPL is the largest financial services provider in India and is in the business of providing registrar and transfer agency services to all premier mutual funds in India whose assets under arrangement are approximately USD45.b.n. KCPL 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 includes the following

1. Data capture of commercial and non commercial fund transactions.
2. Computation and payment of trail fees
3. Creation of units / redemption of units / switches & transfers
4. Computation and payment of dividends.
5. Maintenance of investor database.
6. Creation and distribution of reports.
7. Reconciliations of cash and units
8. Issue of statement of accounts
9. Effecting payouts
10. Handling customer complaints / queries
11. Any other related services

6.8 ADMINISTRATOR

The duties of the administrator are as follows:

1. Calculation of the Net Asset Value (NAV) including the calculation of the Fund's income and expense accruals
2. Preparation of accounts
3. Maintenance of the Fund's financial books and records
4. Payment of the Fund's expenses.
5. Receipt of income
6. Reconciliations & Settlements
7. Valuations of securities
8. Calculation and payment of dividends and distributions
9. Supervision of the orderly liquidation and dissolution of the Fund
10. Any other related activities

6.9 AUDITORS

Currently the Auditors are Moore Stephens, P.O. Box 933, Postal Code 112, Sultanate of Oman. Tel: +968 24812041, Fax: +968 24812043. The Auditors are rotated every four years.

6.10 BANKERS

Current Bankers are BankMuscat SOAG. For every bank account opened with a new bank, a separate Investor's Committee approval must be sought.

6.11 DISTRIBUTOR

The Fund Manager is currently acting as Distributor to the Fund. The Fund Manager may appoint other Distributors in or outside Oman at terms agreed between the Fund Manager and the Distributor. There will be no separate fee payable by the Fund to the Distributor.

6.12 INVESTMENT ADVISOR

There is no Investment Advisor to the Fund.

CHAPTER 7 – FEES

7.1 MANAGEMENT FEES

The annual management fee will be 1.85% per annum of the Net Asset Value of the Fund. The Fee will be calculated and paid monthly based on the average daily Net Asset Value of the Fund on each valuation day during the month.

The Fund is responsible for its own operating expenses, including legal fees, stamp and other duties and brokerage and other changes incurred on the acquisition and realization of investments. The Fund also pays expenses incurred by the Fund Manager in connection with any issue of Units, and costs of prospectus issued by the Fund Manager.

7.2 CUSTODIAN

The Fund will pay to the Custodian a fee totaling 0.05% per annum of the Net Asset Value of the Fund.

7.3 ADMINISTRATOR

The Fund will pay to the Administrator a fee totaling 0.08% per annum of the Net Asset Value of the Fund.

7.4 REGISTRAR AND TRANSFER AGENT

The Fund will pay to the Registrar and Transfer Agent a fee of 0.12% per annum of the Net Asset Value of the Fund.

7.5 OTHER FEES

The Fund will also bear the fees of the Investors' Committee and the fees of any sub-custodians.

7.6 TAXATION

As per the Royal Decree No. 47/81 (as amended), the income of funds such as the Fund set up as joint investment accounts and registered with the CMA are exempt from income tax. The income earned by the Fund is therefore exempt from Omani taxation (but may be subject to local taxation to the extent income is derived from other jurisdictions).

7.7 RUNNING EXPENSES

In addition to the fees mentioned above, the Fund will incur the following recurring expenses.

a. The CMA will receive fees from the Fund equivalent to approximately 0.05% of the Net Asset Value per annum. Based on 30 million Units being in issue these fees would be as follows:

Regulatory Fee (0.05% of NAV)	RO 15,000

b. The estimated annual fees of the Investors' Committee in each year are RO 50,000.

c. Other recurring expenses will include any legal fees, the fees of the auditors, any sub-custodians, printing costs for circulars to Unitholders, the costs of the annual meeting and any special meetings, together with brokerage commission and banking fees.

The Fund will also incur administrative expenses. While it is not possible to be certain as to the exact level of fees and disbursements payable out of the assets of the Fund, the Investors' Committee do not expect the ongoing fees and disbursements to exceed 2.5% (excluding sub-custodian statutory, regulatory and transaction fees) of the gross assets of the Fund over any 12 month period.

CHAPTER 8- SUBSCRIPTION AND REDEMPTION

8.1 SUBSCRIPTION OF UNITS

Investor can subscribe to the Fund daily.

The Fund will offer daily subscriptions. Subscription forms must be completed and submitted along with full payment for requested units must be received by the Administrator on any Business day by 11:00 am. Applications received after 11:00 am will be deemed as received the next Business day.

Subscription may only be made by submitting the form prepared for such purposes in accordance with instructions contained therein.

Subscription requests will be irrevocable unless the Investors' Committee otherwise agree.

Any subscription request received after 11:00 am on 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 Investors' Committee consent. The amount of any subscription request not met in full on a particular Valuation day will be carried forward to the next Valuation day, unless revoked with the Investors' Committee consent.

The subscription will be based on NAV plus sales charges as per the terms of the prospectus. For example (If NAV is RO 1, then the Offer price will be RO 1 per unit), sales charges (addition) will be extra. The Subscription Price shall be made known to investors through an account statement that gives units allotted, price, amount received net of subscription fees and date of allotment . The Fund Manager will issue allotment notification to holders of new Units within 10 days of the relevant Valuation Day,

Subscription to the Fund will be in multiples of RO 50.

8.2 PROCEDURES FOR SUBSCRIPTION

1. For subscriptions all applications should reach the administrator by 11:00 am (T day) to receive the NAV of the same Business Day. Applications received after 11:00 am will be deemed to be received the next Business Day.
2. The Fund will allot units based on the NAV computed as above after considering applicable sales charges on T+2 days.
3. Registrar & Transfer Agent will increase the unit-holders account on T+2 day by the number of units mentioned therein and the capital of the Fund will stand increased accordingly.
4. Fractions of Units will be issued up to three decimal places thus ensuring the investor is allotted the full amount of subscription.

8.3 REQUIRED DOCUMENTS

(a) Omani (male) 18 years and above	:	Copy of Identity Card.
(b) Omani (female) 18 years and above	:	Copy of the passport, Identity Card or driving license.
(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 Register Certificate or overseas equivalent.
(f) Authorities and Pension Funds	:	Copy of the constitutive decree or decision.

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 form.

8.4 REFUSAL OF SUBSCRIPTION

Applications for subscriptions will be refused by the Fund Manager if:

a. the subscription price for the Units applied for is not paid in accordance with the conditions described in this Prospectus;
b. the cheque through which payment was made is dishonored;
c. an application contains more than one name;
d. the subscription form does not satisfy all the requirements in the subscription form or does not enclose the required documents with the subscription; and/or
e. any of the requirements mentioned in this Prospectus are not met.

8.5 METHOD OF REDEMPTION

The Fund will offer daily redemptions. Units may be redeemed for cash on each valuation day. Redemption requests should be addressed to the Fund and such requests may be given in writing or by fax (if the Fund has previously received a completed indemnity with respect to faxed instructions) to the Administrator, on any Business day by 11:00 am. Applications received after 11:00 am will be deemed as received the next Business day. To be effective, the request must refer to the Fund and contain full registration details, the number of units to be sold and the bank details for the payment of the redemption proceeds.

If the Fund determines that its requirements for redemption have not been satisfied, the Fund shall notify the investor 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 investor.

The Fund may not suspend the right of the investor to redeem the value of his 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 of the Fund.
3. In exceptional circumstances approved by the CMA.

If Fund has suspended redemption it shall, within the next business day after the date of suspension, send a notice to the CMA and disclose the same.

8.6 REDEMPTIONS "IN SPECIE"

Units may only be redeemed for cash and there will be no redemption in exchange for the transfer of interests in the securities and other assets of the Fund.

8.7 PROCEDURES FOR REDEMPTION

a. All redemption applications should reach Administrator as specified in 8.5 above.
b. The Administrator will process the redemption applications.
c. The fund shall pay the price of redeemed units to the investor after deducting the charges, on or before the third business day after the date of calculation of the NAV which was used in establishing the redemption price.

8.8 REDEMPTION PRICE

The redemption of units will be based on NAV as set out above less applicable exit load (if any). The redemption fee will be 2% of the value of units if they are held for a period of less than 2 months and will be nil thereafter.

V8.9 ANNUAL DISCLOSURE

The Fund will disclose annually on the procedures to be followed for the issue and redemption of units along with the documents in connection to redemption orders.

CHAPTER 9 - UNIT OWNERSHIP

9.1 UNITHOLDER'S RIGHTS

The Units will have no par value and subscription proceeds may be used to fund redemptions or distributed to Unitholders as described under "Dividends and Distributions" below.

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

- the right to receive such profits after expenses as may be derived from the investment activities of the Fund and as may be, within discretion of the Investors' Committee, distributed to Unitholders from time to time;
- the right to share in the distribution of the Fund's assets upon liquidation of the Fund;
- 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;
- the right to receive notice of and the right to participate and vote in any meeting of the Unitholders;
- the right to apply for the annulment of any decision by a meeting of the Unitholders or the Investors' Committee or the Fund Manager which is contrary to the law of the Sultanate of Oman or this Prospectus; and
- the right to institute actions against the Investors' Committee, the Fund Manager or the Auditors on behalf of the Unitholders.

9.2 LIMIT OF LIABILITY

Once the subscription price has been paid in full, a Unitholder will have no further financial liability to any party in respect of his holding of Units or the liabilities of the Fund.

9.3 TRANSFER OWNERSHIP OF UNITS

The Transfer of ownership of the units is based on the CMA regulations and the rules illustrated in this prospectus.

9.4 OWNERSHIP OF FUND ASSETS

Unitholders shall own the Fund jointly, each holding a 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 Bank Muscat by virtue of being a Unitholder of the Fund. The assets of the Fund will be kept separate from the assets of Bank Muscat. The Unitholders will jointly own the profits and (subject to the limit on liability described) the losses of the Fund.
An Investor who holds at least 5% of Units may request the Fund management to cancel any resolution adopted by the Fund's management or in the general meeting as the case may be, if such resolution is detrimental to the Fund or investor. The request shall be referred to the same body which has issued the resolution, to decide on it.

9.5 PROFITS

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

9.6 DIVIDENDS & DISTRIBUTIONS

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

- Dividends received by the Fund;
- Interest received by the Fund;
- Realized and Unrealized profits derived from the purchase and sale of securities.
- Such dividends may be paid regardless of any accumulated deficit on capital account, including as a result of net realized or unrealized losses. As a result, such dividends may be paid when Unitholders may have a holding with a Net Asset Value less than the cost of its acquisition.

The Fund Manager may also declare a dividend or other distribution funded out of capital reserves (as described in (c) above) or, if there are no capital reserves, out of issue proceeds (as described in (d) above) provided that the Fund will remain solvent following the payment of such dividend or distribution.

Unitholders will be notified if a dividend or other distribution is funded out of issue proceeds. In these circumstances Unitholders who acquired Units in the Initial Issue may have a holding with a net asset value less than the cost of its acquisition.

The Fund Manager will not declare any dividends out of the proceeds from or the issue of Units.

9.7 EXPENSES

The expenses of running the Fund may be charged against income and/or capital at the discretion of the Investors' Committee in accordance with International Accounting Standards and the treatment may alter at any time and from time to time in accordance with those standards.

9.8 VOTING RIGHTS

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

9.8 UNITHOLDER MEETINGS (GENERAL MEETING)

The general meeting is the supreme authority of the Fund and shall comprise of all Unitholders.

Every Unitholder or his proxy carrying a written authorization may attend the general meeting and shall have one vote for every investment unit held by him. The general meeting shall be held in accordance with the provisions below. The extraordinary general meeting may be held if the Fund's interest so requires or in accordance with the law or regulation or on request by an investor or more who hold 10% or more of the Fund's capital. However, in case of all of the following issues, the extraordinary general meeting shall be convened to consider:

- Amendment to the Articles of Association.
- Change of main investment objectives of the Fund.
- Change in the frequency of calculation of NAV or NRV.
- Reducing the frequency or limits on redemption.
- Change of the Fund's status such as a merger, spinoff or conversion or other.
- Dissolution and liquidation of the Fund.

Where the Investors' Committee fails to convene the general meeting the Fund 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 approval by CMA, in at least two daily newspapers for two consecutive days. The notice shall be sent to the investor by ordinary post or delivered by hand or to his representative after recording his signature, at least two weeks prior to the date of the meeting together

with authorization form, agenda, memos and documents to be discussed by the meeting. The Investors' Committee shall establish the agenda of the general meeting or it may be established by the Fund Manager if the meeting is convened by the Fund Manager. The agenda shall also include proposals by any investor who holds at least 5% of the capital, at least two weeks prior to the date of sending the notice to the Unit-holders 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 valid if attended by investors or proxies representing at least 50% of the Units in the case of an ordinary general meeting and at least 60% for extraordinary general meetings. Where the required quorum is not present, a second general meeting shall be called within one month from the date of the first meeting. The notice shall be published in the daily newspapers at least one week prior to the date of the meeting. The second ordinary general meeting shall be valid regardless of the percentage of attendance. The second extraordinary general meeting shall require attendance by investors holding at least 50% of the Units.

Resolutions of the ordinary general meeting and extraordinary general meetings shall be adopted by absolute majority.

The general meeting shall be chaired by the chairman of the Fund's management body or its vice chairman and by the Fund Manager if it has called for the general meeting but the chairman and vice chairman are absent. The meeting shall appoint a secretary to record the minutes including deliberations, resolutions and votes. Every investor shall have the right to access the minutes.

The CMA 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, shall be filed with the CMA within fifteen days from the date of the meeting.

CHAPTER 10 - NET ASSET VALUE CALCULATION

10.1 NAV CALCULATION

The Net Asset Value per Unit is the Net Asset Value divided by the number of Units in issue.

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).

The value of the assets attributable to the Fund and the attributable liabilities are determined by the Investors' Committee in accordance with the following:

A) The assets attributable to the Fund are deemed to include the following:
   i. all cash in hand, on loan or on deposit, or on call, including any interest accrued thereon;
   ii. all bills, demand notes, promissory notes and accounts receivable;
   iii. all bonds, shares, stock, debenture stock, subscription rights, warrants, options and other investments and securities owned or contracted on behalf of the Fund other than Units and rights to Units;
   iv. all interest accrued on any interest-bearing securities owned or held for the Fund;
   v. all other investments held for the Fund; and
   vi. all other assets of the Company of every kind and nature, including prepaid expenses as valued and defined from time to time by the Investors' Committee;

B) Any expense or liability attributable to the Fund may be capitalized and amortized over such period as the Investors' Committee may determine (and the Investors' Committee may from time to time determine to lengthen or shorten any such period) and the unamortized amount thereof at any time will also be deemed to be an asset;

C) The assets attributable to the Fund are valued as follows:

1. units in any quoted debt 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 closing price as quoted to the Managing Company by the managers thereof as at close of business on the relevant Valuation Day PROVIDED that if, in the opinion of the Investors' Committee, valuation shall be for the purposes of a subscription for or redemption of a material proportion of Units in issue at the date of valuation, then such assets may be valued on an acquisition or realization basis respectively;
2. cash in hand or on deposit, pre-paid expenses, cash dividends and interest declared or accrued and not yet received shall be valued at their full nominal amount thereof unless in any case the Investors' Committee are 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 Investors' Committee may consider appropriate in such case to reflect the true value thereof;
3. demand notes, promissory notes and accounts receivable shall be valued at their face value or full amount thereof after making such discount as the Investors' Committee may consider appropriate to reflect the true current value thereof;
4. deposits shall be valued at their principal amount plus accrued interest from the date of acquisition;
5. certificates of deposit and treasury bills shall each be valued (on the basis of a notification to the Investors' Committee by a person approved by the Investors' Committee for the purposes of this paragraph whose business includes dealing in or effecting transactions in the relevant investment) according to the normal dealing practice therein and at the price of the relevant investment at close of business on the relevant Valuation Day;
6. any security (not being a quoted debt security or unit in a unit trust whether in non-corporate or corporate form) owned or contracted for on behalf of the Fund listed or dealt in on a stock exchange recognised as such under the securities laws of a member state of the GCC in which it is situated will be valued by reference to the closing price as notified to the Managing Company by a reputable and reliable source. Where such security is listed or dealt in one more than one stock exchange the Investors' Committee shall select any one of such stock exchanges for the foregoing purpose on the basis of the most appropriate such exchange for this purpose, taking into account all relevant circumstances (including, where appropriate, the advice of the Fund Manager and the Investment Advisor); and
7. any security (not being a quoted debt security or unit in a unit trust whether in non-corporate or corporate form) owned or contracted for on behalf of the Fund dealt in on any over-the-counter market will be valued by reference to the closing or price as notified to the Fund Manager by a reputable and reliable source approved by the Investors' Committee for the purposes of this paragraph whose business includes dealing in or effecting transactions in the security concerned. Where such security is listed or dealt in on more than one over-the-counter market the Investors' Committee may select any one of such over-the-counter markets for the foregoing purpose on the basis of the most appropriate such market for this purpose, taking into account all relevant circumstances (including, where appropriate, the advice of the Fund Manager and the Investment Advisor).
8. The value of other assets attributable to the Fund shall be valued by the Investors' Committee on a fair valuation basis previously agreed with the Independent Accountants.

If in any case a particular value is not ascertainable as above provided or if the Investors' Committee 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 Investors' Committee in good faith in its absolute discretion shall decide;

D) notwithstanding the foregoing, where at the time as of which the assets are being valued, any investment attributable to the Fund has been realized or contracted to be realized, there will be included in the

assets on behalf of the Fund in place of such investment the net amount receivable on behalf of the Fund in respect thereof, provided that, if the net amount receivable is not payable until some future time after the time as of which the assets are being valued, the Investors' Committee may make such allowances as they consider appropriate;

E) any valuations made pursuant to this Prospectus will be binding on all persons; and

F) the liabilities attributable to the Fund will be determined to include all its liabilities (including such amount as the Investors' Committee determine 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 Investors' Committee 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.

10.2 SUSPENSION

The Investors' Committee may suspend the determination of the Net Asset Value for the whole or any part of a period during which:

(i) a breakdown occurs in any of the means normally employed by the Investors' Committee in ascertaining the value of investments attributable to the Fund;

(ii) for any other reason the value of a substantial part (in the opinion of the Investors' Committee) of the investments attributable to the Fund cannot reasonably be ascertained;

(iii) circumstances exist as a result of which, in the opinion of the Investors' Committee, it is not reasonably practical to realize or to dispose of investments or fairly to determine the Net Asset Value;

(iv) the remittance of funds which will or may be involved in the realization of, or in the payment for, investments or the issue, sale or redemption of Units cannot in the opinion of the Investors' Committee be carried out without undue delay and at normal rates of exchange; or

(v) in the opinion of the Investors' Committee (certified in writing) such a suspension shall be desirable in the interests of continuing Unitholders.

Subscription and redemption will be suspended for any period during which the determination of the Net Asset Value has been suspended. Any application or subscription received or deemed received during any such suspension will be dealt by reference to the first Valuation Day following termination of all relevant suspension(s) provided that all affected applicants will be notified of the suspension(s) and given an opportunity to withdraw the relevant application(s) prior to such Valuation Day.

In calculating the Net Asset Value the Investors' Committee may rely upon such automatic pricing services as it shall determine or, if so advised by the Managing Company and the Investment Advisor, may use information provided by particular pricing services, brokers, market makers or other intermediaries. In such circumstances, the Investors' Committee shall not, in the absence of gross negligence or wilful default, be liable for any loss suffered by the Fund as a result of the Committee basing its judgment on any inaccuracy in the information provided by any such pricing service, broker, market maker or other intermediary. Furthermore, in calculating the Net Asset Value the Investors' Committee shall instruct the Fund Manager to use reasonable endeavors to verify pricing information provided by the Fund Manager or any connected person but investors should note that in certain circumstances it may not be possible or practicable to verify such information. In such circumstances, the Investors' Committee will not be liable for any loss suffered by the Fund by reason of any error in the calculation of the Net Asset Value resulting from any inaccuracy in such information.

10.3 PUBLICATION

The Net Asset Value per Unit will be made known to the MSM and to the Unitholders on a daily basis by publishing at the website of the MSM and will also be available on request to the Fund Manager.

10.4 TERMINATION

If the Fund is terminated there shall, following the commencement of the termination, be no further

purchases on behalf of the Fund and no further issue or redemption of Units. The Fund Manager shall realize all assets held on behalf of the Fund for cash, shall pay all outstanding expenses attributable to the Fund and shall arrange for the preparation of a final set of audited accounts for the Fund.

As soon as the final accounts of the Fund have been approved by the Independent Accountants, the Fund Manager shall distribute the net assets of the Fund to Unitholders, each Unitholder receiving the proportion of the Net Assets equal to the proportion the number of Units owned by the Unitholder represent the total number of Units in issue as at the date of the commencement of the termination.

The sum received by Unitholders following termination will depend on the actual sums realized and costs incurred during the termination process and are unlikely to be equal to the Net Asset Value on the day termination commences (which will represent only an estimate of the net realizable proceeds based on the prices and information available on that date).

CHAPTER 11 - REGULATORY FRAMEWORK

The Fund will be governed by the CMA Law, the CMA Regulations and all other applicable laws of the Sultanate of Oman. The Fund is an investment fund attached to Bank Muscat pursuant to Articles 207 to 278 of the CMA Regulations.

11.1 ARTICLES OF ASSOCIATION

A copy of the Articles of Association is available for inspection at the office of the Fund Manager.

CHAPTER 12 - ACCOUNTS AND ACCOUNTING POLICIES

12.1 GENERAL

i. The Fund shall have a financial liability independent from Bank Muscat and the Investors' Committee.
ii. 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.
iii. 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 Funds.
iv. Accounting records for the Fund shall be maintained independently from the records of the Bank and shall be audited by the independent auditors approved or nominated by the Investors' Committee. The Investors' Committee has the power to remove or change the Auditors of the Fund during the life of the Fund. The appointment of Auditors will be notified to the CMA.
v. The financial year of the Fund is from 1 January to 31 December.

12.2 ACCOUNTING POLICY

The accounts are to comply with international accounting standards as required by Omani law

12.3 REVENUES & EXPENDITURES OF THE FUND

Revenues of the Fund shall consist of:
i. Profits earned as a result of dealing in securities held on behalf of the Fund.
ii. Interest credited to the accounts of the Fund.
iii. Any other revenue, directly linked to the Fund and resulting from the investment of the assets of the Fund.

Expenditure of the Fund shall consist of:

i. the initial set up costs of the Fund;
ii. the fees of the Fund Manager, Investment Adviser, Custodian and Registrar & Transfer Agent;
iii. the fees of the CMA, the MSM and any other licensing and regulatory fees or similar charges and expenses;
iv. expenses in respect of accounting records and auditing fees;
v. customary brokerage commission and banking fees paid in connection with the sale and purchase of securities held on behalf of the Fund;
vi. all liabilities of the Fund in relation to taxation, whether due on the assets or income of the Fund;
vii. any expenditure related to the exercise of rights and duties in respect of the assets of the Fund;
viii. 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;
ix. costs of printing any certificates or proxies;
x. any losses incurred as a result of dealing in securities held on behalf of the Fund;
xi. the cost of maintaining accounts;
xii. 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;
xiii. the cost of holding any meeting of Unitholders;
xiv. legal fees;
xv. the fees of the Investors' Committee; and
xvi. any other expenditure directly related to the Fund.

12.4 REPORTS & ACCOUNTS

The Fund's financial year is 1 January to 31 December in each year. The Fund Manager will within 90 days of the closing of each financial year prepare the balance sheet and profit and loss accounts and further statements detailing the main items of revenues and expenditures duly audited by an independent auditor. Audited accounts will be sent to Unitholders by mail within 60 days of the closing of each financial year. The Fund Manager will within 30 days of the end of the mid-point of each financial year prepare interim accounts for the Fund. Quarterly financial statements will be filed with the MSM within 30 days of the end of the relevant quarter and also published in two daily newspapers in Oman, one in Arabic and one in English.

CHAPTER 13 - DISSOLUTION AND LIQUIDATION OF THE FUND

The management of the Fund shall recommend to the extraordinary general meeting to dissolve and liquidate the fund for any reason including:

1. Expiration of its term.
2. Accomplishment of the objective for which the Fund was established pursuant to the Articles of Association and this Prospectus.
3. Reduction of the net asset value (NAV) of the Fund to less than RO 500,000
4. The Fund stops carrying out its business without legitimate reason.
5. Reduction in the net asset value (NAV) to the extent that expenses incurred by the investors are unreasonably high.
6. On recommendation by the Fund Manager.
7. On request by the CMA.

The general meeting shall issue the resolution to dissolve and liquidate the Fund including the appointment of a liquidator, setting his fees and the liquidation process. The powers of the Fund's management and service providers shall end immediately on appointment of the liquidator.

The proceeds of the liquidation shall be used to discharge the due and payable obligations of the Fund, after payment of dissolution and liquidation expenses. The balance shall be distributed to investors on pro

صندوق أوريكس
oryx fund

Prospectus

بنك مسقط
BankMuscat
إدارة الأصول
ASSET MANAGEMENT

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