



Bank Muscat
Oryx Fund

Prospectus

November 2021

Prospectus
Bank Muscat Oryx Fund

Open Ended Fund Investment Manager
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bank muscat S.A.O.G., as the Investment Manager and the Members of the Management Body 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. A copy of the Investment Management Agreement is available with the Investment Manager for examination. The Fund will comply with all regulations and guidelines issued by the Capital Market Authority ("CMA").

The CMA neither assumes 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 by any person.

This Prospectus was prepared in accordance with the requirements provided for by the Capital Market Authority. This is the English translation of the official Arabic version of the original Prospectus, approved by the CMA pursuant to Administrative Decision (1/2009) dated (4.1.2009) as amended from time to time.

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. With respect to this offer of Units, no one has any authority to give any information or make any representation other than those contained in this Prospectus and if any information is given or representation is made, it should not be relied upon as having been authorized by the Fund or the Investment Manager of the Fund.

This prospectus is believed to include all relevant material information and data that is deemed to be important, and does not include any misleading information or omit any material information, the omission of which may materially influence the investors' decision pertaining to the investment in Units through this Prospectus.

The Investment Manager and the Members of the Management Body are severally and jointly 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, the value of the Units change frequently and past performance may or may not be repeated. All investors should examine and carefully review this Prospectus especially the Risk factors illustrated in chapter 3 in order to enable them take the appropriate decision in regard to investment in the Units offered or not.

CONTENTS

| | | |
|------------|---|----|
| | PREFACE | 04 |
| | ABBREVIATIONS AND DEFINITIONS | 05 |
| CHAPTER 1 | THE FUND | 07 |
| CHAPTER 2 | INVESTMENT OBJECTIVES, PROCESS AND RESTRICTIONS | 08 |
| CHAPTER 3 | RISK FACTORS | 11 |
| CHAPTER 4 | TAXATION | 13 |
| CHAPTER 5 | FUND MANAGER | 14 |
| CHAPTER 6 | MANAGEMENT OF THE FUND | 17 |
| CHAPTER 7 | FEES | 23 |
| CHAPTER 8 | SUBSCRIPTION AND REDEMPTION | 24 |
| CHAPTER 9 | UNIT OWNERSHIP | 27 |
| CHAPTER 10 | NET ASSET VALUE CALCULATION | 29 |
| CHAPTER 11 | REGULATORY FRAMEWORK | 32 |
| CHAPTER 12 | ACCOUNTS AND ACCOUNTING POLICIES | 33 |
| CHAPTER 13 | DISSOLUTION AND LIQUIDATION OF THE FUND | 35 |
| CHAPTER 14 | PROXY VOTING POLICY | 36 |

PREFACE

This prospectus is considered an important document.

A prospective investor should not treat the content of this prospectus as investment, tax or legal advice. All prospective investors must make their own investigation and evaluation of the opportunity to invest in the bank muscat Oryx Fund 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 circumstances 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 Units 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 Investment Manager. The Manager is responsible for the information contained in this prospectus. To the best of the knowledge and belief of the Manager (who 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:

1. In which such offer or solicitation is not authorized; or
2. In which the person making such offer or solicitation is not qualified or authorized to do so; or
3. 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) 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:

1. The legal requirement within the countries of their nationality, residence, ordinary residence for such acquisition;
2. Any foreign exchange restrictions or exchange control requirements which they might encounter on acquisitions or disposal of Units; And
3. The income tax and other taxation consequences which might be relevant to the acquiring, holding or disposal of Units.

ABBREVIATIONS & DEFINITIONS

| | |
|----------------------------------|--|
| “Administrator” | Agency appointed by the management body. |
| “Allotment Day” | In respect for each Unit, the day on which that Unit is allotted to the investor at the applicable NAV |
| “Articles of Association” | The Articles of Association of the Fund approved by the CMA on 23/7/2014, a copy of which is available for inspection at the office of the Investment Manager. |
| “Auditors” | Agency appointed by the management body. |
| “Benchmark” | S&P GCC Composite index as explained in section 2.2 of this Prospectus. |
| “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 (Riyal Omani) |
| “Custodian” | bank muscat S.A.O.G 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 can be subscribed / redeemed. |
| “Dealing Frequency” | Daily, provided the day is a Business Day. |
| “Dividend Policy” | Dividends may be distributed to Unit holders at the discretion of the Management Body. |
| “Fees”: | <ol style="list-style-type: none"> i) Management Fees: 1.85% Annually from the fund’s net asset value, which is due for payment on a monthly basis ii) Administration Fee: 0.08% per annum of the Net Asset Value of the Fund iii) Custodian Fee: 0.05% per annum of the Net Asset Value of the Fund iv) Registrar Fee: 0.12% per annum of the Net Asset Value of the Fund |
| Subscription fee | Up to 3% on the amount invested |
| Redemption fee | Nil |

| | |
|---------------------------------------|--|
| The Fund | bank muscat Oryx Fund is an open-ended investment fund established under the laws of Oman. |
| “Investment Manager” | bank muscat Private Equity and Asset Management Division |
| “Financial Year” | 1 January to 31 December. |
| “Governing Law” | The laws of Sultanate of Oman. |
| “Index” | S&P GCC Composite index |
| “Management Body” | The Management Body, comprising the persons whose details appear in Chapter 6 of this Prospectus, who will have overall responsibility for the affairs of the Fund or any successor thereto. |
| “Legal Advisor” | Agency appointed by the management body. |
| “Management Agreement” | The agreement between the Management Body and the Investment Manager concerning the management of the Fund. |
| “Minimum Subscription” | RO 50 |
| “MENA” | Middle East and North Africa |
| “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. |
| “NAV Calculation Frequency” | On each Valuation Day |
| “Date of calculation of NAV” | Business Day following the Valuation Day |
| “Objective” | The main objective of the Fund is to achieve long-term capital appreciation through a diversified portfolio. The Fund will invest in equity securities and equity-related investments in companies in Oman and other countries in the MENA Region. |
| “Registrar and Transfer Agent” | Agency appointed by the management body. |
| “RO” | Rial Omani, the lawful currency of Oman. |
| “Rules” | The rules governing the operations and membership of the Management Body. |
| “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 Management Body and the Investment Manager, under which investors acquire Units providing a pro-rata entitlement to the net assets of the Fund on a divisible basis as per the terms and conditions described in this Prospectus. The Fund was launched in 1994 as a closed-ended fund (Oryx Fund JIA). On 1 October 2004, the Fund was converted into an open-ended fund with weekly liquidity, and afterwards the Fund offered daily subscription/ redemption facility. 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 Fund’s Units, and the Units are not capital guaranteed.

1.2 ESTABLISHMENT & GOVERNANCE

The Fund is an investment fund attached to bank muscat S.A.O.G 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 CMA Regulations and other directives issued by the CMA shall apply to the Fund at all times.

1.3 CAPITAL

As it is an open-ended fund, there shall be no maximum capital.

CHAPTER 2

INVESTMENT OBJECTIVES, PROCESS AND RESTRICTIONS

INVESTMENT OBJECTIVE

The main objective of the Fund is to achieve long-term capital appreciation through a diversified portfolio. The Fund will invest in equity securities and equity-related investments in companies in Oman and other countries in the MENA Region. The Fund may invest upto 15% of its assets into the securities listed in international markets.

The Fund will invest principally in equity securities and equity related securities, such as convertible bonds and warrants. The remaining assets of the Fund not invested in shares and equity-related securities will be invested in short term debt securities, money market instruments/funds, deposits and Initial Public Offer. In addition to that, the Fund will also invest in Depositary Receipts in international markets listed in both international bourses and capital markets in the MENA Region. The Fund may deal in and own funds in main foreign currencies apart from the currencies in which it has invested and which are freely convertible in Omani Rial.

The Fund shall invest at least 75% of its capital to attain its main objectives. The assets of the Fund not invested in equity and equity type securities will normally be invested in short-term debt securities, money markets instruments/funds and bank deposits; including those managed by the Investment Manager.

A Fund wishing to invest in securities must comply with the following rules:

- a) The Fund shall not own more than 10% of the securities of any issuer.
- b) Investments of the Fund in any securities from one issuer shall not exceed 10% of the Fund Net Assets Value, however this restriction shall not be applied to the funds investing in the index sample.
- c) The Fund shall not borrow more than 10% of its net assets value

The assets of the Fund will be denominated in RO. The Fund may hedge its currency exposure. The normal policy will be for the Fund to be invested to a substantial extent in equity or equity related securities but, in exceptional circumstances and with the consent of the Management Body, the Investment Manager may seek to protect the capital value of the assets by disposing part or all of the investment portfolio and investing the proceeds in debt securities, money market instruments, and banking deposits, provided that in each case it is denominated in Omani Rial.

Any change to the investment policy is the responsibility of the Management Body. The policy may be amended from time to time if at least three-quarters of the members of the Management Body 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 an extraordinary resolution of Unit holders and the consent of the CMA.

The investment process 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 time

horizon. The Investment 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 Investment Manager also tracks developments that can change the market's perception of the company such as expansion, new product introductions, managerial changes, better financial performance.

BENCHMARK

The Management Body shall review the performance of the Fund and that of the Investment Manager on an ongoing basis, in comparison with a standard or pre-defined measurement. Such a standard will be S&P GCC Composite Index.

The benchmark may be amended by the Management Body at any time if an alternative measure or index which in the view of the Management Body provides a more appropriate comparison taking into account all the relevant.

INVESTMENT PROCESS

The Investment Manager follows a detailed analysis and research based method in managing the Fund. The Investment Manager identifies companies that are trading at the lower end of their actual long-term valuation range and possess the potential for significant returns over the medium time horizon. The Investment manager will tend to use conventional financial measures, such as Price/Earnings Multiple, Price/Book Value Multiple, Discounted Cash Flows, Dividend Yields or such other appropriate metrics in evaluating stocks.

Based on the outcome of the research process, the Investment Manager will decide on the purchase or sale of stocks in the fund.

The Investment Manager will also follow the developments that can change the market's perception of the targeted company, such as expansion, launch of new products, managerial change and better financial performance.

INVESTMENT RESTRICTIONS

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

1. The Fund shall not hold more than 10% of the outstanding securities of any issuer.
2. Except as an attempt to replicate weighting in the Index or the market, the Fund will not invest or lend more than 10% of its assets in securities of any one company or single issuer.
3. The Fund will not invest in securities carrying unlimited liability.
4. The Fund will not make investments for the purpose of exercising control or management.
5. 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.
6. The Fund will not invest more than 10% of its assets in securities of any one company or single issuer; the said restrictions are not applicable with respect to amounts placed in deposits with banks.

7. 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.
 8. 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.
 9. 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 Management Body considers that this in the interests of Unit holders (for example where local regulations prohibit direct investment or direct investment is only available at a cost the Management Body considers unreasonable). In such cases 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.
1. The Investment 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% of the Net Asset Value.
 2. 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 General Meeting resolution of Unit holders and the consent of the CMA.

CHAPTER 3

RISK FACTORS

Prospective investors should carefully consider the risks described below in addition to all other information presented in this Prospectus before deciding to invest in the Fund. 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. Investors may note that the risk factors mentioned below are the Investment Manager opinion based on the current knowledge and information available with it. The actual risks and the impact of such risks could be materially different from that mentioned herein.

3.1 MARKET RISKS

The Fund will invest in MENA 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 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.

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 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.

Mitigation:

Political risk in GCC countries is relatively low compared with other regions in the Middle East. However, political and economic risks are considered risk factor that cannot be eliminated completely.

3.3 LIQUIDITY RISKS

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

3.4 ACCOUNTING PRACTICE

Accounting standards in the countries where the Fund may invest may not correspond to International Finance 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 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.

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 the country 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 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 AND CURRENCY RISKS

The Fund expects to invest primarily in securities denominated in MNEA. Changes in exchange control regulations and economic or monetary policies can also impact the Net Asset Value. The Management Body 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 BORROWING

The Management Body has the power to borrow no more than 10% of the Net Asset Value on behalf of the Fund. The use of borrowing may increase the Funds investment risk. However the purpose of the borrowings is to provide liquidity to meet any redemption payments.

3.9 CONCENTRATION RISK

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

3.10 OTHER RISKS

The foregoing list of risk factors is not comprehensive. Investment in the Fund should be regarded as long-term in nature. Prospective Unit holders 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. 28/2009 and its amendments thereof, 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 UNIT HOLDER TAXATION

There is no tax in Oman on the receipt of dividends from the Fund nor on the proceeds from disposal of Units. Unit holders may be subject to taxation in their country of residence.

Potential 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

FUND MANAGER

The day to day management of the Fund's portfolio will be the responsibility of the Investment 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 Private Equity and Asset Management is one of the largest Investment Manager in the GCC region and a leader in Sultanate of Oman. bank muscat Private Equity and Asset Management manages a wide array of Equity and fixed income products, including Mutual Funds, Discretionary Portfolios, Structured Products, Private Equity and Real Estate Funds.

Over last several years the bank has created profitable partnerships across wide investor base that include local and international pension funds, fund of funds, family offices, high net worth individuals, corporations and other entities. Institutional assets constitute 90% of the overall assets under management.

The various funds managed by the bank are:

| Fund | Since | Brief description |
|---|-------|---|
| bank muscat Oryx Fund | 1993 | Investing in listed stocks across the MENA region |
| Oman Integrated Tourism Projects Fund | 2007 | A USD 259 million fund, which was structured and placed in 2007. OITPF is the largest Omani real estate fund with a mandate to invest primarily in the development of Integrated Tourism Projects in Oman. |
| bank muscat India Fund - domiciled in Mauritius | 2009 | Investing directly in equities and convertible securities of the Indian listed companies |
| Oman Fixed Income Fund | 2010 | The Fund is the largest and first-of-its-kind fund in Oman offering subordinated financing to investee companies. With a 7-year maturity and a size of USD 273 million, OMFI is a closed-ended fund listed on the third market of MSM |
| bank muscat Money Market Fund | 2013 | Investing in deposit and money market instruments |
| bank muscat GCC Property Income Fund | 2014 | Investing in income generating real estate assets primarily in the GCC region |
| Izdihar Real Estate Fund | 2015 | Investing in income generating real estate assets primarily in the GCC region |

bank muscat has won numerous awards for fund management. Some of the recent awards are shown below:

- Winner of the Lipper Award for the Best GCC fund in 2009, 2015 & 2016, 2018 and 2019
- Oman Asset Manager of the Year in 2010, 2011, 2013, 2015, 2017& 2018 by MENA FM.
- Best Asset Manager - Oman in 2010, 2011, 2013 & 2015 by EMEA Finance.
- Winner of the 2011, 2014, 2015, 2016 & 2018 Oman Best Asset Manager by Global Investor.
- Winner of Best GCC Equity Fund under \$30million by MENA FM in 2013, 2014, 2015 & 2018
- bank muscat's key strengths in the field of asset management are:

| | |
|--|--|
| • Experienced team: | The investments are managed by a team of experienced professionals. |
| • Proven track record: | Managing funds and portfolios since 1993, bank muscat is the largest fund manager in Oman. The portfolios and funds managed by bank muscat have consistently delivered outstanding returns with significantly less volatility than the market. |
| • Disciplined and rigorous investment processes: | The investment decisions are driven by a combination of fundamental research and technical analysis. |
| • Strong operational controls: | Independent back office operations ensure strong controls on operations. Bank muscat emphasizes clear segregation of client portfolio, dedicated and best in class IT systems. |
| • ISO 9001 Certification: | Strict compliance to regulatory and accounting guidelines and strong process orientation has enabled bank muscat receive the ISO 9001 certification for all its asset management processes. |

ROLE OF THE INVESTMENT MANAGER

The Investment 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 Investment Manager will be responsible for monitoring the investment until the time of exit. More specifically, the Investment Manager shall be responsible for monitoring the portfolio structure, investment performance and compliance with the asset allocations.

The Investment 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 Investment 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 decision in the best interest of the Fund and investors. The Investment Manager shall also provide liquidity for the Fund to discharge any obligations and safeguard from any unnecessary investment risks.

The Investment 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 Fund's assets;
- Review the investment policies and objectives of the Fund and from time to time, suggest to the Management Body such amendments which in its opinion might be made in the interests of Unit holders;
- Ensure that the Fund's portfolio complies with the Investment Guidelines;
- Give to the Management Body all information, explanations and such other advice as the Management Body 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 Management Body reasonably requires;
- Keep proper records of all work done by or on behalf of the Fund 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;
- Safeguard the Fund from any unnecessary investment risks; provide liquidity for the Fund to discharge any obligations;
- Maintain an accounting system to classify, monitor and check all transactions in the Fund's portfolio which are entered into the system and adjust to the cash and securities accounts opened in the name of the Fund with the Custodian; and
- Accurately record all purchase and sale transactions undertaken in favour of the Fund and in keeping with their time sequence.

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 Management Body, who will delegate day-to-day investment decisions to the Investment Manager subject to the terms of the Management Agreement. The Management Body will be responsible for formulating investment strategy and the 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 in any decision taken in relation thereto so long as the terms of this Prospectus are observed.

The Fund Management Body consists of upto 5 Members. The Fund Management Body shall be elected by the general meeting of the unit holders in accordance with the provisions of the Articles of Association.

6.2 MANAGEMENT BODY

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

Mr. Abdul Razak Ali Issa - Chairman of the Fund Management Board

Abdul Razak has been the longest serving Chief Executive of Bank Muscat. The largest commercial bank in the country, in terms of market capitalization, assets, deposits and market share. In addition to Investment, Private and Islamic banking. Currently he is Chairman of ARAD Group, a privately owned group of companies in Oman, with diversified interests in Media (Muscat FM 105.3), Real Estate Development, Construction, Tourism & Hospitality and Consulting. Mr. Abdul Razak has MBA degree from University of Wales, U.K., completed Advanced Management Development Program at Harvard University and has been conferred an honorary doctorate by Hindustan University, India. He is a well-known personality within Oman and has been ranked no. 111th most influential Arab personality according to 'Power 500', the Arabian Business magazine. He also won the best CEO for 2002 according to Business Today magazine.

Mr. Sulaiman Abdullah Khalfan – Vice Chairman of the Fund Management Board

Sulaiman Abdullah Khalfan Al Balushi is the Investment Supervisory at Royal Court Affairs. Sulaiman 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 has serving Royal Court Affairs in different capacities and have accumulated experience in operational management, audit, administration along with investment management.

Mr. Ghusen Hilal Abdullah Al Abri – Member

Ghusen Hilal Abdullah Al Abri is the Assistant General Director of Expenditure at Royal Court Affairs. Ghusen has an experience of over 20 years in Finance. Current, he is a board member of Oman Fixed Income Fund. Ghusen has completed his Bachelor in Business Administration in 2015 from Gulf College.

Mr. Hussein Abdul Redha Al Lawati – Member

Hussein Abdul Redha Al Lawati has over 23 years of experience in managing international investments. He is currently 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. Prior to joining the Pension Fund, he was Executive Director at Horizons Capital Markets. He has worked with leading investment management firms including National Investment Company, Kuwait and Vision Investment Services, Oman. His experience includes overseeing investments in public & private equity, fixed income, real estate & alternatives and funds. He is the Chairman of Alruwad International School. In addition, he serves as Board member of Shumookh Investment Services and Oman Hospitality Company (Kempinski). He is member of Investment Committee at Oman Chamber of Commerce & Industry. His academic credentials include CFA Charter holder from CFA Institute, USA and MSc Finance, from University of Strathclyde, Scotland, UK.

Mr. Khalifa Abdullah Al Hatmi – Member

Mr. Khalifa Abdullah Al Hatmi is the Deputy General Manager- Investment Banking & Capital Markets. Prior to that, he was Chief Executive Officer of Bank Muscat- Riyadh Branch, CEO of Muscat Capital (KSA). Khalifa has an experience of over 17 years in the Investment banking, asset management and banking industry and was the chairman of all Muscat Capital five funds. Current, he is a board member of SICO Capital. Mr. Khalifa has completed his Master in Business Administration (MBA) in 2010 and Master of Finance in 2016 from Strathclyde University. He is holder of Bachelors in Finance from Sultan Qaboos University.

6.3 REMUNERATION OF MEMBERS

Each member of the Management Body will be entitled to a fee not exceeding RO 8,000 per annum and upto RO10,000 per annum 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 MANAGEMENT BODY

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

Number of Members

The number of members of the Management Body (the "Members") is five including chairman and vice chairman.

Powers and Duties of the Management Body

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 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 system and controls are adequate to ensure compliance with the interests of the Fund and investors.
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 and investors.
7. Ensure segregation of function when one company is acting as provider of more than one service to the Fund whilst taking into account the provisions of the Executive Regulations of the Capital Market Law to this effect.
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 dividends.

Proceedings of Management Body Meetings

1. The number of attending members shall not be less than two third 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 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.

Appointment of Members

Each Member of the Management Body shall serve until his or her office is vacated. 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. Any such appointment requires unanimous agreement of all members.

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 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 as a proxy excluding himself of the Management body in a meeting.

Qualifications of Members

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

Vacation of office

The office of a Member 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 months,
3. He or she becomes of unsound mind or incapable of performing his roles and responsibilities,
4. He or she becomes insolvent, suspends payment with his creditors, or compounds with his creditors,
5. An ordinary general meeting resolution is passed removing him of his position.
6. The board of directors of the CMA issues a resolution to dismiss the Member.

6.5 CUSTODIAN

Currently the custodian of the Fund is bank muscat S.A.O.G, 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 in safe custody.
- b) To hold bearer instruments in that form and to register other instruments in the name of the Fund 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 Investment Manager's instructions.
- e) To sell or otherwise dispose of Assets and to deal with the proceeds, in each case in accordance with the Investment 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 Investment Manager's instructions.
- g) To deliver the documents of title and any other instruments relating to the Assets to the Investment Manager or in accordance with the Investment Manager's instructions.
- h) To keep the management company informed of all actions required in respect of the assets 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).

In fulfilling the above duties, the Custodian shall

- a) 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;
- b) Maintain records showing the custody accounts held by the Investment Manager for the Fund if any; and
- c) Keep all assets of the Fund if any, segregated from assets held by the Custodian for its own account, other funds and its other clients.

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 Management Body appoint one or more third parties as sub-custodian.

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

6.6 REGISTRAR & TRANSFER AGENT

Currently KFin Technologies Private Limited is the Registrar & Transfer Agent (R&T) of the Fund. KFin Technologies 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 and has assets under similar arrangement of 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 & Transfer Agent includes the following

1. Data capture of commercial and non commercial investor related fund transactions
2. Computation and payment of trail fees
3. Creation of Units / redemption of Units / switches & transfers
4. Computation 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.

6.7 ADMINISTRATOR

Currently, the Administrator of the Fund is bank muscat S.A.O.G. As per the Administration Agreement, the duties of the Administrator are as follows:

1. Calculation of the Net Asset Value 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. Payment of settlements.
7. Valuation of securities.
8. Payment of dividends and distributions.
9. Supervision of the orderly liquidation and dissolution of the Fund.
10. 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 CMA to perform such activity.

Sub-administrator will only be appointed if the Management Body is satisfied the proposed sub-administrator has the appropriate expertise and experience to perform this role.

6.8 AUDITORS

Currently the Auditor of the Fund is Deloitte & Touche (M.E.) & Co. LLC , Minaret Al Qurum Building, Qurum Area ,Ruwi, P.O. Box 258, PC 112 Ruwi, Sultanate of Oman, who are accredited by the CMA. The Management Body shall appoint the External Auditor from among the audit firms accredited by the CMA. The External Auditor shall not serve as the External Auditor of the Investment Manager. Appointment of the same External Auditor should not be for more than four consecutive years and they can be reappointed with a lapse of two year since the last appointment.

The External 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.

6.9 BANKERS

bank muscat SAOG will be the principal banker to the Fund. However, the Fund may open bank accounts with other banks as well, with the approval of the Management Body.

6.10 DISTRIBUTOR

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

CHAPTER 7**FEES****7.1 INVESTMENT MANAGER FEES**

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

7.2 CUSTODIAN

The annual custody fee will be 0.05% per annum of the Net Asset Value of the Fund paid to the Custodian. The Fee will be calculated and paid monthly based on the daily Net Asset Value of the Fund on each valuation day during the month.

7.3 ADMINISTRATOR

The annual management fee will be 0.08% per annum of the Net Asset Value of the Fund paid to the Administrator. The Fee will be calculated and paid monthly based on the daily Net Asset Value of the Fund on each valuation day during the month.

7.4 REGISTRAR & TRANSFER AGENT

The Fund will pay to the Registrar and Transfer Agent a fee totalling 0.12% per annum of the Net Asset Value of the Fund. The fee will be calculated and paid monthly based on the daily Net Asset Value of the Fund.

7.5 OTHER EXPENSES

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

- A) The estimated annual fees of the Management Body in each year are RO 42,000.
- B) Other recurring expenses will include operating expenses of the Fund such as any legal fees, postal fees, seals and other fees, commissions borne by the Fund for the possession and execution of investments. The Fund shall bear other current expenses including the fees of the auditors, printing costs for circulars to Unit holders, the costs of the Annual meeting and any special meetings, together with brokerage commission and banking fees. 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 Management Body do not expect the ongoing fees and disbursements to exceed 2.5% annually (excluding sub-custodian statutory, regulatory and transaction fees).

CHAPTER 8

SUBSCRIPTION AND REDEMPTION

8.1 SUBSCRIPTION OF UNITS

- 8.1.1 The Fund will offer daily subscriptions. Completed subscription applications must be submitted along with full payment for requested units and must be received by the Registrar & Transfer Agent on any Business day by 11:00 am. Applications received after 11:00 am will be deemed as received the next Business day.
- 8.1.2 Subscription may only be made by submitting the application prepared for such purposes in accordance with instructions contained therein.
- 8.1.3 Subscription requests will be irrevocable unless the Management Body 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 Management Body's 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 Management Body's consent.
- 8.1.4 The subscription price will be based on the applicable NAV plus subscription charges as per the terms of the prospectus. For example (If NAV is RO 1, then the subscription price will be RO 1 per unit), plus subscription charges.
- 8.1.5 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 Registrar & Transfer Agent will issue allotment notification to holders of new Units within 5 working days of the relevant Valuation Day
- 8.1.6 Subscription to the Fund will be in Minimum of RO 50.

8.2 PROCEDURES FOR SUBSCRIPTION

1. For subscriptions all applications should reach the Registrar & Transfer Agent, by 11:00 am (T day) with clear funds to receive the NAV of the same Business Day. Applications may be written or sent by fax (should the Fund has previously received full guarantee in respect of fax instructions) or through electronic medium guaranteed with full amounts to benefit from the NAV for the next working day. Applications received after 11:00 am will be deemed to be received the next Business Day unless the notice period is waived or the subscription request is revoked, in each case with the Management Body's consent. The amount of any subscription request not met in full on a particular business day will be carried forward to the next business day, unless revoked with the Management Body consent.
2. The Fund will allot units based on the NAV computed as mentioned herein above after considering applicable sales charges on T+2 days.
3. Registrar & Transfer Agent will increase the unit-holders account on T+1 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

The Application to be submitted along with the following documents :

- | | | |
|--------------------------------------|---|--|
| a) Omani (male) 18 years and above | : | Copy of 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. |

8.4 REFUSAL OF SUBSCRIPTION

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

1. The subscription price for the Units applied for is not paid in accordance with the conditions described in this Prospectus.
2. If payment is made by cheque, however, the cheque through which payment was made is dishonored or rejected by the bank for any reason.
3. An application contains more than one name.
4. The subscription application does not satisfy all the requirements in the subscription application or does not enclose the required documents with the subscription.
5. 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) or through secured electronic medium, 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 redeemed and the bank's details for the payment of the redemption proceeds.

If the Registrar & Transfer Agent 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 Unit holder.

Redemption applications must be submitted to the Registration and Transfer Agent as stated above.

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.
4. No more than 5% of the Fund's capital may be redeemed on any single business day. If the Fund receives redemption 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 Unit holders with the consent of the investment manager, will be carried forward to the next Valuation Day.

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 PROCEDURES FOR REDEMPTION

1. All redemption applications should reach Registration & Transfer Agent as specified in 8.5 above.
2. The Registrar & Transfer Agent will process the redemption applications.
3. 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.
4. Units shall be redeemed only in cash and cannot be made through transfer of interests of securities and assets of other funds.

8.7 REDEMPTION PRICE

The redemption of units will be based on NAV of the same Business day if applications received by 11:00 am. Applications received after 11:00 am will be deemed as received the next Business day taking the NAV of the next business day also as set out above less applicable exit load (if any).

8.8 ANNUAL DISCLOSURE

The Fund will disclose annually on the procedures to be followed for the issue and redemption of units.

CHAPTER 9 UNIT OWNERSHIP

9.1 UNIT HOLDER'S RIGHTS

The Units will have no par value. All Unit holders shall have the following rights inherent in the ownership of the Units, namely:

- a) the right to one vote for every Unit held by him/her;
- b) the right to receive cash dividends that maybe distributed to unit holders 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 Unit holders;
- f) the right to apply for the annulment of any decision by a meeting of the Unit holders or the Management Body or the Investment Manager which is contrary to the law of the Sultanate of Oman or this Prospectus;
- g) the right to institute actions against the Management Body, the Investment Manager or the Auditors on behalf of the Unit holders;
- h) A Unit holder 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 and the respective body may accept or reject such request in its sole discretion.

9.2 LIMITS OF LIABILITY

Liability of the Unit holders for obligations of the Fund is limited only to the extent of their subscription. No Unit holder 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 Unit holder will have no further financial liability to any party in respect of his holding of Units or the liabilities of the Fund.

9.3 OWNERSHIP OF FUND ASSETS

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

Unit holders 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 Unit holder. A Unit holder will not become a shareholder of bank muscat SAOG by virtue of being a Unit holder of the Fund. The Unit holders will jointly own the profits and (subject to the limit on liability described) the losses of the Fund.

9.4 PROFITS

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

9.5 DIVIDENDS & DISTRIBUTIONS

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

- a) Dividends received by the Fund;
- b) Interest received by the Fund;
- c) Realized and Unrealized profits derived from the purchase and sale of securities.
- d) 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 Unit holders may have a holding with a Net Asset Value less than the cost of its acquisition.

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

9.6 EXPENSES

The expenses of running the Fund may be charged as per the terms & conditions in this document in accordance with International Financial Reporting Standards and the treatment may alter at any time and from time to time in accordance with those standards.

9.7 VOTING RIGHTS

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

9.8 UNIT HOLDER MEETINGS (GENERAL MEETING)

- The general meeting is the supreme authority of the fund and shall comprise of all investors.
- Every Unit holder 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 Ordinary general meeting shall be held in accordance with the Articles of Association.
- Where the Management Body fails to convene the ordinary general meeting the Investment Manager shall convene it. Notice to attend the ordinary general meeting shall not be valid unless it also includes the agenda. Notice to attend the ordinary general meeting shall be published, after getting the notice 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 Management Body shall establish the agenda of the ordinary 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 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 ordinary 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 ordinary general meeting shall be valid if attended by investors or 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 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 ordinary general meeting shall be held for following purposes:
 - a) To elect the Members of Management Body
 - b) For any other purpose as deemed fit by the Management Body/Investment Manager.
- The Extraordinary General Meeting (EGM) 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 the case of any of the following issues, the EGM 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 funds status such as a merger, spinoff or conversion or other.
 - Dissolution and liquidation of the Fund.
- The EGM shall be valid if attended by investors or proxies representing at least 60% of the Units.
- Where the required quorum is not present, a second EGM 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 extraordinary general meeting shall require attendance by investors holding at least 50% of the Units of the fund.
- Resolutions of the ordinary general meetings shall be adopted by absolute majority.
- Resolutions of the EGM shall be adopted by absolute majority.
- The general meeting shall be chaired by the chairman of the Fund's Management Body or by his 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 meeting shall appoint a secretary to record the minutes including deliberations, resolutions and votes. Every investor shall have the rights 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 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 Management Body in accordance with the following:

- A) The assets include the following:
- i) All shares, stocks bonds, debenture stock, subscription rights, and other investments and securities owned or contracted on behalf of the Fund other than Units and rights to Units.
 - ii) All cash in hand, on loan or on deposit, or on call, including any interest accrued thereon.
 - iii) All bills, demand notes, promissory notes and accounts receivable.
 - iv) All interest accrued on any interest-bearing securities owned or held for the Fund.
 - v) All other investments held for the Fund.
 - vi) 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.
- B) Any expense or liability attributable to the Fund may be capitalized and amortized over such period as the Management Body may determine (and the Management Body 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 of the fund will be valued as below:
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 Management Body, 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 and accrued but not yet received shall be valued at their full nominal amount thereof unless in any case the Management Body 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 Management Body 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 Management Body may consider appropriate to reflect the true current value thereof.
4. The deposits will be valued by the initial deposit amount plus all accumulated interests till date.
5. Certificates of deposit and treasury bills shall each be valued (on the basis of a notification to the Management Body by a person approved by the Management Body 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. 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 Independent Auditors.

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;

- a). 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 Management Body may make such allocations as they consider appropriate;
- b) Any valuations made pursuant to this Prospectus will be binding on all persons; and
- c) The liabilities attributable to the Fund will be determined to include all its liabilities (including such amount as the Management Body 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 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. In such circumstances, the Management Body 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 Management Body 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 Management Body shall instruct the Investment Manager to use reasonable endeavours to verify pricing information provided by the Investment 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 Management Body 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.

In all cases, the standard accounting practice IFRS will be applicable on NAV calculation.

10.2 SUSPENSION OF NAV

The Management Body may suspend the determination of the Net Asset Value for the whole or any part of a period during which:

1. A breakdown occurs in any of the means normally employed by the Management Body in ascertaining the value of investments owned by the Fund;
2. For any other reason the value of a substantial part (in the opinion of the Management Body) of the investments attributable to the Fund cannot reasonably be ascertained;
3. Circumstances exist as a result of which, in the opinion of the Management Body, it is not reasonably practical to realize or to dispose of investments or fairly to determine the Net Asset Value;
4. 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 Management Body be carried out without undue delay and at normal rates of exchange; or
5. In the opinion of the Management Body (certified in writing) such a suspension shall be desirable in the interests of continuing Unit holders.

Subscription and redemption will be suspended for any period during which the determination of the Net Asset Value has been suspended. Any application for subscription or redemption 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.

10.3 PUBLICATION AND ADVERTISEMENT

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

CHAPTER 11 REGULATORY FRAMEWORK

The Fund will be governed by the Capital Market Law, its Executive Regulations and all other applicable laws of the Sultanate of Oman. The Fund is an investment fund attached to bank muscat pursuant to the Executive Regulation of the Capital Market Law.

11.1 ARTICLES OF ASSOCIATION

The Fund's Articles of Association shall contain the following information at minimum:

1. The form of the Fund (closed- end or open-end).
2. Name
3. Capital
4. Currency
5. Constitution of the management for the Fund
6. Investment objectives of the Fund
7. Method of issue and redemption of Units
8. Frequency of redemption
9. Dissolution and liquidation of the Fund
10. Commencement and end of the financial year of the Fund

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

CHAPTER 12

ACCOUNTS AND ACCOUNTING POLICIES**12.1 GENERAL ACCOUNTING POLICIES**

- 1) The Fund shall have a financial liability independent from bank muscat 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 Funds.
- 4) 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 Management Body. The Management Body 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.
- 5) The financial year of the Fund is from 1 January to 31 December of every year.

12.2 ACCOUNTING POLICY

The accounts are to comply with international Financial Reporting 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;
- iv) Any dividend distribution from the underlying holdings. Expenditure of the Fund shall consist of:
 - 1) The set up costs of the Fund;
 - 2) The fees of the Investment Manager, Administrator, Custodian and Registrar & Transfer Agent;
 - 3) The fees of the CMA, the MSM and any other licensing and regulatory fees or similar charges and expenses;
 - 4) Expenses in respect of accounting records and auditing fees;
 - 5) Customary brokerage commission and banking fees paid in connection with the sale and purchase of securities held on behalf of the Fund;
 - 6) All liabilities of the Fund in relation to taxation, whether due on the assets or income of the Fund;

- 7) Any expenditure related to the exercise of rights and duties in respect of the assets of the Fund;
- 8) 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 Unit holders;
- 9) Costs of printing any certificates or proxies;
- 10) Any losses incurred as a result of dealing in securities held on behalf of the Fund;
- 11) The cost of maintaining accounts;
- 12) 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;
- 13) The cost of holding any meeting of Unit holders;
- 14) Legal fees;
- 15) The fees of the Management Body; and
- 16) Any other expenditure directly related to the Fund.

12.4 REPORTS & ACCOUNTS

The Fund's financial year is 1st January to 31st December in each year. The Administrator will within 60 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 financial accounts and fund related reports will be uploaded electronically on Muscat Securities Market website within 60 days of the closing of each financial year and shall be conveyed electronically to all Unit holders and by mail who specifically request for them within 30 days of receipt of such request. The Administrator will within 30 days of the end of quarter of each financial year prepare interim un-audited accounts for the Fund and published it in two daily newspapers in Oman of which at least one of them shall be in Arabic language. The quarterly and yearly reports will be published by the Administrator and will publish it on the MSM website through the electronic transmission system of MSM within the statutory time limits.

CHAPTER 13

DISSOLUTION AND LIQUIDATION OF THE FUND

The Management Body shall recommend to the EGM 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 NAV to the extent that expenses incurred by the investors are unreasonably high.
- 6) On recommendation by the Investment 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 rata basis according to their holdings.

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 Investment 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 Auditors, the liquidator shall distribute the net assets of the Fund to Unit holders, each Unit holder receiving the proportion of the Net Assets equal to the proportion the number of Units owned by the Unit holder represent the total number of Units in issue as at the date of the commencement of the termination.

The sum received by Unit holders 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 14

PROXY VOTING POLICY

The guideline set forth below are not comprehensive and therefore, reflect principles that will generally be supported by the Fund Manager. However, the Fund Manager may exercise its discretion and act accordingly in some instances when it determines that based on the facts, it is in the best interest of the fund as a shareholder.

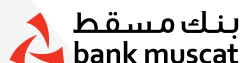
A decision to invest is generally an endorsement of the management of an issuer and its strategy for the company. On routine matters, which do not materially impact the interest of the unitholders, the Fund Manager may abstain from voting. When it believes that it is in the best interest of the unitholders to vote for/ against a resolution, Fund Manager may do so. Some of the key considerations for exercise of a vote will cover the following factors primarily:

- **Financial Statements and External Auditors**
 - Approval of the accounts
 - Appointment of statutory auditors and associated compensation
- **Board of Directors**
 - Election of Director
 - Changes in the Board structure or size
 - Disqualification of Board member
- **Remuneration Policy**
 - Assess compensation plans for Directors and Key Management staff
- **Capital Management**
 - Proposed Dividend Payout
 - Issuance of Capital
 - Reduction of Capital
- **Mergers and Acquisitions**
 - Proposals for reorganization/restructuring of the company
 - Mergers and Acquisition related to the company
- **Shareholders Rights**
 - Amendments to the articles of association
 - Any agenda which impact Sustainability, growth prospects and profitability of the company
 - Resolution providing any undue benefits to promoters/ their affiliates/subsidiaries/ group companies

Conflict Of Interest

Oryx Fund is a separate entity from the activities of its sponsor Bank Muscat. All decisions pertaining to voting in Bank Muscat shares shall be taken by Group Head.

SERVICE PROVIDERS

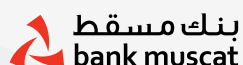


Investment Manager

Private Equity & Asset Management bank muscat S.A.O.G.

Tel: +968 24768603

P.O. Box 134, Postal Code 112, Ruwi, Sultanate of Oman Email: assetmanagement@bankmuscat.com

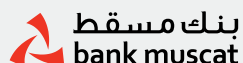


Administrator

bank muscat S.A.O.G.

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Email: assetmanagement@bankmuscat.com



Custodian

bank muscat S.A.O.G.

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Registrar & Transfer Agent

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