
IIAB MENA Feeder Fund – Cell Particulars

IIAB PCC Ltd



IIAB MENA Feeder Fund

IIAB MENA FEEDER FUND – FUND PARTICULARS FEBRUARY 2008

(the “Fund”, a protected cell of the Company)

Application has been made to the Channel Islands Stock Exchange (the “CISX”), by way of an offer for subscription, for up to 50,000,000 Participating Shares of US\$0.01 each in the Fund, at an initial Dealing Price of US\$10 per Participating Share, to be admitted for listing on the CISX.

These Fund Particulars include particulars given in compliance with the Listing Rules of the CISX for the purpose of giving information with regard to the Company. The Directors, whose names appear on page 6 of the Offering Memorandum, accept full responsibility for the information contained in these Fund Particulars and confirm, having made all reasonable enquiries that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

These Fund Particulars must be read together with the general Offering Memorandum for the Company and the prospectus relating to the Master Fund. To the extent of any inconsistency these Fund Particulars shall prevail over the Offering Memorandum

Participating Shares for this Fund are denominated in United States dollars (US\$).

It should be appreciated that the value of shares and the income from them can fall as well as rise. Please refer to the Risk Warnings herein and in the Offering Memorandum.

IIAB MENA Feeder Fund

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IIAB MENA Feeder Fund (The "Fund")

THE COMPANY

IIAB PCC Limited is a collective investment scheme in the form of an open-ended investment company which is registered in Guernsey. The capital structure enables the Company to operate in a similar way to a unit trust so that Participating Shares of the various classes may be issued and redeemed at prices based on the underlying net asset values on each Dealing Day. The register of the Company may be inspected at the offices of the Manager at the following address: 1 Le Marchant Street, St Peter Port, Guernsey GY1 4HP, Channel Islands.

Information on the structure management and administration of the Company and the Custodian are contained in the general Offering Memorandum for IIAB PCC Limited.

THE MASTER FUND

These Fund Particulars contain information about IIAB Islamic MENA Fund (the "Master Fund") into which the Fund intends to invest substantially all its assets. The Fund will therefore provide investors with exposure to the investment strategies and objectives employed by the Master Fund. The Master Fund is a recently established contractual arrangement, between its unit holders and IIAB Islamic MENA Fund Company B.S.C. (Closed) (the "Master Fund Company"), governed by the law of Bahrain and is an open-ended investment fund, established as an expert collective investment scheme pursuant under those laws. The directors of the Master Fund Company are Jawdat Al-Halabi, Adel Kasaji, Qutaiba Al-Hawamdeh, Ramez Sawabini and Ghassan Bundakji. The Investment Manager is Al Arabi Investment Group Co. of PO Box 143156, Amman 11814, Hashemite Kingdom of Jordan. The Master Fund's administrator, custodian and registrar is Gulf Clearing Company (B.S.C.) (c) of PO Box 2400, Manama, Kingdom of Bahrain. Further information on the Master Fund may be obtained on pages 15 to 19 of these Fund Particulars.

MARKETING RESTRICTIONS

In addition to the marketing restrictions set out in the Offering Memorandum, the Participating Shares being offered in the Fund may not be purchased or held by, or purchased or held for the benefit of, any non-qualified person (as defined hereinafter) at any time. Non-qualified person means any person to whom a transfer to or holding by such person of Participating Shares would:

- (a) be in breach of any law or requirement of any country or governmental authority in any jurisdiction, whether on its own or in conjunction with any other relevant circumstances;
- (b) result in the Master Fund Company or the Master Fund or the Fund incurring any liability to taxation which the Master Fund Company or the Master Fund would not otherwise have incurred or suffered;
- (c) require the Master Fund Company or the Master Fund or the Fund to be registered under any statute, law or regulation, whether as an investment company or trust scheme; or
- (d) cause the Master Fund Company or the Master Fund or the Fund to be required to apply for registration or comply with any registration requirements, whether in the United States or the United Kingdom or any other jurisdiction other than Bahrain.

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INVESTMENT OBJECTIVES AND POLICY

The investment objective of the Fund is long-term capital growth. The Fund will aim to achieve this objective by investing, directly or indirectly, primarily in a concentrated portfolio of Shari'ah compliant listed or unlisted equities and equity related securities in companies established (or operating in) Middle Eastern and North African countries (with the exception of Israel) (the "MENA region"). The Fund will pursue its objective by investing in the Master Fund, a fund created and sponsored by the Master Fund Company. The Company and the Fund will conduct their business in a Shari'ah compliant manner at all times. The Manager has appointed Al Arabi Investment Group Co (the "Investment Advisor") as advisor to the Fund. The Investment Advisor, as investment manager of the Master Fund, has confirmed to the Directors of the Company that the Master Fund will also conduct its business in a Shari'ah compliant manner at all times.

It is anticipated that the Fund will hold cash and near-cash investments and may utilise Shari'ah compliant equity market traded instruments should the Manager or the Investment Adviser determine that the risks inherent in equities outweigh the potential rewards.

The investment objectives and policy as stated above may not materially change for a minimum of three years from the date of Listing other than with the prior approval of a Shareholders' ordinary resolution.

The Fund will invest substantially all its assets in the Master Fund (the remainder being invested and held in accordance with the cash management, and currency hedging, policies set out below).

Shari'ah Investment Criteria

The business of the Company and the Fund, and of the Master Fund based upon advice received from the Investment Adviser, as investment manager of the Master Fund, shall at all times be conducted in compliance with the Shari'ah guidelines as determined by the Shari'ah Board. Primarily, Shari'ah prohibits the paying or receiving of interest, although the receipt of dividends and capital gains from equity investment in Shari'ah compliant companies is acceptable.

In addition, in compliance with the Shari'ah guidelines, the Investment Adviser, as investment manager of the Master Fund, has confirmed that the Master Fund will NOT invest in:

- (i) interest bearing investments;
- (ii) derivatives, including but not limited to, options, futures and contracts for differences;
- (iii) forward currency transactions;
- (iv) equities or other securities issued by companies whose income is derived from activities relating to any of the following sectors;
 - (a) conventional banking or insurance or any other interest related activity;
 - (b) the manufacture or distribution of alcohol products;
 - (c) the manufacture or distribution of arms;
 - (d) gaming or gambling;
 - (e) the production, packaging, processing or any other activity relating to pork or pork products and other non halal meat; or
 - (f) companies engaged in any other activities not permissible under the Shari'ah as determined by the Shari'ah Board of the Master Fund,
- (v) equities or other securities issued by companies whose activities relate in any way to the production or distribution of pornographic material;
- (vi) investment trusts, unit trusts and other collective investment schemes that do not adhere to the Shari'ah guidelines; or
- (vii) listed or unlisted companies with the following financial ratios;
 - (a) total debt divided by trailing 12-monthly average market capitalisation equal to or greater than 30%. (Note: total debt = short term debt + current portion of long term debt + long term debt);
 - (b) the sum of cash, interest bearing securities, and account receivables divided by total assets is equal to or greater than 50%. (Note: account receivables = current receivables + long term receivables); or
 - (c) total interest income divided by total revenue is equal to or greater than 15%.

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Investors should be aware that the Master Fund may hold, on an ancillary basis, short term Shari'ah compliant investments or cash balances on non-interest bearing accounts, in order to be able to meet redemption requests and expenses or to avail itself of market opportunities as they may arise.

Investment Restrictions

The Investment Adviser, as investment manager of the Master Fund, has confirmed that the investment restrictions that apply to the Master Fund are that:

- (i) it shall invest at least 60% of its total assets in the MENA region;
- (ii) the allocation to equities will be between 20% and 100% of its total assets;
- (iii) the maximum allocation to Shari'ah compliant fixed income (including but not limited to Sukuk, Murabaha, leasing etc.) will be 80% of its total assets;
- (iv) it shall invest not more than 40% of its total assets in any one individual country in the MENA region;
- (v) it shall invest a maximum of 40% of its total assets in cash and cash equivalents;
- (vi) not more than 20% of its total assets shall be with any one counterparty;
- (vii) not more than 10% of its total assets shall be invested in the securities of a single party;
- (viii) not more than 20% of its total assets shall be placed with a single group of connected parties;
- (ix) not more than 10% of its total assets shall be invested in unlisted securities (including pre-IPO securities);
- (x) the maximum allocation to other Shari'ah compliant funds is 20% of the Master Fund's total assets, subject to a ceiling of 10% exposure to a single fund (or group of funds with a common management group);
- (xi) the maximum allocation to securities or funds traded over the counter outside the MENA Region shall be 15% of the Master Fund's total assets;
- (xii) it shall not borrow unless the borrowing is Shari'ah compliant and on a temporary basis, such borrowing shall not exceed 20% of the Master Fund's total assets;
- (xiii) it shall not invest in any security (of any class) in a company or other undertaking, if any director or other officer of the Master Fund (or of any related person and its affiliates) individually owns more than 0.5% of the total nominal amount of all the issued securities of that class, or collectively the directors or officers of the Master Fund (or of any related person and its affiliates) own more than 5% of those securities. This prohibition shall also apply where the ownership of the directors or officers specified above is in the parent, subsidiary or other associated undertaking of the company in which the Master Fund is to make the investment;
- (xiv) it shall not invest in other collective investment undertakings managed or advised by any member of the Arab Bank Group
- (xv) The Arab Bank Group shall not directly engage in any transactions with the Master Fund and shall not trade its units, save that companies that are affiliates or members of the Arab Bank Group may invest in the Master Fund;
- (xvi) subject to the ceiling set out above, the Master Fund may invest in Global Depository Receipts (GDR's) and shares of Shari'ah compliant companies operating in the MENA region but listed on international markets or in Shari'ah compliant fixed income and money market instruments of companies, not residing in, but raising money, the purpose of which is to invest in the MENA region.

The percentages set out above are based on the market values of the Master Fund's investments at the time an Investment is made. As the Investment Adviser does not have control over any sudden changes in the market values of the Master Fund's investments on any valuation date, and taking into consideration the expected redemptions as of any valuation date, marginal breaches to these percentages may happen as of any such valuation date. The Investment Adviser will endeavour to correct any breaches within one month following the breach.

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The Master Fund's Net Asset Value will be calculated by the Administrator of the Master Fund on a monthly basis and in accordance with generally accepted international accounting standards.

Borrowing

The Fund shall not borrow.

Shari'ah compliant contracts entered into on behalf of the Fund, with a view to hedging the Fund's Foreign Currency exposure, shall not be deemed as borrowings of the Fund for these purposes.

Cash Management

The Fund may, at times, have high levels of liquid assets due to having received subscriptions that are awaiting investment or because the Manager or the Investment Adviser is unable to identify suitable investment opportunities. In these instances the Fund may hold cash in Murabaha and Shari'ah compliant short term cash transactions or Shari'ah compliant money market funds.

The maximum amount of cash that will normally be held with one bank or financial institution other than the Custodian is 25% of the Fund's Net Asset Value. In respect of Shari'ah compliant money market instruments the maximum exposure to any one issuer is 20% of the Fund's Net Asset Value. The maximum amount that may be held in any one Shari'ah compliant money market fund is 10% of the Fund's Net Asset Value.

Base Currency and Currency Hedging

The base currency of the Fund will be the US Dollar. The assets of the Fund will be predominantly denominated in US Dollars. The Manager or the Investment Adviser may seek to manage currency risk by utilising Shari'ah compliant transactions from time to time.

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DIVIDEND POLICY

The Directors do not currently intend to declare, or anticipate paying, dividends. However, dividends may be distributed on an annual basis at the sole discretion of the Directors. Dividends, if any are declared, will be paid out of investment income from dividends or income earned by the Master Fund and after deducting expenses. Dividends, if any, received by the Fund from the Master Fund may be distributed to investors.

RISK WARNINGS

- Investment in the Master Fund

Investors in the Fund should be aware that they will be exposed to the performance of Master Fund, and to any risk factors applicable to a direct investment therein. Investors must therefore make their own investment decision and independent appraisal of and investigation into the risks associated with the Master Fund and its investment strategy, performance, financial condition, prospects and status and the suitability for their individual purposes of an investment. Copies of the most recent prospectus published in respect of the Master Fund, which contains information relating to among other matters the investment objectives of the Master Fund, its investment manager and certain risk factors associated with an investment in the Master Fund, may be obtained from the Investment Manager. The information relating to the Master Fund contained herein has been obtained from the prospectus published in respect of the Master Fund. Certain information has been accurately reproduced and the directors accept responsibility only for the information on the Master Fund as contained herein and not for the contents of its prospectus.

The Fund will invest subscription monies received as soon as an application for Shares is accepted and before any Shares are allotted. Subscription monies once received are not refundable unless the Fund rejects the application.

There can be no assurance that the Fund will achieve its investment objective, that either the Fund or any investment it may make in the Master Fund will achieve certain results or that any such results will not vary substantially over time.

- Depreciation of Net Asset Value per Unit

The Fund will be investing in units in the Master Fund. The net asset value per unit in the Master Fund may go down as well as up, reflecting changes in the net asset value of its assets. Investors in the Master Fund, including the Fund, may receive less than the amount invested upon redemption of Master Fund units or its termination. As the value of the Shares is directly linked to the value of the units in the Master Fund, a reduction in the value of the units in the Master Fund will lead to a reduction in the value of the relevant Shares. Accordingly an investment in Shares should be made only by those persons who could sustain a loss of their entire investment. Investors should carefully consider the information on the Master Fund on pages 15 to 19 of these Fund Particulars and the Master Fund prospectus which can be obtained from the Investment Adviser.

- Emerging Markets Securities

The Master Fund's assets and strategies related to those assets will be investing in emerging markets. It should be appreciated that the liquidity and settlement risks may be greater in emerging markets and accounting standards may not provide the same degree of shareholder protection as would generally apply internationally. In addition, assets located in the MENA region may be subject to increased political and or regulatory risks, a higher degree of governmental involvement in and control over the economies, longer settlement periods for securities transactions, lesser stringent laws regarding the fiduciary duties of officers and directors and protection of investors.

- Legal Status of the Master Fund

The Master Fund is a fund of the Master Fund Company. The Master Fund has been contractually structured with the intent that it exists separately from the Master Fund Company and from other funds created or marketed by the Master Fund Company. The Master Fund is a contractual agreement between its unit holders and the Master Fund Company. This contractual agreement is approved, governed and supervised by the Central Bank of Bahrain (the "CBB"). The Master Fund does not have its own legal personality as such and the extent to which a Bahraini government agency or a Bahraini court would uphold such distinction between the legal status of the Master Fund and that of the Master Fund Company is unclear and to the best of our knowledge remains untested. The assets of the Master Fund will be held by the Master Fund's custodian in the name of the Master Fund Company.

The assets comprising the Master Fund will at all times be owned by the Master Fund Company and will at no time become assets of the Master Fund's investment advisor: therefore the Master Fund should not in any way be affected by any insolvency or bankruptcy of the Master Fund's investment advisor.

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- Regulatory Framework

The regulatory supervision, legal infrastructure and accounting, auditing and reporting standards in emerging markets may not provide the same degree of shareholder protection of information to investors as would generally exist in more mature or developed markets. In particular; valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may be treated differently from international accounting standards.

- Economic and Political Stability

The performance of the Fund may be affected by changes in economic and political conditions and in legal, regulatory, and tax requirements. The Fund and the Master Fund will be responsible for paying their own fees and expenses regardless of the level of their profitability.

- Reliance on Management

Neither the Manager, the Company, the Fund nor other investors in the Master Fund will be entitled to participate in the management of the Master Fund. Accordingly, the Fund must be prepared to entrust management of the Master Fund to the Investment Adviser. The success of the Fund and the Master Fund depends, in part, on the quality, skill, and expertise of the individuals employed by the Investment Adviser.

The loss of key personnel from the Investment Adviser could adversely affect the Master Fund.

- Valuation of Investments

The valuation of some securities may depend on subjective factors, especially where securities are unlisted and can be difficult to establish with accuracy. In such circumstances, reliance will be placed on valuations proposed by the Investment Adviser. This could lead to potential conflicts of interest on the part of the Investment Adviser, whose fees will increase as the value of the Master Fund increases.

When calculating the Net Asset Value of the Fund in accordance with any of the provisions of the Offering Memorandum, or approving any methods of valuation determined by the Directors, the Administrator and Custodian will not be liable to any person for any loss, liability, claim, cost, or expense suffered by any person as a result of the Administrator or the Custodian having relied upon any information, or the accuracy or completeness of information supplied to it either by the Master Fund, the Directors, the Investment Adviser or their directors, officers, employees or agents, or should the availability of the pricing information be delayed or not be provided by the Investment Adviser or any third parties.

- Fees and Expenses Charged to Capital

The payment of fees and expenses may result in the erosion of the capital of the Master Fund and thus, on redemption or winding up, investors may not receive back the full amount invested.

- Performance Fees

Included in the calculation of the Master Fund's Performance Fee will be net realised and unrealised capital gains plus net realised and unrealised capital losses as at the end of the relevant performance period. As a result, Performance Fees may be paid on unrealised gains, which may subsequently never be realised.

- Conflicts of Interest

Under Bahrain law, an investment manager is obligated to act for the benefit of the Master Fund with respect to matters within the scope of its investment management agreement.

Due to the widespread operations undertaken by the Investment Adviser, administrator and custodian and their respective holding companies, subsidiaries, and affiliates, (each an interested party) conflicts of interest may arise.

The Investment Adviser may act as investment manager to, or be otherwise involved in, other funds or accounts including those which have similar investment objectives to those of the Company or the Master Fund.

The Investment Adviser, administrator and the custodian may provide similar services to others, provided that the services they provide to the Company or the Master Fund are not impaired thereby and each will, at all times, have regard to its obligations to the Company or the Master Fund and will endeavour to ensure that any conflicts are resolved fairly.

An interested party may acquire or dispose of any investment notwithstanding that the same or similar investments may be owned by or for the account of or otherwise connected with the Company or the Master Fund. In particular, the Investment Adviser is in a potential conflict of interest on the one hand in so far as it receives management and performance fees based

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on the Net Asset Value of the Master Fund and on the other in that it provides to the Administrator, for the purposes of calculating the Net Asset Value of the Master Fund, the valuation of the securities in which the Master Fund invests. However, the Investment Adviser will endeavour to resolve such conflict by valuing all of the securities in which it has invested on behalf of the Master Fund based on their probable realisation values with prudence and good faith and by also taking into account guidelines and principles of the CBB to the extent relevant and as per the latest Valuation Guidelines that are adopted from time to time by the Investment Adviser with regards to securities under its management.

Furthermore, an interested party may acquire, hold, or dispose of investments, notwithstanding that such investments had been acquired or disposed of by or on behalf of the Master Fund by virtue of a transaction effected by the Master Fund in which the interested party was concerned, provided that the acquisition or disposal by an interested party of such investments is effected on normal commercial terms as if negotiated on an arm's length basis and the investments held by the Master Fund are acquired on the best terms reasonably obtainable having regard to the interests of the Master Fund. An interested party may deal with the Master Fund as principal or as agent, provided that any such dealings are consistent with the best interests of the unit holders in the Master Fund and carried out as if effected on normal commercial terms negotiated on an arm's length basis and:

- (i) a certified valuation of a transaction is approved by the Auditor; or
- (ii) the transaction is executed on best terms reasonably obtainable on an organised investment exchange in accordance with the rules of such exchange.

In the event that a conflict of interest does arise, the Directors will endeavour, so far as they are able, to ensure that it is resolved fairly and in good faith.

- Other Risks

All securities investments present a risk of loss of capital. Whilst the Directors believe that the investment strategies of the Master Fund will moderate this risk through diversification between countries in the MENA region, the emerging markets entail special risk factors. These risks include a) currency devaluations and other currency exchange rate fluctuations, b) political uncertainty and instability, c) less government supervision and regulation of the securities markets, and participants in those markets than in the Organisation for Economic Co-operation and Development ("OECD"), d) greater price volatility, substantially less liquidity and significantly smaller market capitalisation of securities markets than in the OECD, e) custody and settlement risks which may be greater than those in the OECD, and f) poor accounting, reporting and auditing standards which may provide less accurate information to investors. In certain emerging markets difficulties could arise in relation to the registration of portfolio assets. In such circumstances, registration of shareholders in favour of the Master Fund may become lost through default, negligence or refusal to recognise ownership, resulting in loss to the Fund.

The Master Fund may invest in unlisted securities, such securities are likely to be illiquid and/or difficult to value. The Master Fund may also invest in markets where there may be exchange controls which apply to foreign investors and there is no guarantee that such investments will be recovered in full.

The Net Asset Value of the Fund (and the asset value of the Master Fund) will be computed in US Dollars, and may be affected by fluctuating exchange rates as the Master Fund's investment will be denominated in a mixture of emerging markets currencies.

Investing in the Fund involves a medium degree of risk designed for investors seeking a medium-to-long-term capital gain as well as a moderate level of income. Investors should nonetheless be able to bear the economic risks of their investment in the Fund, including all or part thereof, and should not be dependent upon any returns from such investment for any basic financial needs.

The aforementioned is not a comprehensive list of investment risk factors, and potential Shareholders are urged to consult with their professional advisors as to the legal, tax, and business risks involved in this investment. The performance of the Master Fund may be affected by changes in economic, political, and market conditions and in legal, regulatory, and tax requirements in the country of the residence of the Shareholder.

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DEALING PROCEDURES

ISSUE OF PARTICIPATING SHARES

Application has been made to the CISX, by way of an offer for subscription, for up to 50,000,000 Participating Shares of US\$0.01 each in the Fund, at an initial Dealing Price of US\$ 10 per Participating Share, to be admitted for listing on the CISX.

Participating Shares for this Fund will normally be issued at the prevailing Dealing Price (plus any applicable Initial Charge) on any Dealing Day, normally the 10th Business Day of every month, to investors whose applications have been received by the Manager together with their cleared subscription monies having been received by the Custodian not later than 3.00 p.m. Guernsey time on the Business Day 8 Business Days immediately preceding the relevant Valuation Point (as defined below under the sub-heading "Valuation") or such later time as the Directors may determine in their absolute discretion. The application procedures are described in further detail in the section entitled "Application Procedures".

In order that the Fund may invest subscription monies promptly in the Master Fund, cleared monies which have been received in connection with an application to subscribe for Participating Shares (which has been accepted) may be invested by the Fund before determination of the Dealing Price, rather than being held on a client money account until the relevant Dealing Day, during which time the applicant's subscription monies are not refundable unless the Fund rejects the application.

Applications for Participating Shares are irrevocable once received by or on behalf of the Company. The Manager may, at its discretion, refuse to accept any application. It will refuse an application from any investor who fails to provide the Administrator with the information required in accordance with prevention of money laundering procedures or fails to complete the Application Form in a manner sufficient to satisfy the Manager as to whether the investor or the person(s) represented by that investor (as the case may be) is a United States person.

MINIMUM INVESTMENT AND ADDITIONAL INVESTMENT

Initial applications for Participating Shares of this Fund must normally be for a minimum investment of US\$25,000. Thereafter, the shareholding of this Fund may be increased by any amount equal to or exceeding the minimum additional investment of US\$1,000. Fractions of Participating Shares will be issued to three decimal places where any subscription monies, after deduction of any applicable charges, are not an exact multiple of the Issue Price. Additional Participating Shares may be purchased by writing to or by faxing the Manager in Guernsey quoting the Shareholder's name and Client number. Applications and payments should be made in accordance with the procedure set out in the section entitled "Application Procedures". Where no amending instructions are received, the Manager will be entitled to treat any instruction given in respect of any existing holding of Participating Shares as being valid in respect of the additional investment.

DEALING DAYS

The first Dealing Day is expected to be on Thursday 28th February 2008, and the Participating Shares are expected to be admitted to the official list of the CISX on the same date. Applications for Participating Shares should therefore be received prior to the close of the initial offer at 3 p.m. on Thursday 21st February 2008. Thereafter, Dealing Days are normally the 10th Business Day of every month unless that 10th Business Day is a Friday, in which case the Dealing Day will be the 11th Business Day. The Company reserves the right to vary the frequency of Dealing Days whereupon the relevant Valuation Points shall be the 10th Business Day immediately preceding each of the Dealing Days as varied by the Company.

VALUATION

The prices of Participating Shares on allotment, redemption and conversion are calculated with reference to the underlying net assets of the Fund valued as at midnight on the last Business Day of each month (the "Valuation Point").

The Directors may, however, suspend valuation of this Fund if, inter alia, circumstances exist as a result of which, in the opinion of the Directors, it is not reasonably practicable for the Company to realise or to dispose of investments in this Fund or fairly to determine the value of the net assets of this Fund or if a breakdown occurs in any of the means normally employed to ascertain such value. No Participating Shares of the Fund so affected will be issued, redeemed or converted during such a suspension.

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SHARE PRICES

The Dealing Prices of Participating Shares are available from the Manager. The Dealing Price quoted or published by the Manager will not include any applicable Initial Charge.

To subscribe, application should be made using Form A of these Fund Particulars.

Details of how the Dealing Prices are calculated can also be found in the General Information section of the Offering Memorandum.

It should be noted that the Company has adopted "forward pricing" i.e. Share prices relating to particular subscriptions, redemptions and conversions are not calculated until after the closing time for the receipt of notice by the Manager of such subscriptions, conversions or redemptions. As a result, investors will not be able to be advised of the prices at which they have dealt until after the relevant transaction has been completed.

CONVERSION OF PARTICIPATING SHARES

Investors may elect to convert all or part of their holdings of any Fund of Participating Shares into another cell of the Company (the "New Fund") subject to the Subscription terms applicable to the New Fund being acquired, provided notice in writing has been received by the Manager in Guernsey not later than 3.00 p.m. Guernsey time on the Business Day 14 Business days before the relevant Valuation Point in respect of which conversion is to take place. Conversion instructions may also be given by facsimile but the original must be forwarded immediately to the Manager, marked as being "confirmation".

To convert all or part of a holding a Shareholder should provide conversion details to the Manager in the form set out in the Conversion Instructions on Form B of these Fund Particulars.

Conversions may normally be for an amount subject to the Subscription terms applicable to the class being acquired provided that in the case of a partial conversion neither the value of the Shareholder's holding in the New Fund nor the Shareholder's residual holding in the old Fund falls below US\$25,000.

The Manager may deduct from the existing holding, the sum of US\$50, to cover administration costs. The Manager may also, at its discretion, deduct the amount of any Initial Charge, where applicable, although this will generally not be done when conversions are made between Funds with the same Initial Charge structure.

Conversions will be effected on the basis of the Dealing Price (which does not include any Initial Charge) and which are calculated in accordance with the Articles. Details of the formula for the calculation can also be found in the General Information section of the Offering Memorandum. Requests for conversion received late may be held over until the next Dealing Day.

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REDEMPTION OF PARTICIPATING SHARES

Participating Shares may normally be redeemed on any Dealing Day at their respective Dealing Prices provided that notice of redemption in writing has been received by the Manager in Guernsey not later than 3.00 p.m. Guernsey time on the Business Day 14 Business Days before the relevant Valuation Point. Redemption instructions may also be given by facsimile not later than 3.00 p.m. Guernsey time on the Business Day 14 Business Days before the relevant Valuation Point but the original must be forwarded immediately to the Manager marked "confirmation".

To redeem all or part of a holding an investor should provide redemption details to the Manager in the form set out in the Redemption Instructions on Form C of the Fund Particulars.

The Manager may elect to purchase at a price not less than the relevant Dealing Price any Participating Shares presented to the Company for redemption.

Requests for redemption received late may be held over until the next Dealing Day.

Redemptions of Participating Shares may normally be for any amount provided that in the case of a partial redemption the value of the investor's residual holding in Fund does not fall below US\$ 25,000.

Payment of redemption proceeds will normally be made within 10 Business Days of the relevant Dealing Day, for the account specified by the Shareholder in his redemption payment instructions. Settlements of redemption proceeds will be made in US Dollars. Proceeds will be remitted at the risk of the redeeming shareholder and will normally be paid by telegraphic transfer with the remitting bank deducting its charges from the redemption proceeds.

If, in the view of the Manager, at any Dealing Day sufficient quantities of the underlying investments cannot promptly be liquidated to fund redemptions without a material adverse effect on the prices to be obtained for the underlying investments, the Manager may limit the total number of Participating Shares that may be redeemed by reference to the net asset value as at the relevant Dealing Day to 10 % (or such higher percentage as the Directors may determine) of the total number of shares in issue.

The limitation will be applied pro rata to all Shareholders who have requested redemption to be effected on such Dealing Day so that the proportion of each holding redeemed is the same for all such Shareholders. Any Participating Shares which, by virtue of this limitation, are not realised on any such Dealing Day shall be carried forward for redemption with effect on the next following Dealing Day at the Dealing Price associated with such Dealing Day. In respect of any Dealing Day to which redemption requests ("Deferred Requests") are deferred, such requests will be dealt with in priority to other redemption requests on that Dealing Day ("Other Requests") until the Deferred Requests have been satisfied in full. The deferral powers described in this paragraph shall apply mutatis mutandis to any Other Requests which, as a result of the above limit, have not been satisfied in full on any Dealing Day.

COMPULSORY REDEMPTION

Participating Shares may be compulsorily redeemed in the event that the Master Fund terminates, for what ever reason.

IIAB MENA Feeder Fund (The "Fund")

CHARGES AND FEES

INITIAL CHARGE

The Manager is entitled to apply an Initial Charge of 2% of the Dealing Price.

The Manager may, at its sole discretion waive or vary the Initial Charge on a direct investment into the Fund.

The Dealing Price of Participating Shares is exclusive of any applicable Initial Charge.

FEES

The Manager is entitled to a rebate from the Master Fund's investment manager out of which the Manager has agreed to pay the annual fees of the Custodian, the Administrator, and the Registrar in so far as they relate to the Fund.

The Custodian will receive a fee of 0.02 percent per annum of the Net Asset Value of each Fund, subject to a minimum annual fee of US\$4,000. The Manager is not liable to reimburse the Custodian for normal expenses incurred by it except for the cost of communications, correspondent's and agents charges, legal and other expenses properly incurred in the course of its duties.

The fee of US\$300 will be payable to the Custodian for each investment by the Fund that requires the Custodian to complete the subscription documentation.

A fee of US\$75, exclusive of any agent's or sub-custodian charges, will be payable to the Custodian in the event that the Custodian is responsible solely for either: i) the settlement of a transaction for the Fund, or ii) the transfer of stock to or from the Custodian on behalf of the Fund for no consideration.

The Administrator will receive a fee of 0.15 percent of the Net Asset Value of the Fund, subject to a minimum of US\$20,000 per annum. The Administrator will also be paid US\$50 by the Fund for each subscription, redemption, transfer, and switch.

The fees of the Custodian and the Administrator are payable monthly and are calculated by reference to the net asset value of the net assets of the relevant Fund at each Valuation Point during each relevant month.

The Fund shall be responsible for all Legal, Audit, Publication, Postage, Out of Pocket, Insurance, Printing and other appropriate Expenses properly incurred by the Company specifically in respect of the Fund and its continuing operation.

In the event that the above rebate received by the Manager is deemed by the Manager to be insufficient to cover the payment of the above costs and fees, the Shareholders in the Fund will be asked in general meeting to pass an ordinary resolution of the Fund to approve the payment of such costs and fees out of the assets of the Fund, failing which the Directors may seek to terminate the Fund and compulsorily redeem all Participating Shares in the Fund.

The Directors shall be entitled to claim fees out of the assets of the Fund at the following rates:

Chairman £2,000 per annum;

Directors £1,250 per annum for each Director; and

an additional £500 per annum for the Chair of the audit committee.

The costs of establishing the Fund (amortised over a period of 5 years in the books of the Company) will be borne by the Fund.

IIAB MENA Feeder Fund (The "Fund")

THE MASTER FUND

INVESTMENT OBJECTIVE OF THE MASTER FUND

The Master Fund will provide its unit holders with the opportunity of investing in a Shari'ah compliant listed and unlisted equity and equity related securities in the MENA region. The investment objective of the Master Fund is to achieve long-term capital appreciation, whilst adhering to Shari'ah principles. The Master Fund will seek to achieve this objective by actively investing predominantly in listed and unlisted equities and equity related securities in the MENA region as per Shari'ah guidelines. The Master Fund Company has appointed Al Arabi Investment Group Co Ltd, the Investment Adviser to the Company, to act as the investment manager of the Master Fund. A copy of the prospectus in relation to the Master Fund may be obtained from the Investment Adviser.

FEES AND EXPENSES OF THE MASTER FUND

The Fund operates as a feeder fund into the Master Fund, which bears fees and expenses incidental to its own operation including, without limitation, the following:

- (i) The Investment Adviser is entitled to a total annual investment management fee of 1.5% per annum of the net asset value of the Master Fund (prior to the accrual of any performance fee), accruing monthly and payable quarterly in arrears by the Master Fund.
- (ii) The Investment Adviser is also entitled to a performance fee in respect of each Financial Year (a "Performance Period") equal to 15% of the total return above 8% with reference to the net asset value per unit in the Master Fund, inclusive of any dividends paid during the Performance Period, accruing monthly and payable annually by the Master Fund.
- (iii) The Master Fund's custodian and administrator is entitled to a custody and administration fee calculated as 0.2% per annum on the net asset value of the Master Fund, accrued monthly and paid quarterly in arrears, subject to a minimum of US\$75,000 annually.
- (iv) The terms of the Master Fund's custody agreement and administration agreement specify that all out of pocket expenses incurred on behalf of the Master Fund or the Master Fund Company shall be charged, as incurred, to the Master Fund. These expenses include the cost of communications, postage, printing, and out-of-pocket expenses involved in the course of duties, e.g. stamp duty and correspondent bank charges. The Master Fund's custodian has the right to recover, at cost from the Master Fund, all sub-custodian and any additional charges incurred in the settlement of trades.

To the extent that the Custodian appoints a sub-custodian in accordance with the terms of the Custodian Agreement, the fees of such sub-custodians shall be payable by the Fund Company and shall be subject to a maximum annual fee of 0.10% of the Net Asset Value against official documents.
- (v) The Master Fund's registrar is entitled to a registrar fee of: US\$6,000 per annum for up to 100 unit holders; and an additional charge of US\$40 per annum per every additional unit holder thereafter, accruing monthly and payable quarterly in arrears by the Master Fund.
- (vi) All expenses in connection with the offering of units in the Master Fund and all of its operating costs throughout the duration of the Master Fund which include but are not limited to: brokerage commissions; legal fees; company secretarial fees; fund registration fees; statutory fees; auditing, translation, legal and accounting expenses; taxes and governmental expenses; costs of preparation, printing, and distribution of reports and notices; costs of all marketing material and advertisements; costs of periodic update of the Master Fund's Private Placement Memorandum; custody and transfer expenses; all expenses in connection with registration and distribution of the units in the Master Fund issued or to be issued; expenses of unit holders' meetings; expenses of any publication and distribution of the net asset value of the Master Fund, including clerical costs of issue or redemption of units and any other fees and expenses relating to the management and administration of the Master Fund or attributable to the Master Fund's investments, borrowing or operation.
- (vii) expenses related to board meetings of the Master Fund Company (subject to a maximum of US\$50,000 annually).
- (viii) board insurance expenses if any.
- (ix) Shari'ah Board honorarium fees of US\$3,400 per annum per board member.
- (x) Audit fees.

IIAB MENA Feeder Fund (The "Fund")

THE DIRECTORS OF THE MASTER FUND COMPANY

The directors of the Master Fund Company have overall authority over and responsibility for the operations and management of the Master Fund and will exercise supervision and control of the Master Fund and the Master Fund Company including deciding matters of general policy and reviewing the actions of the Investment Adviser, custodian and administrator. The Master Fund Company may appoint new directors and the officers or remove them from time to time.

The following have been appointed as directors of the Master Fund Company and have accepted to serve on the board. Aggregate compensations of the directors of the Master Fund Company are not expected to exceed US\$40,000 annually and if applicable will be borne by the Master Fund.

Mr Jawdat Al-Halabi

Mr Al-Halabi is the Global Head of Private Banking and Investment Banking at Arab Bank plc. Previously, Mr Al-Halabi was the head of the Corporate Bank in the Western Region of The National Commercial Bank (NCB), Jeddah until 1999, when he became the head of Private Banking at NCB, which also included NCB's brokerage business. Prior to that, Mr Al-Halabi held several positions in the corporate Saudi American Bank (a Citibank affiliate), Jeddah since 1984, the last of which was head of the petrochemical unit. In 1990, Mr Al-Halabi joined Saudi Hollandi Bank (an ABN AMRO affiliate) in Jeddah, as part of the team that was recruited to restructure the bank, where he was the Head of the Corporate Bank and the Regional Manager for the Western Region of Saudi Arabia. In 1995, he joined Saudi American Bank to Head the Structured Finance Unit and set up the Islamic Banking Unit. Mr Al-Halabi holds a B.Sc. in Industrial Engineering from Texas A&M University (1984) and has attended both the Wharton Executive Development Program (1994) and the Stanford Executive Program (2002).

Mr Adel Kasaji

Mr Kasaji is the Chief Financial Officers in AlArabi Investment Group Ltd. Co. Prior to joining AlArabi Investment Group Ltd. Co., Mr Kasaji worked with Deloitte & Touche for almost 10 years, first in the Middle East and later in Toronto. Whilst with Deloitte & Touche, Mr Kasaji's work included managing various due diligence and fraud examination assignments, he was also in charge of audits and special assignments and his clients included major financial institutions, banks and telecommunication companies within both governmental and private companies encompassing a wide spectrum of industries. He has experience in sophisticated financial instruments and derivatives, for speculation and hedging purposes. Mr Kasaji is a member of several Accounting bodies, including the Chartered Financial Analyst Institute (CFAI), the National Association of Certified Valuation Analyst (NACVA), and the Illinois Society of Certified Public Accountants (ICPA). Throughout his career path, Mr Kasaji has participated in various training courses including a course in International Financial Reporting Standards (IFRS), Treasury and Business Valuation, International Accounting Standards (IAS) as well as a CPA Review Course with Ernst & Young. Mr Kasaji received a Bachelor of Science in Accounting and Business Administration from the University of Jordan, and holds a CVA qualification as well as a CPA from the State of Illinois. He has been a CFA Charter holder since 2003.

Mr Qutaiba Al-Hawamdeh

Mr Al-Hawamdeh holds a BA degree in business administration and finance; an MBA from Southampton University, England; and an MSc in International Securities, Investment and Banking from the ICMA Centre (formerly the ISMA Centre), Reading University, England. Before joining AlArabi Investment Group Ltd. Co., Mr Hawamdeh worked for Jordinvest, where he was responsible for managing the proprietary portfolio and mutual and pension funds and institutional clients; portfolios; in addition to executing advisory brokerage services for institutional clients and ultra HNW individuals. Prior to that, he worked in Mobilecom as a Senior Treasurer, and earlier in his career, Mr Hawamdeh worked in the Department of Commercial Foreign Trade at the Arab Bank. In 2005, Mr Hawamdeh earned the right to use the Chartered Financial Analyst (CFA) designation, and is currently a member of the CFA Institute, Charlottesville, Pennsylvania, and CFA Jordan Chapter.

IIAB MENA Feeder Fund (The “Fund”)

Ramez Sawabini

Ramez Sawabini (British) was born in Baghdad in 1956. He has a broad experience in the Private and Investment banking industry. Mr. Sawabini joined Kidder Peabody International Ltd –London in 1982 where he advised institutional investors in Europe and the Gulf on Investment Strategy and asset allocation. In 1985, Al Mal international Ltd –London one of his institutional investors hired him to set up and grow their portfolio management service. He then moved to Citibank NA-London in 1987 where he held senior positions in the EMEA Portfolio management team. In 1993 Ramez moved to Saudi American Bank- Riyadh then a Citibank managed bank, acting as Assistant General Manager and Head of Investment Products. Mr. Sawabini in 1998 joined Shamil Bank of Bahrain and was appointed Head of Investment Management and Treasury. In 2001, he moved to the National Commercial Bank in Jeddah and took up the position of Chief Investment Officer. Mr. Sawabini joined the Arab Bank-Bahrain since March 2007 and is currently the Global Chief Investment Officer of the Arab Bank plc. He is a board member of a number of Fund Management companies and holds a B.Sc. International Business from the American Business School of Switzerland.

Ghassan Bundakji

Mr Bundakji is a Board Member and the General Manager of Islamic International Arab Bank. Prior to joining Islamic International Arab Bank, Mr Bundakji was the Regional Manager of Arab Bank Doha-Qatar. Previously, Mr Bundakji was the Area Manager of Arab Bank Zarqa Branch/Jordan and in Sana’a/Yemen. He also served as the Head of Purchasing and Supplies Department in the general headquarters of Arab Bank. Before that he worked as a Credit Manager in the Credit Facilities Department in the General Management and served as the Manager of Arab Bank Nigeria. Mr Bundakji worked also as a Manager of Several Arab Bank Branches. During his career path, Mr Bundakji participated in numerous training courses, seminars and international conferences in finance and banking. Mr Bundakji received his Bachelor Degree of Accounting from Cairo University and after his graduation he worked for Bank of Jordan, Jordan Petroleum Company and the Royal Scientific Society, respectively.

THE MASTER FUND’S INVESTMENT MANAGER

The Master Fund has appointed AlArabi Investment Group Ltd. Co. (trading as “AB Invest”) a wholly-owned subsidiary of Arab Bank Plc, as investment manager to the Master Fund. The Manager has appointed AB Invest as investment adviser to the Fund.

AB Invest, which was established in 1996, is a premier regional investment firm playing a leading role in the development of capital markets in the MENA region. Serving institutional, corporate, government, and individual clients, AB Invest provides the full range of financial services, including corporate finance, asset management, brokerage and research. In 2004, AIG was acquired by Arab Bank Plc and became a member of the Arab Bank Group, one of the principal financial institutions in the Middle East, with total assets exceeding US\$27 billion.

AB Invest provides comprehensive advisory services that encompass structuring innovative and conventional financial products and strategies, and conducting in-depth economic corporate and securities research. AB Invest analyses client needs in-depth and develops customised solutions that are complemented by corresponding services, advisory facilities and high quality products.

As an asset manager, AB Invest manages, among others, funds, discretionary portfolios, provident funds/pension plans, and endowment funds. AB Invest also advises investors on restructuring funds and portfolios and acts as local adviser to several foreign funds.

Arab Bank Plc has been operating in the Middle East and North Africa region since its inception in 1930. With an unrivalled franchise, the Arab Bank has a presence on the ground in nearly every country in the region, either director or through affiliates.

IIAB MENA Feeder Fund (The "Fund")

THE SHARI'AH BOARD

With respect to Shari'ah matters, the Master Fund and its investment manager will be advised by the Shari'ah board, the composition of which is set forth below. The Shari'ah board is also the Shari'ah Board of the Company and will establish general investment guidelines, which are consistent with the principles of Shari'ah.

The Investment Adviser, the Company and the Directors will all be entitled to rely completely on the directions and decisions of the Shari'ah Board to ensure that the principles of Shari'ah are observed in relation to proposed or actually implemented investments.

The investment process of the Master Fund has been reviewed by the Shari'ah Board, who has issued an opinion with respect to conformity of the same with Shari'ah. The Shari'ah Board has a proven track record in the implementation of Shari'ah law, and is comprised of the following prominent scholars:

Dr. Hamdi Moh'd Murad

Dr. Murad is currently a Professor in the faculty of Shari'a, Albalqa'a University, and a Member of Islamic Shari'ah Committee in the Islamic International Arab Bank. Prior to that Dr. Murad worked as the Secretary-General of the Islamic University and Dean of Shari'ah and Law Faculty. Dr. Murad was leading a number of committees that were responsible for the placement of curriculums, for both undergraduate and postgraduate levels in the following departments: Islamic Economy, Islamic Law, Islamic Media, Fiqh and Jurisprudence, and Islamic Origins. In addition, Dr. Murad supervised numerous number of dissertation projects and appraisal researches. He also participated in the preparation for a number of scientific and Sharia'ah encyclopedias, such as: the Golden Encyclopedia, Ethics Encyclopedia, etc. Dr. Murad was delegated from his university to work in the Ministry of Awqaf "Endowments", Islamic Affairs and Holy Places. Also he occupied the position of Secretary-General Assistant, and Zakah Fund General Manager. Dr. Murad is a Member in the Annual Summit Conference for International

Religious and Political Leaders for the sake of International Peace. Dr. Murad is also a permanent member in the Religions, Development, and Peace Respect Conference. Appreciating his essential efforts, Dr. Murad was awarded the certificate of "International Peace Ambassador". Dr. Murad is an expert in presenting studies, research work, and different activities with several domestic and exterior institutions, such as UNISCO and UNISEF. Dr. Murad participated in many national, Arabian, and International Conferences and Seminars. Dr. Murad received his PHD Degree in Islamic Shari'ah.

Dr. Abdel Salam Al-Abadi

Dr. Abadi is currently The Vice President of Islamic International Jurisprudence Assembly, also he is the state councilor for Islamic and Religious Affairs, and the Secretary General of the Jordanian Hashemite Agency for Relief and the General Executive Director since 1999 up to present time, he is also the president of Al-AlBayt University since 8/1/2006, and a Member of Islamic Shari'ah Committee in the Islamic International Arab Bank since 1998 up to present time. In addition to that Dr. Abadi chaired several Councils, Council of the Rehabilitation of Preachers and Imams, Council of Islamic Charity-Zakah and others. Prior to that Dr. Abadi was the President of Al Al-Bayt University. Dr. Abadi was appointed as the Minister of Awqaf "Endowments", Islamic Affairs and Holy places for several times during the years 1993-2005. Dr. Abadi worked also as the General Director of the Orphans Funds Management and Development Corporation. Before he worked in the Ministry of Awqaf, Dr. Abadi was the Dean of Students Affairs, a Chairperson of Dept of Jurisprudence and Legislation in Jordan University. During his career path, Dr. Abadi held many positions such as: Board of Directors Member and Vice President of National Islamic Bank, a Member of the Board of Trustees for Jerash Private University, and Al Al-Bayt University. Dr. Abadi still holds many Positions and Memberships such as: Member in Al Al-Bayt Islamic Thought since 1986, Member in Islamic International Jurisprudence Assembly as a representative of Jordan since its foundation in 1983 and Vice President until 1989, and he was re-elected as vice president in 2006, a Member of the Islamic Jurisprudence Assembly Associated with International Islamic Union in Mecca in 2004. Dr. Abadi also participated in many public and scientific missions, Islamic conferences, academic seminars, and supervised and paneled several PHD and MA dissertations in several Jordanian Universities. Dr. Abadi has numerous numbers of Publications, Articles and Researches, which include a very important Publication, (Property) in Islamic Shari'ah. Dr. Abadi received his PHD and Master degree in comparative Jurisprudence from Al-Azhar University, Higher Diploma in Islamic History-University of Cairo, and a Bachelor degree in Islamic Shari'ah from Damascus University.

IIAB MENA Feeder Fund (The "Fund")

Dr. Sheikh Izziddin Al-Khatib Al-Tamimi

His Eminence Sheikh Izziddin Al-Khatib Al-Tamimi is currently a Senator Member in the Parliament and a Member of Shari'ah Advisory Committee of Islamic International Arab Bank. Prior to that, since September 1993 he has been appointed as The Supreme Judge along with his position as the Advisor to his Majesty the King for Islamic Affairs which he fulfilled until November 20, 2005, in addition to his position as the Chairman of The Board of Directors of Orphans Funds Management and Development Corporation. Prior to that his Eminence was appointed as a Minister of Awqaf "Endowments", Islamic Affairs and Holy Places two times. His Eminence Sheikh Izziddin worked for more than 20 years in the Ministry of Awqaf "Endowments", Islamic Affairs and Holy Places and was appointed as the Director of Preaching and Guidance for 13 years, after that he was appointed as the Deputy of the Minister for 7 years. His Eminence Sheikh Izziddin still holds the following positions: Chairman of the Board of Trustees of Al Al-Bayt University, Member of The Board of Trustees of the Hashemite Jordanian Charitable Organization, Member of the Board of Trustees of Al Al-Bayt Foundation, Member of the Royal Committee for Human Rights, Chairman of the Legal Opinion Providing Council and Deputy Chairman of The Council of Education. Furthermore, in the field of scholarly production, his Eminence has written more than 20 books and has participated in numerous Islamic conferences. His Eminences joined the faculty of Shari'ah at Al-Azhar Al-Sharif and received the Scholarly Certificate along with the license in the Shari'ah Judiciary.

In particular, the Shari'ah Board shall be responsible for the following activities:

- (i) studying and reviewing the Master Fund's investment objectives and policies to ensure their compliance with Shari'ah;
- (ii) advising the Investment Adviser regarding compliance with Shari'ah;
- (iii) determining appropriate guidelines for the selection of companies in whose securities the Master Fund may invest;
- (iv) providing appropriate guidelines for the Investment Adviser to make purification deductions;
- (v) monitor the underlying investments against the Shari'ah guidelines prescribed to the Investment Adviser; and
- (vi) providing an opinion on the Master Fund's compliance with Shari'ah for inclusion in the Fund's audited annual financial report.

The Directors shall ensure that any written recommendations of the Shari'ah Board to liquidate investments in accordance with the requirements of Shari'ah shall be timely implemented by the Investment Adviser.

TAXATION OF THE MASTER FUND

The following comments are based on information regarding the current law and practice in Bahrain and elsewhere and are intended only to inform, and not to be relied upon. Shareholders in the Fund should appreciate that as a result of changing law or practice or unfulfilled expectations as to how the Master Fund and the Fund will be regarded by tax authorities in different jurisdictions, the tax consequences for the Fund and for Shareholders may be other than as stated below.

Shareholders are referred to the Offering Memorandum for an explanation of the taxation of Shareholders in the Company.

As at the date of this document, there are no taxes payable in respect to income, withholding or capital gains by the Master Fund under existing Bahrain law and the free transfer of currency into and out of Bahrain is permitted, subject to any international regulations in force from time to time.

IIAB MENA Feeder Fund (The "Fund")

APPLICATION PROCEDURES

GENERAL

- I. All applications must be sent to the Manager, being:-

Arab Bank Fund Managers (Guernsey) Limited
1 Le Marchant Street
St Peter Port
Guernsey
Channel Islands GY1 4HP

Applications must be made on the Application Form attached (Form A). All applications should state which Fund of or Funds of Participating Shares are required. Where an Application Form is faxed to the Manager the original must be forwarded immediately to the Manager, marked as being "confirmation". Applications are irrevocable once received by the Manager.

- II. Applications must be received by 3.00 p.m. Guernsey time 8 Business Days prior to the Valuation Point for the relevant Dealing Day. Funds remitted by telegraphic transfer may be subject to a bank collection or other charges. In the event that such a charge is made, the sum available for subscription will be reduced accordingly and sufficient time should be allowed for the Manager to be notified of the receipt of cleared funds.
- III. Fractions of Participating Shares will be issued where any subscription monies, after deduction of any applicable charges, are not an exact multiple of the Dealing Price.
- IV. The Manager reserves the right to reject any application in whole or in part, in which event the subscription monies or any balance will be returned by telegraphic transfer to the remitting bank at the applicant's risk and expense. In addition, in the case of joint applicants or joint holders, the Manager reserves the right to act on the instructions of any one of them, unless otherwise instructed.
- V. All applications will be deemed to have been made on the terms of the Offering Memorandum and the relevant Fund Particulars (which together constitute the scheme particulars) and subject to the Memorandum and Articles of Association of the Company. In the case of conflict, the terms of the Memorandum and Articles of Association shall prevail. From time to time the terms of the scheme particulars may be updated and an applicant should ensure that his application is made on the basis of the latest version of the scheme particulars. However, if an application is made apparently on the basis of an earlier version of the scheme particulars, the Manager reserves the right to accept such application and would normally exercise such right on the basis that such acceptance would reflect the wishes of the applicant.
- VI. The Manager reserves the right to accept applications and conversion and redemption instructions which do not comply with the procedures set out herein.

IIAB MENA Feeder Fund (The "Fund")

COUNTERING FINANCIAL CRIME AND TERRORIST FINANCING

- I. Measures aimed towards the countering of financial crime and terrorist financing will require an applicant to verify their identity to the Administrator. These measures are contained in the Criminal Justice (Proceeds of Crime) Financial Services Businesses (Bailiwick of Guernsey) Regulations 2007 (the "Regulations") and the associated handbook (the "Handbook") issued by the Guernsey Financial Services Commission.

The information and documentary evidence which will be required by the Administrator to accompany an application is as set out in the Form A Application Form. Applicants who are individuals must complete Part A1 of that form and applicants who are corporate investors (including corporate trustees of a trust which is an applicant and corporate directors of a corporate applicant) must complete Part A2. In addition, individuals who are associated with applicants which are corporate applicants or other legal bodies, trust relationships or other legal arrangements will also be required to provide the information and documentary evidence required under Part A1. Part A3 may be completed by applicants who are financial services eligible under the Regulations and the Handbook to act as introducers.

The Directors, and the Administrator on behalf of the Directors, reserve the right to request such documentation as they deem necessary under the Regulations and the Handbook to verify the identity of the applicant. The information and documentary requirements set out in the Form A Application Form is a non-exhaustive list and other documentary evidence may be acceptable to the Administrator in accordance with the Regulations and the Handbook. Applicants, if in doubt as to the information and documentary evidence to be provided in any particular case, should contact the Administrator for clarification.

Where the documentary evidence of identity to be provided by an applicant is marked as requiring to be certified, this must be duly certified by a person who is a "suitable certifier" being a person contained in a non-exhaustive list set out in the Handbook, which includes an officer of an embassy, consulate or high commission of the country or territory of issue of documentary evidence of identity, a member of the judiciary, a senior civil servant, or a serving police or customs officer or a lawyer, notary public, or an actuary or accountant who is a member of a recognised professional body. A "suitable certifier" may also be a member of the Institute of Chartered Secretaries and Administrators or a person who is a director or officer of a financial services business which is either regulated in Guernsey or meets certain requirements, including regulation, and is carried on in certain named countries or territories recognised by the Commission under the Handbook.

-
- II. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator or the Company may refuse to accept the application and any subscription monies received may be returned without interest by telegraphic transfer to the remitting bank at the applicant's risk and expense.

IIAB MENA Feeder Fund (The "Fund")

Form A

APPLICATION FORM

To: Arab Bank Fund Managers (Guernsey) Limited
c/o Legis Fund Services Limited
1 Le Marchant Street
St Peter Port
Guernsey
Channel Islands GY1 4HP

Tel: +44 (0)1481 726034 Fax: +44 (0)1481 712167

I/We apply to invest (subject to deduction of any applicable charges) in Participating Shares of the class(es) specified below.

The minimum initial investment is US\$25,000.00.

This Application is made solely on the basis of and subject to the Offering Memorandum for IIAB PCC Limited and the Fund Particulars relating to the relevant Fund(s). Terms contained within this Application Form (being Sections A to E below) are as defined within the above documents which, together with the Memorandum and Articles of Association of the company, are governed by Guernsey law.

Cell of Participating Share	Investment	Stamp and signature of Branch or Agent
IIAB MENA Feeder Fund	US\$ <input type="text"/>	

A. COUNTERING FINANCIAL CRIME AND TERRORIST FINANCING

If you do not already hold any investments in the Company, you must **complete one of the three boxes below** (A1 – A3) based on your status as an investor. Failure to do so will result in your investment being delayed or rejected.

IIAB MENA Feeder Fund (The "Fund")

Form A

A1. APPLICATIONS FROM INDIVIDUAL INVESTORS/INDIVIDUALS ASSOCIATED WITH CORPORATE APPLICANTS AND OTHER LEGAL BODIES

To be completed by individual investors making the subscription on their own behalf and for their own benefit. Where individuals are applying jointly, this information must be provided for each of the individuals. This Part A1 is also to be completed by individuals associated with corporate applicants or other legal bodies or arrangements as follows:

- (i) individuals ultimately holding a 25% or more interest in the capital or net assets of the legal body;
- (ii) underlying principals, directors, authorised signatories or equivalent with ultimate effective control over the capital or assets of the legal body;
- (iii) settlor(s), protector(s), co-trustee(s) of an applicant which is a trust and any beneficiary with a vested interest or likely to benefit from the trust;

Investor name

Former name(s) and other names used

Principal residential address

Correspondence address (if different)

Date of birth

Nationality

Place of birth

Name of employer

Nature of employment

Public positions held (if any)

Telephone no. (work)

Facsimile no. (work)

E-mail address

Passport or other official identification number (please state nature of identity document)

Signature¹

Each individual must include the following documents:

- (i) A Certified true copy* of the relevant pages of current passport, national identity card, armed forces identity card or other document of an equivalent nature satisfactory to the Administrator. (The copy must be clear enough to identify the individual concerned.)
- (ii) A Certified true copy* of a recent utility bill or other document acceptable to the Administrator as proof of address (not more than three months old).

IIAB MENA Feeder Fund (The "Fund")

Form A

A2. APPLICATIONS FROM CORPORATE INVESTORS INCLUDING CORPORATE DIRECTORS OF CORPORATE APPLICANTS, CORPORATE TRUSTEES OF A TRUST APPLICANT ETC

Corporate investor name	Business type
<input type="text"/>	<input type="text"/>
Registered address	Principal place of business (if different)
<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
Date of incorporation	Incorporation no.
<input type="text"/>	<input type="text"/>
Telephone no. (work)	Facsimile no. (work)
<input type="text"/>	<input type="text"/>
Jurisdiction of incorporation	E-mail address
<input type="text"/>	<input type="text"/>
Signature	Print name and authority of signatory
<input type="text"/>	<input type="text"/>

The following documents must be included with this application form:

- (i) Certified true copy* of the certificate of incorporation;
- (ii) Certified true copy* of the memorandum and articles of association;
- (iii) Resolution of the Board of Directors authorising the opening of the account and conferring the authorised signatory/signatories who will operate the account (attaching authorised signatory list showing specimen signatures where applicable); and
- (iv) Certificate of Incumbency/Good Standing or equivalent listing the names and addresses of all officers and directors of the corporate entity; along with the verification of individuals ultimately holding a 25% or more interest in the capital or net assets of the legal body;(ii) underlying principals, directors, authorised signatories or equivalent with ultimate effective control over the capital or assets of the legal body (see A1 (i) above) (If corporate director/partner/trustee, kindly provide same information as for the Corporate Investor).

Additional documents may be requested if deemed necessary by the Administrator.

Documents may be faxed but originals must follow by post.

IIAB MENA Feeder Fund (The "Fund")

Form A

A3. APPLICATIONS FROM REGULATED FINANCIAL INSTITUTIONS BASED IN AN APPENDIX C COUNTRY² ON THEIR OWN BEHALF OR ON BEHALF OF THEIR CLIENTS

Either (tick as appropriate):

1. We are making this application on our own account; **OR**
2. We are making this application on behalf of one or more of our clients. We have taken and recorded evidence of their identity in accordance with our local countering of financial crime and terrorist financing prevention requirements. We undertake to provide written confirmation of identity in the form of a certificate or summary sheets, as required by the Administrator in accordance with the Handbook, and to supply, upon request without delay, certified copies, or originals, of the identification data and other evidence collected by us under our client due diligence process.

Authorised signatory

Name

Date

¹ If this application is signed by an attorney it must be accompanied by the authorising Power of Attorney. A company must Execute this application form under its common seal or the hand of a duly authorised officer whose capacity should be stated, and such a company must also provide evidence that it has the power to enter into this transaction and confirm that the application and the transaction to which it relates are legally valid and binding on such company. The Manager reserves the right to request sight of such evidence.

² Appendix C of the Handbook on Countering Financial Crime and Terrorist Financing issued by the Guernsey Financial Services Commission lists the Countries and Territories whose authorised Financial Services businesses may be treated as if they were local. Appendix C countries are: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Gibraltar, Greece, Hong Kong, Iceland, Ireland, Isle of Man, Italy, Japan, Jersey, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Singapore, South Africa, Spain, Sweden, Switzerland, the United Kingdom and the United States of America.

* Copies should be certified as true copies of the original by a "suitable certifier" being a suitable respected professional person. Further information on the persons who may be acceptable as such a suitable certifier is contained in paragraph I under the heading "Countering Financial Crime and Terrorist Financing" above The following certification or a certification in substantially similar form should be used: **"I [name of person], hereby certify that the copy of the identification document attached hereto is a true and correct copy of the original document produced to me."** The certifier should sign and date the copy document (printing his or her name clearly underneath) and clearly indicate their position or capacity on it together with a contact address and phone number.

IIAB MENA Feeder Fund (The "Fund")

Form A

B. DECLARATIONS

I/We declare that: (tick as appropriate)

I am/We are over 18 years of age (individual investors only)

- The Participating Shares are not being acquired directly or indirectly by or on behalf of a United States person (as defined in the Offering Memorandum) or in violation of any applicable law; **or**
- I am/We are** "Accredited Investors" as defined in Regulation D of the United States Securities Act of 1933; **or**
- I am/We are** not resident in the Islands of Guernsey, Herm or Alderney for tax purposes (nor the nominee or trustee of such person).

I/We acknowledge that I/we have received a copy of the latest Offering Memorandum and the Fund Particulars for the relevant Fund(s) and I am/we are acting on the basis of such Offering Memorandum and Fund Particulars and subject to the Memorandum and Articles of Association of the Company. In the case of conflict, the terms of the Memorandum and Articles of Association of the Company shall prevail.

I/We acknowledge that due to measures aimed at countering financial crime and the financing of terrorism operating within their jurisdiction, the Administrator and/or the Company will require proof of identity (as described in the Offering Memorandum) before the application can be processed and the Company and/or the Administrator shall be held harmless and indemnified against any loss ensuing due to the failure to process this application, if such proof of identity as is required has not been received by the Administrator.

I/We acknowledge and agree that once my/our application is accepted by the Administrator my/our subscription monies will be paid immediately to the Company and invested by the Company in advance of the relevant Dealing Day and the allotment of my/our Participating Shares.

I/We hereby authorised the Manager to act upon redemption instructions placed by facsimile with regard to the shares subscribed for (and any further shares purchased) without liability in respect of any conversion, payment or any other act done in accordance with such instructions and notwithstanding that it shall be done that same was not, given, signed or sent by me/us.

I/We agree that this authorisation shall remain in force until notice in writing of its termination is received by the Administrator and any such notice shall be without prejudice to the completion of transactions already initiated pursuant to this authorisation. This facsimile authority does not apply to conversion of shares between Funds.

C. JOINT ACCOUNTS

Survivorship Clause (tick as appropriate)

We hereby agree and jointly instruct the Company that on the death of either or any one of us these Participating Shares are to be held to the order of the survivor(s) subject to any right the Company may have in respect thereof whether arising out any lien, charge, pledge, counterclaim or otherwise.

We further request and empower the Company to act upon any instruction and to execute any payments when such instruction is signed:

- Severally – any one of us may sign; **OR**
- Jointly – each of us must sign; **OR**
- Other – please specify

We authorise the Administrator to act upon the instructions given in writing (and, if we have so elected, by telephone or facsimile) with regard to the Shares signed or purportedly signed by **any one of the signatories in section A above** without liability in respect of any transfer payment or other act made done or omitted to be done in accordance with such instructions, and notwithstanding that it shall be shown that the same was not signed or sent by the relevant person with the express authority of all joint investors.

IIAB MENA Feeder Fund (The "Fund")

Form A

We confirm that, upon the death of **any of the signatories in section A above**, this authorisation will continue in force and the Administrator may, without liability (as aforesaid), act on the instructions with regard to the Shares and monies standing to our credit with the Administrator, or in any matter in connection therewith including the transfer or other disposition of Shares or monies standing to our credit.

We confirm that these authorisations shall apply to any further Shares of the Company purchased, transferred or otherwise held that are registered jointly **in all of the names of the signatories in section A above**.

We agree that this authorisation shall remain in force until notice in writing of its termination or replacement (**signed by the survivor or survivors** as provided above) is received by the Administrator and any such notice shall be without prejudice to the completion of transactions already initiated by the Administrator pursuant to the above terms.

We acknowledge that this authority does not apply to the conversion of Shares between Funds: such Conversion Instructions must be signed by all joint signatories.

D. DATA PROTECTION

By agreeing to invest in the Company, investors acknowledge and accept that the Administrator may hold and process personal data to properly record the investor's interest in the Company in accordance with relevant corporate laws and regulations and to advise the investor of matters relative to his/her investment in the Company, including current values and changes to Company documentation, and the Administrator may in order to fulfil its duties to the Company and to comply with regulatory requirements:

- (i) retain such personal data for prescribed periods after the investor has redeemed his/her holding in the Company;
- (ii) transfer such information to the Directors, Manager, Investment Adviser or legal adviser or any other agent of the Company entitled to receive such information; and
- (iii) transfer such personal data to any person or entity to which the Administrator has a legal obligation to disclose such information.

Such personal data may be transferred between the Company and its service providers, some of whom may operate in or from jurisdictions outside of the European Economic Area.

E. REPRESENTATIONS AND WARRANTIES

Each applicant hereby represents warrants and undertakes to the Company that:

- (i) it acknowledges the right of the Company to scale down applications and to reject applications in whole or in part and that in such cases application monies will be returned to applicants;
- (ii) that any application shall be irrevocable once received by the Administrator and any cheque or bank draft presented for payment will be honoured on first presentation;
- (iii) it acknowledges that any monies returned to it will not include any interest which may have been earned while the Administrator held such monies and will be net of any charges;
- (iv) all risks in respect of the method of payment will be borne solely by the applicant; and
- (v) it acknowledges and agrees that any liability to it as Shareholder or otherwise will be satisfied only out of the particular Fund to which the liability relates and in respect of which the Shareholder holds an interest.

IIAB MENA Feeder Fund (The "Fund")

Form A

INSTRUCTIONS FOR PAYMENT BY TELEGRAPHIC TRANSFER

Investment

Investment (please instruct your bank to pay gross of bank charges. If bank charges are deducted prior to receipt, the Administrator will invest net of charges).

US Dollars³

For the sub account of:

Ref: IIAB PCC Limited

Pay to bank

SWIFT

Account

Account No.

CHIPS UID No.

In favour of

Account No.

For Further Credit in favour of Butterfield Bank (Guernsey) Limited as Custodian to IIAB PCC Limited – IIAB MENA Feeder Fund

Account No.

Re: Subscription – [applicant's name and Dealing Date]

³ Please ensure that the amount received (net of bank charges) by the Administrator (Legis Fund Services Limited) is the same as the amount you wish to be used to purchase shares plus any applicable Initial Charge.

IIAB MENA Feeder Fund (The "Fund")

Form B

CONVERSION INSTRUCTIONS

To: Arab Bank Fund Managers (Guernsey) Limited
 c/o Legis Fund Services Limited
 1 Le Marchant Street
 St Peter Port
 Guernsey
 Channel Islands GY1 4HP

Tel: +44 (0)1481 726034 Fax: +44 (0)1481 726029

I/We hereby request the Company to convert on **my/our** behalf in respect of my account number

Fund of Participating Shares	Existing ⁴	Invest ⁵
IIAB MENA Feeder Fund	[Shares / %]*	%

THIS SECTION MUST BE COMPLETED IN ACCORDANCE WITH THE MANDATE ON THE APPLICATION FORM

Full name	Signature ⁶	Date
A		
B		
C		
D		

Stamp and signature of Branch or Agent

⁴ State one of: a) total number of Shares to be converted; or b) the percentage of the existing Fund Holding to be converted.

⁵ State the percentage(s) of the total conversion proceeds to be invested (such amount(s) to equal 100% of the total conversion proceeds).

⁶ If this Conversion Instruction is signed by an attorney, it must be accompanied by the authorising Power of Attorney. A company must execute the Conversion Instruction under its common seal or the hand of a duly authorised officer whose capacity should be stated and such a company must also provide evidence that it has the power to enter into this transaction and confirm that the Conversion Instruction and the transaction to which it relates are legally valid and binding on the company. The Administrator reserves the right to request sight of such evidence.

* Delete as appropriate

IIAB MENA Feeder Fund (The "Fund")

Form C

REDEMPTION INSTRUCTIONS: TELEGRAPHIC TRANSFER

To: Arab Bank Fund Managers (Guernsey) Limited,
c/o Legis Fund Services Limited
1 Le Marchant Street
St Peter Port
Guernsey
Channel Islands GY1 4HP

Tel: +44 (0)1481 726034 Fax: +44 (0)1481 726029

I/We hereby request the Company to sell on **my/our** behalf from **my/our** account number

Fund of Participating Shares	Number of shares	OR sum to be realised
<input type="text" value="IIAB MENA Feeder Fund"/>	<input type="text"/>	<input type="text" value="US\$"/>

Please remit the redemption proceeds in US Dollars, at **my/our** risk by telegraphic transfer⁷ to **my/our** bank account as follows:

Name of bank	Account name
<input type="text"/>	<input type="text"/>
Address	Account number
<input type="text"/>	<input type="text"/>

Stamp and signature of Branch or Agent

⁷ Charges for transfers will be deducted by remitting bank from redemption proceeds.

CONTACTS

Arab Bank plc

Head office

Jordan
P.O. Box 950545
Amman 11195
Jordan
Tel: 00962 (6) 560 0000
Fax: 00962 (6) 560 6793

Bahrain

Manama
P.O. Box 813
Building No. 540/542
Road 1706
Diplomatic Area
Manama 317
Tel: 00973 (1) 754 9000
Fax: 00973 (1) 754 1116

Egypt

Cairo
28 Talaat Harb Street
Cairo
Tel: 0020 (2) 2576 7019
Fax: 0020 (2) 2574 6165

Lebanon

Beirut
P.O. Box 11-1015
Riad El-Solh Square
Banks Street
Beirut 1107 2070
Tel: 00961 (1) 980153
Fax: 00961 (1) 980803

Palestine

Al-Balad
P.O. Box 1481
Ramallah - Al-Balad
Palestine
Tel: 00970 (2) 298 6480
Fax: 00970 (2) 298 6486

Singapore

Singapore
80 Raffles Place
32-20 UOB Plaza 2
Singapore 048624
Tel: 0065 6533 0055
Fax: 0065 6532 2150

United Arab Emirates

Abu Dhabi
P.O. Box 875
Sh. Tahnoun Bin Mohammad
Building, Naser Street
Abu Dhabi
Tel: 00971 (2) 639 2225
Fax: 00971 (2) 621 2370

Dubai

P.O. Box 11364
Al-Ittihad Street
Dubai
Tel: 00971 (4) 295 0845
Fax: 00971 (4) 295 5974

Arab Bank Australia Ltd

Australia

Sydney
P.O. Box N645
Grosvenor Place NSW 1220
Level 9
200 George Street
Sydney NSW 2000
Tel: 0061 (2) 9377 8900
Fax: 0061 (2) 9221 5428

Arab Bank (Switzerland)

Switzerland

Zurich
Claridenstrasse 26
P.O. Box 2023
CH-8022 Zurich
Tel: 0041 (44) 265 7111
Fax: 0041 (44) 265 7330

Geneva

Place Longemalle 10-12
P.O. Box 3575
CH-1211 Geneva 3
Tel: 0041 (22) 715 1211
Fax: 0041 (22) 715 1311

Europe Arab Bank plc

Austria

Vienna
P.O. Box 100
Seilerstätte 11
A-1015 Vienna
Tel: 00431 513 42 40
Fax: 00431 513 42 409

France

Paris
P.O. Box 319
75365 Paris Cedex 08
26 Avenue des Champs Elysées
75008 Paris
Tel: 0033 (0) 1 45 61 60 00
Fax: 0033 (0) 1 42 89 09 78

Cannes

44/47 La Croisette
06400 Cannes
Tel: 0033 (0) 4 93 38 01 01
Fax: 0033 (0) 4 93 99 59 39

United Kingdom

London
73 Brook Street
Mayfair
London W1K 4HX
United Kingdom
Tel: 0044 (0) 20 7315 8600
Fax: 0044 (0) 20 7499 4193



AB PRIVATE BANKING

Privacy. Performance. Pride.