

**SUPPLEMENT TO
MASTER PROSPECTUS**

ASBC CROSS-ASSET FUND OPEN-ENDED PCC PLC

An open-ended protected cell company incorporated under the laws of the DIFC with registered number 10150 and registered as a Public Fund under the laws of the DFSA with effect from 24 March 2025

ASBC Sukuk Fund

21 April 2025

This Supplement relates to a Public Fund established and existing in accordance with the Collective Investment Law No. 2 of 2010 of the Dubai International Financial Centre (“**DIFC**”) and the Collective Investment Rules of the Dubai Financial Services Authority (“**DFSA**”).

The DFSA has no responsibility for reviewing or verifying any prospectus or other documents in connection with this Fund. Accordingly, the DFSA has not approved this Supplement or any other associated documents nor taken any steps to verify the information set out in this Supplement.

The DFSA does not accept responsibility for the content of the information included in this Supplement, including the accuracy or completeness of such information. The liability for the content of this Supplement lies with the Fund and other persons, such as experts, whose opinions are included in this Supplement with their consent. The DFSA has also not assessed the suitability of the Participating Shares to which this Supplement relates to any particular investor or type of investor and has not determined whether they are Shari’a compliant.

No other regulatory authority in the UAE has any responsibility for reviewing or verifying this Supplement or any other documents in connection with the promotion of this Fund. Accordingly, no regulatory authority in the UAE has approved this Supplement or any other associated documents, nor taken any steps to verify the information set out herein, and therefore no regulatory authority in the UAE has any responsibility for the same.

This Passported Fund is a Public Fund and, accordingly, the Participating Shares thereof may be promoted, including by means of a public offer of the units for public subscription, to persons in the UAE.

If you do not understand the contents of this Supplement or are unsure whether the Participating Shares to which this Supplement relates are suitable for your individual investment objectives and circumstances, you should consult an authorised financial advisor.

The Participating Shares to which this Supplement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of such Participating Shares should conduct their own due diligence.

IMPORTANT NOTICES

This supplement (“**Supplement**”) to the prospectus of ASBC Cross-Asset Fund Open-Ended PCC PLC (the “**Fund**”), as amended and/or supplemented from time to time (the “**Prospectus**”) is intended solely for the use on a confidential basis by those persons to whom it has been delivered by the Fund for the purpose of enabling the recipient to evaluate an investment in non-voting, redeemable, participating shares (the “**Participating Shares**”) in ASBC Sukuk Fund (the “**Protected Cell**”), a protected cell of the Fund. Unless the context otherwise requires, capitalized terms not defined herein shall have the meaning set out in the Prospectus.

This Supplement forms part of, and must be read together with, the Prospectus including but not limited to the general description of (a) the Fund and its management; (b) the risk factors and conflicts of interest; and (c) the subscription and redemption policies and restrictions.

RESPONSIBILITY

The Fund Manager and the Directors, whose names are set out in the Prospectus, accept responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Fund Manager and the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

CONFIDENTIALITY

Recipients, by their acceptance and retention of this Supplement, acknowledge and agree to preserve the confidentiality of the contents of this Supplement and all accompanying documents and to return this Supplement and all such documents to the Fund Manager or the Administrator if the recipient does not purchase any Participating Shares. Neither this Supplement nor any of the accompanying documents may be reproduced in whole or in part, nor may they be used for any purpose other than that for which they have been submitted, without the prior written consent of the Fund.

NO ADVICE

Investors are not to construe the contents of this Supplement as legal, business or tax advice. Each prospective investor should consult its own attorney, business advisor and tax advisor as to legal, business, tax and related matters concerning this offering.

OFFERING RESTRICTIONS

The distribution of this Supplement and the offer and sale of the Participating Shares in certain jurisdictions may be restricted by law. Prospective investors should inform themselves as to the legal requirements and tax consequences within the countries of their citizenship, residence, domicile and place of business with respect to the acquisition, holding or disposal of Participating Shares, and any foreign exchange restrictions that may be relevant thereto. This Supplement does not constitute an offer to sell or a solicitation of an offer to buy Participating Shares in any jurisdiction to any person to whom it is unlawful to make such an offer or sale.

None of the Fund, the Protected Cell or the Fund Manager is making any representation to any

offeree or investor in the Fund or the Protected Cell regarding the legality of investment by such offeree or investor under applicable investment or similar laws.

ARTICLES

The Prospectus and this Supplement are subject to and qualified in their entirety by reference to the Articles which should be reviewed for complete information concerning the rights, privileges and obligations of investors in the Fund or the Protected Cell. In the event that the description or terms in this Supplement are inconsistent with or contrary to the descriptions in or terms of the Articles, the Articles shall prevail.

SHARI'A NOTICE

The Protected Cell is classified as an Islamic Fund for the purposes of the DFSA Rulebook.

All operations of the Protected Cell will be conducted in accordance with the applicable rules and principles of Shari'a with guidance and oversight from the Shari'a Supervisory Board.

Any earnings prohibited by Shari'a will be donated to one or more charitable organisations under the supervision and with the approval of the Shari'a Supervisory Board. The payment of the Zakat relevant to the Protected Cell is the responsibility of the Shareholders.

All shareholders in the Protected Cell shall rank *pari passu* as amongst themselves and no class of shares of the Protected Cell shall grant the shareholders therein any preference over the rights of any other shareholder in the Protected Cell.

The Prospectus, this Supplement and the Articles have been reviewed and approved by the Shari'a Supervisory Board.

The Shari'a approval process which relates to the Protected Cell has been carried out in accordance with the legislation applicable in the DIFC.

INVESTOR INFORMATION REQUESTS

Copies of the Prospectus, this Supplement, the Articles and the Subscription Agreement may be obtained by emailing a request to: ASBCServices@asbc.com.

Each prospective investor will also be afforded the opportunity to ask questions of, and receive answers from, the Fund Manager concerning the terms and conditions of the offering, the Participating Shares and the information set forth herein, and to obtain any additional information or documents.

Inquiries should be directed to:

ASB Capital Limited

Unit 11-15, Level 4, Gate Village Building 05
Dubai International Financial Centre
PO Box 506944
Dubai, United Arab Emirates

Tel: +97145037777

Email: ASBCServices@asbc.com

SUMMARY OF TERMS

The following is a summary of the terms of the Protected Cell. To the extent that the information contained in this Supplement conflicts with information contained in the Prospectus, the information contained in this Supplement will prevail.

Protected Cell	ASBC Sukuk Fund, a protected cell of the Fund.
Investment Objective	The primary objective of the Protected Cell will be to invest in Sukuk and Sukuk-related securities and/or instruments (each, an “Investment”) that meet the Shari’a investment guidelines in accordance with the Standards as approved by the Shari’a Supervisory Board, as set out in Schedule 1, as may be amended and/or supplemented from time to time by the Shari’a Supervisory Board (the “Shari’a Investment Guidelines”), with the aim to provide the Shareholders with Shari’a compliant expected returns. For the purposes of the foregoing, “Standards” means such rules and principles of Shari’a, as set out in the AAOIFI Shari’a Standards, as may be amended from time to time and as interpreted by the Shari’a Supervisory Board. The Protected Cell shall have no geographical limitations or restrictions. Each investment made by the Protected Cell will be validated by the Shari’a Supervisory Board in accordance with the latest Shari’a Investment Guidelines.
Investment Restrictions	The Protected Cell’s investment restrictions will be as follows: (a) The Protected Cell may not acquire more than 15% of any outstanding Investments by any one single issuing body. (b) The Protected Cell may not invest more than 15% of its Net Asset Value in any single Investment. (c) The Protected Cell may not invest more than 20% of its Net Asset Value in private placements of Investments. (d) The Protected Cell may not invest more than 50% of its Net Asset Value in high yield (i.e., below investment grade) Investments. (e) The Protected Cell may not invest more than 25% of its Net Asset Value in unrated Investments. (f) The Protected Cell must maintain an average allocation of at least investment grade at all times.

- (g) The Protected Cell may not make Investments in issues with notional values of less than USD 100 Million.
- (h) The average maturity of the Protected Cell's Investments shall not be more than seven (7) years.

The Protected Cell's Investments in Islamic financial instruments will at all times be compliant with the Shari'a Investment Guidelines.

The Protected Cell may invest derivatives or Shari'a alternatives for derivative products, provided in each case that such investments shall be for hedging purposes only, in order to mitigate rates or currency risk, and not for speculative purposes.

Financing

The Protected Cell may use Shari'a compliant forms of financing but such financing shall not exceed 20% of the Protected Cell's Net Asset Value.

Fund Manager

ASB Capital Limited.

Investment Manager

The Fund Manager has appointed Arqaam Capital Limited (the "**Investment Manager**") to act as the investment manager to the Protected Cell pursuant to an investment management agreement (the "**Investment Management Agreement**").

The Investment Manager is licensed by the DFSA to carry on certain financial services including, inter alia, Managing Assets (as defined in the DFSA Rulebook).

The Investment Manager is part of the Arqaam group of companies. Established in 2007, the Arqaam group of companies (together, "**Arqaam Capital**") is a leading and fast-growing specialist emerging markets focused, full service investment banking group, focused on leveraging the growth of emerging and frontier markets. Arqaam Capital combines international best practice with expertise in the markets in which they operate.

Arqaam Capital operates out of four hubs, namely Dubai, Cairo, Beirut and Saudi Arabia. Arqaam Capital's global markets businesses include: Capital Markets Advisory, Corporate Finance, Asset Management, Cash Equity, Equity Derivatives, Credit Trading, Treasury and Custody. In addition, Arqaam Capital provides in-depth research on more than 200 listed MENA companies supported by 23 analysts.

Directors of Fund

Hichem Djouhri and Ousama Nusseir.

Oversight Committee

The Fund Manager has appointed an oversight committee in respect of the Fund consisting of at least three (3) individuals

who meet the independence and suitability criteria set out in the CIL and CIR. For further details on the composition of the Oversight Committee, please refer to Section 2.5 of the Prospectus.

Shari’a Supervisory Board

The Fund Manager has appointed the Shari’a Supervisory Board in respect of the Protected Cell. For further details on the composition of the Shari’a Supervisory Board, please refer to Section 2.5 of the Prospectus.

Participating Shares

This Supplement relates to an offering of Class A, Class B, Class C and Class D (each, a “**Class**”) non-voting (except in respect of any matters specifically reserved for the approval of the Shareholders under the CIL, CIR and/or the Articles), participating, redeemable shares of nominal value US\$0.01 in respect of the Protected Cell (the “**Participating Shares**”) to Eligible Investors. The Participating Shares shall be issued in Series as further described in the Prospectus.

Class A, Class B and Class C Participating Shares are accumulation Classes of Participating Shares (the “**Accumulation Classes**”) and therefore will not receive payments of dividends and the amount that would have otherwise been paid as a dividend will be reinvested (see Section entitled “Reinvestments” below). Class D Participating Shares (the “**Dividend Class**”) shall generally pay dividends or other distributions in accordance with the Protected Cell’s distribution policy (see Section entitled “Dividends” below).

In addition to the different rights attached to the Accumulation Classes and the Dividend Class, Participating Shares of different Classes shall be subject to a different Management Fee (see Section entitled “Management Fee” below), but otherwise will have the same rights and obligations and rank *pari passu*.

Base Currency

The base currency of the Protected Cell is the US Dollar (“**US\$**” or “**USD**”). Cash distributions to Participating Shareholders will be made in US\$. The financial statements of the Protected Cell will be prepared in US\$.

Dividends

The Protected Cell may pay a dividend or distribution in respect of the Dividend Class in such amounts and at such times as determined by the Fund Manager in its sole discretion.

Notwithstanding the above, the Protected Cell shall generally pay a dividend or other distributions in respect of in respect of the Dividend Class on a quarterly basis.

Any dividends and distributions made by the Protect Cell shall be paid to the relevant Participating Shareholders on a *pro rata*

basis in accordance with the Net Asset Value of the Dividend Class.

The Protected Cell may at its sole discretion withhold from any distribution such amounts determined by the Fund Manager to be reasonably necessary to create appropriate reserves, including but not limited to, for expenses and liabilities of the Protected Cell, for any required tax withholdings as well as for any future dividends or distributions.

The ability of the Protected Cell to make dividend payments and/or other distributions is also subject to the applicable requirements of DIFC law.

Reinvestments

In lieu of making dividends or other cash distributions in respect of the Accumulation Classes, the Protected Cell shall reinvest such amounts that would have otherwise been paid as a dividend for the benefit of the relevant Accumulation Class and/or the holders of the relevant Accumulation Class will be issued additional Participating Shares equal in value to the dividend that would otherwise have been paid.

Minimum Initial Subscription

The minimum initial subscription amount per Class of Participating Shares shall be as follows:

- (a) In respect of Class A Shares; USD 100,000;
- (b) In respect of Class B Shares; USD 10,000;
- (c) In respect of Class C Shares; USD 1,000,000; and
- (d) In respect of Class D Shares; USD 100,000,

in each case, subject to the discretion of the Fund Manager to accept a lower amount.

Minimum Subsequent Subscriptions

The minimum additional subscription amount in respect of all Classes of Participating Shares shall be USD 1,000, subject to the discretion of the Fund Manager to accept a lower amount.

Initial Offering Period

The period commencing on 1 April 2025 and ending on 30 April 2025, or such other date as the Fund Manager may from time to time determine (the “**Initial Offering Period**”).

Management Fee

The Protected Cell shall pay the Fund Manager a management fee (the “**Management Fee**”), payable monthly, in an amount equal to:

- (a) In respect of Class A Shares; 1.00% per annum of the Net Asset Value per Share;

- (b) In respect of Class B Shares; 1.50% per annum of the Net Asset Value per Share;
- (c) In respect of Class C Shares; 0.75% per annum of the Net Asset Value per Share; and
- (d) In respect of Class D Shares; 1.00% per annum of the Net Asset Value per Share.

The Management Fee shall be calculated and accrued weekly (based on the Net Asset Value as at the relevant Valuation Day) and payable monthly in arrears on the last day of each calendar month. Any new or existing Shareholder that subscribes for Participating Shares at any time other than the first day of a calendar month will be assessed a pro-rated portion of the Management Fee with respect to such subscription.

The Management Fee is exclusive of VAT and based in part upon unrealised gains (as well as unrealised losses and such unrealised gains and/or losses may never be realised).

Performance Fee

The Protected Cell shall pay the Fund Manager a performance fee (the “**Performance Fee**”), payable annually (or upon a redemption of Participating Shares, if applicable), in an amount equal to 10% of the increase, if any, in the Net Asset Value of each Series of the Participating Shares during each Fiscal Year (or part thereof) above an amount equal to the High Water Mark, subject to the Hurdle being achieved for the relevant Fiscal Year.

The “**High Water Mark**” of each Series of Participating Shares in respect of each Fiscal Year will be the greater of the Subscription Price at the date of issue and the highest Net Asset Value achieved at the end of any previous Fiscal Year.

The “**Hurdle**” in respect of each Fiscal Year will be an amount equal to 8% per annum of the High Water Mark.

“**Fiscal Year**” means January 1 to December 31 each year, except for the first period of the Protected Cell’s incorporation for which the Fiscal Year shall begin on the establishment date of the Protected Cell and end on 31 December 2025.

The Performance Fee is calculated as of: (a) the end of each Fiscal Year; (b) each Redemption Day with respect to Participating Shares redeemed before the end of the relevant Fiscal Year; and (c) the dates of termination and final liquidation of the assets of the Fund, in each case with respect to the period ending on such date (in each case, based on the Net Asset Value of the Participating Shares of the relevant

Series prior to any accrual of the Performance Fee attributable to such Participating Shares for such Fiscal Year).

The Performance Fee is exclusive of any VAT and shall be based in part upon unrealised gains (as well as unrealised losses and such unrealised gains and/or losses may never be realised).

Any new or existing Shareholder that subscribes for Participating Shares at any time other than the first day of a calendar month will be assessed a pro-rated portion of the Performance Fee with respect to such subscription.

Subscription Fee

Each Participating Shareholder shall pay the Fund Manager, at the time of subscription, a subscription fee (the “**Subscription Fee**”) in an amount up to 5.00% of the Subscription Price per Share.

For the avoidance of doubt, the Subscription Fee is in addition to and not part of subscription amount payable by a Participating Shareholder for its Participating Shares. The Subscription Fee may be deducted from the subscription monies received by the Protected Cell.

Subscription Price

During the Initial Offering Period, Participating Shares will be issued at the subscription price of US\$100 per Participating Share and thereafter, will be offered on each Subscription Day at a subscription price equal to the prevailing Net Asset Value per Participating Share of the Initial Series as at the relevant Subscription Day, or if such day is not a Valuation Day, as at the immediately preceding Valuation Day.

Subscription Day

Each Valuation Day and/or such other day or days as the Fund Manager may from time to time determine either generally or in any particular case (each, a “**Subscription Day**”).

Valuation Day

Each Thursday, or if such day is not a Business Day, the immediately following Business Day (each, a “**Valuation Day**”).

Net Asset Valuations

The Net Asset Value of the Protected Cell and the Net Asset Value per Participating Share shall be calculated, in US\$, by the Administrator (appointed by the Fund pursuant to the Administration Agreement) as at 5pm (UAE time) on the relevant Valuation Day (or at such other times as the Directors (or such other persons as aforesaid) may determine). The Subscription Price and Redemption Price (following the Initial Offering Period) will be available upon request from the Fund Manager or the Administrator.

For further details on the Net Asset Valuations in respect of the

Protected Cell, please refer to the ‘Summary of Principal Terms’ section of the Prospectus.

Subscription Procedure Prospective investors will be required to complete and return a duly completed and executed Subscription Agreement (together with any information and document requested under the Subscription Agreement) to the Administrator, with a copy to the Fund Manager, and must be received, in the case of subscriptions during the Initial Offering Period, no later than 5pm (UAE time) on the last Business Day of the Initial Offering Period or such earlier or later time as determined by the Fund Manager either generally or in any particular case, and thereafter, no later than 5pm (UAE time) one (1) Business Day prior to the relevant Subscription Day or such earlier or later time as determined by the Fund Manager either generally or in any particular case. Subscription monies and subscriptions fees (if applicable) in cleared funds must be received on or prior to 10am (UAE time) on the Subscription Settlement Day. If the Subscription Agreement or subscription monies are received after the relevant deadline, the subscription will (unless otherwise determined by the Fund Manager) be treated as a request for subscription on the next Subscription Day.

For further details on the Subscription Procedure, please refer to the ‘Summary of Principal Terms’ section of the Prospectus.

Redemptions Subject to any restrictions set out in the Prospectus and/or the Articles, a Participating Shareholder may redeem some or all of its Participating Shares as of each Redemption Day at the Redemption Price, provided that the Redemption Notice is received by the Administrator by 5pm (UAE time) at least ten (10) Business Days prior to the proposed Redemption Day.

Redemption Day Each Valuation Day and/or such other day or days as the Fund Manager may from time to time determine either generally or in any particular case (each, a “**Redemption Day**”).

In-Kind/Cash Redemptions Redemption payments will be made in US\$ or, in the absolute discretion of the Fund Manager, in kind, or partly in cash and partly in kind as set out in the Prospectus.

Compulsory Redemption The Protected Cell has the right to compulsorily redeem all or some of the Participating Shares held by a Participating Shareholder as set out in the Prospectus.

Redemption Restrictions The redemption of Participating Shares may be restricted as set out in the Prospectus.

Suspension of Redemptions and Subscriptions

The Fund Manager may postpone or suspend (a) the determination of the Net Asset Value of the Protected Cell and/or the Participating Shares (and the applicable Valuation Day), (b) the issue of Participating Shares (and the applicable Subscription Day), and/or (c) the redemption (in whole or in part) of Participating Shares held by Participating Shareholders (and the applicable Redemption Day) as set out in the Prospectus.

Termination and Removal of the Fund Manager

The Fund Management Agreement may be terminated by the Fund and the Fund Manager may be removed and replaced in accordance with the terms and conditions provided in the Prospectus and the Fund Management Agreement.

Transfers

Participating Shares may only be transferred, assigned, pledged or disposed of with the prior written consent of the Fund Manager which shall not be withheld unreasonably as set out in the Prospectus.

Fund Expenses and Organizational Expenses

The Protected Cell shall bear all Fund Expenses and Organizational Expenses associated with, or allocated to, the Protected Cell, as set out in the Prospectus. The Fund Manager may also allocate to the Protected Cell any Fund Expenses or Organizational Expenses which are not directly attributable to any Protected Cell in its sole discretion.

The Protected Cell shall reimburse the Fund Manager as soon as practicable immediately after the establishment of the Protected Cell for any Organizational Expenses and/or Fund Expenses incurred by them on behalf of the Protected Cell.

Term

Indefinite.

Investment Management Agreement

The Investment Management Agreement contains limitations of liability and indemnities operating in favour of the Investment Manager and each of its directors, officers, employees, Affiliates, advisors or agents, in the absence of fraud, Gross Negligence (as defined therein), wilful misconduct, a material breach of the Investment Management Agreement (which includes any breach of a representation or a warranty under the Investment Management Agreement), or a breach of applicable laws.

The Investment Manager may terminate the Investment Management Agreement: (a) at any time by giving not less than ninety (90) days' prior notice in writing to the Fund Manager (or such shorter notice period as agreed to in writing by the Fund Manager); (b) at any time by notice in writing to the Fund Manager if the Fund Manager shall commit any material breach of its obligations under the Investment Management

Agreement, the Prospectus, Articles, and/or this Supplement, and such breach is not cured (if capable of remedy) within thirty (30) days after receiving a notice from the Investment Manager setting out such breach in reasonable detail; (c) at any time by notice in writing to the Fund Manager if the Fund Manager is Grossly Negligent or is engaged in fraud or wilful misconduct in connection with the performance of its obligations under the Investment Management Agreement, the Prospectus, this Supplement and/or the Articles; or (d) at any time by notice in writing to the Fund Manager if the Fund Manager is wound up or enters into bankruptcy, insolvency, administration or liquidation.

The Fund Manager may terminate the Investment Management Agreement and remove the Investment Manager: (a) at any time by giving not less than ninety (90) days' prior notice in writing to the Investment Manager (or such shorter notice period as agreed to in writing by the Investment Manager); (b) at any time by notice in writing to the Investment Manager if the Investment Manager commits any material breach of its obligations under the Investment Management Agreement and such breach is not cured (if capable of remedy) within thirty (30) days after receiving a notice from the Fund Manager, setting out such breach in reasonable detail; (c) at any time by notice in writing to the Investment Manager if the Investment Manager is Grossly Negligent or is engaged in fraud or wilful misconduct in connection with the performance of its obligations under the Investment Management Agreement; or (d) at any time by notice in writing to the Investment Manager if the Investment Manager is wound up or enters into bankruptcy, insolvency, administration or liquidation.

Administrator	First Abu Dhabi Bank PJSC
Custodian	First Abu Dhabi Bank PJSC
Auditor	Crowe Mak Limited
Legal Counsel	White & Case LLP
Certain Risk Factors and Potential Conflicts of Interest	Potential investors should be aware that an investment in the Protected Cell involves a high degree of risk and is suitable only for investors who fully understand and who can bear the risks of such an investment for an indefinite period and who can afford a total loss of their investment. In addition, potential investors should be aware that there will be occasions when the Fund Manager, the Directors and/or their respective affiliates may encounter potential conflicts of interest in connection with the Protected Cell.

ALL POTENTIAL INVESTORS MUST CAREFULLY READ THE SECTION ENTITLED “CERTAIN RISK FACTORS AND CONFLICTS OF INTEREST” IN THE PROSPECTUS AND IN SCHEDULE 2 OF THIS SUPPLEMENT BEFORE MAKING AN INVESTMENT IN THE PROTECTED CELL.

SCHEDULE 1

SHARI'A INVESTMENT GUIDELINES

All operations of the Protected Cell, shall be conducted in compliance with the applicable rules and principles of Shari'a and the IFR, the rules and principles of Shari'a as set out in the AAOIFI Shari'a Standards, as may be amended from time to time and as interpreted by the Shari'a Supervisory Board as set out below:

Eligible Investments

1. **GCC Issuances:** All Sukuk and Sukuk-related securities and/or instruments issued by entities based in the Gulf Cooperation Council ("GCC") countries are eligible.
2. **Non-GCC Issuances with Endorsed Fatwas:** Sukuk and Sukuk-related securities and/or instruments issued by non-GCC entities are eligible if they are endorsed by a Fatwa issued by one of the following reputable GCC-based scholars:
 - Members of the Accounting and Auditing Organization for Islamic Financial Institutions ("AAOIFI") Sharia Board;
 - Members of the Islamic Development Bank ("IDB") Sharia Board; and
 - Other recognized GCC-based scholars.
3. **AAOIFI Standard-Compliant Sukuk:** Sukuk and Sukuk-related securities and/or instruments that do not meet the criteria above but adhere to the standards set by the AAOIFI at the time of issuance may be considered for investment.
4. **AAOIFI Compliant Structured Products:** Shari'a Compliant structured products of all kinds are eligible to be included if they are endorsed by a Fatwa issued by one of the above mentioned reputable GCC-based scholars.

Ongoing Monitoring

The Shari'a Supervisory Board will conduct quarterly reviews of all investments to ensure continued compliance with the foregoing guidelines. Any investment found to be non-compliant will be sold, and the related income will be purified through appropriate Shari'a-compliant methods.

SCHEDULE 2

CERTAIN RISK FACTORS ASSOCIATED WITH THE PROTECTED CELL

Investment Restrictions

Although the investment restrictions set out in this Supplement provide certain restrictions in terms of the Protected Cell's investments, there may be situations where the relevant restrictions are not complied with. This will not be considered as a breach; however, the Fund Manager and the Investment Manager will use their best endeavours to reduce the exposure to the limits stated in the investment restrictions set out in this Supplement.

Sukuk Investment Risk

Price changes in Sukuk are influenced predominantly by interest rate developments in the capital markets, which in turn are influenced by macro-economic factors. Sukuk could suffer when capital market interest rates rise, while they could increase in value when capital market interest rates fall. The price changes also depend on the term or residual time to maturity of the Sukuk. In general, Sukuk with shorter terms have less price risks than Sukuk with longer terms. However, they generally have lower returns and, because of the more frequent due dates of the securities portfolios, involve higher re-investment costs. Sukuk instruments may be issued by any corporate, sovereign, or supranational entity and may be backed or derive its value from any asset, tangible or otherwise, including mortgages.

Sovereign Sukuk ("**Sovereign Sukuk**") are Sukuk issued or guaranteed by governments or government-related entities. Investment in Sovereign Sukuk issued or guaranteed by governments or their agencies and instrumentalities ("**governmental entities**") involves a high degree of risk. The governmental entity that controls the payment of Sovereign Sukuk may not be able or willing to pay the principal and/or return when due in accordance with the terms of such debt due to specific factors, including, but not limited to (i) their foreign reserves, (ii) the available amount of their foreign exchange as at the date of repayment, (iii) their failure to implement political reforms, and (iv) their policy relating to the International Monetary Fund.

Sovereign Sukuk holders may also be affected by additional constraints relating to sovereign issuers which may include: (i) the unilateral rescheduling of such debt by the issuer and (ii) the limited legal recourses available against the issuer (in case of failure of delay in repayment).

Funds investing in Sovereign Sukuk issued by governments or government related entities from countries referred to as emerging or frontier markets bear additional risks linked to the specifics of such countries (e.g. currency fluctuations, political and economic uncertainties, repatriation restrictions, etc.).

Sukuk issued or guaranteed by corporate or supranational entities are also subject to the risk that the obligor is unwilling or unable to make payments according to the terms of the Sukuk. Recourse to the obligor may be limited in such instances depending on the jurisdiction where the Sukuk was issued and the law governing the issuance.

In addition to Sukuk the Protected Cell may invest in Islamic money market instruments. Profit rate risk refers to the impact of profit rates changes on the valuation of a sukuk and Islamic money market instruments. When profit rates rise, the pricing of sukuk and Islamic money market instruments prices may decline and lower the market value of the Protected Cell's investment in sukuk and Islamic money market instruments. The reverse may apply when profit rates fall.

In order to mitigate profit rates risk, the Protected Cell will consider managing sukuk and Islamic money market instruments in a way that involves taking into account the profit rate and time to maturity of the sukuk and Islamic money market instruments.

Profit rate is a general indicator that will have an impact on the management of the Protected Cell regardless of whether it is an Islamic fund or otherwise. The Protected Cell will not invest in conventional financial instruments.

The Protected Cell may use Islamic derivatives for hedging purposes only and not for speculative purposes. Valuation of Islamic derivatives takes into account a multitude of factors such as movement of the underlying assets, the correlation of the underlying assets with the Protected Cell, the implied future direction of the underlying assets and other factors. Any diverse changes of these factors may result in a lower NAV price and higher volatility for the Protected Cell. When participating in Islamic derivatives, the Protected Cell will monitor the valuation of the Islamic derivatives and credit ratings of the financial institutions as counterparty to the instruments, where applicable, and take appropriate actions to mitigate any risk associated with such instruments. This may extend to unwinding of the Islamic derivatives in the event where there is a need to terminate current position due to reversal in market movement, repurchases in units or upon downgrade of the credit ratings of the financial institutions.

The Protected Cell may invest in Islamic structured products. The NAV of the Protected Cell will be impacted by the valuation of Islamic structured products in which the Protected Cell may invest. Factors that may impact the valuation of the Islamic structured products will include, but not be limited to movement of the underlying asset, volatility of the underlying assets, profit rates levels, the correlation of the underlying assets and other such factors. Any change in the aforesaid factors would either positively or negatively impact the valuation of the Islamic structured products hence impacting the NAV of the Protected Cell. As such, the Protected Cell's NAV will be exposed to potential price volatility, which will be dependent on the valuation of the Islamic structured products that the Protected Cell invests in.

The Protected Cell may invest in unrated sukuk or Islamic money market instruments.

Unrated sukuk or Islamic money market instruments can be less liquid than rated sukuk or Islamic money market instruments. Many of unrated sukuk or Islamic money market instruments are traded over the counter and/or do not trade frequently compared to rated sukuk or Islamic money market instruments. When the unrated sukuk or Islamic money market instruments do trade, their prices may be significantly higher or lower than expected. At times, it may be difficult to sell unrated sukuk or Islamic money market instruments promptly at an acceptable price, which may limit the Protected Cell's ability to sell these instruments in response to specific economic events.

Unrated sukuk or Islamic money market instruments may pay higher profit rate than rated sukuk or Islamic money market instruments of comparable quality. As a result, unrated sukuk or Islamic money market instruments are subject to greater risk of illiquidity or sudden price changes. Public information on unrated sukuk or Islamic money market instruments or their issuers is typically less available as compared with rated sukuk or Islamic money market instruments.

There is a risk that the Protected Cell may suffer losses if it has to dispose of any investments to rectify any Shari'a non-compliance. If this occurs, the value of the Protected Cell may be adversely affected. This risk is, however, mitigated through the appointment of the Shari'a Supervisory Board, who will be responsible for ensuring that the Protected Cell is managed and administered in accordance with the Shari'a Guidelines.