



*ENBD SAUDI ARABIA EQUITY PC*  
*(the “Cell”)*  
*a Protected Cell*  
*of*

*EMIRATES PORTFOLIO MANAGEMENT PCC*  
*(the “Fund”)*

**The Fund is a Protected Cell Company incorporated in Jersey, Channel Islands pursuant to the Companies (Jersey) Law 1991**

**SUPPLEMENT**  
**January 2018**

This supplement relates to the following Share Classes in the Cell:

- ENBD Saudi Arabia Equity USD A Share Class (Acc)**
- ENBD Saudi Arabia Equity USD A Share Class (Inc)**
- ENBD Saudi Arabia Equity USD B Share Class (Acc)**
- ENBD Saudi Arabia Equity USD C Share Class (Acc)**
- ENBD Saudi Arabia Equity USD G Share Class (Acc)**
- ENBD Saudi Arabia Equity USD G Share Class (Inc)**
- ENBD Saudi Arabia Equity USD Institutional Share Class (Acc)**
- ENBD Saudi Arabia Equity USD Institutional Share Class (Inc)**
- ENBD Saudi Arabia Equity USD P Share Class (Acc)**

## **United Arab Emirates**

This Supplement relates to the Fund which is not subject to any form of regulation or approval by the Dubai Financial Services Authority ("DFSA").

This Supplement is intended for distribution only to persons of a type as classified by the DFSA's Rules (i.e. "Professional Clients") and must not, therefore, be delivered to, or relied on by, any other type of person.

The DFSA has no responsibility for reviewing or verifying any Supplement 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, and has no responsibility for it.

The Shares to which this Supplement relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Shares offered should conduct their own due diligence on the Shares. If you do not understand the contents of this document you should consult an authorised financial adviser. Capitalised terms, insofar as they relate to the United Arab Emirates' marketing restrictions, shall have the meaning ascribed to them in the DFSA Rules. Capitalised terms, insofar as they relate to the Supplement or the Fund, shall have the meaning ascribed herein.

## **Kingdom of Saudi Arabia**

This document may not be distributed in the Kingdom except to such persons as are permitted under the Offers of Securities Regulations issued by the Capital Market Authority.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document you should consult an authorised financial adviser.

## **United Kingdom**

The Company is a collective investment scheme, as defined in the Financial Services and Markets Act 2000 (the "FSMA"). The Company will not be authorised or otherwise approved by the UK Financial Services Authority and, as an unregulated scheme, it cannot be marketed to the general public in the UK. Pursuant to the FSMA, the only categories of person in the UK to whom this Memorandum may be distributed and who may participate in the Company are "investment professionals", as defined in Article 14 of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001, who have professional experience of participating in unregulated schemes, and to whom unregulated collective investment schemes can be marketed without contravening section 238(1) of the FSMA. Persons who do not have professional experience in participating in unregulated schemes should not rely on this Memorandum. Furthermore, the transmission of this Memorandum to any other person in the UK is unauthorised and may contravene the FSMA.

The Company and each of the Cells will be managed by the Manager, which is not authorised under the FSMA. The Company, the Manager, the Custodian are not authorised persons under the FSMA and the Company is not a recognised scheme under the FSMA. Shareholders are not protected by any statutory compensation scheme.

This document is for information purposes only. For UK purposes the Fund is an unregulated collective investment scheme (UCIS) and the promotion of a UCIS either within or from the UK is severely restricted by statute. Consequently this document is only made available to Professional Customers, Eligible Counterparties and Overseas Persons as defined by the Financial Services Authority (FSA) and to persons falling within the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions Order) 2001 and any other exemptions within the rules of the FSA.

## Singapore

The offer or invitation of the Participating Shares of the Cell of the Company which is the subject of this Supplement, does not relate to a collective investment scheme which is authorised under section 286 of the Securities and Futures Act, Chapter 289 of Singapore (the “**SFA**”) or recognised under section 287 of the SFA. The Cell is not authorised or recognised by the Monetary Authority of Singapore (the “**MAS**”) and Participating Shares are not allowed to be offered to the retail public. Each of this Supplement and any other document or material issued in connection with the offer or sale is not a prospectus as defined in the SFA. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you.

This Supplement has not been registered as a prospectus with the MAS. Accordingly, this Supplement and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Participating Shares may not be circulated or distributed, nor may Participating Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 304 of the SFA, (ii) to a relevant person pursuant to Section 305(1) of the SFA, or any person pursuant to Section 305(2) of the SFA, and in accordance with the conditions specified in Section 305 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Participating Shares are subscribed or purchased under Section 305 by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor;  
or

- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Participating Shares pursuant to an offer made under Section 305 except:

- (1) to an institutional investor or to a relevant person defined in Section 305(5) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 305A(3)(i)(B) of the SFA;
- (2) where no consideration is or will be given for the transfer;
- (3) where the transfer is by operation of law;
- (4) as specified in Section 305A(5) of the SFA; or
- (5) as specified in Regulation 36 of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 of Singapore.

The offer of the Participating Shares is regulated by the Jersey Financial Services Commission (the “**JFSC**”) pursuant to the Collective Investment Funds (Jersey) Law 1988.

The Fund has appointed Emirates NBD Fund Managers (Jersey) Limited (the “**Manager**”) to be responsible for the overall management of the Fund’s affairs and the affairs of each Cell. The Manager is regulated by the JFSC.

State Street Custodial Services (Jersey) Limited is the Custodian and is regulated by the JFSC.

The contact details of the JFSC are as follows:

Address: PO Box 267, 14-18 Castle Street, St Helier, Jersey, JE4 8TP, Channel Islands

Telephone No.: +44 (0) 1534 822000

Facsimile No.: + 44 (0) 1534 822047

Information on the past performance of the Cell may be obtained from the Manager or the Discretionary Investment Manager.

The Discretionary Investment Manager may, at its discretion, enter into side letters with separate fee terms with specific investors on a case by case basis, however any fees to be paid under such terms would be paid out of the fees due to the Discretionary Investment Manager and would not affect any amounts charged by the Cell to the relevant investor, as stated under this Memorandum.

The Supplement contains information relating to the ENBD Saudi Arabia Equity PC. This Supplement contains specific information in relation to the I (accumulation and income) share classes, A (accumulation and income), B, C, G and P share classes of the Cell (“ENBD Saudi Arabia Equity PC”). The Supplement forms part of and must be read in the context of and together with the Prospectus of Emirates Portfolio Management PCC dated January 2018 (the “Prospectus”). Terms not otherwise defined in this Supplement shall have the meanings given to them in the Prospectus.

This Supplement must also be read in conjunction with the Prospectus of the Emirates NBD SICAV dated 20 December 2017 (the “SICAV Prospectus”).

Prospective investors should be aware that investment in the Fund carries a significant degree of risk. Investment in the Fund is only suitable for investors who understand the risks involved in investing in the Fund and can withstand any loss therefrom. Prospective investors are referred to section 13 of this supplement and section 15 of the Prospectus for a summary of certain risks involved.

Investors should note that the price of Participating Shares may go down as well as up and that investors may not receive, on redemption of their shares, the amounts that they invested. If you are in any doubt about the contents of this Supplement or the Prospectus you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. This supplement should also be read in conjunction with the latest fact sheet for the Cell, which provides the most up-to-date performance data.

All items used in this Supplement shall have the meanings set out in the Prospectus related to the Fund on January 2018 save where the context otherwise requires. For the avoidance of doubt, this Supplement replaces the one dated March 2016.

The mandate and the name of the Cell was changed by Special Resolution of the members with effect from 14 December 2017.

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## Index

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1.	INTRODUCTION .....	1
2.	INVESTMENT POLICY & PRINCIPAL FEATURES .....	1
3.	VALUATION DAY .....	4
4.	SUBSCRIPTION DAY FOR SUBSCRIPTIONS (“SUBSCRIPTION DAY”) .....	5
5.	SUBSCRIPTION POLICY .....	5
6.	MINIMUM NAV LEVEL .....	6
7.	REDEMPTION POLICY AND REDEMPTION DAYS .....	6
8.	FUND SERVICE PROVIDERS .....	8
8.1	Discretionary Investment Manager .....	8
8.2	Investment Advisors .....	9
8.3	Corporate Services Provider .....	9
9.	FEES .....	9
9.1	Subscription Charge .....	9
9.2	Management Fee .....	10
9.3	Performance Fee .....	10
9.4	Administration Fee .....	11
9.5	Custodian Fee .....	12
9.6	Exit Fee .....	12
9.7	Corporate Service Provider Fee .....	13
10.	DISTRIBUTION POLICY .....	14
11.	BORROWING .....	14
12.	SHARE RIGHTS .....	14
13.	RISK WARNINGS .....	14

## 1. INTRODUCTION

The ENBD Saudi Arabia Equity PC (the “Cell”) is a cell of Emirates Portfolio Management PCC (the “Fund”). The Fund is a protected cell company registered, initially, with limited liability in Jersey on 5<sup>th</sup> December 2006. The Cell was registered on 19 April 2007. The Fund is governed by the Collective Investment Funds (Jersey) Law, 1988, as amended and the subordinate legislation made thereunder. The Fund is authorised by the Jersey Financial Services Commission as an Unclassified Fund under the Collective Investment Funds (Jersey) Law 1988 (the “CIF Law”). The Fund has received a certificate in respect of the Cell under the CIF Law to carry out its functions under the CIF Law. The Jersey Financial Services Commission is protected by the CIF Law against liability arising from its functions under the CIF Law. The Manager, Administrator and Custodian are registered by the Jersey Financial Services Commission pursuant to Article 9 of the Financial Services (Jersey) Law 1998 to carry out their respective functions.

The Cell shall have the following share classes:

- The ENBD Saudi Arabia Equity USD A Share Class (the “A” Share Class) (Accumulation)
- The ENBD Saudi Arabia Equity USD A Share Class (the “A” Share Class) (Income)
- The ENBD Saudi Arabia Equity USD B Share Class (the “B” Share Class) (Accumulation)
- The ENBD Saudi Arabia Equity USD C Share Class (the “C” Share Class) (Accumulation)
- The ENBD Saudi Arabia Equity USD G Share Class (the “G” Share Class) (Accumulation)
- The ENBD Saudi Arabia Equity USD G Share Class (the “G” Share Class) (Income)
- The ENBD Saudi Arabia Equity USD Institutional Share Class (the “Institutional” Share Class or “I” Share Class) (Accumulation)
- The ENBD Saudi Arabia Equity USD Institutional Share Class (the “Institutional” Share Class or “I” Share Class) (Income)
- The ENBD Saudi Arabia Equity USD P Share Class (the “P” Share Class) (Accumulation)

The records of the Cell will reflect the number of shares in the Cell which are attributable to each Share Class proportionate to the subscription monies (after taking into account any separate costs and expenses attributable to each Share Class).

## 2. INVESTMENT POLICY & PRINCIPAL FEATURES

The investment objective of the Cell is to provide professional, institutional, high net worth and Sophisticated investors with a professionally managed means of participating in a portfolio of Saudi Arabian equities aiming to achieve capital appreciation over the medium to long term along with the option of an income paying share class.

The Cell will operate on a feeder fund basis feeding into the ENBD Saudi Arabia Equity Fund, which is a sub-fund of Emirates NBD SICAV (the “Luxembourg Sub-Fund”). The SICAV is an investment company organised as a société anonyme under the laws of the Grand Duchy of Luxembourg and qualifies as a SICAV, incorporated under the Law of 2010 and listed on the official list of UCITS, authorised under Part I of the Law of 2010. The SICAV’s registered office is at 49 avenue J.F. Kennedy, L-1855 Luxembourg. The Fund was incorporated in Luxembourg on 6 September 2013 for an unlimited period. The Articles of Incorporation of the SICAV were published in the Mémorial, Recueil des Sociétés et Associations (the “Mémorial”) on 18 October 2013. The SICAV is registered with the *Registre de Commerce et des Sociétés*, Luxembourg, under number B180066. The Articles of Incorporation are on file with the Chancery of the District Court of Luxembourg (Grefte du Tribunal d’Arrondissement).

A copy of the Prospectus in relation to the SICAV will be provided upon request with this Supplement and should be read in conjunction with this Supplement. The documents are also available on [www.emiratesnbd.com/assetmanagement](http://www.emiratesnbd.com/assetmanagement)

The Luxembourg Sub-Fund will be managed by utilizing a bottom up approach in order to make individual security selection as well as a top-down overlay in respect of sector allocation. The Luxembourg Sub-Fund will also take advantage of price distortions and specific opportunities that display potential for strong gains, which will require an active management style..

The Luxembourg Sub-Fund will primarily invest in equities, but may also take exposure to other suitable asset classes such as fixed income instruments and cash. If the investment opportunity presents itself, the Luxembourg Sub-Fund is permitted under its investment restrictions to make investments in other MENA countries.

Investment decisions will be made on behalf of the Fund by the Manager, advised by the Discretionary Investment Manager, and any appointed investment advisor or associate (as defined in the Discretionary Investment Management Agreement), and will reflect the long term objective of achieving capital appreciation over the medium to long term. It is intended that, for certain share classes, the Manager will make periodic dividend distributions for the Share Classes using both gains on investments and dividends received. Any income received from the Luxembourg Sub-Fund will be reinvested in shares in the Luxembourg Sub-Fund for accumulation class investors.

Through feeding into the Luxembourg Sub-Funds, the Cell will observe the following Investment Restrictions and guidelines:

The Luxembourg Sub-Fund may, subject to the general investment restrictions applicable to UCITs:

- Not hold more than 20% of its assets in cash or cash equivalent instruments;
- Not invest more than 10% of its assets in the securities of a single corporate issuer (excluding cash deposits). In addition to the above limit, the total value of all



Transferable Securities and Money Market Instruments of issuers in which it invests more than 5% of its assets may not exceed 40% of the value of the assets of the Luxembourg Sub-Fund.

- Not borrow other than for the purpose of meeting redemptions up to a limit of 10% of the NAV of the Sub-Fund,
- Not invest in unlimited liability obligations;
- Not take legal or management control in any of its investments;
- Not have exposure, in aggregate, to cash instruments and non-equity based investments, including structured finance but excluding index derivatives, of greater than 50%;
- Invest in collective investment schemes up to a limit of 10% per underlying fund. For the purpose of application of this investment limit, each sub-fund of a UCI with multiple sub-funds is to be considered as a separate issuer provided that the principle of segregation of the obligations of the various sub-funds vis-à-vis third parties is ensured;
- Not directly acquire any asset that involves the assumption of any liability which is unlimited;
- during its period of existence invest in other investment vehicles where the Discretionary Investment Manager has a material interest. Any investments into these underlying funds shall incur no additional subscription fee at the underlying fund level and all investments into these funds will be done at commercial rates. Investors should note, however, that, should this occur, a potential conflict of interests may exist for the Discretionary Investment Manager or any related party.
- In order to gain exposure to stocks listed on the markets of the Kingdom of Saudi Arabia, the Luxembourg Sub-Fund may hold participatory notes (P Notes), swaps or other instruments providing a synthetic form of exposure to such markets. Other forms of direct investments into Saudi equities could be employed if the appropriate means present themselves (such as Qualified Foreign Investor (QFI) quota).

The Cell does not currently intend to seek finance, other than for funding redemptions as noted later in this Supplement.

In addition to the restrictions above, the Manager, through the Discretionary Investment Manager, has determined that in order to meet redemption requests each Share Class may, where practicable, retain in cash or other readily liquid assets such amount as the Manager may from time to time consider appropriate. Investors should be aware, however, that there is no guarantee that such cash may be retained. In the event that a Share Class does not have sufficient cash to fund redemptions, the Manager may seek to sell shares in the Luxembourg Sub-Fund or seek finance on behalf of the Cell to enable it to make such redemptions without the necessity to sell assets (being the shares in the Luxembourg Sub-Fund) of that particular Share Class, should the Manager be of the opinion that it is not in the best interests of the Cell to do so.

It may also be necessary to suspend or defer redemptions or effect an in specie transfer. Investors should refer to the Fund's Prospectus for more details of procedures in this instance.

Investors should note that the Manager may, at its discretion, value the assets and securities of the Luxembourg Sub-Fund by using estimates from an underlying manager of any collective investment scheme held by the Cell and where, in the opinion of the Manager, it is reasonable to assume that the estimate represents fair value for those assets. Investors should note that, while this should allow the Cell price to be calculated more quickly, there may be instances where subsequent revisions to the value of any underlying collective investment scheme may mean that a different value might subsequently be applied.

Notwithstanding the above, the Directors may, in their absolute discretion, suspend the determination of the NAV and consequently the rights of redemption in such circumstances as they think appropriate. These circumstances include, but are not limited to:

- (i) Any period when any market in which a significant portion of the Fund's investment is ordinarily traded, is closed (other than for ordinary holidays) or when trading has been restricted or suspended;
- (ii) Any circumstances which, in the judgment of the Directors, constitutes an emergency which would render a disposal of the Fund's assets impracticable or seriously detrimental to the shareholders; and
- (iii) When, for any reason, including a breakdown in the means of communication normally employed in determining the NAV, such NAV cannot be promptly and fairly ascertained.

Furthermore, the Cell may during its period of existence invest in other funds where the Manager or the Discretionary Investment Manager have a material interest but only when, in the opinion of the Manager, having taken advice from the Discretionary Investment Manager, it would be prudent to do so. Any investments into these underlying funds shall incur no additional subscription fee at the underlying fund level and all investments into these funds will be done at commercial rates and on the basis outlined in the Prospectus. Investors should note, however, that, should this occur, a potential conflict of interests may exist for the Manager and Discretionary Investment Manager. For further information on this and other risks please refer to the section 13 of this Supplement headed "Risk Warnings".

No underlying entity in which the Cell invests will be permitted to become a shareholder of the Cell.

**An investment in each Share Class and ultimately in the assets or securities held by the Cell must, however, be viewed as a medium to long term investment.**

### **3. VALUATION DAY**

The valuation frequency of all share classes of the Cell will be daily on every Business Day. For the purposes of the Cell a 'Business Day' shall be as defined in the Prospectus but shall not include any day which is a public holiday for banks in Luxembourg.

The Valuation Point to be used will be at 10.00 am on the Valuation Day or the last available published prices will be used, whichever is later. Estimates may be used when, in the absolute discretion of the Manager, it would be prudent to do so.

#### **4. SUBSCRIPTION DAY FOR SUBSCRIPTIONS (“SUBSCRIPTION DAY”)**

The Subscription Day for all Share Classes will be the Valuation Day. Notice must be given by 12.00 pm Jersey time, on the Business Day prior to the Subscription Day (the "Subscription Cut-Off"); unless such other notice period is agreed by the Manager from time to time. If less notice is given, or a Subscription Cut-Off is missed, the next available Subscription Day will be used. If the Subscription Day is not a Business Day then the Subscription Day will be the next Business Day.

At the absolute discretion of the Manager, the frequency of Subscription Days may be altered as deemed appropriate.

#### **5. SUBSCRIPTION POLICY**

The Directors of the Fund have determined that different Shares Classes will have different Subscription policies.

In respect of the I Share Classes, the minimum subscription will be USD 1,000,000. Further subscriptions from the same investor should be a minimum of USD 250,000

In respect of the P Share Class, the minimum subscription will be USD 5,000,000. Further subscriptions from the same investor should be a minimum of USD 250,000.

In respect of the A, B, C and G Share Classes, the minimum subscription will be USD 25,000. Further subscriptions from the same investor should be a minimum of USD 10,000.

All the minimums on initial investments and top-ups on all Shares Classes are subject to variation at the discretion of the Manager on a case by case basis.

Applications may be accepted or rejected in the sole discretion of the Manager and in particular the Manager may require any applicant to provide further information and/or declarations. In particular, measures aimed towards the prevention of money laundering may require a detailed verification of the applicant's identity. By way of example an individual may be required to produce a copy of a passport or identification card duly certified by a notary public, together with evidence of his/her address such as a utility bill or bank statement and date of birth. In the case of corporate applications this may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and residential and business addresses of all directors.

The Manager reserves the right to request such information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any

information required for the verification purposes, the Manager may refuse to accept the application. The Manager may allot Participating Shares in the absence of any such required information or declarations provided that if such information or declarations have not been received within one month of the relevant Subscription Day, the allotment shall be cancelled and the relevant subscription monies shall be returned within one month thereafter to the applicant at his risk after deducting such amount as the Directors may in their discretion think fit to cover expenses incurred and, until returned, such application monies may be made use of by the Cell for its own benefit.

If an Application Form or any information or declarations required by the Manager are received after such time, the Manager may defer allotment of Participating Shares until the next succeeding Subscription Day on which the conditions for allotment have been satisfied.

The Manager may impose restrictions on the persons or classes of persons who may apply for, and continue to hold, Participating Shares.

Subscription payments must be received and accepted by the Administrator within 3 Business Days following the Subscription Day unless otherwise agreed by the Directors.

Payment must be made, in class currency, direct to the bank account details, by bank transfer, as described in the Application Form. At the Manager's absolute discretion and by prior arrangement with the Manager, payments may be accepted in forms of consideration other than cash, in particular by way of the transfer, assignment or vesting of securities or other non-cash assets in the Company, in accordance with the terms of the Articles of Association for the Cell.

Share Certificates will not be issued in respect of Participating Shares.

The Manager may in its discretion satisfy any application for Participating Shares by procuring the transfer to the applicant of fully paid Participating Shares.

Please see section 9.1 of this Supplement headed 'Subscription Fee' for further details.

## **6. MINIMUM NAV LEVEL**

If after the first anniversary of the close of the Initial Offering Period the NAV of the Cell is less than USD 50 million the Manager may by not less than 1 months' notice (expiring on a Redemption Day) to all holders of Participating Shares in the Cell redeem, on the Redemption Day on which such notice expires, all (but not only some) of the Participating Shares then in issue in the Cell at the Redemption Price on such Redemption Day. For the avoidance of doubt, in these circumstances no Redemption Charges would apply.

## **7. REDEMPTION POLICY AND REDEMPTION DAYS**

The Directors of the Fund have determined that the Redemption Policy will be the same from share class to share class.

The Redemption Days for all Share Classes will usually be every Valuation Day or any such day that the Directors determine. One Business Day's notice, by 12.00 pm Jersey time, preceding the Redemption Day shall be required from investors.

At the Manager's discretion the frequency of Redemption Days may be altered as deemed appropriate.

Shareholders may redeem all or part of their holding of Participating Shares by submitting a Redemption Notice giving the requisite notice period before the Redemption Day or such shorter notice period as the Directors and the Manager may agree from time to time. If the Redemption Form is received after such time the Manager may defer the redemption of such shares until the next Redemption Day. A redemption request may not be withdrawn unless dealings are suspended after such request is received by the Manager.

In respect of all Share Classes, the Manager may levy a redemption charge (a "Redemption Charge") on any Participating Shares to be redeemed under a Redemption Notice where the costs of realizing these Shares may be otherwise incurred by Shareholders who remain within the Cell. Should this be required, in order to treat Shareholders equally and to ensure that remaining Shareholders are not disadvantaged, any such Redemption Charge will be for the benefit of the Cell. It is not envisaged that a Redemption Charge will be levied for any other reason.

Redemptions may be satisfied by the Manager at its discretion by procuring the purchase of the Participating Shares to be redeemed at the Redemption Price.

If requested by the Shareholder, the Manager may determine (with the consent of the relevant Shareholder) to pay the net proceeds of sale of the relevant scheme property to the Shareholder should this, in the opinion of the Manager, not adversely impact the remaining shareholders and be practical. This would be done after it had been removed from the Cell through an in-specie redemption at the relevant Redemption Day.

At all times, the Directors of the Cell and the Manager will seek to ensure an appropriate course of action that is not detrimental to remaining shareholders in the Cell. Redemption proceeds will be paid, in class currency, within 1 month of the relevant Redemption Day on which the relevant Participating Shares are redeemed.

Payment will be made in accordance with instructions included on the Initial Application Form or any amended instructions received, in original, and accepted by the Manager and Administrator. Any accrued management, performance and/or Redemption Charge will be deducted from the redemption proceeds. Redemption Notices received by the Company on any Redemption Day in relation to Participating Shares with an aggregate NAV of more than 5% of the NAV of Participating Shares in any Share Class of the Cell may, at the discretion of the Manager, be reduced proportionately, and the excess Participating Shares redeemed

on the next Redemption Day irrespective of whether on such succeeding Redemption Day, the aggregate NAV of Participating Shares to be redeemed on such day exceeds 5% of the NAV of Participating Shares in any Share Class of the Cell. It may also be necessary to suspend or defer redemptions or effect an in-specie transfer or, if requested by the Shareholder, pay the net proceeds of sale of the relevant scheme property to the Shareholder. For further details on when this might occur, please see section 10 of the Prospectus.

The minimum value redemption request for the A, B, C and G Share Classes is USD 10,000 and the Minimum Holding value is USD 25,000.

The minimum value of redemption request for the I Share Class is USD 250,000 and the Minimum Holding value is USD 1,000,000.

The minimum value of redemption request for the P Share Class is USD 250,000 and the Minimum Holding value is USD 5,000,000.

These limits are all subject to variation at the discretion of the Manager on a case by case basis.

**An investment in each Share Class and ultimately in the assets and investments held by the Cell must, however, be viewed as a medium to long term investment.**

Please see section 9.6 of this Supplement headed 'Exit Fee' for further details.

## **8. FUND SERVICE PROVIDERS**

The principal fund service providers of the Fund are set out in section 5 of the Prospectus. The following fund service providers, and respective committees, will be appointed in respect of the Cell:

### **8.1 Discretionary Investment Manager**

With the approval of the Cell, and as stated in section 5 of the Prospectus, the Manager has appointed Emirates NBD Asset Management as Discretionary Investment Manager (the "**DIM**") in respect of the Cell. The DIM will keep the Cell's investments under regular review and will provide full investment advice to the Manager in relation to the investments of each Share Class and the Cell.

The DIM may appoint, with the approval of the Manager, other such professional parties and investment advisors deemed necessary in order to carry out its investment activities.

The DIM was incorporated on 16<sup>th</sup> July 2007 with limited liability. Its registered office is PO Box 506578, DIFC, The Gate Building, East Wing, Level 8, Dubai, UAE. Its issued and paid up share capital is USD 10,000,000 as at the last accounting date on 31<sup>st</sup> December 2016.

The Discretionary Investment Management Agreement dated 8 January 2018 contains certain indemnities in favour of the Discretionary Investment Manager and is terminable by the Manager on six months' notice or on shorter notice in certain circumstances including material breach.

## **8.2 Investment Advisors**

The DIM shall have the capacity, with the approval of the Manager, to appoint such other investment advisors as it considers appropriate provided that the cost of such other investment advisors is borne by the DIM and not charged as an additional expense to the Cell or the Fund.

## **8.3 Corporate Services Provider**

State Street Fund Services (Jersey) Limited, or another provider approved by the Directors of the Cell, will provide corporate administration services to the Cell and any SPVs of the Cell (including the provision of directors and secretary).

# **9. FEES**

## **9.1 Subscription Charge**

On subscription for any A, I, G and P Share Classes, the Directors have determined that the Manager may make a subscription charge not exceeding 5% of the Subscription Price (or such higher percentage as may from time to time be determined by the Directors) to be retained for its absolute use and benefit. Any sum received as a subscription charge in excess of this amount shall be retained for the account of the Participating Shares to which the subscription relates.

In respect of the B Share Class, there is no subscription charge and investors will receive an initial allotment of Participating Shares equivalent to 100% of their subscription amount. A deferred sales fee, amounting to 1.20% of the value of any subscription, (the "Deferred Sales Fee") will be payable by the Cell to the Manager for its absolute use and benefit in full following the subscription confirmation and amortised back to the Cell on each Valuation Day for the first year since subscription. The Deferred Sales Fee will therefore be reflected in the NAV of the Share Class. The Deferred Sales Fee shall apply to all initial subscriptions and any subsequent subscriptions.

In respect of the C Share Class, there is no subscription charge and investors will receive an initial allotment of Participating Shares equivalent to 100% of their subscription amount. A deferred sales fee, amounting to 1.00% per annum for the first five years of the value of any subscription, (the "Deferred Sales Fee") will be payable by the Cell to the Manager for its absolute use and benefit in full following the subscription confirmation and amortised back to the Cell on each Valuation Day for the first five years since subscription. The Deferred

Sales Fee will therefore be reflected in the NAV of the Share Class. The Deferred Sales Fee shall apply to all initial subscriptions and any subsequent subscriptions.

Please see section 9.6 of this Supplement headed 'Exit Fee' for further details in respect of the B and C Share Classes.

## 9.2 Management Fee

The Directors of the Fund have determined that different Shares Classes will have different fee levels.

In respect of the I Share Classes and P Share Class, the Manager shall be entitled to receive a management fee up to 1.50% per annum of the Gross Asset Value of the Cell.

In respect of the A, B, C and G Share Classes, the Manager shall be entitled to receive a management fee up to 1.75% per annum of the Gross Asset Value of the Cell.

In addition to the management fee, the B, C and G Share Classes will pay an additional 0.5% per annum distributor's fee from the gross asset value of the Share Class.

The management fee shall accrue at each Valuation Day and shall be payable monthly in arrears from the assets of the Share Class within fifteen days of the relevant month's end. In addition to the management fee, the Fund shall reimburse to the Manager out of the Cell all reasonable expenses, costs, charges and fees incurred or to be incurred by the Manager in respect of such Cell save that expenses, costs, charges and fees in the relevant categories incurred or to be incurred by any person to whom the Manager shall have delegated any of its powers and duties in accordance with the Management Agreement shall be the responsibility of the Manager.

## 9.3 Performance Fee

The Manager will be entitled to a performance fee on all Share Classes except the P Share Class in the Cell in respect to the Participating Shares. The performance fee will accrue at each Valuation Day and will be payable quarterly and will be calculated on the Calculation Days, these being the applicable Valuation Days at the end of January, April, July and October each year ("the **Calculation Day**").

An estimate of the performance fee payable at the next Calculation Day earned to date will be made and accrued on each Valuation Day. The Discretionary Investment Manager and other advisors shall receive any entitlement that it has to a share of the performance fee from the Manager.

The performance fee will be payable on the increase of the NAV of the Share Classes over the NAV recorded at the Calculation Day of the previous quarter after taking into account subsequent subscriptions and redemptions. The performance fee will be equal to up to 10%



of the increase in the NAV of the Participating Shares over and above the Hurdle Rate Return (as defined below).

The "Hurdle Rate Return" will be 10% annualized and calculated on a quarterly basis, applicable to the aggregate of:

- the NAV of the Share Class as at the Calculation Day of the previous quarter (after distributions payable at that Calculation Day) (or the NAV on launch of the Share Class in respect of the first Calculation Day), and
- the total of all subsequent subscriptions less all subsequent redemptions (calculated at the time of the relevant subscription or redemption) made in respect of the Share Class since the Calculation Day of the previous quarter (or since launch of the Cell in respect of the first Calculation Day.)

For the purpose of determining the NAV of the Cell at the relevant Calculation Day (i) calculations will be made before deducting performance fees and (ii) any issue or redemption of shares in the Share Class on the relevant Subscription Day shall be disregarded, and (iii) distributions payable at that Calculation Day will be included in the NAV at that Valuation Day.

The performance fee payable on each Calculation Day represents a definitive charge to the Share Class, and is not recoverable by the Share Class in the event that there is a subsequent fall in the NAV of the Share Class or subsequent under performance when compared to the Hurdle Rate Return.

For the avoidance of doubt, the Valuation Day at the end of September 2009 or other such date as the Manager may determine, shall be considered a Calculation Day. The first Calculation Day thereafter will be October 2009. Prior to this date, the calculation methodology and rate payable as stated in the previous Supplement will be used and the Calculation Day at September 2009 (or other such date as the Manager may determine) will be the point where any accrual on this previous rate becomes a definitive charge to the Cell and the new rate as stated herein will apply.

#### **9.4 Administration Fee**

The Administrator, or other such administrator who may - at the discretion of the Directors - be appointed to the Cell, shall be paid an administration fee as per the schedule below.

Total Net Assets	Administration fees
First \$100 Million	0.12%
Next \$100 Million	0.09%
Next \$100 Million	0.07%
Excess	0.05%

Such fee shall accrue at each Valuation Point and shall be payable monthly in arrears to the Administrator from the assets of the Cell within fifteen days of the relevant month's end. Additional charges may arise from time to time at the discretion of the Directors.

The Administrator will also be paid a fee of 0.02% per annum for regulatory oversight. This fee will be payable with the administrative fee cited above. Additional fees may be payable by the Cell to the Administrator as agreed by the Directors of the Cell and the Administrator from time to time.

## **9.5 Custodian Fee**

The Custodian, or other such custodian who may at the discretion of the Directors be appointed to the Sub-Fund, will be paid custody fees at market rates, or as agreed between the Fund, the Manager and Custodian from time to time.

The custodial fees are divided into two categories for each market of investment, namely safekeeping fees and transaction fees. The safekeeping fee is an annual fee, billable monthly, based on the value of the month end assets. Safekeeping fees are based on a “per country” basis and include the safekeeping fees charged by any sub custodians. The transaction fee is essentially a trade settlement fee and also includes any sub custodian expenses.

Custodial fees for developed markets such as the UK or US are 0.01%, rising towards 0.25% for some emerging markets, whilst some frontier markets such as those in the MENA region can be charged at 0.35%. The upper limit for safekeeping fees charged on a “per country” basis is 0.65%. Transaction fees typically fall in the range of \$10 to \$80 per trade, dependent on security type and market. These fees are detailed in full in the schedules to the Custodian Agreement dated 13<sup>th</sup> March 2012 between State Street Custodial Services (Jersey) Limited and the Fund and are available to shareholders on request.

Such fees in respect of the Cell will accrue at each Valuation Day and shall be payable to the Custodian monthly in arrears from the assets of the Cell within fifteen days of the relevant month's end.

For the avoidance of doubt, therefore, these fees will not apply for leverage taken solely to meet any temporary shortages of funds created by redemption requests for the redemption of Participating Shares or leverage used because of timing differences in connection with the purchase and settlement of Cell property.

## **9.6 Exit Fee**

Notwithstanding the Redemption Charge, Directors of the Cell have determined that different Share Classes shall carry different exit fees.

In respect of the A, I, G and P Share Classes, there shall be no exit fees payable.

In respect of the B Share Class, an exit fee of 1.20% shall be deducted from proceeds payable on redemption of Participating Shares for the first 12 months since subscription.

In respect of the C Share Class, the following exit fees shall be deducted from redemption proceeds on redemptions of Participating Shares made in the respective periods set out below.

<b>Period of Holding following Registration of Share</b>	<b>Exit Fee</b>
Up to 12 months	5%
12 months to 24 months	4%
24 months to 36 months	3%
36 months to 48 months	2%
48 months to 60 months	1%
More than 60 months	0%

In all cases, in respect of the B and C Share classes, the relevant period shall be from the date on which such Participating Shares were registered in the redeeming shareholder's name on a first in, first out basis. Exit fees shall be retained for the account of the Cell.

## **9.7 Corporate Services Provider Fee**

State Street Fund Services (Jersey) Limited, or any other Corporate Services Provider that may be appointed by the Manager from time to time, will also be paid a fee in respect of corporate services which it provides to the Cell at the relevant market rate and as agreed with the Manager from time to time. It is not expected that this fee will exceed \$15,000 per annum.

Disbursements relating to exempt company fees, audit fees, filing fees and other extraordinary costs will be additional costs. The above fees and costs will be payable by the Cell or associated SPV.

The Discretionary Investment Manager and the board of the Cell have taken all reasonable steps to ensure that the level of additional fees are limited and that no double charging applies by companies within the Emirates NBD Group and all charges from major service providers to the Cell are reduced. In line with industry norms, additional out of pocket expenses may be applicable but all fees from the underlying annual management charge of the Emirates NBD SICAV sub-fund will be rebated in full and the Administrator and Custodian have amended their charging structures to take into account the fee load for investors in the Cell. The directors of the Cell and the Manager are of the opinion that the fee arrangements that have been put in place are in the best interests of all investors in the Cell and that investors will be in an equitable position if the cell had invested into direct securities

or underlying funds. Where there is a common director, these fees will be waived at the underlying sub-fund level or at the level that will create the most cost efficiency for the Cell.”

## **10. DISTRIBUTION POLICY**

### ***A Share Class (Inc), G Share Class (Inc) and I Share Class (Inc)***

In the case of the Share Classes, it is intended to achieve a high and rising level of income distribution commensurate with the market and in keeping with the distributions that can be made by the relevant Share Class in accordance with the Companies (Jersey) Law, 1991. Distributions from the relevant income distributing Share Classes will be declared on a six-monthly basis around the first week of June and December and will usually be paid within six weeks. For the avoidance of doubt, the first distribution from this Share Class will occur in June 2009. In the event that there is insufficient income to meet a distribution, payments can be made from capital at the complete discretion of Directors of the Cell. Please see section 12 of this Supplement headed “Risk Warnings” for further details.

## **11. BORROWING**

The Cell has the power to borrow to meet redemptions, which would otherwise result in the premature realisation of investments. No more than 10% of the NAV (the “NAV”) of the Cell may be borrowed to meet redemption requests from the Cell.

## **12. SHARE RIGHTS**

Participating Shares may, at the request of the investor be issued with or without voting rights and otherwise shall rank pari passu in all respects.

## **13. RISK WARNINGS**

In addition to the risk warnings set out in section 15 of the Prospectus and Appendix1 and Section 6 of the SICAV Prospectus, investors are also directed towards the following inherent risks relating to an investment in any Share Class and ultimately in the assets to be acquired via the Cell. The risk warnings for the new mandate are as follows:

- (i) Although the Luxembourg Sub-Fund will seek to diversify risk, securities and assets held within the Luxembourg Sub-Fund may be marked to market and may fall as well as rise. As such, capital growth and income derived from certain holdings might not be achieved and capital invested in the Luxembourg Sub-Fund is not guaranteed. It should be noted that the Luxembourg Sub-Fund may invest in industries and sectors that are highly specialized and where increased risks to capital may occur. In addition, disclosure of information and efficiency of markets in alternative strategies may be less than more traditional funds. This can make assets difficult to value and can cause significant falls in value from time to time. This may in turn affect the value of the Cell.

- (ii) Assets held directly or indirectly by the Luxembourg Sub-Fund may not be readily realizable and no market may formally exist. It might therefore be difficult for an investor to sell their holding or obtain reliable information about its value.
- (iii) Assets held directly or indirectly by the Luxembourg Sub-Fund may be priced on a straight-line basis or may be priced from off-market quotations that are, in the sole opinion of the Directors of the Luxembourg Sub-Fund, reliable. Therefore, in the event of a substantial redemption (either by the Cell, the Luxembourg Sub-Fund or other investors in underlying funds held by the Cell), the value of these securities might fall, there may be a mark to market loss in the value of these assets or the prices previously indicated may not be able to be realised.
- (iv) Underlying investments, including collective investment schemes, might have lock-ins or notice periods different from those of the Luxembourg Sub-Fund and this might cause a suspension of redemption of assets held by the Luxembourg Sub-Fund.
- (v) Counterparties with whom the Luxembourg Sub-Fund might enter into transactions might be below investment grade and unrated by recognised rating agencies. Any obligations entered into by the Luxembourg Sub-Fund might therefore pose a significant risk to capital.
- (vi) Cash resources immediately available to meet redemption applications may be limited and may ultimately necessitate a sale of assets. Investors should be aware that the Directors may determine that securities within any categories should be sold and that this could cause a significant fall in the value of assets held by the Luxembourg Sub-Fund. The Fund may be required to pledge shares or assets held by the Luxembourg Sub-Fund as security for the obligations of the Fund in respect of any financing arrangements. There can be no assurance that the exit strategies of the Cell, the Luxembourg Sub-Fund and ultimately the Share Class may be available or practical.
- (vii) An investment of the type offered by the Share Class may not be suitable for all recipients of the Prospectus or this Supplement. An investment in the Share Class and ultimately in the assets held via the Luxembourg Sub-Fund is designed as a medium- to long-term investment and consequently may not be suitable as a short term investment. Prospective investors should seek advice from their investment adviser before making an investment in a Share Class.
- (viii) Charges and expenses in connection with the Fund, the Share Class and the Luxembourg Sub-Fund are not made uniformly throughout the life of the Fund and it is possible that an investor may not receive back the full amount of their investment.
- (ix) In the event that all or the majority of shareholders in a Share Class redeem their Shares, such redemptions may necessitate a sale of assets held by the

Luxembourg Sub-Fund. Such sale may have an adverse impact on the remaining Share Classes (if any) investing in the Luxembourg Sub-Fund.

- (x) The value of the Cell/ Luxembourg Sub-Fund's investment may be affected by uncertainties, such as political developments, changes in government policies, taxation, currency repatriation restrictions and restrictions on foreign investment in some or all of the countries in which the Luxembourg Sub-Fund may invest.
- (xi) The Cell and the Luxembourg Sub-Fund may hold assets denominated in a currency other than the currency of the current share class of USD. The Luxembourg Sub-Fund may therefore be exposed to currency risk now and in the future. Where this is the case, the movement of general foreign exchange rates could have an adverse effect on overall performance of the Luxembourg Sub-Fund.
- (xii) The Luxembourg Sub-Fund will take on significant exposure to emerging markets, specifically in the Middle East and Northern Africa regions, predominantly Saudi Arabia. Additionally, the investment objective of the Luxembourg Sub-Fund may necessitate taking exposure to smaller companies where liquidity and disclosures may be poor. The regulatory supervision, legal infrastructure and accounting, auditing and reporting standards in emerging markets may not provide the same degree of shareholder protection or information to investors as would generally apply internationally. In particular, valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may be treated differently from international accounting standards. This may affect the valuation of the assets in which the Luxembourg Sub-Fund invests.
- (xiii) The Luxembourg –Sub Fund will invest predominantly in Saudi Arabia, therefore any factor which may affect the value of investments in Saudi Arabia such as market volatility, political instability or regulatory change will be more closely reflected in the net asset value of the Luxembourg Sub-Fund. Due to the nature of the asset class it is not likely to be possible to mitigate against such risks and therefore investment in the Sub-Fund is suitable only for investors who understand such risks.
- (xiv) Transactions effected by the Luxembourg Sub-Fund will not be limited to transactions on, or be effected under the rules of, major exchanges. The Luxembourg Sub-Fund may therefore take a credit risk on the parties with which it trades. It will also bear the risk of settlement default. The Luxembourg Sub-Fund may make investments through Special Purpose Vehicles in which its interest may be that of a minority shareholder and accordingly the Fund's ability to make decisions affecting such vehicles and underlying investments may be limited. In addition, some or all of the assets may from time to time not be held in the possession of the Custodian but directly by a third party pursuant to an express agreement with the Fund.

- (xv) The performance of the Luxembourg Sub-Fund may be affected by changes in economic and market conditions and in legal, regulatory and tax requirements. The Luxembourg Sub-Fund will be responsible for paying its own fees and expenses regardless of the level of its profitability.
- (xvi) Investors should be aware that the Cells may invest in other assets in which a named counterparty to the Cells may have an interest. This may lead to a potential conflict of interests where the Manager or the Discretionary Investment Manager may benefit from such allocations. Investments into such holdings should only normally be for EPM purposes but there is no guarantee that this is the case. Additional fees from any underlying transactions may cause a greater reduction in yield and this may, in turn, affect the net profit of any such transaction made by the Cell. In addition, investors' attention is drawn to the Prospectus for details on the fee rebate arrangements in place between the relevant Cells and the Luxembourg Sub-Funds.
- (xvii) The Luxembourg Sub-Fund has flexible limits on the number of counterparties with whom it must place investments. Therefore, any event such as fraud or default may cause losses to be higher than if such restrictions had been in place. In extreme cases, losses may equal the amount invested and may cause a significant erosion of the Luxembourg Sub-Fund value.
- (xviii) The Luxembourg Sub-Fund may take on exposure to hybrid instruments, structured products/ notes, derivatives, mutual fund and other collective investment schemes that comply with the investment objectives of the Luxembourg Sub-Fund. Such investments may be more expensive than direct investments as a result of additional layering of fees. This may result in lower returns than might otherwise have been expected.
- (xix) Leverage employed by the Luxembourg Sub-Fund may exacerbate the effect on the value of falls and rises in the value of the Luxembourg Sub-Fund's investment portfolio and falls in value may consequently affect the Luxembourg Sub-Fund's liquidity.
- (xx) Distributions from the Luxembourg Sub-Fund may be made out of capital or income at the discretion of Directors of the Luxembourg Sub-Fund. In the event that income from securities held by the Luxembourg Sub-Fund is insufficient to cover the distribution payment, the Manager may be forced to liquidate certain positions in order to meet the required shortfall. This may cause the price of the Distribution Class, as well as other share classes, to fall.
- (xxi) If there are substantial redemptions within a limited period of time, it may be difficult for the Luxembourg Sub-Fund to provide sufficient funds to meet such redemptions without liquidating positions prematurely at an inappropriate time or

upon unfavorable terms. This may result in substantial losses to the Luxembourg Sub-Fund.

- (xxii) Due to high levels of inflation, the Luxembourg Sub-Fund or assets within the Luxembourg Sub-Fund may lose value in real terms. The risk of inflation tends to be higher within emerging markets when compared to more developed markets.
- (xxiii) The Luxembourg Sub-Fund may hold property. Exposure to property may expose the Luxembourg Sub-Fund to risk inherent in property markets. These risks include, but are not limited to, liquidity risk, concentration risk, custody risk and damage risk inherent in any physical property.
- (xxiv) The Luxembourg Sub-Fund may hold Sukuks. Sukuks contain risk much similar to traditional fixed income instruments. These risks include, but are not limited to, inflation risk, interest rate risk and reinvestment risk. These risks are stated in the risk warnings below.
- (xxv) Should any asset not be directly accessible by the Luxembourg Sub-Fund, the directors of the Luxembourg Sub-Fund may permit a related party to the Discretionary Investment Manager to hold it on its behalf. As such, additional counterparty risks may apply from time to time.
- (xxvi) Reinvestment risk applies. This is prevalent in situations where interest or dividends earned from an investment may not be able to be reinvested in such a way that they earn the same rate of return as originally invested in the Luxembourg Sub-Fund. This may usually occur in an environment of declining prevailing interest rates.
- (xxvii) The underlying assets of the Cell will be held in the SICAV in Luxembourg and therefore are not held under the regulatory jurisdiction of the Jersey Financial Services Commission.
- (xxviii) UCITS rules, and the restrictions of the underlying Luxembourg Sub-Fund may differ from those that currently apply in Jersey to the Cell. These are as stated in Section 2 of this Supplement.