

This document is issued by Abu Dhabi Commercial Bank PJSC ("ADCB") in its capacity as Fund Manager of the Al Nokhitha Fund. Reasonable professional care has been taken to ensure that the facts stated herein are true and accurate in all material respects and that there have been no omissions of material facts that would make misleading any statement herein, whether of fact or opinion.

ADCB is acting on behalf of the Al Nokhitha Fund in connection with the offering of Units pursuant to this Prospectus and will not be responsible to any other person for advising on the suitability of, or for providing best execution in respect of, a subscription for Units.

AL NOKHITHA FUND

("AL NOKHITHA")

**("an open-ended investment fund established under the approval of the Board of Directors of the
U.A.E. Central Banks' Resolution No. 164/8/94")**

Prospectus

for a

CONTINUOUS OFFERING OF UP TO 10,000,000 UNITS

(subject to increase)

September 2015

Sponsor / Fund Manager



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IMPORTANT INFORMATION

This Prospectus replaces in its entirety any previous Prospectuses issued by the Fund as of date of its approval by Securities & Commodities Authority on September 19, 2015

Units are offered to investors on the basis only of the information contained in this Prospectus, and such additional document(s), if any, as may be issued by the Fund expressly in conjunction with the issue hereof. Any further information or representations made by any dealer or other person must be regarded as unauthorised and must accordingly not be relied upon. The delivery of this Prospectus or the other documents mentioned above or the offer, issue or sale of Units shall not in any way constitute a representation that the information and representations given herein or in such documents are correct as at any time subsequent to the date of such documents.

Brief History of the Fund

Al Nokhitha Fund was established by the Central Bank Board of directors Resolution No. 164/8/94 concerning the Funds Investment Companies, Banking, Financial and Investment Consultancies Institutions and Companies, and amendments thereto and the Central Bank approval of the Fund establishment on 31/10/2004. The Fund was listed with the Securities and Commodities Authority on 31/12/2013 according to the requirements of the Securities & Commodities Board of Directors Resolution No. 37 of 2012 concerning the Investment Funds Regulation.

On 26/03/2014 Securities & Commodities Authority approved the plan proposed by the Fund Manager, which was also ratified by most of the Fund units holders ("The Plan") related to the transfer of the Fund assets to ADCB Fund for the UAE equities, being a secondary Fund "Secondary Fund", ADCB SICAV ("SICAV"), which was founded and licensed by the Laws of Grand Duchy of Luxembourg against the issuance of new shares in the Secondary Fund in a value equal to that of the assets.

On 29/12/2014, the Fund manager completed the said procedures in the Plan, including the completion of the transfer of Fund assets to ADCB SICAV and the Fund manager informed the Securities & Commodities Authority of the completion of the process at ADCB SICAV.

As of the date of the assets transfer (29/12/2014) the rights and obligations of the Funds unit holders shall remain unchanged. The Fund shall continue to be operative in the UAE as an open capital investment fund, establishment of which has been approved by the Central Bank and listed with the Authority and under its control. It shall continue to keep its entity and structure, exercising the same investment policy and strategy upon which it has established. However, this shall not be through direct investment at stock market, but by investment in ADCB UAE equity Fund, being the secondary Fund within ADCB SICAV ("SICAV"), which was duly established under the laws of Grand Duchy of Luxembourg. The Fund shall not bear any administrative fees as set out in the previous Prospectus, including the administrative, supervisory, performance and custodian fees. As of the date of the assets transfer, the Fund will continue to bear the auditing fees only, which are payable to the Auditors as a fixed lump sum amount of AED 23,000/- per annum.

Restrictions on Distribution, Promotion and Subscription

The circulation and distribution of this Prospectus and the offering of Units in the Fund in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such an offer or solicitation is not authorised, or to any person to whom it is unlawful to make such an offer or solicitation. Persons to whom this Prospectus is addressed are required by the Fund to inform themselves about and observe any such restrictions. If you are in any doubt about the contents of this Prospectus you should consult your professional advisor.

RISK WARNINGS

The Fund's portfolio is subject to normal market fluctuations as well as the risks inherent in the investment techniques described under "Investment Programme" and there can be no assurance that appreciation will occur or that losses will not be realised. Consequently the value of Units may be subject to volatile movements and may fall as well as rise. The value of the Units and the income produced by them can fall as well as rise. Investors may not get back the value of their original investment.

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The Fund draws the attention of the investor to the investment considerations described on pages [24] to [26].

DISCLAIMER

These terms and conditions are designed to prevent ineligible categories of investors from accessing the Prospectus. Please read the following terms of use carefully. This disclaimer does not alter or supersede the terms of any other contract or agreement between you and ADCB.

You acknowledge that any and all information contained within the Prospectus is proprietary to ADCB and/or its related companies. The Prospectus may not be copied, disclosed, modified, reproduced, posted, displayed or distributed in any way (except as required by law).

The Prospectus is for informational purposes only and is not an offer to sell, or a solicitation of an offer to buy, interests in any Fund. Investors must meet certain qualifications to be eligible to purchase investments in Funds. Funds are only offered through confidential private placement memorandums.

The Prospectus does not constitute investment, legal, tax or accounting advice and is not intended to form and must not alone be taken as the basis for any investment decision or decision to enter into a transaction. You are advised to consult your own professional advisers concerning the acquisition, holding or disposal of interests in any Funds including your eligibility to invest therein.

Nothing contained in the Prospectus may be relied upon as a promise or representation as to the past, the present or the future, including but not limited to investment performance. Where the Prospectus contains forecasts or estimates, there can be no assurance that these will be achieved - future results could be materially different from any forecast or estimate and there can be no assurance that the Funds will achieve comparable results or their investment objectives, or that investors will receive a return of their capital. In addition, any forward looking statements (including, without limitation, projections of future earnings or value) contained in the Prospectus are subject to known and unknown risks, uncertainties and other factors which may cause actual results to be materially different from those contemplated in such statements.

If you are eligible to invest in the Funds, you are invited to ask questions of representatives of ADCB concerning the terms and conditions of the Funds and to obtain any additional information necessary to verify the accuracy of the information. The obligations of ADCB and/or any individual fund managers and the investors in any Fund are set forth in and will be governed by the legal documentation for that Fund which is subject to revision prior to the issuance of interests to investors.

In making any investment decision you must rely on your own examination of the Funds and the terms of the offering, including the merits and risks involved. Interests in such products may not need to be registered in your specific jurisdiction.

Interests in the Funds are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted by the terms of the legal documentation constituting the relevant Fund. Investors may be required to bear the financial risks of this investment for an indefinite period of time.

You should pay particular attention to any risk factors contained within the Prospectus or in any documents. An investment in any of the Funds is suitable only for eligible investors who are sophisticated and have the financial ability and willingness to accept the high risks and lack of liquidity in an investment in the Funds.

You agree not to hold ADCB, its advisers or any manager of any Fund liable for any investment decision or other transaction that you may make based on your reliance on or use of the Prospectus.

ADCB and its advisers and its or their affiliates, subsidiaries, holding company(s), partners, directors, officers, employees and agents expressly disclaim any liability including for any direct, indirect, special, incidental, or consequential loss or damage including but not limited to loss of use, loss of data or loss of profits, whether or not advised of the possibility of such damage, non-infringement or based upon any theory of liability, suffered by any recipient of this Prospectus or any other person, however arising, relating to, resulting from or in connection with the use or performance of the contents of, or any omissions from the Prospectus or any associated documentation.

Restrictions on Availability

The Prospectus is not directed at or intended for distribution to any person (or entity) who is a citizen or resident of (or located or established in) any jurisdiction where the use of the Prospectus (or the purchase or sale of interests in the Funds) would be contrary to applicable laws or regulations or would subject ADCB to any registration or licensing requirement in such jurisdiction. Persons who wish to receive the Prospectus are required to inform themselves about and to observe any legal or regulatory restrictions which may affect their eligibility to access the Prospectus or to subscribe for interests in the Funds. Professional advice should be sought in cases of doubt.

You will only be eligible to access this Prospectus if you can confirm that each of the statements set out below is true and accurate:

1. To the best of my knowledge, after due inquiry, I am permitted by the laws of my jurisdiction of residence to access the information contained within the Prospectus;
2. I have read and understood the terms and conditions of use and to be bound by them;
3. I understand that I should not rely upon estimated performance data or past performance of ADCB investment products to make investment decisions or otherwise; and
4. I understand that interests in the Funds may only be purchased or sold in accordance with the terms of the private placement memorandum issued by the issuers of such Funds.

Restrictions applicable to investors located in the United Kingdom

The Funds are not authorised or otherwise recognised by the United Kingdom Financial Services Authority ("FSA") and cannot be marketed in the United Kingdom to the general public. Accordingly, the information contained within the Prospectus and associated documentation, and interests in the Funds will only be available to and engaged in with:

- (a) "Previously Overseas Customers" of ADCB (as defined in Article 31 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 of the United Kingdom (the "Order");
- (b) "Investment Professionals" (as defined in Article 19 of the Order and being persons having professional experience in matters relating to investments);
- (c) any person described in Article 49 of the Order, being (i) a body corporate which has more than 20 members, or which is a subsidiary undertaking of an undertaking which has more

than 20 members, and which has, or which is a member of the same group as an undertaking which has, a called-up share capital or net assets of not less than £500,000;(ii) any other body corporate which has, or which is a member of the same group as an undertaking which has, a called-up share capital or net assets of not less than £5 million; (iii) any unincorporated association or partnership which has net assets of not less than £5 million; (iv) the trustee of a high value trust (being a trust where the aggregate value of the cash and investments which form part of the trust's assets (before deducting the amount of its liabilities) is (aa) £10 million or more; or (bb) has been £10 million or more at any time during the year immediately preceding the date on which this communication was first directed); or (v) any person whilst acting in the capacity of director, officer or employee of one of the previous four categories of person and whose responsibilities when acting in that capacity involve him or her in the participation by such person in unregulated schemes; or

(d) any person to whom this communication may otherwise lawfully be made.

Restrictions applicable to investors located in the United States

This Prospectus does not constitute an offer or invitation to purchase or subscribe for interests in the Funds by United States persons. The Funds that are described or appear within this Prospectus are not available to United States persons.

If you do not fall within any of the above descriptions, you should not rely on or act upon any communication contained in the Prospectus.

It is your responsibility, if you wish to express an interest in any of the information on the Prospectus to inform yourselves of, and to observe, all applicable laws and regulations.

DIRECTORY

Fund Manager

ADCB – Asset Management
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United Arab Emirates

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Custodian

ADCB – Settlements Department
ADCB Head Office
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Auditors

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DEFINITIONS OF CAPITALISED TERMS USED IN THIS PROSPECTUS

ADCB	Abu Dhabi Commercial Bank.
ADCB Sicav ("SICAV")	Société d'Investissement à Capital Variable (SICAV), a variable capital investment company incorporated and authorised under the laws of the Grand Duchy of Luxembourg which is comprised of one or more separate sub-funds, including ADCB Sicav-UAE Equity Fund.
ADCB Sicav – ADCB UAE Equity Fund ("UAE Sicav")	A sub-fund established under the SICAV, with the primary objective of investing in UAE Equities.
ADCB-Sicav Prospectus	The prospectus of ADCB Sicav and includes the Sub-Funds Particulars for ADCB Sicav-UAE Equity Fund.
Administrator	ADCB as administrator of the Fund.
Advisory Committee	The committee appointed by ADCB to oversee and supervise the Fund.
AED and Dirham	The currency of the UAE.
Board	The board of directors as constituted from time to time of the Fund Manager.
Business Day	Days where Banks are open for business in UAE except those European working week days where Banks are closed for Business in Luxembourg
Central Bank	The Central Bank of the UAE.
Custodian	ADCB as custodian of the Fund.
EIBOR	The latest available rate offered on the Emirates InterBank Market for deposits of Dirhams for a 1 month term, on or about 11.00 am (UAE time) on each Business Day, as displayed on Reuters Telerate EIBOR page.
Eligible Investor	An Eligible Investor is any person (other than a US Person) who is able to acquire and hold Units without violating any applicable laws and/or who is able to acquire and hold Units without having any harmful or injurious reputational, regulatory, tax, pecuniary or material administrative effect on the Fund or any of its Unit Holders (as determined by the Fund Manager in its absolute discretion), For the avoidance of doubt, the Fund is not open to US Persons.
Fees	The subscription, management, administration, custodian or performance fees payable under this Prospectus.
Financial Year	The financial year of the Fund ends on 31 December of each year.
Fund	Al Nokhitha Fund the terms of which are set out in this Prospectus.
Fund Manager	ADCB as manager of the Fund.
Fund Regulations	The Securities and Commodities Authority Board of directors Resolution No 37 of 2012 concerning Investment Fund Regulations.
GCC	The Gulf Cooperation Council Countries.
Initial Closing Date	The last day of the Initial Investment Period.

Initial Investment Period	The period which ran from 5 February 2005 to 7 March 2005.
Initial Issue Date	The first Business Day following the Initial Closing Date.
Issue Date	Each Business Day.
Net Asset Value or NAV	The net asset value of Fund determined in accordance with the provisions set out on [22] of this Prospectus.
Net Asset Value per Unit	The Net Asset Value of the Fund per Unit, being, on any date, the Net Asset Value divided by the number of Units outstanding on that date.
Prospectus	This prospectus setting out the terms of the Fund.
Redemption Date	Each Business Day.
Redemption Request	A request by a Unit Holder to redeem some or all of its Units in the Fund.
Sub-Funds Particulars	The particulars which describe the investment strategy, objectives and activities of each sub-fund to ADCB Sicav and includes those for ADCB-Sicav – ADCB UAE Equity Fund.
Subscriber	A potential investor in the Fund who has submitted a Subscription Agreement but to whom Units have not been issued.
Subscription Account	The account of the Fund with the Custodian to which the investment amounts of Subscribers will be deposited pending the relevant Issue Date.
Subscription Agreement	The agreement to be entered into between ADCB and the Subscribers in relation to the subscription for Units in the Fund.
UAE	The United Arab Emirates.
UAE Equities	Equities of the UAE which are listed and traded on the Abu Dhabi Securities Market, the Dubai Financial Market and NASDAQ Dubai and any company listed in other stock markets, its main business shall be based in the U.A.E.
US Person	Any citizen or resident of the United States, any company organised under the laws of or existing in the United States, any corporation or other entity organised under the laws of or existing in the United States, any estate or trust the income of which is subject to United States federal income tax regardless of its source or to any other investor to whom the sale or transfer of the Units would be unlawful in the United States.
United States	The United States of America (including the states and District of Columbia) and any of its territories, possessions and other areas subject to its jurisdiction.
Unit	A proportion of the Fund issued to, and representing the investment of, a Subscriber in the Fund.
Unit Holder	A holder of a Unit in the Fund, being the person described as the Subscriber in the Subscription Agreement (or any successor or transferee of such person or Unit).
Unit Holder Register	The register of Unit Holders maintained by the Fund Manager.
Valuation Date	Each Business Day.

SUMMARY OF PRINCIPAL TERMS

The Fund	The Fund is an open-ended fund established under the approval of the Board of Directors of the Central Banks' Resolution No.164/8/94.
Investment Objective	<p>The Fund's investment objective is to achieve medium to long-term capital growth and a reasonable level of income by investing solely in the ADCB Sicav – ADCB UAE Equity Fund, which in turn invests primarily in UAE Equities. The Fund may retain un-invested cash to meet redemptions.</p> <p>Investors should carefully review the ADCB-Sicav Prospectus which, amongst other things, documents the investment activities and objectives of ADCB Sicav and ADCB Sicav – ADCB UAE Equity Fund. A copy of this document can be requested from ADCB offices.</p>
Fund Manager	ADCB is the Fund Manager and in that role will undertake the day-to-day management and administration of the Fund.
Advisory Committee	ADCB has appointed an Advisory Committee to oversee and supervise the Fund.
Custodian	ADCB will also undertake the role of Custodian of the Fund.
Subscription for Units	Eligible Investors may subscribe for Units at the current Net Asset Value per Unit on each Issue Date.
Minimum Subscriptions	The Fund does not impose any minimum required investment.
Minimum Holding	The minimum level of investment requiring to be maintained by an Eligible Investor in the Fund is one (1) Unit.
Subscription Fee	A subscription of up to 2% of the amount subscribed will be paid to the Fund Manager by each Subscriber at the time of subscription to the Fund. The Fund Manager may waive a portion of such fee, in its discretion.
Management Fee	No management fee shall be calculated on the Fund.
Administration Fee	No administrative fee shall be calculated on the Fund.
Custodian Fee	No custodian fee shall be calculated on the Fund.
Redemption Fee	No redemption fee will be payable in respect of Units redeemed.
Costs and Expenses	nd shall pay the legal and accounting expenses, auditing and reporting fees and cost of value of its assets publishing and other information from time to time.
Reporting to Unit Holders	The Net Asset Value of the Fund on the latest Valuation Dates will be published weekly in one or more Arabic language newspapers and one or more English

language newspapers in the UAE.

The Fund shall not bear any financial burdens related to publishing in the newspapers, which shall be borne by the Fund manager.

The Net Asset Value on the latest Valuation Date will also be published on the internet website of ADCB: www.adcb.com. The Fund Manager will prepare annual audited financial statements, including balance sheets, income statements and the current Net Asset Value. These will normally be prepared within 4 months after the close of the Fund's Financial Year.

FUND MANAGER AND ADVISERS

ADCB

ADCB is a public joint stock company with limited liability incorporated in the Emirate of Abu Dhabi, UAE.

Details of the registered office and directors of ADCB are available to the public at any of its branches.

Fund Manager

ADCB is the Fund Manager, Administrator and Custodian to the Fund. The Fund Manager shall undertake the day-to day management of the Fund, mainly by managing the investment and dis-investment of the Fund into the ADCB-Sicav ADCB UAE Equity Fund subject to the overall supervision of the Advisory Committee.

The Fund Manager will exercise its powers as an agent of the Unit Holders, which powers will be vested in the Fund Manager under the Subscription Agreement. Such powers will include:

- (a) to act as agent of the Unit Holders in accordance with this Prospectus and each Subscription Agreement;
- (b) to acquire and hold the assets and income derived from collective investments for the benefit of the Unit Holders;
- (c) to review the performance of the assets of the Fund and to dispose of them on behalf of the Unit Holders;
- (d) to the extent reasonably possible to do so under law, to protect the assets and investments of the Fund and the interests of the Unit Holders in those assets and as investors in the Fund;
- (e) if necessary, to obtain funding from banks on behalf of the Unit Holders for the purposes of the Fund and to create security over assets of the Fund to secure such funding; and
- (f) to do all acts, deeds and things as deemed necessary and incidental to the above.

In addition, the Fund Manager will undertake the day-to-day administration of the Fund by performing the following services for the Fund:

- (a) maintaining the Unit Holder Register;
- (b) administering dividend payments (if any);
- (c) accepting and keeping safely forms and certificates submitted to it in connection with any issue, redemption or transfer of Units;
- (d) carrying out the issue and redemption of Units, including the calculation of the Net Asset Value, on each Issue Date or Redemption Date both per Unit and for the Fund as a whole;
- (e) forthwith on receipt paying to or depositing with the Custodian for the account of the Fund all moneys and securities received on behalf of the Fund;
- (f) within the guidelines laid down by the Fund, dealing with and replying to all correspondence and other communications addressed to the Fund in relation to the subscription, exchange, purchase or transfer of Units;

- (g) despatching to the Unit Holders, auditors of the Fund, the Central Bank, the Securities and Commodities Authority, and to any other person entitled to receive the same, copies of such notices, reports, financial statements and other written material supplied to it by or on behalf of the Fund or as may be requested by or on behalf of the Fund;
- (h) attending meetings of the Unit Holders and the Advisory Committee when so required by the Fund and assemble any documentation required at or in connection with such meetings;
- (i) acting as may be required by the Fund from time to time as proxy agent;
- (j) supplying to the Advisory Committee, upon request, such information in connection with the Fund or any Units therein as may be in its possession or may reasonably be obtained or provided by it;
- (k) providing the auditors with information in relation to the Fund as requested by them;
- (l) carrying out general secretarial duties;
- (m) maintaining the records and accounts of the Fund;
- (n) preparing the annual report and accounts of the Fund and any other accounting statements to be sent to the Unit Holders of the Fund; and
- (o) doing all acts, deeds and things as deemed necessary and incidental to the above.

The Fund Manager is authorised to engage third parties to provide services to the Fund, such as attorneys, consultants, independent auditors or such other persons as the Fund Manager may deem necessary or advisable and to do all such other acts as the Fund Manager may, acting within the scope of authority granted to it by the Securities and Investment Authority deem necessary or advisable in connection with carrying out the business of the Fund.

The Fund Manager will procure the deposit into the Fund's bank account (after deduction of any relevant fees and charges due and payable to the Fund Manager and/or other professionals) of all income, earnings, dividends, profits and proceeds resulting from the acquisitions, development, utilisation or disposition of the funds and assets.

The Fund Manager and its officers, directors and employees may engage in other fund or investment management activities and other related businesses and may render services the same or similar to those rendered to the Fund to others and has no obligation to recommend for purchase or sale for the account of the Fund, any investment which the Fund Manager purchases or sells for its own account or for the account of any other client of the Fund Manager and the Fund Manager may give advice and take action in the performance of its duties for other clients which differ from advice given and action taken in relation to the investments of the Fund.

Each of the Fund Manager and its officers, delegates, contractors, secondees and advisers (in this paragraph each an "**Indemnified Party**")

are released and discharged from all claims, proceedings (howsoever described) or costs that the Fund, the Unit Holders and their respective officers, delegates, contractors, secondees and advisers has or may have in respect of the actions or omissions of the Fund Manager in connection with the Fund, except as a result of that Indemnified Party's gross negligence or wilful default. The Fund shall indemnify each Indemnified Party for (i) all amounts payable or indemnifiable by that Indemnified Party; and (ii) all other costs and losses (including legal fees) incurred by that Indemnified Party by or in conjunction with actions on behalf of the Fund, except that in so far as any such costs or losses were the result of an Indemnified Party's fraud, gross negligence or wilful default.

The Fund Manager is not obliged to act or refrain from doing anything in respect of the Fund (including to incur any liability) unless:

- (a) the liability of the Fund Manager is limited in the same manner as set out in this Prospectus; and
- (b) the type and amount of the assets of the Fund are sufficient to indemnify the Fund Manager in respect of any liability that the Fund Manager may incur in respect of that act or refraining from acting.

The fees payable to the Fund Manager are set out and described under "Fees and Charges" on page [18].

Advisory Committee

The Advisory Committee will oversee and supervise the operation and investment strategy of the Fund.

The Advisory Committee will be constituted by the Fund Manager from members of its Board of Directors, its senior employees or such other persons as the Fund Manager may appoint from time to time. The Advisory Committee may be reconstituted from time to time if the need properly arises. Representatives of substantial Unit Holders may also be invited to become a member of the Advisory Committee.

The members of the Advisory Committee will meet and confer on a regular basis (at least quarterly). The Advisory Committee may take decisions by majority vote and record the same by way of a written resolution.

To enable it to discharge its functions efficiently, the Advisory Committee will be entitled to seek, obtain and rely on advice of the Fund Manager, advisers to the Fund and other professionals and will be indemnified by the Fund for any costs and expenses (including legal fees) reasonably incurred as a result.

Each member of the Advisory Committee is released and discharged from all claims, proceedings (howsoever described) or costs that the Fund, the Unit Holders and their respective officers, delegates, contractors, secondees and advisers has or may have in respect of the actions or omissions of the Advisory Committee in connection with the Fund, except as a result of that member's fraud, gross negligence or wilful default. The Fund shall indemnify each member of the Advisory Committee for (i) all amounts payable or indemnifiable by that member; and (ii) all other costs and losses (including legal fees) incurred by that member by or in conjunction with actions on behalf of the Fund, except in so far as any such costs or losses were the result of that member's fraud, gross negligence or wilful default.

Custodian

ADCB is the Custodian of the Fund.

The Custodian will perform the following services for the Fund:

- (a) registering all securities in the name of the Custodian, the Fund or

the nominee of either of them and keeping such securities in its custody;

- (b) carrying out transactions in securities for the Fund;
- (c) maintaining banking accounts for the Fund and monitoring the operation of those bank accounts;
- (e) collecting and depositing in such accounts all payments due to the Fund;
- (f) paying redemptions and dividends (if any);
- (g) delivering to the Fund all notices received;
- (h) paying any obligations of the Fund; and
- (i) doing all acts, deeds and things as deemed necessary and incidental to the services above.

The Custodian is not liable for any loss, except as a result of fraud, gross negligence or wilful default. The Fund shall indemnify the Custodian for losses (including legal fees) incurred by it in performing its duties as Custodian of the Fund, provided such losses were not the result of its gross negligence or wilful misconduct.

To enable it to discharge its functions efficiently, the Custodian will be entitled to seek, obtain and rely on advice of the Fund Manager, advisers to the Fund and other professionals and will be indemnified by the Fund for any costs and expenses (including legal fees) reasonably incurred as a result.

As it may be necessary, in relation to certain investments, for the Custodian to delegate the performance of some of its services to another entity, the Custodian shall be permitted to undertake such delegation.

Nominee Company

It may be necessary, in relation to some of the investments to be made by the Fund, for the Custodian to register the purchase of such investments in the name of a nominee. The Fund and the Custodian will put in place suitable arrangements to protect the investment of the Fund registered in the name of such nominee.

FUND STRUCTURE

The Fund	<p>The Fund is an open-ended fund established under the approval of the Central Bank Board of Directors' Resolution No. 164/8/94.</p> <p>The Fund is not incorporated under the UAE Commercial Companies Law (UAE Federal Law No. 8 of 1984) and does not confer upon the Unit Holders the rights accorded to shareholders of commercial companies. The Fund should at all times be viewed as a portfolio of assets, established, controlled and at all times managed by the Fund Manager. Participation in the Fund shall be made available to Eligible Investors for passive investment purposes only. Accordingly, ownership of Units in the Fund does not give rise to or confer upon Unit Holders any proprietary, voting or other rights of control or other interest in the fund's underlying assets, except to the extent set out in this Prospectus.</p> <p>No application has been made for the listing of the Fund on any stock exchange although, if the Fund Manager determines it to be in the interests of the Fund and its Unit Holders application may be made in the future for listing of the Fund on a UAE Stock Exchange (including the Dubai International Financial Exchange).</p>
Regulatory Status	<p>Notwithstanding the Central Bank's and SCA's approval of this Prospectus, both the Central Bank and SCA do not vouch for the financial soundness or correctness of any of the statements or opinions expressed with regard to the Fund.</p> <p>The activities of the Fund and the Fund Manager are managed in accordance with the regulatory requirements imposed by the Central Bank and in addition is registered with the Securities and Commodities Authority in line with and in accordance with the provisions of the Fund Regulations.</p> <p>Neither the Fund nor the Fund Manager are authorised or regulated in the United Kingdom by the Financial Services Authority.</p>
Subscription for Units	<p>Units may be subscribed for at the current Net Asset Value per Unit on each Issue Date.</p>
Minimum Subscription/Additional Subscriptions	<p>The Fund does not impose any minimum required investment. Subscriptions are used to purchase the largest number of Units possible after deduction of charges (see below). Fractional Units are issued up to four decimal places</p>
Subscriptions	<p>Units are offered directly by the Fund. For details of subscription procedures, see page [19].</p>
Dividend Policy	<p>The Fund's objective is capital appreciation. The Fund does not anticipate paying dividends provided that, dividends may be paid at the discretion of the Fund Manager. It is however the intention of the Fund Manager to reinvest the income realised by the Fund.</p>
Limited Liability	<p>Investors invest in the Fund with limited liability and cannot lose more than the amount of their investment.</p>

INVESTMENT PROGRAMME

Investment Objective	<p>The Fund's investment objective is to achieve medium to long-term capital growth and a reasonable level of income by investing solely in the ADCB Sicav – ADCB UAE Equity Fund, which in turn invests primarily in UAE Equities.</p> <p>The Fund may retain un-invested cash to meet redemptions.</p> <p>Investors should carefully review the ADCB-Sicav Prospectus which, amongst other things, documents the investment activities and objectives of ADCB Sicav and ADCB Sicav – ADCB UAE Equity Fund. A copy of this document can be requested from ADCB offices.</p> <p>The Fund will solely invest in Units of the ADCB -Sicav.</p>
Monitoring of Investments	<p>The Fund Manager will be responsible for managing the Fund and monitoring its performance on a daily basis.</p>
Leverage	<p>The Fund may borrow to meet redemption requests from investors, provided that total borrowings by the Fund, at any time, do not exceed 20% of its Net Asset Value. The Fund Manager may grant security over the assets of the Fund and/or provide guarantees from the Fund or its assets to secure such borrowings.</p>
Currency Hedging Issues	<p>The Fund may hedge currency and other risks related to its investments provided that the Fund Manager believes it to be necessary or advisable to do so to protect the Fund but may not do so if for speculative purposes.</p>

FEES AND CHARGES

Organisational Costs	The Fund's initial organisational costs, amounting to approximately AED 250,000 and which were advanced by ADCB in its capacity as sponsor of the Fund paid by the Fund to ADCB in equal monthly instalments over a five (5) year period commencing from the Initial Issue Date.
Subscription Fee	A subscription fee of up to 2% of the amount subscribed will be paid to the Fund Manager by each Subscriber at the time of subscription to the Fund. The Fund Manager may waive a portion of such fee, in its discretion.
Redemption Fee	No redemption fee will be payable in respect of Units redeemed.
Management Fee	No management fee shall be calculated on the Fund.
Administration Fee	No administrative fees shall be calculated on the Fund.
Performance Fee	No performance fee is payable.
Custodian Fee	No custodian fees shall be calculated on the Fund.
Costs and Expenses	The Fund shall pay the legal and accounting expenses, auditing and reporting fees and cost of net value of its assets publishing and other information, from time to time.

SUBSCRIPTION PROCEDURE

A client account maintained by the Fund Manager with the Custodian will be used in processing subscriptions. To subscribe for Units, an Eligible Investor must submit a Subscription Agreement together with a customer risk profiling form to the Fund Manager and transfer funds in the amount of the investor's subscription to the Fund Manager's client account with the Custodian, to be received no later than 11.00am (UAE time) on the relevant Issue Date.

Any interest earned on accepted subscriptions prior to the relevant Issue Date will be credited to the investor and included in the amount subscribed to the Fund.

No certificates will be issued for the Units. Eligible Investors will, however, receive written confirmation from the Fund Manager of the number of Units issued by the Fund to the investor, and may verify such balance at any time by contacting the Fund Manager.

REDEMPTION AND TRANSFER OF UNITS

Investment Horizon	The Fund is not an appropriate investment vehicle for short-term investment, as its investment objectives are set on a medium to long-term basis.
Redemptions	Units shall be redeemed at the Fund's Net Asset Value calculated as of the relevant Redemption Date, provided that the Fund Manager has received a Redemption Request by 11.00am (UAE time) on such Redemption Date. Any Redemption Request received after 11.00am (UAE time) on any Redemption Date shall be treated as having been received on the next Redemption Date. A Redemption Request form is available from the Fund Manager.
Limits on Redemption	<p>The Fund Manager will attempt to accommodate all Redemption Requests. However due to the size and nature of the markets in which it is proposed to make investments it may not be possible to liquidate the positions necessary to meet all Redemption Requests within the time requested.</p> <p>Accordingly, if Redemption Requests on any Redemption Date equal or exceed 10% of the outstanding Units, the Fund Manager may elect to restrict the total number of Units to be redeemed to 10% of the outstanding number of Units. Redemption Requests will be accepted and executed on a pro rata basis in proportion to the size of each Redemption Request.</p> <p>Alternatively, in the event that Redemption Requests as at any Redemption Date exceed 10% of the outstanding Units, or it is not possible to liquidate assets to effect the Redemption Requests on that Redemption Date, the Fund Manager may, if possible in relation to a Unit Holder, offer to action a Redemption Request by paying some or all of the redeeming Unit Holders in kind from the assets of the Fund, with transfer costs being for the account of the redeeming Unit Holders.</p> <p>Any Units not redeemed in accordance with a Redemption Request on a Redemption Date will be redeemed on the next succeeding Redemption Date in priority to any Redemption Requests received thereafter, but otherwise subject to the same restrictions on redemption and rights of the Manager as set out above.</p>
Suspension of Redemptions	The Fund Manager is empowered to suspend determination of the Net Asset Value when: (i) dealings on markets are suspended; (ii) dealings in collective investment schemes in which the Fund holds an interest are suspended; (iii) disposals of investments by the Fund would not be reasonably practical and might seriously prejudice Unit Holders; (iv) an accurate valuation of investments is unavailable; and (v) normal rates of exchange are not available. No issue or redemption of Units will take place during any period when the calculation of Net Asset Value is suspended. Requests for redemption may be revoked during the period of suspension. Requests not revoked will be effected on the first Redemption Date following the end of the suspension.
Mandatory Redemptions	The Fund Manager is empowered to mandatorily redeem all or some of the Units held by or for the benefit of a Unit Holder at any time, including, without limitation, if the Fund Manager determines that the Units are held by or for the benefit of any Unit Holder who ceases to be an Eligible Investor. Unit Holders are required to notify the Fund Manager immediately if at any time they cease to be an Eligible Investor. When the Fund Manager becomes aware that a Unit Holder has ceased to be an Eligible Investor, the Fund Manager may either (i) direct such Unit Holder to redeem or to transfer the relevant Units to a person who is qualified or entitled to own or hold such Units; or (ii) redeem the relevant Units.

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	<p>The Fund may also mandatorily redeem the Units held by an investor at any time on 30 days' notice if such investor ceases to hold the Minimum Holding.</p>
Remittance Cost	<p>The cost of remitting redemption proceeds will be for the account of the investor.</p>
Transfers	<p>Units may not be transferred without the written consent of Fund Manager. Both the transferor and the transferee are required to make a joint application to the Fund Manager prior to any proposed transfer of Units. All such applications are required to be made in writing. The Fund Manager shall not unreasonably withhold its consent where it is satisfied that the transferee is eligible to hold Units in the Fund, and that no other interest of the Fund is likely to be adversely affected as a result of the transfer.</p>

GENERAL

Unit Holders Rights

The Fund is authorised to issue to Subscribers Units in the Fund.

The Unit Holders may be asked to approve changes to the Fund as provided in the Prospectus or if the Fund Manager determines that a proposed change may have the effect of significantly altering the investment policy of the Fund or may modify or abrogate the rights attaching to the Units. Any approval by the Unit Holders will be on the basis of a majority vote by such Unit Holders that respond to a written request by the Fund Manager for their approval. The Unit Holders will be given a minimum period of 30 days notice to respond to such a request.

Winding-up or Dissolution

The Fund Manager and the Advisory Committee may, at any time, determine that it is in the best interests of the Fund, the Unit Holders or the Fund Manager that the Fund be wound up.

Upon such determination being made the Fund Manager will advise the Unit Holders in writing that such determination has been made and will set out the Fund Manager's plans for the liquidation of the assets of the Fund and distribution of the Fund assets to the Unit Holders.

Upon a winding-up of the Fund, the proceeds from the liquidation of the assets of the Fund shall be applied:

- (a) first, in paying to any party any unpaid fees, costs or expenses payable by the Fund and then unpaid; and
- (b) second, in paying to the Unit Holders the balance of the proceeds, which balance shall be apportioned between such Unit Holders *pro rata* to the number of Units held by each of them.

Restrictions on Sale, Transfer and Assignment

A Unit Holder shall not be entitled to sell or transfer any Units held by it without the consent of the Fund Manager, which may be withheld in its sole discretion.

The Fund Manager will not consent to a transfer of Units to any person other than an Eligible Investor and the Units may not be transferred, directly or indirectly in the United States or to any "US Persons". The Fund has and intends to exercise, the right of mandatory redemption of any Units sold or acquired in contravention of the foregoing prohibition.

Net Asset Value

The Net Asset Value of the Fund is determined as of each Valuation Date in Dirham and is equal to the assets of the Fund, less the liabilities so attributed, determined in accordance with International Financial Reporting Standards (IFRS), including any unrealised profits and losses on its open positions. More specifically, the Net Asset Value of the Fund is equal to the sum of all cash, cash equivalents, the fair value of all other assets of the Fund, less all liabilities of the Fund, including accrued liabilities, irrespective of whether such liabilities may in fact never be paid, in each case as determined by the Fund Manager in accordance with International Financial Reporting Standards (IFRS).

Reports to Unit Holders

Updated books and records of the Fund shall be maintained at the Fund Manager office in Abu Dhabi. The audited annual financial statements shall be prepared within 4 months after the end of the Fund Financial Year

The Fund will also:

- (a) publish annual financial statements on the website of the Fund

Manager being : www.adcb.com; and

- (b) publish the current price of Units in a local newspaper on at least a weekly basis. The Fund shall not bear any financial burdens related to publishing in the newspapers, which shall be borne by the Fund manager.

In addition, reports, notices and information in relation to the Fund may be found at the Fund Manager's website being: www.adcb.com.

Auditors

The accounts of the Fund will be audited annually by a firm of auditors appointed by the Board. The auditors are required to state whether in their opinion the accounts give a true and fair view and that all information and explanations required by them, have been obtained. The auditors' report will be sent to Unit Holders as part of the audited annual accounts.

Communications to Unit Holders

Communications to investors will be sent to their registered addresses recorded in the Unit Holders Register.

Communications to the Fund

Communications to the Fund should be addressed to the Fund Manager.

Restrictions on Distribution

on The distribution of this Prospectus and the offering of Units in certain jurisdictions may be restricted and accordingly persons into whose possession this Prospectus may come are required by the Fund to inform themselves of and to observe any such restrictions.

It is the responsibility of any person or persons in possession of this Prospectus and wishing to make application for Units to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Units should inform themselves as to legal requirements also applying and any applicable exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile.

In the event of the Units being offered in any jurisdiction other than the UAE, the Fund Manager may appoint locally licensed distributors/placing agents in such other jurisdictions to carry out the distribution/placing of the Units in such other jurisdictions in compliance with any applicable local laws and regulations. In the event that the Prospectus requires to carry any prescribed statement, disclosure, disclaimer or the like in relation to any such other jurisdiction (or if the carrying of a statement, disclosure, disclaimer or the like is recommend in relation to any such other jurisdiction) then the same will be attached to all versions of the Prospectus distributed in such other jurisdiction by way of an Appendix to this Prospectus specific to such other jurisdiction.

Governing Law

This Prospectus, the Subscription Agreement and any form of Redemption Request are all based on the law and practice in force in the UAE at the relevant time and are subject to changes therein. In the event of any dispute between the Fund or Fund Manager and an investor, such dispute shall be determined by the courts of the UAE. In subscribing for Units, the prospective applicant agrees that the place of performance of the contract shall be deemed to be the UAE.

INVESTMENT CONSIDERATIONS

The following list of "Investment Considerations" does not purport to be a complete explanation of the risks involved in an investment in the Fund. Prospective Subscribers should read the entire Prospectus and consult with their own advisors before deciding to subscribe.

An investment in the Fund involves significant risks which prospective investors should consider before participating in the Fund. There can be no assurance that any rate of return will be realized or that significant capital losses will not occur. The Fund's returns may be unpredictable and, accordingly, its investment program is not suitable as the sole investment vehicle for an investor. An investor should only invest in the Fund as part of an overall investment strategy, and then only if the investor is able to withstand a total loss of its investment. Prospective investors should carefully consider each and every risk involved herein, and all other information contained in this Prospectus. In considering participation in the Fund, an investor should be aware of certain considerations which include, but are not limited to, the following:

- **General**

The value of an investment in the Fund may fluctuate. There is no guarantee nor can any assurance be given that the targeted returns of the Fund will be met, that any other strategic objectives of the Fund will be achieved, or that investors will receive a return of all or any part of their investment. The projections concerning potential rates of return and future performance of the investments described herein represent estimates prepared on the basis of assumptions described in this Prospectus. Actual results may vary considerably from the projections. An investment in the Fund could result in a loss for an investor of part or whole of the investment.

- **Nature of an Investment Fund**

The investments in this Fund are not deposits or other obligations of any bank or other financial institution, and are not guaranteed by any bank or other financial institution. Any investment in this Fund is therefore subject to investment risks, including the possible loss of the principal amount invested.

- **Evaluation/Due Diligence**

The success of the Fund, and its ability to generate profits depends on the management and the financial and managerial expertise of the Fund Manager. Investors will not be permitted to evaluate investment opportunities or relevant business, economic, financial or other information that will be used by the Fund Manager in making investment decisions.

Investors are required to conduct their own due diligence before committing themselves to this investment opportunity.

- **Attraction and retention of key personnel**

The failure to attract and retain key personnel could significantly affect the business. The success of companies in the private investment and investment banking industry depends to a considerable extent on the skills and knowledge of the key personnel.

- **Regulations**

Future developments in UAE Government and Central Bank regulations and supervision may adversely affect securities markets in the region, by imposing restrictions on trading or

transferring securities. Restrictions may also be imposed by Emirates Securities and Commodities Authority, the Abu Dhabi Stock Exchange or Dubai Financial Market.

Additionally, despite legislation to encourage foreign investment, the legal systems in some GCC and Middle Eastern countries is undergoing rapid change and in others remains underdeveloped, leading to significant risks for investors, including risks relating to the ownership and transferability of assets and the enforcement of proprietary rights.

- **Accuracy of Government Statistics**

The accuracy of statistical information on securities varies from country to country and often cannot be verified. Such information should, therefore, be treated with due caution.

- **Cost Over-runs**

Projections of expenses have been tested against the experience of similar initiatives elsewhere and are considered to be adequate. However, this may be affected by various factors such as inflation, competition among other things.

- **Vulnerability to Market Conditions**

The profitability of a significant portion of the Fund's investment program depends to a great extent upon correctly assessing the future course of the price movements of securities and other investments. There can be no assurance that the Fund Manager will be able to predict accurately these price movements. Listed securities are exposed to market volatility and other associated risks, which may impair the price of securities, irrespective of a listed companies actual performance.

- **Emerging Markets**

Investing in emerging market securities involves certain risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include: i) the risk of nationalization or expropriation of assets or confiscatory taxation; ii) social, economic and political uncertainty including war; iii) dependence on exports and the corresponding importance of international trade; iv) price fluctuations, less liquidity and smaller capitalization of securities markets; v) currency exchange rate fluctuations; vi) rates of inflation (including hyperinflation); vii) governmental involvement in and control over the economies; viii) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; ix) less extensive regulation of the securities markets; x) longer settlement periods for securities transactions in emerging markets; xi) less developed corporate and capital market laws regarding fiduciary duties of officers and directors and the protection of investors.

- **Foreign Exchange Risk**

Any investment in the Fund will be denominated in Dirhams and therefore will be subject to any fluctuation in the rate of exchange between Dirhams and the currency of the Unit Holders own jurisdiction and currency in which investment are made. Such fluctuations may have an adverse effect on the value or income of an investment in the Fund.

- **Term of investment**

The Fund's portfolio will be concentrated in securities with a view to medium to long-term capital increases. Accordingly, an investor should consider the investment to be a medium to long-term commitment.

- **Non-Disclosure of Positions**

In an effort to protect the confidentiality of its positions, the Fund will not disclose its positions to investors on an ongoing basis, although the Fund, in its sole discretion, may permit such

disclosure on a select basis to certain investors if the Fund determines that there are sufficient confidentiality agreements and procedures in place. Further, the Fund may not disclose its investment positions in its annual financial statements, if it determines that such confidential treatment is desirable.

- **Non- participation in management**

Investors in the Fund will be Unit Holders and will have no right or power to participate in the management of the Fund or of any of its assets. All aspects of management of investments are entrusted to the Fund Manager. Investors will have no opportunity to control the day-to-day operation of the Fund, including the investment and disposition decisions.

- **Ownership of Fund Assets**

Fund assets may be required to be held in the name of ADCB as the Fund Manager or Custodian or in the name of nominees appointed by the Fund Manager or the Custodian. Care will be taken to ensure that the Fund assets are separately identified as being held on behalf of the Fund and its investors and, to the extent possible, to protect those assets in the event of the insolvency of any party holding Fund assets. However it is possible, under the laws of the UAE or another relevant jurisdiction, that a court may not protect the assets of the Fund from the liquidators of any such party in the unlikely event that the Fund Manager, the Custodian or a nominee becomes insolvent.

- **Taxation**

Prospective investors should consult legal advisors in the countries of their citizenship, residence and domicile to determine the possible tax or other consequences of purchasing, holding and redeeming Units under the laws of their respective jurisdictions.

- **Mandatory Redemptions**

The Fund has the right to require the compulsory redemption or transfer of some or all Units held by a Unit Holder at any time including, without limitation, if the Fund Manager determines that the Units are held by or for the benefit of someone other than an Eligible Investor or, upon notice, if a Unit Holder ceases to hold the Minimum Holding. A Unit Holder may not fully recover his initial investment if the Fund chooses to mandatorily redeem his Units if the Net Asset Value per Unit at the time of such redemption is less than the subscription price paid by such Unit Holder.

THE FOREGOING INVESTMENT CONSIDERATIONS DO NOT PURPORT TO BE A COMPLETE EXPLANATION OF ALL OF THE RISKS INVOLVED IN THIS OFFERING. PROSPECTIVE INVESTORS SHOULD READ ANY SUPPLEMENTAL DOCUMENTATION PROVIDED, IF ANY, IN THEIR ENTIRETY BEFORE DETERMINING WHETHER TO COMMIT TO THE FUND.