

THE ISLAMIC LIQUIDITY FUND PLC

(An umbrella fund with segregated liability between sub funds)

A company incorporated with limited liability as an umbrella investment company with variable capital under the laws of Ireland with registered number 464946

PROSPECTUS

This Prospectus is dated the 27th day of September 2010

The Directors of The Islamic Liquidity Fund plc whose names appear in the section entitled "Directors of the Company" below accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

A&L Goodbody

INTRODUCTION

If you are in any doubt about the contents of this Prospectus and the relevant Supplement you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

The Islamic Liquidity Fund plc

(the Company)

The Company is an umbrella type open-ended investment company with variable capital incorporated on 2 December 2008 under Part XIII of the Companies Act, 1990 of Ireland (the **Act**) as an investment company with variable capital and is a designated company pursuant to section 256 of that Act. Accordingly, the Company is supervised by the Irish Financial Services Regulatory Authority (the **Financial Regulator**).

Authorisation of the Company by the Financial Regulator is not an endorsement or guarantee of the Company by the Financial Regulator. The Financial Regulator shall not be liable by virtue of its authorisation of the Company or by reason of the exercise of the functions conferred on it by legislation in relation to the Company for any default of the Company and the Financial Regulator shall not be responsible for the contents of the Prospectus and the Supplements. Authorisation of the Company does not constitute a warranty by the Financial Regulator as to the credit worthiness or financial standing of the various parties connected with the Company.

The Company has been authorised by the Financial Regulator for marketing solely to “Qualifying Investors” (as defined in the Definitions section below). With the exception of investors who qualify as “Accredited Employees” (as defined in the Definitions section below), the minimum subscription amount by each applicant for Shares (through investment in one or more Funds) shall be Euro 250,000 or its foreign currency equivalent. Accordingly, while the Company is authorised by the Financial Regulator, the Financial Regulator has not set any limits or other restrictions on the investment objectives, the investment policies or on the degree of leverage which may be employed by the Company nor has the Financial Regulator reviewed this Prospectus. The Company must comply with the aim of spreading investment risk in accordance with Section 253(2)(a) of Part XIII of the Companies Act, 1990.

The Company is structured as an open-ended umbrella fund with segregated liability between its Funds. Shares representing interests in different Funds may be issued from time to time by the Directors. Shares of more than one class may be issued in relation to a Fund. All Shares of each class will rank *pari passu* save as provided for in the relevant Supplement. On the introduction of any new Fund (for which prior Financial Regulator approval is required) or any new class of Shares (which must be issued in accordance with the requirements of the Financial Regulator’s Notices and notified in advance to the Financial Regulator), the Company will prepare and the Directors will issue a new or updated Supplement setting out the relevant details of each such Fund or new class of Shares as the case may be. A separate portfolio of assets will be maintained for each Fund (and accordingly not for each class of Shares) and will be invested in accordance with the investment objective and policies applicable to such Fund. Particulars relating to individual Funds and the classes of Shares available therein are set out in the relevant Supplement. The Company has segregated liability between its Funds and accordingly any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund. As at the date of this Prospectus the Directors are not aware of any existing or contingent liability.

Distribution of this Prospectus and the relevant Supplement is not authorised in any jurisdiction after publication of the latest published annual report and audited accounts of the Company unless accompanied by a copy of such report. Such reports and this Prospectus together form the prospectus for the issue of Shares in the Company.

Application may be made to the Irish Stock Exchange for the listing of Shares issued and available for issue, to be admitted to the Official List and to trading on the main securities market of the Irish Stock Exchange. This

Prospectus together with the relevant Supplement comprises listing particulars for the purpose of the listing of such Shares on the Irish Stock Exchange. It is not anticipated that an active secondary market will develop in such Shares.

Neither the admission of Shares to the Official List and to trading on the main securities market of the Irish Stock Exchange nor the approval of the Prospectus pursuant to the listing requirements of the Irish Stock Exchange shall constitute a warranty or representation by the Irish Stock Exchange as to the competence of service providers to or any other party connected with the Company, the adequacy of information contained in the Prospectus or the suitability of the Company for investment purposes.

This Prospectus may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised. In particular, the Shares have not been and will not be registered under the United States Securities Act of 1933 as amended or the securities laws of any state or political subdivision of the United States and may not, except in a transaction which does not violate U.S. securities laws, be directly or indirectly offered or sold in the United States or to any U.S. Person. The Company will not be registered under the United States Investment Company Act of 1940 as amended.

The Company reserves the right to impose restrictions on the holding of Shares directly or indirectly by (and consequently to redeem Shares held by), or the transfer of Shares to any person or entity who, in the opinion of the Directors is not an Accredited Employee or a Qualifying Investor, or who is a U.S. Person (unless the Directors determine (i) the transaction is permitted under an exemption available under the securities laws of the United States and (ii) that the relevant Fund and the Company continue to be entitled to an exemption from registration as an investment company under the securities laws of the United States if such person holds Shares), an individual under the age of 18 (or such other age as the Directors may think fit), a person or entity who breached or falsified representations on subscription documents, who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold Shares, or if the holding of the Shares by any person is unlawful or is less than the minimum holding set for that class of Shares by the Directors, or in circumstances which (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant), in the opinion of the Directors, might result in the relevant Fund of the Company incurring any liability to taxation or suffering any other pecuniary liability to taxation or suffering other pecuniary legal or material administrative disadvantage which the relevant Fund of the Company might not otherwise have incurred or suffered or might result in the relevant Fund of the Company being required to comply with registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply or is otherwise prohibited by the Articles.

Where a Taxable Irish Person acquires and holds Shares, the Company shall, where necessary for the collection of Irish Tax, redeem and cancel Shares held by a person who is or is deemed to be acting on behalf of a Taxable Irish Person on the occurrence of a chargeable event for Irish taxation purposes and pay the proceeds thereof to the Irish Revenue Commissioners.

This Prospectus may be translated into other languages. Any such translation shall only contain the same information and have the same meanings as this English language document. To the extent that there is any inconsistency between this English language document and the document in another language, this English language document shall prevail except to the extent (but only to the extent) required by the laws of any jurisdiction where the Shares are sold so that in an action based upon disclosure in a document of a language other than English, the language of the document on which such action is based shall prevail.

Potential subscribers and purchasers of Shares should inform themselves as to (a) the possible tax consequences, (b) the legal requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which they might encounter under the laws of the countries of their incorporation, citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding or disposal of Shares.

The value of and income from Shares in a Fund may go up or down and you may not get back the amount you have invested in the Fund. Shares constituting each Fund are described in a Supplement to this Prospectus for each such Fund, each of which is an integral part of this Prospectus and is incorporated herein by reference with respect to the relevant Fund. Investment in Shares may involve above average risk and your attention is drawn to the section entitled "Risk Factors" below. Such investment is only suitable for sophisticated investors who are in a position to understand and take such risks and satisfy themselves that such investment is appropriate for them.

Any information given, or representations made, by any dealer, salesman or other person which are not contained in this Prospectus or the relevant Supplement or in any reports and accounts of the Company forming part hereof must be regarded as unauthorised and accordingly must not be relied upon. Neither the delivery of this Prospectus or the relevant Supplement nor the offer, issue or sale of Shares shall under any circumstances constitute a representation that the information contained in this Prospectus or the relevant Supplement is correct as of any time subsequent to the date of this Prospectus or the relevant Supplement. This Prospectus or the relevant Supplement may from time to time be updated and intending subscribers should enquire of the Investment Manager as to the issue of any later Prospectus or as to the issue of any reports and accounts of the Company.

As at the date of this Prospectus, no Fund has any outstanding mortgages, charges, debentures or other Financing, including bank overdrafts and liabilities made under acceptance credits, obligations made under finance leases, hire purchase commitments, guarantees or other contingent liabilities.

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Articles, copies of which are available as mentioned herein.

This Prospectus and the relevant Supplement shall be governed by and construed in accordance with Irish law.

Defined terms used in this Prospectus shall have the meanings attributed to them in the section entitled "Definitions" below.

Forward-looking Statements

This document contains certain "forward-looking statements", including statements about current beliefs and expectations of the Investment Manager (as defined herein). In particular, the words "expect", "anticipate", "estimate", "may", "should", "intends", "will", "believe" and similar expressions (or in each case their negative and other variations or comparable terminology) can be used to identify forward-looking statements. These statements are based on the Investment Manager's expectations of external conditions and events, current strategy, plans and the other objectives of management for future operations. Though the Investment Manager believes these expectations to be reasonable at the date of this document they may prove to be erroneous. Forward-looking statements involve known and unknown risks and uncertainties and speak only as of the date they are made. Potential investors are hereby cautioned that certain important factors could cause actual results, outcomes, performance or achievements of the Company or any Fund to differ materially from those express or implied in forward-looking statements. Such factors include, but are not limited to, those described in the section of this document entitled "Risk Factors".

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DEFINITIONS

Accounting Period means a calendar year ending 31st December;

Act means Part XIII of the Companies Act, 1990 as amended and as same may be further amended and including any regulations made thereunder by ministerial order and any conditions that may from time to time be imposed thereunder by the Financial Regulator whether by notice or otherwise affecting the Company;

Accredited Employee means an investor who has satisfied to the satisfaction of the Company one of the following conditions:

- (a) the investor is the promoter, an entity within the promoters group or the Investment Manager;
- (b) the investor is a director of the Company and is directly involved in the investment activities of the Company;
- (c) the investor is a director of the Investment Manager / Investment Adviser and is directly involved in the investment activities of the Investment Manager/Adviser; or
- (d) the investor is an employee of the Investment Manager / Investment Adviser and is directly involved in the investment activities of the Company or is a senior employee of the Investment Manager/Adviser and has experience in the provision of investment management services;

Administration Agreement means the agreement dated 27 September, 2010 between the Company and the Administrator as amended, supplemented or otherwise modified from time to time;

Administrator means BNY Mellon Fund Services (Ireland) Limited or any successor thereto duly appointed in accordance with the requirements of the Financial Regulator as the administrator of the Company and each Fund;

Application Form means the application form for subscription of Shares;

Articles or Articles of Association means the Articles of Association of the Company as amended from time to time;

Asset means the asset(s) of each Fund;

Associated Person means a person who is associated with a Director if, and only if, he or she is:

- (a) that Director's spouse, parent, brother, sister or child;
- (b) a person acting in his capacity as the trustee of any trust, the principal beneficiaries of which are the Director, his spouse or any of his children or any body corporate which he controls;
- (c) a partner of that Director.

A company will be deemed to be associated with a Director if it is controlled by that Director;

Base Currency means in relation to any Fund such currency as is specified in the Supplement for the relevant Fund;

Business Day means in relation to any Fund such day or days as is or are specified in the Supplement for the relevant Fund;

Class means the Shares of each class in a Fund as is specified in the relevant Supplement;

Company means The Islamic Liquidity Fund plc;

Companies Acts means the Companies Acts of 1963 to 2009;

Companies Announcement Office means the Companies Announcement Office of the Irish Stock Exchange;

Connected Person means the persons defined as such in the section headed “Portfolio Transactions and Conflicts of Interest”;

Custodian Agreement means the agreement dated 27 September, 2010 between the Company and the Custodian as amended, supplemented or otherwise modified from time to time;

Custodian means BNY Mellon Trust Company (Ireland) Limited or any successor thereto duly appointed custodian in accordance with the requirements of the Financial Regulator;

Data Controller means a person who determines the purposes for which, and the manner in which, any personal data is, or is likely to be, processed as defined by the Data Act, 1988 as amended by the Data Protection (Amendment) Act, 2003;

Data Protection Legislation means the Data Protection Act, 1988 as amended by the Data Protection (Amendment) Act, 2003 as amended from time to time;

Dealing Day means in respect of each Fund such Business Day or Business Days as is or are specified in the Supplement for the relevant Fund;

Dealing Deadline means in relation to applications for subscription, redemption or exchange of Shares in a Fund, the day and time specified in the Supplement for the relevant Fund;

Directors mean the directors of the Company, each a **Director**;

Escrow Agent means Bank of New York Mellon, London Branch or as otherwise specified as such in the Supplement for the relevant Fund;

EU means the European Union;

EU Member States means any one of the twenty-seven sovereign nation states that have acceded to the EU since 1951;

Euro, EUR or € means the lawful currency of Ireland;

Exchange Charge means the charge, if any, payable on the exchange of Shares as is specified in the Supplement for the relevant Fund;

Fatwa means a pronouncement of the Shariah Advisory Panel for the relevant Fund, available for inspection;

Financial Regulator means the Irish Financial Services Regulatory Authority or any successor regulatory authority with responsibility for authorising and supervising the Company;

Financial Regulator Notices means the non-UCITS (“**NU**”) series of notices and guidelines issued by the Financial Regulator from time to time affecting the Company or any Fund;

Financing means the amount raised, mortgaged or charged on a Shariah compliant basis by the Directors of the Company and within the limits laid down by the Financial Regulator;

Foreign Person means (i) a person who is neither resident nor ordinarily resident in Ireland for tax purposes who has provided the Company with the appropriate declaration under Schedule 2B TCA and the Company is not in possession of any information that would reasonably suggest that the declaration is incorrect or has at any time been incorrect, or (ii) the Company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with in respect of that person or class of shareholder to which that person belongs, and that approval has not been withdrawn and any conditions to which that approval is subject have been satisfied;

Fund means a separate portfolio of assets which is invested in accordance with the investment objective and policies as set out in the relevant Supplement and to which all liabilities, income and expenditure attributable or allocated to such fund shall be applied and charged and **Funds** means all or some of the Funds as the context requires or any other funds as may be established by the Company from time to time with the prior approval of

the Financial Regulator;

Initial Issue Price means the price (excluding any Preliminary Charge) per Share at which Shares are initially offered in a Fund during the Initial Offer Period as specified in the Supplement for the relevant Fund;

Initial Offer Period means the period during which Shares in a Fund are initially offered at the Initial Issue Price as specified in the Supplement for the relevant Fund;

Investment Adviser means any investment adviser duly appointed in accordance with the requirements of the Financial Regulator and as specified in the Supplement of the relevant Fund as the investment adviser of that Fund;

Investment Management Agreement means the investment management agreement dated 27 September, 2010 between the Company and the Investment Manager or as specified in the supplement for the relevant Fund between the Company and the respective Investment Manager as substituted, amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the Financial Regulator Notices;

Investment Manager means Prime Rate Capital Management LLP or any successor thereto duly appointed in accordance with the requirements of the Financial Regulator and/or as specified in the Supplement in respect of each Fund as the investment manager for that relevant Fund;

Irish Stock Exchange means The Irish Stock Exchange Limited;

Leverage means money raised to supplement existing funds on a Shariah compliant basis, only to the extent that an investor's cash does not arrive in the subscription account on the date on which it is due;

Master Murabaha Agreement means an agreement between the Company for and on behalf of a relevant Fund and a Murabaha Counterparty further details of which are set out in the section entitled "Master Murabaha Agreements";

Member State means a member state of the EU;

Minimum Net Asset Value means such amount as the Directors consider for each Fund and as set out in the Supplement for the relevant Fund;

Minimum Initial Investment Amount means such amount or number of Shares (if any) as the Directors may from time to time prescribe as the minimum initial subscription required by each Shareholder for Shares of each class in a Fund as is specified in the Supplement for the relevant Fund provided that the Directors shall not accept applications for Shares from any Qualifying Investor unless the applicants initial subscription to the Company as a whole is equal to or greater than the minimum amount required by the Financial Regulator for the Company to obtain qualifying investor fund status in accordance with NU24;

Minimum Shareholding means such number or value of Shares of any class (if any) as specified in the Supplement for the relevant Fund;

Month means a calendar month;

Murabaha means the sale and purchase of Shariah compliant assets for cost price plus a pre-agreed profit margin;

Murabaha Counterparty means a counterparty to the Master Murabaha Agreement, who will be specified in the relevant Supplement, if applicable;

Net Asset Value or **Net Asset Value per Share** means in respect of the assets of a Fund or the Shares in a Fund, the amount determined in accordance with the principles set out in the section entitled "Calculation of Net Asset Value/Valuation of Assets" below as the Net Asset Value of a Fund or the Net Asset Value per Share;

OECD means the Organisation for Economic Co-operation and Development;

Preliminary Charge means in respect of a Fund, the charge payable (if any) on the subscription for Shares as is specified in the Supplement for the relevant Fund out of which the Investment Manager may, for example, pay commission to intermediaries;

Prospectus means this document and any relevant Supplement;

Qualifying Investor means (i) any natural person with a minimum net worth (which excludes main residence and household goods) in excess of Euro 1,250,000 or its equivalent in other currencies; or (ii) any institution or entity other than a natural person (a) which owns or invests on a discretionary basis at least Euro 25,000,000 or its equivalent in other currencies; or (b) the beneficial owners of which are Qualifying Investors in their own right and in each case so certifies this fact in writing to the Company;

Redemption Charge means in respect of a Fund, the charge payable (if any) on the redemption of Shares as specified in the Supplement for the relevant Fund (subject to a maximum of 5% where the Fund is established as an open-ended fund);

Settlement Date means in respect of receipt of monies for subscription for Shares or dispatch of monies for the redemption of Shares, the date specified in the Supplement for the relevant Fund (which in any case can not be more than 90 calendar days from the relevant Dealing Deadline);

Shareholders means holders of Shares, and each a **Shareholder**;

Shares means participating shares in the Company representing interests in a Fund and where the context so permits or requires any class of participating shares representing interests in a Fund;

Shariah means the rules, principles and parameters of Islamic law as interpreted by the Shariah Advisory Panel;

Shariah Advisor means Yasaar Limited;

Shariah Advisory Agreement means the consultancy agreement dated 27 September 2010 between the Company, the Investment Manager and the Shariah Advisor as substituted, amended, supplemented, novated or otherwise modified from time to time;

Shariah Advisory Panel means the board comprising, Sheikh Essam Ishaq, Sheikh Dr. Mohamad Akram Laldin, Sheikh Dr. Mohammed Burhan Arbouna and Dr Aznan Hasan, as substituted and amended from time to time;

Shariah Guidelines means the investment guidance issued in accordance with Shariah principles by the Shariah Advisory Panel;

State means the Republic of Ireland;

Supplement means any supplement to the Prospectus in respect of a relevant Fund issued on behalf of the Company from time to time;

Taxable Irish Person means any person, other than

- (i) a Foreign Person;
- (ii) an intermediary, including a nominee, for a Foreign Person;
- (iii) the Manager/Administrator for so long as the Manager/Administrator is a qualifying management company within the meaning of section 734 TCA;
- (iv) a specified company within the meaning of section 734 TCA;
- (v) an investment undertaking within the meaning of section 739(B) TCA;
- (vi) an exempt approved scheme or a retirement annuity contract or trust scheme within the provisions of sections 774, 784 or 785 TCA;
- (vii) a company carrying on life business within the meaning of section 706 TCA;
- (viii) a special investment scheme within the meaning of section 737 TCA;

- (ix) a unit trust to which section 731(5)(a) TCA applies;
- (x) a charity entitled to an exemption from income tax or corporation tax under section 207(1)(b) TCA;
- (xi) a person entitled to exemption from income tax and capital gains tax under section 784A(2), Section 787I TCA or section 848E TCA and the shares held are assets of an approved retirement fund, an approved minimum retirement fund, a special savings incentive account or a personal savings retirement account (as defined in section 787A TCA);
- (xii) the Courts Service;
- (xiii) a Credit Union;
- (xiv) a company, within the charge to corporation tax under section 739(G)2 TCA, but only where the Fund is a money market fund;
- (xv) a company within the charge to corporation tax under section 110(2) TCA;
- (xvi) the National Pensions Reserve Fund Commission; and
- (xvii) any other person as may be approved by the Company from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to a Fund in respect of that Shareholder under Section 739 TCA

in respect of each of which the appropriate declaration set out in Schedule 2B TCA and such other information evidencing such status is in the possession of the Company on the appropriate date;

TCA means the Irish Taxes Consolidation Act, 1997, as amended from time to time;

United Kingdom and **UK** means the United Kingdom of Great Britain and Northern Ireland;

United States and **U.S.** means the United States of America, (including each of the states, the District of Columbia and the Commonwealth of Puerto Rico) its territories, possessions and all other areas subject to its jurisdiction;

US Dollars, USD, US\$, Dollars and **\$** means the lawful currency of the United States or any successor currency;

U.S. Person shall have the meaning prescribed in Regulation S under the United States Securities Act of 1933, as amended (the **Securities Act**) and thus shall include (i) any natural person resident in the United States; (ii) any partnership or corporation organised or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a U.S. Person; (iv) any trust of which any trustee is a U.S. Person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; (vii) any discretionary account dealer or other fiduciary organised or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (viii) any partnership or corporation if (A) organised or incorporated under the laws of any foreign jurisdiction; and (B) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts; and

Valuation Point the point in time by reference to which the Net Asset Value of a Fund and the Net Asset Value per Share are calculated as is specified in the Supplement for the relevant Fund.

FUNDS

The Company has segregated liability between its Funds and accordingly any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund.

Investment Objective and Policies

The Articles provide that the investment objective and policies for each Fund will be formulated by the Directors at the time of the creation of that Fund. Details of the investment objective and policies for each Fund of the Company appear in the Supplement for the relevant Fund.

Any change in the investment objective of a Fund or a material change to the investment policies of a Fund may only be made with the prior written approval of all Shareholders of the Fund or on the basis of a majority of votes cast at a general meeting of the Shareholders of the Fund. Subject and without prejudice to the preceding sentence of this paragraph, in the event of a change of investment objective and/or policies of a Fund on the basis of an ordinary resolution passed at a general meeting, a reasonable notification period must be given to each Shareholder of the Fund to enable a Shareholder to have its Shares redeemed prior to the implementation of such change.

Under the rules of the Irish Stock Exchange, in the absence of unforeseen circumstances, the investment objective and policies for each Fund must be adhered to for at least three years following the admission of the Shares of the relevant Fund to the Official List to trading on the main securities market of the Irish Stock Exchange. The rules also provide that any material change in the investment objective of a Fund or its policies during the said period may only be made with the approval of the Irish Stock Exchange and an ordinary resolution of the Shareholders of the relevant Fund.

The Director's overall objective is to achieve appreciation of the assets of each Fund in compliance with Shariah principles, as approved by the Shariah Advisory Panel. The Director's expect to generate returns through one or more of the following transactions (i) collateralised Murabaha transactions to be entered into between a Fund and a Murabaha Counterparty pursuant to the terms of a Master Murabaha Agreement and/or (ii) one or more additional Shariah compliant agreements entered into by the Fund. Details of what will be contained in each Master Murabaha Agreement are specified in the section entitled "Master Murabaha Agreements" or the applicable Supplement and details of additional Shariah compliant agreements (if any) will be specified in the applicable Supplement.

Investment Restrictions

The investment restrictions for each Fund are formulated by the Directors at the time of the creation of the Fund, details of which will be contained in the relevant Supplement. It is intended that the Fund's investments will be restricted by the Shariah Guidelines.

A Fund may enter into OTC derivative transactions and other arrangements with counterparties and where assets are transferred to a counterparty the following restrictions apply:-

- (i) the total exposure of a Fund to a single counterparty cannot exceed 40% of its net assets. The total exposure will be calculated to include outstanding indebtedness from the counterparty to the Fund, any securities issued by the counterparty held by the Fund, any deposits the Fund has made with the counterparty, any collateral passed by the Fund to the counterparty and any other form of exposure to the counterparty; and
- (ii) a counterparty must have a minimum credit rating of at least A2/P2 by a recognised rating agency.

The Company, acting in connection with all of the collective investment schemes it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

The Company may not take or seek to take legal or management control of the issuer of any of its underlying

investments.

Shariah Guidelines

Each Fund's investments will be consistent with Shariah principles, as determined by the Shariah Advisory Panel (the "**Shariah Guidelines**"). The Shariah Guidelines may be updated, from time to time, by the Shariah Advisory Panel in light of the activities of the relevant Fund and any update will be detailed in the relevant Supplement.

The Shariah Guidelines will include (subject to any qualifications in any relevant Supplement):

- (a) each Class of Share issued in respect of a Fund will rank pari passu. Accordingly, each Class of Share issued in respect of a Fund will share pro-rata in any dividend or asset distribution;
- (b) the Fund may only invest in equities, securities or other certificates of any form, denomination or type issued by an issuer whose primary business is halal (permissible) and, as a guideline, will not invest in the following haram (prohibited) sectors:
 - (i) conventional financial institutions based on interest or speculation - such a prohibition does not include financial institutions which exclusively promote or provide Shariah based financial services. Neither does it include financial institutions with Islamic banking windows or which provide a mixture of conventional and Shariah based financial services, subject to the requirement in section (d)(iv) being met;
 - (ii) alcohol for non-medicinal use - including the production, packaging, bottling, marketing, selling and/or distribution of alcohol and related products;
 - (iii) gaming, gambling or casinos - including the provision of these services and betting or comparable activities as well as the production of the facilities and equipment;
 - (iv) pork production, packaging and processing or any other activity related to pork etc;
 - (v) non-halal food products - including the production, sale, packaging or distribution of non-halal food and the requirement set out in section (d)(iv) being applied;
 - (vi) entertainment (hotels, casinos, gambling, cinema, pornography, music, etc);
 - (vii) arms manufacturing (weapons and defence); and
 - (viii) tobacco;
- (c) the Fund may not invest in the following financial instruments or use the following financial techniques:
 - (i) fixed income instruments such as bonds; and
 - (ii) interest-based instruments or interest bearing account;
- (d) any equities, securities or other certificates of any form, denomination or type shall comply with certain quantitative financial screens using verified financial positions of the relevant issuers, as follows:
 - (i) the total amount raised by way of interest bearing loans, whether long-term or short-term, should not exceed 30 per cent. of the market capitalisation of the total shares of the relevant issuer;
 - (ii) the total interest bearing investments, whether long-term or short-term, should not exceed 5 per cent. of the gross revenues of the relevant issuer;
 - (iii) the receivables and cash of the relevant issuer shall not be equal to or greater than 50 per cent. of its total assets; and
 - (iv) the amount of income generated from any prohibited activity, particularly total interest, undertaken by the relevant issuer should not exceed 5 per cent. of the gross total revenue of

such issuer. In determining such income, any other questionable income of the company will be added to this figure. Interest income is taken as total gross and interest expense will not be deducted or netted-off from this amount. Interest income will represent non-operational interest income.

Where the Fund invests in securities of an issuer which satisfies the Shariah Guidelines but derives a portion of up to 5 per cent. of its total revenue from prohibited activities, then, where appropriate, all receipts in respect of such securities received from such issuer must be cleansed by the donation of the entire portion of such receipts to charity. The Investment Manager will give notice to the holders of Shares of the relevant percentage of any amount paid to the Share holders that is derived from the prohibited activities and each Share holder will be responsible on its own account for paying such percentage to charity.

If, after any purchase of securities, the Fund is notified by the Shariah Advisory Panel that such securities are not or may no longer be in compliance with the principles of Shariah, the Fund shall use its best endeavours to substitute or replace such securities, to enable the Shariah Advisory Panel to confirm that such securities, as substituted or replaced by the Fund, are in compliance with the principles of Shariah.

Financing

The Financing details for each Fund are formulated by the Directors at the time of the creation of the Fund, details of which will be contained in the relevant Supplement and shall be in compliance with the Shariah Guidelines. The intention is that the Funds will only be Leveraged to the extent that an investor's cash does not arrive in the subscription account on the date on which it is due.

Dividend Policy

The Directors decide the dividend policy and arrangements relating to each Fund and details are set out where applicable in the relevant Supplement. Under the Articles, the Directors are entitled to declare dividends out of the profits of the relevant Fund being: (i) the accumulated revenue (consisting of all revenue accrued including dividends) less expenses and/or (ii) realised and unrealised capital gains on the disposal/valuation of investments and other funds less realised and unrealised accumulated capital losses and expenses of the relevant Fund. The Directors may, unless otherwise specified in the Supplement of the relevant Fund, satisfy any dividend due to Shareholders in whole or in part by distributing to them in specie any of the assets of the relevant Fund, and in particular any investments to which the relevant Fund is entitled. A Shareholder may require the Company instead of transferring any assets in specie to him, to arrange for a sale of the assets and for payment to the Shareholder of the net proceeds of same. The Company will be obliged and entitled to deduct an amount in respect of Irish taxation from any dividend payable to a Shareholder in any Fund who is or is deemed to be a Taxable Irish Person and pay such sum to the Irish Revenue Commissioners. Dividends (if any) will be paid in accordance with Irish Stock Exchange policy.

Dividends not claimed within 6 years from their due date will lapse and revert to the relevant Fund.

Dividends payable in cash to Shareholders will be paid by telegraphic transfer to the bank account in the name of the Shareholder at its risk and cost.

RISK FACTORS

An investment in any Fund involves a high degree of risk and there is no guarantee against loss of an investor's entire investment. The following is not intended to be an exhaustive list of all the risks involved in an investment in Shares and does not purport to be an explanation of all the risks associated with an investment in Shares. Potential investors should review this entire Prospectus and the accompanying Supplement, and consult with their own counsel and advisors (including Shariah advisors) before deciding to invest in Shares.

No Guarantee of Profit

The Funds' will primarily be investing in instruments selected by the Investment Manager in accordance with the respective investment objective and policies of the relevant Fund. The value of the instruments and the income from them, and therefore the value of and income from Shares relating to each Fund, will therefore be closely linked to the performance of such underlying instruments. A Fund's investment strategy may be speculative and an investment in a Fund, therefore, involves a high degree of risk. There is no guarantee that the investment objective of a Fund, or its risk monitoring, will be achieved and results may vary substantially over time.

Investment and Trading Risks in General

A Fund's investment strategy may carry considerable risks. Shareholders should recognise that investing in a Fund involves special considerations not typically associated with investing in other securities and that the asset allocation is not structured as a complete investment programme. The value of investments and the income from them, and therefore the value of and income from Shares relating to each Fund, can go down as well as up and an investor may not get back the amount he invests. Changes in exchange rates between currencies or the conversion from one currency to another may also cause the value of the investments to diminish or increase. Due to the Preliminary Charge and the Redemption Charge (if any) which may be payable on the issue and redemption of Shares, an investment in Shares should be viewed as medium to long term.

The income and gains of a Fund from its assets may suffer withholding tax which may not be reclaimable in the countries where such income and gains arise. If this position changes in the future and the application of a lower rate results in a repayment to the relevant Fund, the Net Asset Value will not be re-stated and the benefit will be allocated to the existing Shareholders of the relevant Fund rateably at the time of repayment.

The Company or the Investment Manager will not have control over the activities of any underlying fund invested in by a Fund. Managers of underlying funds in which a Fund may invest may manage such funds in a manner not anticipated by the Company or the Investment Manager.

Risks of Global Investing

The Funds may invest in various capital markets throughout the world. As a result, the Funds will be subject to risks relating to the possible imposition of withholding taxes on income received from or gains with respect to such securities. In addition, certain of these capital markets involve certain factors not typically associated with investing in established securities markets, including risks relating to: (i) differences between markets, including potential price volatility in and relative liquidity of some foreign securities markets; (ii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less government supervision and regulation; and (iii) certain economic and political risks, including potential exchange control regulations and potential restrictions on foreign investment and repatriation of capital.

Limited Liability

While the provisions of the Companies Acts 1963 to 2009 provide for segregated liability between Funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims. Accordingly, it is not free from doubt that the assets of any Fund of the Company may be exposed to the liabilities of other funds of the Company. As at the date of this Prospectus, the Directors are not aware of any existing or contingent liability of any Fund of the Company.

Reliance on the Investment Manager

The Shareholders will have no right to participate in the management of a Fund or in the control of its business. Nor will the Shareholders have the opportunity to evaluate fully for themselves the relevant economic, financial, and other information regarding the investments of a Fund.

The Fund's success will depend completely on the efforts, judgement and abilities of the Company and the judgement and abilities of the Investment Manager and each of its principals in selecting and monitoring the performance of the Fund's investments.

There is no assurance that the Investment Manager will be successful. Accordingly, no person should purchase any Shares unless he is willing to entrust all aspects of management of the Fund to the Company and all aspects of selection and management of the Fund's investments to the Investment Manager.

Leverage

The intention is that the Funds will only be Leveraged, in a Shariah compliant manner, to the extent that an investor's cash does not arrive in the subscription account on the date on which it is due. If certain Funds become Leveraged, relatively small movements in the investments of the Fund can result in immediate and substantial losses to the relevant Fund. See the accompanying Supplement for the amount of Leverage that may be utilised by the relevant Fund.

Reliance on Shariah Advisor

The Shariah Advisor does not monitor performance of the Fund rather the Funds' compliance with the Shariah Guidelines.

The Shariah Advisor monitors the activities of the Funds to advise on the Fund's compliance with the Shariah Guidelines. The Shariah Advisor has no discretionary, management or investment advisory responsibilities in respect of any Fund and shall only have the right or ability to require the Investment Manager to make changes in the portfolio of any Fund if such changes are required so that the Fund is in compliance with the Shariah Guidelines. Since the Shariah Advisor's function is not to monitor performance of the Funds, prospective investors should be aware that compliance with the Shariah Guidelines does not ensure that a Fund will not suffer a loss. **The Custodian may need to rely on representations from the Investment Manager or the Shariah Advisor regarding a Fund's compliance with Shariah principles.**

Shariah Compliance

The Company, the Funds and the investments for each Fund must be certified as "Shariah compliant" based upon the determination of the Shariah Advisory Panel. None of the Shariah Advisory Panel, the Shariah Advisor, the Investment Manager, the Custodian or their principals and affiliates makes any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of such determination. In the event that the status of such Shariah compliance should change, none of the Shariah Advisory Panel, the Shariah Advisor, the Investment Manager, the Custodian or its principals and affiliates accepts liability in relation to such change.

Prospective investors should not rely on the Fatwa or any other pronouncement of the Shariah Advisory Panel or the Shariah Advisor on the compliance with Shariah of the Fund and each Fund thereof and the investments in deciding whether to become a Shareholder. Prospective Shareholders should consult their own Shariah advisors as to whether the Company, the relevant Fund and the investments of that Fund are compliant with Shariah principles. By becoming a Shareholder, each Shareholder shall be deemed to have represented that they are satisfied that the Company, the relevant Fund and the investments of that Fund will not contravene Shariah principles.

Each Fund will undertake its investment activities in accordance with the Shariah Guidelines. As a consequence, Funds may underperform in comparison with investment funds having comparable investment objectives, but that do not adhere to Islamic investment criteria. The Shariah Guidelines may require the Funds to restrict or dispose of investments which might otherwise be profitable. Similarly, cash balances held by the Funds from time to time may only be deposited on terms which grant no beneficial returns to the Funds.

Although the Investment Manager intends to observe the Shariah Guidelines at all times, no such assurance can be given, as there may be occasions when a Fund's investments do not fully comply with such criteria for factors outside the control of the Investment Manager. In such instances, the Shariah Advisor will propose a remedial action, with approval of the Shariah Advisory Panel, to be implemented by the Investment Manager and investors will be informed of purification liabilities, if any, resulting from the non-compliant investments.

In addition to limitations on investment opportunities, Shariah compliant investment funds such as the Funds may have a higher expense ratio than other investment funds as a result of expenses required to be paid to advisors and Shariah scholars relating to the execution and monitoring of Shariah compliance.

The Markets and Instruments Traded May Be Illiquid

At various times, the markets for securities purchased or sold by the Funds may be "thin" or illiquid, making purchases or sales at desired prices or in desired quantities difficult or impossible. This may make it impossible at times for the Funds to liquidate positions, honour requests for redemption, or make redemption payments.

In addition, a stock exchange may at any time suspend an entity's securities from trading on the exchange where the entity is unable or unwilling to comply with, or breaks a listing rule, or it is necessary to prevent a disorderly or uninformed market, the exchange rules require it, or it is appropriate for some other reason.

No compensation available for delayed payments

A Fund is not obliged to compensate the relevant Shareholders if a payment is made by such Fund after the due date for such payment. In particular, if any such delay is related to or caused by the relevant Fund not having received a related payment from a third party, such as a Murabaha Counterparty, then such Fund is not obligated to compensate such Shareholders with respect to any related delay in a payment.

Insolvency Risk

The default or insolvency or other business failure of any issuer of securities held by a Fund or of any counterparty of a Fund could have an adverse effect on the relevant Fund's performance and its ability to achieve its investment objectives.

Conflicts of Interest

Potential conflicts of interest may exist between the Company and its service providers (and their respective officers, directors and employees). See "Portfolio Transactions and Conflicts of Interest" section below.

Changes in Applicable Law

The Investment Manager must comply with various legal requirements, including requirements imposed by securities laws and tax laws in the jurisdictions in which the Investment Manager or its service providers operate and/or offer Shares. Should any of those laws change over the term of the Company's existence, the legal requirements to which the Investment Manager and the Shareholders may be subject could differ materially from current requirements.

Additional risk factors (if any) in respect of each Fund are set out in the Supplement for the relevant Fund.

MANAGEMENT OF THE COMPANY

Directors of the Company

The Directors of the Company are described below:-

Michael Boyce

Michael Boyce is an Irish resident director who acts as an independent director and a consultant to a number of Irish collective investment schemes. He was Executive Director and Head of Client operations of Northern Trust International Fund Administration Services (Ireland) Limited until November 2005. He was Managing Director of Ulster Bank Custodial Services which was the Trustee and Custody operation of Ulster Bank fund's business from 1990 - 1997. From 1997 to 2000 he was Managing Director of Ulster Investment Bank Investment Services. Following the purchase of UBIS by Northern Trust in May 2000, he was appointed Director of Client Operations with responsibility for servicing a large range of institutional and retail clients. He has worked in Financial Services industry for over 30 years including stockbroking, fund management and fund administration.

He is a graduate of the Michael Smurfit School of Business at UCD from which he holds a Diploma in Corporate Governance. He is a member of the Securities Institute and has served on several committees of the Irish Funds Industry Association. He is also a member of the Institute of Directors Ireland, and a member of the Corporate Governance Association of Ireland.

Liam Byrne

Liam Byrne was Head of Credit Risk Ulster Bank Group in the Republic of Ireland from 2000 to 2005. Mr. Byrne managed a risk portfolio of circa €11 billion having regard to sectoral spread, credit grade and concentration. From 1998 to 2000, Mr Byrne was Head of Corporate Credit Ulster Bank Group and had responsibility for the group's corporate risk in the Republic of Ireland. From 1989 to 1998 Mr Byrne acted as Associate Director in Corporate Bank Department of Ulster Bank Group where he was Head of a Corporate Lending team and managed a portfolio in excess of 80 corporate relationships. Mr Byrne is a Fellow of the Chartered Association of Certified Accountants, an Associate of the Chartered Institute of Secretaries and Administrators, a Fellow of the Institute of Bankers and holds a Masters in Economic Science from London School of Economics and Political Science. Mr Byrne also holds a Bachelor of Commerce Degree from University College Dublin.

Christopher Oulton

Chris Oulton has been involved in the liquidity funds industry since 1998 and was a founding member of IMMFA (Institutional Money Market Funds Association) in 2000. He was Deputy Chair of IMMFA until June 2008. He has over 25 years experience in banking and asset management, most recently Head of Money Market Sales at Insight Investment which he joined in 2004. As an independent consultant he successfully launched the Abbey AAA rated MMF. Chris is the founding partner of PRCM.

For the purposes of this Prospectus, the address of all of the Directors is the registered office of the Company.

No Director has:

- (i) any unspent convictions in relation to indictable offences; or
- (ii) been bankrupt or the subject of an involuntary arrangement, or has had a receiver appointed to any asset of such Director; or
- (iii) been a director of any company which, while he was a director with an executive function or within 12 months after he ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration or company voluntary arrangements, or made any composition or arrangements with its creditors generally or with any class of its creditors; or

- (iv) been a partner of any partnership, which while he was a partner or within 12 months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset; or
- (v) had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or
- (vi) been disqualified by a court from acting as a director or from acting in the management or conduct of affairs of any company.

Save for the information disclosed herein, no further information is required to be given in respect of the Directors pursuant to the listing requirements of the Irish Stock Exchange.

Investment Manager

Prime Rate Capital Management LLP has been appointed by the Company to act as investment manager to the Company and each Fund pursuant to an Investment Management Agreement described under the heading "Material Contracts" below.

Prime Rate Capital Management LLP is a limited liability partnership incorporated on 30 March 2007 under the laws of the United Kingdom and having its registered office at One Vine Street, London W1J 0AH. As of 31 August 2010, the Investment Manager had approximately \$3 billion of assets under discretionary investment management. The principal function of the Investment Manager is the provision of investment advice and investment management services to funds and other clients.

Custodian

BNY Mellon Trust Company, (Ireland) Limited of Guild House, Guild Street, IFSC, Dublin 1, Ireland has been appointed by the Company to act as custodian of all of the assets of the Company and each Fund pursuant to a Custodian Agreement described under the heading "Material Contracts" below.

The Custodian is a private limited company incorporated in Ireland on 13 October 1994. The principal activity of the Custodian is to act as the custodian and trustee of the assets of collective investment schemes. The Custodian is authorised by the Financial Regulator under the Investment Intermediaries Act 1995. The Custodian is a wholly-owned indirect subsidiary of The Bank of New York Mellon Corporation. The Bank of New York Mellon Corporation is a global financial services company focused on helping clients manage and service their financial assets, operating in 34 countries and serving more than 100 markets. The Bank of New York Mellon Corporation is a leading provider of financial services for institutions, corporations and high net worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, querying services and treasury services throughout a worldwide client focused team. At 31 December 2008, it had US\$ 20.2 trillion in assets under custody and administration, US\$ 928 billion in assets under management and serviced more than US\$ 11 trillion in outstanding debt.

The Custodian is responsible for the safe-keeping of all of the assets of the Company within its custody network. The Custodian must exercise due care and diligence in the discharge of its duties and will be liable to the Company and the Shareholders for any loss suffered by them arising from negligence, fraud, bad faith, wilful default or recklessness in the performance of its duties. The liability of the Custodian will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safe-keeping. In order to discharge its responsibility under the Act, the Custodian must exercise care and diligence in choosing and appointing a third party as a safe-keeping agent so as to ensure that the third party has and maintains the expertise, competence and standing appropriate to discharge the responsibilities concerned. The Custodian must maintain an appropriate level of supervision over the safe-keeping agent and make appropriate enquiries from time to time to confirm that the obligations of the agent continue to be competently discharged.

The Custodian Agreement contains provisions governing the responsibilities of the Custodian and provides that, in the absence of fraud, negligence, bad faith, recklessness or wilful default on the part of the Custodian, the Custodian shall be indemnified out of the assets of the Company.

Administrator

BNY Mellon Fund Services (Ireland) Limited of Guild House, Guild Street, IFSC, Dublin 1, Ireland has been appointed by the Company to act as administrator, registrar and transfer agent to the Company and each Fund pursuant to an Administration Agreement described under the heading "Material Contracts" below.

BNY Mellon Fund Services (Ireland) Limited has responsibility for the performing the day to day administration of the Company, including the calculation of the Net Asset Value and the Net Asset Value per Share of each Fund. The Administrator is a private limited company incorporated in Ireland on 31 May 1994 and is engaged in the provision of fund administration, accounting, registration, transfer agency and related shareholders services to collective investment schemes and investment funds. The Administrator is authorised by the Financial Regulator under the Investment Intermediaries Act, 1995.

The Administrator is a wholly-owned indirect subsidiary of The Bank of New York Mellon Corporation. The Bank of New York Mellon Corporation is a global financial services company focused on helping clients manage and service their financial assets, operating in 34 countries and serving more than 100 markets. The company is a leading provider of financial services for institutions, corporations and high-net-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. As at 31 March 2009 it has \$19.5 trillion in assets under custody and administration, \$881 billion in assets under management, services more than \$11 trillion in outstanding debt, and processes global payments averaging \$1.8 trillion per day.

Escrow Agent

Bank of New York Mellon, London Branch has been appointed by the Company and the Murabaha Counterparty to act as escrow agent in respect of each Fund pursuant to an Escrow agreement as such is described further in the relevant Supplement.

The Escrow Agent is a banking corporation organised pursuant to the laws of the State of New York and operating through its branch at One Canada Square London, E14 5AL, United Kingdom.

Shariah Advisor

The Company and the Investment Manager have appointed Yasaar Limited, a Shariah advisory company specialised in Islamic finance, as the Shariah Advisor in respect of each Fund pursuant to a Shariah Advisory Agreement described under the heading "Material Contracts" below. Yasaar Limited set up in the UK in 1998 as the first Shariah compliances services company and is well respected for the quality and professionalism of its service provision which it has been providing to the global financial services sector active in the Islamic finance space. It has been headquartered in Dubai since 2005 when it became the first Shariah compliance services company to be registered in the Dubai International Financial Centre. In 2006 it entered into partnership with FTSE, the Global index company to develop a series of Shariah compliant indexes through its subsidiary Yasaar Research Inc. Since 2007 it has been an Associate Member of the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI).

As part of the Shariah Advisory Agreement the Shariah Advisor will procure the services of the Shariah Advisory Panel, whose members are listed below.

Shariah Advisory Panel

The Shariah Advisory Panel shall be a board comprising:

(a) Sheikh Essam Ishaq

Sheikh Essam Ishaq holds a degree in Political Science from McGill University, Canada. He is currently teaching Fiqh, Aqeeda, Tafseer Islamic Law and Theology, courses in Bahrain and is recognized as an emerging leader in the discipline of Islamic Finance. Sheikh Ishaq serves on the Boards of many financial institutions including Arcapita Bank, AAOIFI, and Al Baraka Islamic Bank. His other positions currently include Member, Technical Committee for Interpretation and Application of Standards, Accounting and Auditing Organization of Islamic Financial Institutions (AAOIFI), Bahrain, Consultative Council, Kingdom of Bahrain (First Legislative turn). He is very active as an educator.

(b) Sheikh Dr. Mohamad Akram Laldin

Dr. Mohamad Akram is currently an Assistant Professor and Deputy Dean (Academic Affairs), Kulliyah of Islamic Revealed Knowledge and Human Sciences, International Islamic University, Malaysia (IIUM). He holds a B.A. Honours degree in Islamic Jurisprudence and Legislation from the University of Jordan, Amman, Jordan and a Ph.D. in Principles of Islamic Jurisprudence (Usul al-Fiqh) from the University of

Edinburgh. He is prolific author on the subject of Islamic Finance and Banking as well as a presenter at many conferences worldwide. Dr. Laldin is the Executive Director of the Islamic Shariah Research Academy, a Malaysian government entity for the education of the future Scholars in the multi disciplines of Shariah and Finance. He is based in Kuala Lumpur.

(c) Dr. Aznan Hasan.

Dr Aznan Hasan is an Assistant Professor in Islamic law and the former head of Islamic law Department, Ahmad Ibrahim Kulliyah of Laws, International Islamic University Malaysia. He taught subjects such as Islamic Legal Theory, Islamic Commercial Law and Islamic Banking and Finance at both undergraduate and postgraduate levels. He has served as a Shariah advisor to various financial Institutions and corporate bodies. He was as a member of Shariah Advisory Council of Bank Negara Malaysia. He is the Chairman, Shariah Advisory Board, ACR Retakaful, Bahrain, Shariah Advisor, Barclays Capital, London, Kane Takaful Solution (Bahrain), ABSA Islamic Bank, South Africa, Amanahraya Berhad, RHB Islamic Bank, Amanah Raya Investment Bank Labuan, Maybank Investment Bank, Employee Provident Fund (EPF) and some other financial institutions and corporate bodies at both local and international level. He is also a registered Shariah Advisor for the Islamic Unit Trust Schemes and Islamic securities (Sukuk), Securities Commission of Malaysia. He is also a Member, National International Zakat Organisation (IZO) Coordination Committee, an advisory body established under the Prime Minister Department. Dr. Aznan Hasan received his first Degree in Shariah from University of al-Azhar. He then successfully completed his Master degree in Shariah from Cairo University with distinction (mumtaz). He then obtained his Ph. D from University of Wales, Lampeter, United Kingdom.

(d) Sheikh Dr. Mohammed Burhan Arbouna

Dr Arbouna was Head of the Shariah department at Kuwait Finance House in Bahrain and has also worked for the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) in Bahrain, where he was responsible for conducting research on Shariah issues relating to accounting and auditing. Dr Arbouna is a frequent speaker in a number of forums and conferences on Islamic banking and finance, and has numerous publications. He is also a tutor on Islamic banking and finance at several academic institutions. Dr Arbouna obtained a Masters degree in Comparative Laws and a PhD in Islamic banking and finance from the International Islamic University in Malaysia. His Bachelors degree in Shariah was obtained from The Islamic University in Medina.

The members of the Shariah Advisory Panel shall oversee the Shariah aspects of the business, activities and investments of the Funds and provide a Shariah oversight function.

The Shariah Advisory Panel shall perform the services in respect of the Company and each Fund as set out in the Shariah Advisory Agreement described under the heading "Material Contracts" below.

Portfolio Transactions and Conflicts of Interest

Subject to the provisions of this section, the Investment Manager, any Investment Adviser, the Administrator, any distributor, the Custodian, any Shareholder and any of their respective subsidiaries, affiliates, associates, agents or delegates (each a "**Connected Person**") may contract or enter into any financial, banking or other transaction with one another or with any Fund. This includes, without limitation, investment by a Fund in securities of any Connected Person or investment by any Connected Persons in any company or bodies any of whose investments form part of the assets comprised in any Fund or be interested in any such contract or transactions. In addition, any Connected Person may invest in and deal in Shares relating to any Fund or any property of the kind included in the property of any Fund for their respective individual accounts or for the account of someone else.

Any cash of any Fund may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 1998, of Ireland as amended by the Central Bank and Financial Services Regulatory Authority of Ireland Acts, 2003 to 2004 with any Connected Person or invested in certificates of deposit or banking instruments issued by any Connected Person. Banking and similar transactions may also be undertaken with or through a Connected Person.

Any Connected Person may also deal as agent or principal in the sale or purchase of securities and other investments to or from the Company. There will be no obligation on the part of any Connected Person to account to the relevant Fund or to Shareholders for any benefits so arising, and any such benefits may be retained by the relevant party, provided that such transactions are carried out as if effected on normal

commercial terms negotiated at arm's length, are consistent with the best interests of the Shareholders of that Fund and:

- (a) a certified valuation of such transaction by a person approved by the Custodian (or in the case of any such transaction entered into by the Custodian, the Directors) as independent and competent has been obtained; or
- (b) such transaction has been executed on best terms on an organised investment exchange under its rules; or
- (c) where (a) and (b) are not practicable, such transaction has been executed on terms which the Custodian is (or in the case of any such transaction entered into by the Custodian, the Directors are) satisfied conform with the principle that such transactions be carried out as if effected on normal commercial terms negotiated at arm's length in the best interests of Shareholders.

The Investment Manager may also, in the course of its business, have potential conflicts of interest with the Company in circumstances other than those referred to above. The Investment Manager will, however, have regard in such event to its obligations under the Investment Management Agreement and, in particular, to its obligations to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients when undertaking any investments where conflicts of interest may arise and will ensure that such conflicts are resolved fairly as between the Company, the relevant Fund and other clients. The Investment Manager will ensure that investment opportunities are allocated on a fair and equitable basis between the Company and its other clients. In the event that a conflict of interest does arise the directors of the Investment Manager will endeavour to ensure that such conflicts are resolved fairly.

As the fees of the Investment Manager are based on the Net Asset Value of a Fund, if the Net Asset Value of the Fund increases so too do the fees payable to the Investment Manager and accordingly there is a conflict of interest for the Investment Manager in cases where the Investment Manager is responsible for determining the valuation price of a Fund's investments.

Other Investment Funds

Any Investment Manager, member of the Shariah Advisory Panel, the Shariah Advisor or the Custodian may, and do, manage, advise or provide services to other investment fund clients having investment objectives that are similar to that of the Fund(s) to which it serves as Investment Manager, member of the Shariah Advisory Panel, the Shariah Advisor, or the Custodian. As a result, such Investment Manager, member of the Shariah Advisory Panel, the Shariah Advisor or the Custodian may have conflicts of interest in allocating management time, services, and functions among the relevant Fund(s) and other business ventures. No Fund will receive preferential treatment with respect to the allocation of investment opportunities.

MASTER MURABAHA AGREEMENTS

The following is a summary of certain features of a Master Murabaha Agreement which may be entered into by the Fund. The summary is qualified by reference to details of such Master Murabaha Agreement as may be specified in the relevant Supplement and any specific provisions of such Master Murabaha Agreement.

Master Murabaha Agreement

The Company, for and behalf of a Fund, and the Murabaha Counterparty may enter into a Master Murabaha Agreement, whereby the Fund agrees to sell and the Murabaha Counterparty agrees to purchase, on a collateralised and daily basis, commodities as part of Murabaha transactions entered into for investment purposes pursuant to the terms of the Master Murabaha Agreement.

Conducting a Murabaha transaction

The Company, for and behalf of a Fund may send an offer (the “**Offer**”) to the Murabaha Counterparty outlining the terms upon which it will purchase commodities from a broker on any business day on behalf of that Fund and will offer to sell such commodities to the Murabaha Counterparty for a deferred sale price (the “**Deferred Sale Price**”) payable on the next business day. It shall be a condition of such Offer that the Murabaha Counterparty will deposit an agreed amount of collateral in an escrow account held with the Escrow Agent in order to secure the performance of the Murabaha Counterparty’s obligation to pay the Deferred Sale Price. The Company, for and behalf of that Fund shall agree to limit its recourse against the Murabaha Counterparty in respect of the relevant Murabaha transaction to the collateral deposited with the Escrow Agent.

If the Murabaha Counterparty is willing to accept the terms of the Offer, it shall dispatch a duly completed and signed acceptance (the “**Acceptance**”) to the Fund. Dispatch of the Acceptance shall commit the parties to the trade of the commodities in accordance with the terms of the Offer.

Conclusion of a Murabaha Transaction

Once the Murabaha Counterparty has dispatched the Acceptance and procured the deposit of collateral with the Escrow Agent, the Murabaha transaction shall be concluded. In the event that the Fund does not receive the Deferred Sale Price from the Murabaha Counterparty on the due date, the Escrow Agent will, as instructed by the Company for and on behalf of the relevant Fund, deliver the cash proceeds of the collateral to the Fund.

Payment and Taxes

The Fund shall pay any stamp duty, registration or other similar tax payable in connection with the Master Murabaha Agreement.

SHARE DEALINGS

SUBSCRIPTION FOR SHARES

Purchases of Shares

Issues of Shares will normally be made with effect from a Dealing Day in respect of applications received on or prior to the Dealing Deadline. Dealing Days and Dealing Deadlines relating to each Fund are specified in the relevant Supplement.

Applications for the initial issue of Shares should be submitted in writing and signed or sent by facsimile (with the original signed subscription form and supporting documentation in relation to money laundering prevention checks to follow promptly by post) to the Administrator and applications received after the Dealing Deadline for the relevant Dealing Day shall, unless the Directors shall otherwise agree and provided they are received before the Valuation Point for the relevant Dealing Day, be deemed to have been received by the next Dealing Deadline. Applications will be irrevocable unless the Directors otherwise agree. Subsequent applications for Shares by existing Shareholders may be made on the subscription form, by fax or by telephone and an original (and supporting documentation in relation to money laundering prevention checks) need not follow by post in respect of such applications.

The Minimum Initial Investment Amount for Shares of each Fund that may be subscribed for by each investor on initial application and the Minimum Shareholding for Shares of each Fund is set out in the Supplement for the relevant Fund.

Fractions of not less than 2 decimal places of a Share may be issued. Subscription moneys representing smaller fractions of Shares will not be returned to the applicant but will be retained as part of the assets of the relevant Fund.

Applicants will be required to certify in writing that they meet the criteria for Qualifying Investors as either:

1. an Accredited Employee;
2. a natural person with a minimum net worth (which excludes main residence and household goods) in excess of Euro 1,250,000 or its equivalent in other currencies; or
3. an institution (being an entity other than a natural person):
 - (a) which owns or invests on a discretionary basis at least Euro 25,000,000 or its equivalent in other currencies; or
 - (b) the beneficial owners of which are Qualifying Investors in their own right,

and that they are aware of the risks involved in the proposed investment and of the fact that inherent in such investment is the potential to lose all of the sum invested.

The Application Form contains certain conditions regarding the application procedure for Shares in the Company and certain indemnities in favour of the Company, the Investment Manager, the Administrator, the Custodian and the other Shareholders for any loss suffered by them as a result of certain applicants acquiring or holding Shares.

If an application is rejected, the Administrator at the cost and risk of the applicant will, subject to any applicable laws, return application monies or the balance thereof, without interest, by telegraphic transfer to the account from which it was paid within 10 Business Days of the rejection.

Issue Price

The Initial Issue Price for Shares in the relevant Fund shall be the amount set out in the Supplement for the relevant Fund.

Unless otherwise stated in the Supplement of the relevant Fund, the issue price at which Shares of any Class of any Fund will be issued on a Dealing Day when Shares are in issue after the Initial Offer Period is calculated by ascertaining the Net Asset Value per Share of the relevant Class on the relevant Dealing Day.

Payment for Shares

Payment in respect of the issue of Shares must be made by the relevant Settlement Date by telegraphic transfer in cleared funds in the currency of the relevant Shares.

If payment in full has not been received by the Settlement Date, or in the event of non-clearance of funds, all or part of any allotment of Shares made in respect of such application may, at the discretion of the Administrator, be cancelled, or, alternatively, the Administrator may treat the application as an application for such number of Shares as may be purchased with such payment on the Dealing Day next following receipt of payment in full or of cleared funds. In such cases the Company may charge the applicant for any resulting loss incurred by the relevant Fund. The Directors reserve the right to apply fees and charges at a reasonable commercial rate on subscriptions which are settled late.

Anti-Money Laundering Provisions

Measures provided for in the Criminal Justice Act, 1994 (as amended) which are aimed towards the prevention of money laundering, require detailed verification of each applicant's identity, address and source of funds; for example an individual will be required to produce a copy of his passport or identification card together with evidence of his address such as a utility bill or bank statement and evidence of his date of birth. In the case of corporate applicants this will 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 address of the directors of the company and details of persons with substantial beneficial ownership of the corporate applicant.

The Administrator reserves the right to request such information as is necessary to verify the identity of an applicant. In the event that the Administrator requires further proof of the identity of any applicant, it will contact the applicant on receipt of an Application Form. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator may refuse to accept the application and return all subscription monies.

Data Protection

Prospective investors should note that by completing the Application Form they are providing to the Company personal information, which may constitute personal data within the meaning of the Data Protection Legislation. This data will be used for the purposes of administration, transfer agency, statistical analysis, research and disclosure to the Company, its delegates and agents. By signing the application form, investors acknowledge that they are providing their consent to the Company, its delegates and its or their duly authorised agents and any of their respective related, associated or affiliated companies obtaining, holding, using, disclosing and processing the data for any one or more of the following purposes:

- (a) to manage and administer the investor's holding in the Company and any related accounts on an on-going basis;
- (b) for any other specific purposes where the investor has given specific consent;
- (c) to carry out statistical analysis and market research;
- (d) to comply with legal and regulatory obligations applicable to the investor and the Company;
- (e) for disclosure or transfer whether in Ireland or countries outside Ireland including without limitation the United States of America, which may not have the same data protection laws as Ireland, to third parties including financial advisers, regulatory bodies, auditors, technology providers or to the Company and its delegates and its or their duly appointed agents and any of their respective related, associated or affiliated companies for the purposes specified above; or
- (f) for other legitimate business interests of the Company.

Pursuant to Data Protection Legislation, investors have a right of access to their personal data kept by the Company and the right to amend and rectify any inaccuracies in their personal data held by the Company by

making a request to the Company in writing.

The Company is a Data Controller within the meaning of Data Protection Legislation and undertakes to hold any personal information provided by investors in confidence and in accordance with Data Protection Legislation.

By signing the application form, prospective investors consent to the recording of telephone calls made to and received from investors by the Company, its delegates, its duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes.

Limitations on Purchases

Shares may not be issued or sold by the Company during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under "Suspension of Calculation of Net Asset Value" below. Applicants for Shares will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

Shares may not be directly or indirectly offered or sold in the United States or purchased or held by or for U.S. Persons unless the Company determines (i) the transaction is permitted under an exemption available under the securities laws of the United States and (ii) the relevant Fund and Company continues to be entitled to an exemption from registration as an investment company under the securities laws of the United States.

REDEMPTION OF SHARES

Redemption of Shares

All requests for the redemption of Shares should be made to the Company c/o the Administrator by telephone or by facsimile and must quote the relevant account number, the relevant Fund(s) and Class of Share, before payment of redemption proceeds can be made. Amendments to an investor's registration details and payment instructions will only be effected on receipt of original documentation.

A redemption request will not be capable of withdrawal after acceptance by the Administrator. If requested, the Directors may, in their absolute discretion and subject to the prior approval of the Custodian and notification to all of the Shareholders, agree to designate additional Dealing Days and Valuation Points for the redemption of Shares relating to any Fund.

The Administrator will not accept redemption requests, which are incomplete, until all the necessary information is obtained and all documentation required by the Company (including documents in connection with anti-money laundering procedures) and the anti-money laundering checks have been completed. Save as provided in the Act, Shares cannot be repurchased by the Company unless they are fully paid.

Redemption Price

The price at which Shares will be redeemed on a Dealing Day is also calculated by ascertaining the Net Asset Value per Share of the relevant class on the relevant Dealing Day. The method of establishing the Net Asset Value of any Fund and the Net Asset Value per Share of any class of Shares in a Fund is set out in the Articles as described herein under the section entitled "Calculation of Net Asset Value/Valuation of Assets" below.

When a redemption request has been submitted by an investor who is or is deemed to be a Taxable Irish Person or is acting on behalf of a Taxable Irish Person, the Company shall deduct from the redemption proceeds an amount which is equal to the tax payable by the Company to the Irish Revenue Commissioners in respect of the relevant transaction.

Payment of Redemption Proceeds

The amount due on redemption of Shares will be paid by telegraphic transfer to an account of record in the name of the Shareholder in the currency of the relevant Share Class (or in such other currency as the Directors shall determine) by the Settlement Date. Payment of redemption proceeds will be made to the registered Shareholder or in favour of the joint registered Shareholders as appropriate. Redemption requests sent by facsimile will only be processed where payment is made to the account of record. The proceeds of the redemption of the Shares will only be paid on receipt by the Administrator of the original subscription application form together with the necessary anti-money laundering documentation.

Limitations on Redemption

The Company may not redeem Shares of any Fund during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under the section entitled "Suspension of Calculation of Net Asset Value" below. Applicants for redemption of Shares will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

The Directors may at their discretion limit the number of Shares of any Fund redeemed on any Dealing Day to Shares representing ten per cent (or twenty five per cent in the case of quarterly dealing Funds) of the total Net Asset Value of that Fund on that Dealing Day. In this event, the limitation will apply *pro rata* so that all Shareholders wishing to have Shares of that Fund redeemed on that Dealing Day realise the same proportion of such Shares. Shares not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on the next Dealing Day and will be dealt with in priority (on a rateable basis) to redemption requests received subsequently. If requests for redemptions are so carried forward this will continue until all the Shares to which the original request related have been redeemed and the Administrator will inform the Shareholders affected.

The Company may at its discretion with the consent of the Shareholder or at the request of the Shareholder satisfy a redemption request by a distribution of investments of the relevant Fund in specie provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Fund. The asset allocation is subject to approval by the Custodian. The Company will use its reasonable efforts to meet any Shareholder request for a redemption in specie, having regard to market conditions and the interests of the remaining Shareholders.

The Articles contain special provisions where a redemption request received from a Shareholder would result in Shares representing more than five per cent of the Net Asset Value of any Fund being repurchased by the Company on any Dealing Day. In such a case, the Company may satisfy the redemption request by a distribution of investments of the relevant Fund in specie having been approved by the Custodian, and provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Fund. Where the Shareholder requesting such redemption receives notice of the Company's intention to elect to satisfy the redemption request by such a distribution of assets that Shareholder may require the Company, instead of transferring those assets, to arrange for their sale and the payment of the proceeds of sale to that Shareholder less any costs incurred in connection with such sale.

Mandatory Redemptions

The Company may compulsorily redeem all of the Shares of any Fund if the Net Asset Value of the relevant Fund is less than the Minimum Net Asset Value specified in the Supplement for the relevant Fund.

The Company reserves the right to impose restrictions on the holding of Shares directly or indirectly by (and consequently to redeem Shares held by), or the transfer of Shares to any person or entity who, in the opinion of the Directors is not an Accredited Employee or a Qualifying Investor, or who is a U.S. Person (unless the Directors determine (i) the transaction is permitted under an exemption available under the securities laws of the United States and (ii) that the relevant Fund and Company continue to be entitled to an exemption from registration as an investment company under the securities laws of the United States if such person holds Shares), an individual under the age of 18 (or such other age as the Directors may think fit), a person or entity who breached or falsified representations on subscription documents, who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold Shares, or if the holding of the Shares by any person is unlawful or is less than the minimum holding set for that class of Shares by the Directors, or in circumstances which (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant), in the opinion of the Directors, might result in the relevant Fund incurring any liability to taxation or suffering any other pecuniary liability to taxation or suffering other pecuniary legal or material administrative disadvantage which the relevant Fund might not otherwise have incurred or suffered or might result in the relevant Fund being required to comply with registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply or is otherwise prohibited by the Articles.

If the Directors decide to terminate a Fund, all of the Shareholders in the Fund will be so notified by the Directors and the Fund will be terminated in accordance with the procedure set out in the Articles.

Where Taxable Irish Persons acquire and hold Shares, the Company shall, where necessary for the collection

of Irish Tax, redeem and cancel Shares held by a person who is or is deemed to be a Taxable Irish Person or is acting on behalf of a Taxable Irish Person on the occurrence of a chargeable event for taxation purposes and to pay the proceeds thereof to the Irish Revenue Commissioners.

EXCHANGE OF SHARES

Exchange of Shares

Unless otherwise determined by the Directors, Shareholders will be able to apply to exchange on any Dealing Day all or part of their holding of Shares of any Class in any Fund (the **Original Class**) for Shares in another Class in a Fund which are being offered at that time (the **New Class**) (such Class being in the same Fund or in a separate Fund) provided that all the criteria for applying for Shares in the New Class have been met and by giving notice to the Administrator on or prior to the Dealing Deadline for the relevant Dealing Day. The Administrator may however at its discretion agree to accept requests for exchange received after the relevant Dealing Deadline provided they are received prior to the relevant Valuation Point. The general provisions and procedures relating to the issue and redemption of Shares will apply equally to exchanges save in relation to charges payable details of which are set out below and in the relevant Supplement.

When requesting the exchange of Shares as an initial investment in a Fund, Shareholders should ensure that the value of the Shares exchanged is equal to or exceeds the Minimum Initial Investment Amount for the relevant New Class specified in the Supplement for the relevant Fund. In the case of an exchange of a partial holding only, the value of the remaining holding must also be at least equal to the Minimum Shareholding for the Original Class.

The number of Shares of the New Class to be issued will be calculated in accordance with the following formula:

$$S = \frac{[R \times (RP \times ER)] - F}{SP}$$

where:

S	=	the number of Shares of the New Class to be issued;
R	=	the number of Shares of the Original Class to be exchanged;
RP	=	the redemption price per Share of the Original Class as at the Valuation Point for the relevant Dealing Day;
ER	=	in the case of an exchange of Shares designated in the same Base Currency is 1. In any other case, it is the currency conversion factor determined by the Administrator at the Valuation Point for the relevant Dealing Day as representing the effective rate of exchange applicable to the transfer of assets relating to the Original and New Classes of Shares after adjusting such rate as may be necessary to reflect the effective costs of making such transfer;
F	=	the Exchange Charge (if any) payable on the exchange of Shares; and
SP	=	the issue price per Share of the New Class as at the Valuation Point for the applicable Dealing Day.

Where there is an exchange of Shares, Shares of the New Class will be allotted and issued in respect of and in proportion to the Shares of the Original Class in the proportion S to R.

Limitations on Exchanges

Shares may not be exchanged for Shares of a different Class during any period when the calculation of the Net Asset Value of the relevant Fund or Funds is suspended in the manner described under the section entitled "Suspension of Calculation of Net Asset Value" below. Applicants for exchange of Shares will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

CALCULATION OF NET ASSET VALUE/VALUATION OF ASSETS

The Net Asset Value of each Fund shall be calculated by the Administrator as at the Valuation Point for each Dealing Day by valuing the assets of the Fund and deducting therefrom the liabilities of the Fund. The Net Asset Value of a Fund divided by the number of Shares of the relevant Fund in issue as at the relevant Valuation Point (where the resulting sum is rounded to 2 decimal places) is equal to the Net Asset Value of a Share of the relevant Fund. Where there are more than one Class in issue in a Fund, the Net Asset Value per Share of the relevant Class is calculated by determining that proportion of the Net Asset Value of the relevant Fund which is attributable to the relevant Class at the Valuation Point, and adding thereto or deducting therefrom such sum (if any) as the Directors may consider represents the appropriate provision for fiscal and purchase or sales charges and by dividing this sum by the total number of Shares of the relevant Class in issue at the relevant Valuation Point (which is set out in the Supplement for the relevant Fund). The price at which Shares of any Class will be issued or redeemed on a Dealing Day, after the initial issue, is based on the Net Asset Value per Share or Net Asset Value per Share of a relevant Class (where there are more than one Class in issue in a Fund).

The price at which Shares will be redeemed on a Dealing Day is based on the Net Asset Value per Share or Net Asset Value per Share of a relevant Class (where there are more than one Class in issue in a Fund). The Net Asset value per Share of the relevant Class is calculated by determining that proportion of the Net Asset Value of the relevant Fund which is attributable to the relevant Class as at the Valuation Point and deducting therefrom such sum (if any) as the Administrator may consider represents the appropriate provision for fiscal and sales charges and by dividing this sum by the total number of Shares of the relevant Class in issue at the relevant Valuation Point. The Net Asset Value per Share is the resulting sum rounded to 2 decimal places.

In addition, the Directors may, in calculating the redemption price, deduct such sum as they consider fair, in respect of redemption or exchange requests which will necessitate a Fund breaking deposits at a penalty or realising investments at a discount in order to realise assets to provide monies to meet such redemption or exchange requests or, in the event that the Fund seeks Financing to meet any such redemption or exchange request, a sum to meet the cost of such Financing.

The Articles provide for the method of valuation of the assets and liabilities of each Fund and of the Net Asset Value of each Fund. The assets and liabilities of a Fund will be valued as follows:-

In general, the Articles provide that the value of any investments quoted, listed or dealt in on a market shall be calculated by reference to the closing mid-market price as at the relevant Valuation Point provided that the value of any investment listed on a market but acquired or traded at a premium or at a discount outside the relevant market may with the approval of the Custodian be valued taking into account the level of premium or discount as at the date of valuation of the investment provided that the Custodian must ensure that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of such security. Such premiums or discounts thereon above shall be provided by an independent broker or market maker or if such premiums/discounts are unavailable, by the Investment Manager. However, the Directors or their delegate may adjust the value of investments traded on an over-the-counter market if the Directors or their delegate considers such adjustment is required to reflect the fair value thereof in the context of currency, marketability, dealing costs and/or such other considerations as are deemed relevant.

If for specific assets the closing mid-market prices do not, in the opinion of the Directors or their delegate, reflect their fair value or are not available, the value shall be calculated with care and in good faith by the Directors or their delegate (being approved by the Custodian as a competent person for such purpose), in consultation with the Investment Manager with a view to establishing the probable realisation value for such assets as at the Valuation Point for the relevant Dealing Day. The valuation method used must also be approved by the Custodian.

Where such investment is quoted, listed or dealt in on more than one market, the Directors shall, in their absolute discretion, select the market which in their opinion constitutes the main securities market for such investment for the foregoing purposes. The value of any investment which is not quoted, listed or dealt in on a market or of any investment which is normally quoted, listed or dealt in on a market but in respect of which no price is currently available or the current price of which does not in the opinion of the Directors represent fair market value, the value thereof shall be the probable realisation value estimated with care and in good faith by the Directors or by a competent person, in each case approved, for such purpose, by the Custodian. In determining the probable realisation value of any such investment, the Directors may accept a certified valuation from a competent independent person, or in the absence of any independent person, (notwithstanding that the Investment Manager has an interest in the valuation), the Investment Manager, who in each case shall be approved by the Custodian to value the relevant securities.

The Articles of Association further provides that cash in hand or on deposit, prepaid expenses, cash dividends and interest declared or accrued and not yet received as at the relevant Valuation Point will normally be valued at their face value plus accrued interest (unless in any case the Directors are of the opinion that the same is unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Directors may consider appropriate in such case to reflect the true value thereof); certificates of deposit, treasury bills, bank acceptances, trade bills and other negotiable investments shall each be valued at each Valuation Point at the closing mid-market price on the market on which these assets are traded or admitted for trading (being the market which is the sole market or in the opinion of the Directors the principal market on which the assets in question are quoted or dealt in) plus any interest accrued thereon from the date on which same were acquired.

Forward foreign exchange contracts shall be valued by reference to the prevailing market maker quotations, namely, the price as at the Valuation Point at which a new forward exchange contract of the same size and maturity could be undertaken, or, if unavailable, at the settlement price provided by the counterparty. The settlement price shall be valued at least weekly by the counterparty and shall be verified at least weekly by a party who is independent from the counterparty and approved for the purpose by the Custodian. The value of any off-exchange traded derivative contracts shall be the quotation from the counterparty to such contracts at the Valuation Point and shall be valued at least weekly. The valuation will be approved or verified at least weekly by a party independent of the counterparty, who has been approved for such purpose by the Custodian. The references in this paragraph to “weekly” valuation and verification shall be amended to “monthly” in respect of a Fund with a not less than monthly valuation policy and which has been granted the relevant derogation by the Financial Regulator.

The value of any exchange traded futures contracts, share price index futures contracts and options shall be the settlement price as determined by the market in question as at the Valuation Point provided that where such settlement price is not available for any reason as at a Valuation Point, such value shall be the probable realisation thereof estimated with care and in good faith by the Directors or another competent person, provided that the Directors or such other competent person have been approved for such purpose by the Custodian.

Units or shares in open-ended collective investment schemes will be valued at the latest available net asset value per unit/share or class thereof as published by the collective investment scheme as at the Valuation Point for the relevant Dealing Day; units or shares in closed-ended or limited liability collective investment schemes will, if listed or traded on a market, be valued at the closing mid-market price on the principal market for such investment as at the Valuation Point for the relevant Dealing Day or, if unavailable or unlisted at the probable realisation value, as estimated with care and in good faith and as may be recommended by a competent professional appointed by the Directors or their delegate or the Investment Manager and approved for the purpose by the Custodian.

If in any case a particular value is not ascertainable as provided above or if the Directors shall consider that some other method of valuation better reflects the fair value of the relevant investment, then in such case the method of valuation of the relevant investment shall be such as the Directors shall determine, such method of valuation to be approved by the Custodian.

Notwithstanding the generality of the foregoing, the Directors may with the approval of the Custodian adjust the value of any such security if having regard to currency, anticipated rate of dividend, applicable rate of interest, maturity, liquidity, marketability, dealing costs and/or such other considerations as it may deem relevant, it considers that such adjustment is required to reflect the fair value thereof as at any Valuation Point.

Any value expressed otherwise than in the Base Currency of the Fund (whether of any investment or cash) and any non-Base Currency financing (made on a Shariah compliant basis) shall be converted into the Base Currency at the rate (whether official or otherwise) which the Administrator shall determine to be appropriate in the circumstances.

Any particular valuation provisions applicable to any Fund are set out in the Supplement for the relevant Fund.

SUSPENSION OF CALCULATION OF NET ASSET VALUE

The Directors may at any time temporarily suspend the calculation of the Net Asset Value of any Fund and/or the issue, redemption and exchange of Shares and the payment of redemption proceeds during:

- (i) any period when dealing in the units/shares of any collective investment scheme in which a Fund may

be invested are restricted or suspended; or

- (ii) any period when any of the principal markets or stock exchanges on which a substantial portion of the investments of the relevant Fund from time to time are quoted, listed or dealt in is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or
- (iii) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a substantial portion of the investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value of the Fund cannot be fairly calculated; or
- (iv) any breakdown in the means of communication normally employed in determining the price of a substantial portion of the investments of the relevant Fund or when for any other reason the current prices on any market or stock exchange of any of the investments of the relevant Fund cannot be promptly and accurately ascertained; or
- (v) any period during which any transfer of funds involved in the realisation or acquisition of investments of the relevant Fund cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange; or
- (vi) any period when the Company is unable to repatriate funds required for the purpose of making payments due on the redemption of Shares in the relevant Fund; or
- (vii) any period when the Directors consider it to be in the best interest of the relevant Fund; or
- (viii) following the circulation to Shareholders of a notice of a general meeting at which a resolution proposing to wind up the Company or terminate the relevant Fund is to be considered.

The calculation of the Net Asset Value of any Fund shall also be suspended where such suspension is required by the Financial Regulator in accordance with the Act.

Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Shareholders who have requested issue or redemption of Shares of any class or exchanges of Shares of one class to another will be notified of any such suspension in such manner as may be directed by the Directors and, unless withdrawn but subject to the limitation referred to above, their requests will be dealt with on the first relevant Dealing Day after the suspension is lifted. Any such suspension will be notified on the same Business Day to the Financial Regulator and to the Irish Stock Exchange and will be communicated without delay to the competent authorities in any country in which the Shares are marketed.

FORM OF SHARES AND TRANSFER OF SHARES

Shares will be issued in registered form. Purchase contract notes will normally be issued within 5 Business Days after the allotment of Shares. Confirmations of ownership evidencing entry in the register will normally be issued within 30 days of the relevant Dealing Day upon receipt of all original documentation required by the Administrator. Share certificates shall not be issued.

Shares in each Fund will be transferable by instrument in writing in common form or in any other form approved by the Directors and signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor. Transferees will be required to complete an Application Form (which, inter alia, includes a certification that they meet the criteria for Qualifying Investors or Accredited Employees) and provide any other documentation reasonably required by the Company or the Administrator. In the case of the death of one of joint Shareholders, the survivor or survivors will be the only person or persons recognised by the Company as having any title to or interest in the Shares registered in the names of such joint Shareholders.

Shares may not be transferred to any person or entity who, in the opinion of the Directors is not an Accredited Employee or a Qualifying Investor, or who is a U.S. Person (unless the Directors determine (i) the transaction is permitted under an exemption available under the securities laws of the United States and (ii) that the relevant Fund and Company continue to be entitled to an exemption from registration as an investment company under the securities laws of the United States if such person holds Shares), an individual under the age of 18 (or such

other age as the Directors may think fit), a person or entity who breached or falsified representations on subscription documents, who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold Shares, or if the holding of the Shares by any person is unlawful or is less than the minimum holding set for that class of Shares by the Directors, or in circumstances which (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant), in the opinion of the Directors, might result in the relevant Fund incurring any liability to taxation or suffering any other pecuniary liability to taxation or suffering other pecuniary legal or material administrative disadvantage which the relevant Fund might not otherwise have incurred or suffered or might result in the relevant Fund being required to comply with registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply or is otherwise prohibited by the Articles.

If the transferor is or is deemed to be or is acting on behalf of a Taxable Irish Person, the Company is entitled to redeem and cancel a sufficient portion of the transferor's Shares as will enable the Company to pay the tax payable in respect of the transfer to the Revenue Commissioners in Ireland.

NOTIFICATION OF PRICES

The Net Asset Value per Share of each class of Shares in each Fund will be available as requested from the Administrator and will be notified without delay to the Irish Stock Exchange following calculation. Such prices will be the prices applicable to the previous Dealing Day's trades and are therefore only indicative after the relevant Dealing Day.

FEES AND EXPENSES

Fees and Expenses of Service Providers

Particulars of the fees and expenses (including performance fees, if any) payable to the Investment Manager, the Administrator, the Custodian, the Shariah Advisor, the Shariah Advisory Panel and any other service provider out of the assets of each Fund are set out in the relevant Supplement.

The Company will pay out of the assets of each Fund the fees and expenses payable to the Investment Manager, the Custodian and the Administrator, the Escrow Agent, the Shariah Advisor, the fees and expenses of any other service provider, the fees and expenses of sub-custodians which will be at normal commercial rates, the fees and expenses of the Directors (as referred to below) any regulatory fee, any fees in respect of circulating details of the Net Asset Value, company secretarial fees, stamp duties, taxes, any costs incurred in respect of meetings of Shareholders, marketing and distribution costs, investment transaction charges, costs, distributor incurred in respect of the distribution of income to Shareholders, the fees and expenses of any paying agent or representative appointed in compliance with the requirements of another jurisdiction, any amount payable under indemnity provisions contained in the Articles or any agreement with any appointee of the Company, all sums payable in respect of directors' and officers' liability insurance cover, brokerage or other expenses of acquiring and disposing of investments, the fees and expenses of the auditors, tax and legal advisers, rating agencies and fees connected with listing the Shares on the Irish Stock Exchange and registering the Company for sale in other jurisdictions. The costs of printing and distributing this Prospectus, reports, accounts and any explanatory memoranda, any necessary translation fees, the costs of publishing prices and any costs incurred as a result of periodic updates of the Prospectus, or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law) will also be paid by the Company out of the assets of the relevant Fund(s).

Such fees, duties and charges will be charged to the Fund in respect of which they were incurred or, where an expense is not considered by the Directors to be attributable to any one Fund, the expense will be allocated by the Directors in such manner and on such basis as the Directors in their discretion deem fair and equitable. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Directors may calculate such fees and expenses on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any period.

The Directors who are not connected with the Investment Manager will be entitled to remuneration for their services as directors provided however that the aggregate emoluments of each Director in respect of any twelve month accounting period shall not exceed Euro 50,000 or such higher amount as may be approved by the board of Directors. It is expected that for the accounting period ending 31st December 2011, the aggregate remuneration of the Directors will not be more than Euro €25,000. In addition, the Directors will also be entitled to be reimbursed for their reasonable out of pocket expenses incurred in discharging their duties as directors.

Preliminary Expenses

The cost of establishing the Company and the initial Funds, obtaining authorisation from any authority, listing the Shares on the Irish Stock Exchange, filing fees, the preparation and printing of this Prospectus, marketing costs and the fees of all professionals relating to it which are estimated not to exceed £250,000 and will be borne by the Company and amortised over the first 5 years of the Company's operation (or such other period as may be determined by the Directors at their discretion) and charged to the initial Funds (including at the discretion of the Directors subsequent Funds established by the Company within such period) on such terms and in such manner as the Directors may at their discretion determine. The cost of establishing subsequent Funds will be charged to the relevant Fund.

TAXATION

General

Shareholders and potential investors should note that the following statements on taxation are based on advice received by the Directors regarding the law and practice in force in the relevant jurisdiction at the date of this document and proposed regulations and legislation in draft form and do not constitute legal or tax advice. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely as the basis for, and rates of, taxation can fluctuate.

The following statements are by way of a general guide to potential investors and Shareholders only and do not constitute tax advice. Shareholders and potential investors are therefore advised to consult their professional advisors concerning possible taxation or other consequences of purchasing, holding, selling or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile.

Taxation of the Company

Ireland

Tax On Income And Capital Gains

The Company will only be subject to tax on chargeable events in respect of Shareholders who are Taxable Irish Persons (generally persons who are resident or ordinarily resident in Ireland for tax purposes – see below for more details).

A chargeable event occurs on:

- (a) a payment of any kind to a Shareholder by the Company;
- (b) a transfer of Shares; and
- (c) on the eight anniversary of a Shareholder acquiring Shares and every subsequent eight anniversary

but does not include any transaction in relation to Shares held in a clearing system recognised by the Irish Revenue Commissioners, certain transfers arising as a result of an amalgamation or reconstruction of fund vehicles and certain transfers between spouses or former spouses.

If a Shareholder is not a Taxable Irish Person at the time a chargeable event arises no Irish tax will be payable on that chargeable event in respect of that Shareholder.

Where tax is payable on a chargeable event, subject to the comments below, it is a liability of the Company which is recoverable by deduction or, in the case of a transfer and on the eight year rolling chargeable event by cancellation or appropriation of Shares from the relevant Shareholders. In certain circumstances and only after notification by the Company to a Shareholder, the tax payable on the eight year rolling chargeable event can at the election of the Company become a liability of the Shareholder rather than the Company. In such circumstances the Shareholder must file an Irish tax return and pay the appropriate tax (at the rate set out below) to the Irish Revenue Commissioners.

In the absence of the appropriate declaration being received by the Company that a Shareholder is not a Taxable Irish Person or if the Company has information that would reasonably suggest that a declaration is incorrect, and in the absence of written notice of approval from the Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with (or following the withdrawal of, or failure to meet any conditions attaching to such approval), the Company will be obliged to pay tax on the occasion of a chargeable event. Where the chargeable event is an income distribution tax will be deducted at the rate of 25% on the amount of the distribution. Where the chargeable event occurs on any other payment to a

Shareholder, on a transfer of Shares and on the eight year rolling chargeable event, tax will be deducted at the rate of 28% on the increase in value of the Shares since their acquisition. In respect of the eight year rolling chargeable event, there is a mechanism for obtaining a refund of tax where the Shares are subsequently disposed of for a lesser value.

The Finance Act 2007 introduced an anti-avoidance provision that increases 28% to 48% rate of tax if, under the terms of an investment in a fund, the investor or certain persons associated with the investor have an ability to influence the selection of the assets of the fund.

Other than in the instances described above the Company will have no liability to Irish taxation on income or chargeable gains.

United Kingdom

To ensure that the Company is not and does not become resident in the United Kingdom (for United Kingdom tax purposes), the Directors intend that the Company should be centrally managed and controlled outside the United Kingdom. Provided the Company is not centrally managed and controlled in the United Kingdom and provided that the Company does not carry on a trade in the United Kingdom through a branch or agency in the United Kingdom that constitutes an assessable "United Kingdom representative" of the Company for United Kingdom taxation purposes, the Company will not be subject to United Kingdom corporation tax on income and capital gains arising to it. The Directors intend (in so far as within their control) that the affairs of the Company will be conducted so that it will not have an assessable "United Kingdom representative". However, it cannot be guaranteed that the conditions necessary to ensure that the Company does not have an assessable "United Kingdom representative" will at all times be satisfied.

Other Countries

The Company may be subject to taxes in respect of investments in the other countries, such taxes being taxes on income and/or gains which are withheld in the place where such income and/or gains arise. The Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in repayment to the Company, the Net Asset Value of the relevant Fund will not be restated and the benefit will be allocated to the existing Shareholders in the relevant Fund rateably at the time of repayment.

Shareholders

Ireland

Shareholders who are neither resident nor ordinarily resident in Ireland in respect of whom the appropriate declarations have been made (or in respect of whom written notice of approval from the Revenue Commissioners has been obtained by the Company to the effect that the requirement to have been provided with such declaration from that Shareholder or class of shareholders to which the Shareholder belongs is deemed to have been complied with) will not be subject to tax on any distributions from the Company or any gain arising on redemption, repurchase or transfer of their Shares provided the Shares are not held through a branch or agency in Ireland and the shares, if unlisted, do not derive the greater part of their value from Irish land or mineral rights. No tax will be deducted from any payments made by the Company to those Shareholders who are not Taxable Irish Persons.

Shareholders who are Irish resident or ordinarily resident or who hold their Shares through a branch or agency in Ireland may have a liability under the self-assessment system to pay tax, or further tax, on any distribution or gain arising from their holdings of Shares. In particular where the Company has elected to not deduct tax at the occasion of the eight year rolling chargeable event a Shareholder will have an obligation to file a self assessment tax return and pay the appropriate amount of tax to the Irish Revenue Commissioners.

Refunds of tax where a relevant declaration could be made but was not in place at the time of a chargeable event are generally not available except in the case of certain corporate Shareholders within the charge to Irish corporation tax.

Relevant Irish Tax Definitions

Irish residence and ordinary residence for tax purposes

(i) Residence - Company

A company which has its central management and control in the Republic of Ireland (the State) is resident in the State irrespective of where it is incorporated. A company which does not have its central management and control in the State but which is incorporated in the State is resident in the State except where:-

- the company or a related company carries on a trade in the State, and either the company is ultimately controlled by persons resident in EU Member States or, resident in countries with which the State has a double taxation treaty, or the company or a related company are quoted companies on a recognised stock exchange in the EU or in a tax treaty country

or

- the company is regarded as not resident in the State under a double taxation treaty between the State and another country.

It should be noted that the determination of a company's residence for tax purposes can be complex in certain cases and declarants are referred to the specific legislative provisions which are contained in section 23A Taxes Consolidation Act 1997.

(ii) Residence – Individual

An individual will be regarded as being resident in the State for a tax year if s/he:

- 1) spends 183 days or more in the State in that tax year;

or

- 2) has a combined presence of 280 days in the State, taking into account the number of days spent in the State in that tax year together with the number of days spent in the State in the preceding year.

Presence in a tax year by an individual of not more than 30 days in the State will not be reckoned for the purpose of applying the two year test.

(iii) Ordinary Residence – Individual

The term "ordinary residence" as distinct from "residence", relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity.

An individual who has been resident in the State for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year.

An individual who has been ordinarily resident in the State ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. Thus, an individual who is resident and ordinarily resident in the State in 2004 and departs from the State in that tax year will remain ordinarily resident up to the end of the tax year in 2007.

(iv) Intermediary

This means a person who:-

- (a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking resident in Ireland on behalf of other persons; or
- (b) holds shares in an investment undertaking on behalf of other persons.

Stamp duty

No Irish stamp duty will be payable on the subscription, transfer or repurchase of Shares provided that no application for Shares or repurchase or redemption of Shares is satisfied by an in specie transfer of any Irish situated property.

Capital acquisitions tax

No Irish gift tax or inheritance tax (capital acquisitions tax) liability will arise on a gift or inheritance of Shares provided that:-

- (a) at the date of the disposition the transferor is neither domiciled nor ordinarily resident in Ireland and at the date of the gift or inheritance the transferee of the Shares is neither domiciled nor ordinarily resident in Ireland; and
- (b) the Shares are comprised in the disposition at the date of the gift or inheritance and the valuation date.

Other tax matters

The income and/or gains of a Company from its securities and assets may suffer withholding tax in the countries where such income and/or gains arise. The Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in repayment to that Company, the Net Asset Value of the Company will not be restated and the benefit will be allocated to the existing Shareholders rateably at the time of repayment.

Taxation in Other Jurisdictions

As Shareholders are no doubt aware, the tax consequences of any investment can vary considerably from one jurisdiction to another, and ultimately will depend on the tax regime of the jurisdictions within which a person is tax resident. Therefore the Directors strongly recommend that Shareholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Shares in the Company and any investment returns from those Shares. It is the Directors' intention to manage the affairs of the Company so that it does not become resident outside of Ireland for tax purposes.

GENERAL INFORMATION

Reports and Accounts

The Company's year end is **31st December** in each year. Audited accounts prepared in accordance with Irish generally accepted accounting principles and a report in relation to each Fund will be sent to Shareholders within 4 months of the conclusion of each Accounting Period. The first audited accounts will be for the period ending on 31st December 2011 and interim unaudited accounts will be prepared for the period from authorisation to 30 June 2011. Such accounts and reports will contain a statement of the value of the net assets of each Fund and of the investments comprised therein as at the year end and such other information as is required by the Act. Copies of such reports and accounts will be sent to the Companies Announcement Office of the Irish Stock Exchange within the time limits specified above.

Directors' Confirmation – Commencement of Business

The Directors confirm that the Company was incorporated on 2 December 2008 and at the date of this Prospectus has not yet commenced business and accordingly no accounts have been made up for presentation to its Shareholders and no dividends have been declared or paid. The Company does not have any subsidiaries at the date hereof.

Incorporation and Share Capital

The Company was incorporated and registered in Ireland under the Companies Acts, 1963 to 2009 and the Act as an open-ended umbrella investment company with variable capital and with segregated liability between Funds with registered number 464946.

At the date hereof:

- (a) the authorised share capital of the Company is 2 subscriber shares of €1 each and 999,999,999,998 Shares of no par value initially designated as unclassified shares;
- (b) the issued share capital of the Company was Euro 2 represented by 2 shares (the **Subscriber Shares**) issued for the purposes of the incorporation of the Company at an issue price of Euro 1 per share.

The unclassified shares are available for issue as Shares. The issue price is payable in full on acceptance. There are no rights of pre-emption attaching to the Shares in the Company.

Memorandum and Articles of Association

Clause 2 of the Memorandum of Association provides that the sole object of the Company is the collective investment in transferable securities and/or other liquid financial assets of capital raised from the public operating on the principle of risk-spreading in accordance with the Act.

The Articles contain provisions to the following effect:

1. **Directors' Authority to Allot Shares.** The Directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities, including fractions thereof, up to an amount equal to the authorised but as yet unissued share capital of the Company;
2. **Variation of rights.** The rights attached to any Class may be varied or abrogated with the consent in writing of the holders of three-fourths in number of the issued Shares of that Class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of the Class, and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. The quorum at any such separate general meeting, other than an adjourned meeting, shall be two persons present in person or by proxy and the quorum at an adjourned meeting shall be one person holding Shares of the Class in question or his proxy;
3. **Voting Rights.** Subject to any rights or restrictions for the time being attached to any Class or Classes of Shares, on a show of hands every holder who is present in person or by proxy shall have one vote

and on a poll every holder present in person or by proxy shall have one vote for every Share of which he is the holder. Holders who hold a fraction of a Share may not exercise any voting rights, whether on a show of hands or on a poll, in respect of such fraction of a Share;

4. **Alteration of Share Capital.** The Company may from time to time by ordinary resolution increase the share capital by such amount and/or number as the resolution may prescribe.

The Company may also by ordinary resolution:

- (i) consolidate and divide all or any of its share capital into Shares of larger amount;
- (ii) subdivide its Shares, or any of them, into Shares of smaller amount or value;
- (iii) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and reduce the amount of its authorised share capital by the amount of the Shares so cancelled; or
- (iv) redenominate the currency of any Class of Shares;

5. **Directors' Interests.** Provided that the nature and extent of his interest shall be disclosed as set out below, no Director or intending Director shall be disqualified by his office from contracting with the Company nor shall any such contract or any contract or arrangement entered into by or on behalf of any other company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established;

The nature of a Director's interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement at the next meeting of the Directors held after he became so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made, at the first meeting of the Directors held after he becomes so interested;

A Director shall not vote at a meeting of the Directors or of any committee established by the Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest which is material (other than an interest arising by virtue of his interest in Shares or debentures or other securities or otherwise in or through the Company) or a duty which conflicts or may conflict with the interests of the Company. A Director shall not be counted in the quorum present at a meeting in relation to any such resolution on which he is not entitled to vote;

6. **Financing Powers.** Subject to the Act, the Directors may exercise all of the powers of the Company to raise money and to mortgage, or charge its undertaking, property and assets (both present and future) and uncalled capital or any part thereof provided that all such financing shall be Shariah compliant and be within the limits laid down by the Financial Regulator;
7. **Delegation to Committee.** The Directors may delegate any of their powers to any committee whether or not consisting of Directors. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of the Articles regulating the proceedings of Directors so far as they are capable of applying;
8. **Retirement of Directors.** The Directors shall not be required to retire by rotation or by virtue of their attaining a certain age;
9. **Directors' Remuneration.** Unless and until otherwise determined from time to time by the Company in general meeting, the ordinary remuneration of each Director shall be determined from time to time by resolution of the Directors. Any Director who holds any executive office (including for this purpose the office of chairman or deputy chairman) or who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine. The Directors may be paid all travelling, hotel and other out-of-pocket expenses properly

incurred by them in connection with their attendance at meetings of the Directors or committees established by the Directors or general meetings or separate meetings of the holders of any Class of Shares of the Company or otherwise in connection with the discharge of their duties;

10. **Transfer of Shares.** Subject to the restrictions set out below, the Shares of any holder may be transferred by instrument in writing in any usual or common form or any other form, which the Directors may approve.

The Directors in their absolute discretion and without assigning any reason therefor may decline to register any transfer of a Share directly or indirectly to any person or entity who, in the opinion of the Directors is not an Accredited Employee or a Qualifying Investor, or who is a U.S. Person (unless the Directors determine (i) the transaction is permitted under an exemption available under the securities laws of the United States and (ii) that the relevant Fund and Company continue to be entitled to an exemption from registration as an investment company under the securities laws of the United States if such person holds Shares), an individual under the age of 18 (or such other age as the Directors may think fit), a person or entity who breached or falsified representations on subscription documents, who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold Shares, or if the holding of the Shares by any person is unlawful or is less than the minimum holding set for that class of Shares by the Directors, or in circumstances which (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant), in the opinion of the Directors, might result in the relevant Fund incurring any liability to taxation or suffering any other pecuniary liability to taxation or suffering other pecuniary legal or material administrative disadvantage which the relevant Fund might not otherwise have incurred or suffered or might result in the relevant Fund being required to comply with registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply or is otherwise prohibited by the Articles.

The Directors may decline to recognise any instrument of transfer unless it is accompanied by the certificate for the Shares to which it relates (if issued), is in respect of one class of Share only, is in favour of not more than four transferees and is lodged at the registered office or at such other place as the Directors may appoint;

11. **Right of Redemption.** Shareholders have the right to request the Company to redeem their Shares in accordance with the provisions of the Articles;
12. **Dividends.** The Articles permit the Directors to declare such dividends on any Class of Shares as appear to the Directors to be justified by the profits of the relevant Fund. The Directors may satisfy any dividend due to holders of Shares in whole or in part by distributing to them in specie any of the assets of the relevant Fund and, in particular, any investments to which the relevant Fund is entitled. A holder may require the Directors instead of transferring any assets in specie to him, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same. Any dividend unclaimed for six years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Fund;
13. **Funds.** The Directors are required to establish a separate portfolio of assets for each Fund created by the Company from time to time, to which the following shall apply:-
- (i) for each Fund the Company shall keep separate books and records in which all transactions relating to the relevant Fund shall be recorded and, in particular, the proceeds from the allotment and issue of Shares of each class of Shares in the Fund, and the investments and the liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Articles;
 - (ii) any asset derived from any other asset(s) (whether cash or otherwise) comprised in any Fund, shall be applied in the books and records of the Company to the same Fund as the asset from which it was derived and any increase or diminution in the value of such an asset shall be applied to the relevant Fund;
 - (iii) no Shares will be issued on terms that entitle the Shareholders of any Fund to participate in the assets of the Company other than the assets (if any) of the Fund relating to such Shares. If the proceeds of the assets of the relevant Fund are not sufficient to fund the full redemption amount payable to each Shareholder for the relevant Fund, the proceeds of the relevant Fund

will, subject to the terms for the relevant Fund, be distributed equally among each Shareholder of the relevant Fund pro rata to the amount paid up on the Shares held by each Shareholder. If the realised net assets of any Fund are insufficient to pay any amounts due on the relevant Shares in full in accordance with the terms of the relevant Fund, the relevant Shareholders of that Fund will have no further right of payment in respect of such Shares or any claim against the Company, any other Fund or any assets of the Company in respect of any shortfall; and

- (iv) each Fund shall be charged with the liabilities, expenses, costs, charges or reserves of the Company in respect of or attributable to that Fund;
 - (v) in the event that any Asset attributable to a Fund is taken in execution of a liability not attributable to that Fund, the provisions of section 256E of the Companies Act, 1990 shall apply;
14. **Fund Exchanges.** Subject to the provisions of the Articles, a Shareholder holding Shares in any class in a Fund on any Dealing Day shall have the right from time to time to exchange all or any of such Shares for Shares of another Class (such Class being either an existing Class or a Class agreed by the Directors to be brought into existence with effect from that Dealing Day);
15. **Winding up.** The Articles contain provisions to the following effect:
- (i) If the Company shall be wound up the liquidator shall, subject to the provisions of the Companies Acts, apply the assets of each Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Fund;
 - (ii) The assets available for distribution amongst the Shareholders shall be applied as follows: first the proportion of the assets in a Fund attributable to each Class of Share shall be distributed to the holders of Shares in the relevant Class in the proportion that the number of Shares held by each holder bears to the total number of Shares relating to each such Class of Shares in issue as at the date of commencement to wind up; and secondly, any balance then remaining and not attributable to any of the Classes of Shares shall be apportioned pro-rata as between the Classes of Shares based on the Net Asset Value attributable to each Class of Shares as at the date of commencement to wind up and the amount so apportioned to a Class shall be distributed to holders pro-rata to the number of Shares in that Class of Shares held by them;
 - (iii) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the relevant holders and any other sanction required by the Companies Acts, divide among the holders of Shares of any Class or Classes of a Fund in specie the whole or any part of the assets of the Company relating to that Fund, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the holders of Shares or the holders of different Classes of Shares as the case may be. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of holders as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no holder shall be compelled to accept any assets in respect of which there is a liability. A Shareholder may require the liquidator instead of transferring any asset in specie to him/her, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same.
 - (iv) A Fund may be wound up pursuant to section 256E of the Companies Act, 1990 and in such event the provisions reflected in this paragraph 15 shall apply mutatis mutandis in respect of that Fund;
16. **Share Qualification.** The Articles do not contain a share qualification for Directors.

Litigation and Arbitration

Since incorporation the Company has not been involved in any litigation or arbitration nor are the Directors aware of any pending or threatened litigation or arbitration.

Directors' Interests

- (a) There are no service contracts in existence between the Company and any of its Directors, nor are any such contracts proposed;
- (b) At the date of this Prospectus, no Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the Company and save as provided in (d) below no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the Company;
- (c) At the date of this Prospectus neither the Directors nor any Associated Person have any beneficial interest in the share capital of the Company or any options in respect of such capital save as disclosed below;
- (d) Christopher Oulton is a Director of the Company and a partner of the Investment Manager.

Material Contracts

The following contracts have been entered into otherwise than in the ordinary course of the business intended to be carried on by the Company and are or may be material:

- (a) the Investment Management Agreement dated 27 September 2010 between the Company and the Investment Manager. The Agreement provides that the appointment of the Investment Manager will continue in force unless and until terminated by either party giving to the other 90 days' notice in writing although in certain circumstances the Agreement may be terminated forthwith by notice in writing by either party to the other; this Agreement contains certain indemnities in favour of the Investment Manager which are restricted to exclude matters arising by reasons of the fraud, bad faith, negligence, wilful default or recklessness of the Investment Manager in the performance or non-performance by the Investment Manager of its duties;
- (b) the Custodian Agreement dated 27 September 2010 between the Company and the Custodian; this Agreement provides that the appointment of the Custodian will continue unless and until terminated by either party giving to the other not less than 90 days' written notice although in certain circumstances the Agreement may be terminated immediately by either party provided that the appointment of the Custodian shall continue in force until a replacement custodian approved by the Financial Regulator has been appointed and provided further that if within a period of 90 days' from the date on which the Custodian notifies the Company of its desire to retire or from the date on which the Company notifies the Custodian of its intention to remove the Custodian, no replacement Custodian shall have been appointed, the Company shall, on the Dealing Day next following such 90 day period redeem all of the Shares or appoint a liquidator; this Agreement contains certain indemnities in favour of the Custodian which are restricted to exclude matters arising by reason of the negligence, fraud, bad faith, wilful default or recklessness of the Custodian in the performance of its duties; and
- (c) the Administration Agreement dated 27 September 2010 between the Company and the Administrator; this Agreement provides that the appointment of the Administrator will continue unless and until terminated by the Company or the Administrator giving to the other of them not less than 90 days' written notice although in certain circumstances the agreement may be terminated immediately by either party; this Agreement contains certain indemnities in favour of the Administrator which are restricted to exclude matters arising by reason of the negligence, wilful default or fraud of the Administrator, its directors, officers or employees in the performance of its obligations and duties.
- (d) the Shariah Advisory Agreement dated 27 September 2010 between the Company, the Investment Manager and the Shariah Advisor; this Agreement provides that the appointment of the Shariah Advisor will continue for an initial period of 12 months, unless and until terminated by a party giving not less than 3 months' written notice after the expiration of the initial period of 12 month period although in certain circumstances the agreement may be terminated with immediate effect by the Investment Manager or the Company; this Agreement contains certain indemnities and undertakings in favour of the Investment Manager and the Company.

The responsibilities of the Shariah Advisor will include, inter alia, the following (together, the "**Shariah Advisory Services**"):

1) Monitoring:

Monitor trades to ensure compliance with the Shariah Guidelines. In the event that a request from an Investment Manager to invest outside the Shariah Guidelines is received by the Shariah Advisor, the Shariah Advisor shall (if it considers in its reasonable discretion that such request should be considered) send such request to the Shariah Advisory Panel to consider the request to amend, if appropriate, the Shariah Guidelines.

2) Shariah Advisory Panel

The Shariah Advisor will liaise with the Shariah Advisory Panel and procure the Shariah Advisory Panel to:

- (i) faithfully and diligently perform those duties and exercise such powers as are necessary in the provision of the Shariah Advisory Services;
- (ii) obey all lawful and reasonable directions of the Investment Manager.

3) Reporting:

- (i) Submit reports in relation to any Fund as reasonably requested by the Shariah Advisory Panel or the Investment Manager;
- (ii) Receive annual reports from the Investment Manager concerning the investments which have been made and co-ordinate with the Investment Manager in order to enable the Shariah Advisory Panel to perform an annual review of such reports;
- (iii) Request guidance from the Shariah Advisory Panel regarding specific issues of Shariah compliance; and
- (iv) Submit for final approval of the Shariah Advisory Panel the umbrella documentation and any other agreements from time to time entered into between the Investment Manager and service providers in respect of the Company or Funds.

4) Audit:

- (i) Inform the Investment Manager and the Shariah Advisory Panel as soon as reasonably practicable, and in any event within 15 working days after it has actual knowledge of a breach of the Shariah Guidelines applicable to a Fund. In the event of such breach the Shariah Advisor, subject to approval from the Shariah Advisory Panel, shall advise the Investment Manager in relation to remedying the breach, whether by divestment or otherwise; and
- (ii) Review and audit the investment activities of each Fund no later than 3 months following the end of the financial year, and procure that the Shariah Advisory Panel issue an annual Shariah audit report in respect of each Fund which shall contain recommendation to the investors in relation to their purification liability and either an unqualified or a qualified annual Shariah audit report. In the event that a qualified annual Shariah audit report is issued the Shariah Advisor shall, subject to approval from the Shariah Advisory Panel, advise the Investment Manager in relation to remedying the breach, whether by divestment or otherwise.

5) Purification:

Determine a suitable methodology for:

- (i) identifying and quantifying any income and gains that may be derived from activities not in accordance with the Shariah Guidelines; and
- (ii) issuing guidance and recommendations to the Shariah Advisory Panel with respect to purification.

Subject to final approval by the Shariah Advisory Panel, the Shariah Advisor will also be responsible for:

1) Material Contracts:

Review contracts material to the establishment and operation of the Company or a relevant Fund including inter alia the Master Murabaha Agreement, any escrow agreement and, once in agreed form, approve any Shariah-specific exceptions to such agreements from time to time.

2) Guidelines:

Establish Shariah Guidelines and promptly inform the Company and the relevant Investment Manager of any amendments thereto.

The Shariah Advisor indemnifies the Investment Manager against relevant and related liability, loss, damage and expense of whatsoever nature incurred or suffered by the Investment Manager or any third party as a result of the breach of any term of this Agreement.

Please refer to each Supplement for details of any other relevant material contracts (if any) in respect of a Fund.

Documents available for Inspection

Copies of the following documents may be obtained from the Company and inspected at the registered office of the Company during usual business hours on weekdays, except Saturdays and public holidays:

- (a) The Prospectus (as amended and supplemented to) and the Supplements;
- (b) the Fatwa (as amended and supplemented to) in respect of the Supplements;
- (c) the Memorandum and Articles of Association of the Company;
- (d) the Act;
- (e) the annual reports and latest financial statements of the Company and each Fund (when available) most recently prepared and published by the Company;
- (f) the Financial Regulator Notices;
- (g) the material contracts referred to above;
- (h) the material contracts specified in the relevant Supplement;
- (i) a list of past and current directorships and partnerships held by each Director of the Company over the last 5 years; and
- (j) the Auditor's consent letter.

Copies of the Memorandum and Articles of Association of the Company (and, after publication thereof, the periodic reports and accounts) may be obtained from the Administrator free of charge.

DIRECTORY

THE COMPANY

THE ISLAMIC LIQUIDITY FUND PLC
25/28 NORTH WALL QUAY
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DIRECTORS

MICHAEL BOYCE
LIAM BYRNE
CHRISTOPHER OULTON

INVESTMENT MANAGER

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ADMINISTRATOR

BNY MELLON FUND SERVICES (IRELAND) LIMITED
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AUDITORS

PRICEWATERHOUSECOOPERS
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