



Fund Name
AIAhli US Dollar Sukuk and Murabaha Fund

Terms and Conditions

The Fund is regulated by the Capital Market Authority pursuant to its Investment Funds Regulations
The Fund Terms and Conditions has been approved by the Capital Market Authority on 19/12/1430
corresponding to 6/12/2009. This is the updated version of the Terms & Conditions, which reflects the changes
that have been made to the fund board according to our letter sent to the Capital Market Authority on
13/1/1436 H corresponding to 6/11/2014 G.

NCB capital

Prospective investors should read the entirety of these Terms and Conditions and seek
independent legal, tax, financial, investment and Shariah advice before making any decision to
invest in the Fund.

IMPORTANT ANNOUNCEMENT:

Important: if you are in any doubt about the contents of these Terms and Conditions you should consult your financial adviser.

These Fund Terms and Conditions have been prepared in accordance with the rules contained in the Investment Funds Regulations (the "Regulations") issued by the Capital Market Authority (the "CMA") pursuant to Resolution Number 1-219-2006 dated 3/12/1427H, based on the Capital Market Law issued by Royal Decree No. M/30 dated 2/6/1424H.

NCB Capital Company ("NCB Capital"), as Fund Manager of this Fund, is responsible for the information contained in these Terms and Conditions. To the best of the knowledge and belief of NCB Capital (having taken all reasonable care to ensure that such is the case), the information contained herein does not contain any untrue or misleading statement or omit any matters required by the Regulations to be included in it. NCB Capital accepts responsibility accordingly.

No person has been authorized by NCB Capital to give any information or to make any representations in connection with the offering of units in this Fund ("Units") other than those contained in these Terms and Conditions and, if given or made, such information or representations must not be relied on as having been made by NCB Capital. The delivery of these Terms and Conditions (whether or not accompanied by any reports) or the issue of Units shall not, under any circumstances, create any implication that the affairs of NCB Capital have not changed since the date hereof.

Pursuant to Article 51 of the Regulations, the distribution of these Terms and Conditions and the offering of Units shall be eligible to all persons. However, it is the responsibility of every person into whose possession these Terms and Conditions comes, or who subscribes for Units, to inform themselves about and to observe any restrictions that may be applicable to them on the grounds of nationality or residence. These Terms and Conditions do not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation.

Potential investors should not treat the contents of these Terms and Conditions as advice relating to legal, taxation, Shariah, investment or any other matters, and are recommended to consult their own professional and religious advisers concerning the acquisition, holding or disposal of Units.

By signing these Terms and Conditions, each Investor agrees that the Fund Manager will invest Subscription Monies on its behalf in accordance with the Terms and Conditions.

The Fund is considered a medium risk fund and invests in Shariah compliant Murabaha trades in addition to Shariah compliant Sukuk.

These Terms and Conditions are dated, and are valid as at, 19/12/1430 corresponding to 6/12/2009

These Terms and Conditions may at any time be replaced by new Terms and Conditions or extended by a supplement issued by NCB Capital. Investors should, therefore, check with NCB Capital that these are the most recently published Terms and Conditions and that they have all (if any) supplements to it issued by NCB Capital.

NCB Capital was incorporated as a closed joint stock company in the Kingdom of Saudi Arabia under Commercial Registration No. 1010231474 on 26/03/1428H, corresponding to 14/04/2007G. NCB Capital was authorised by the Capital Market Authority pursuant to Resolution No. 7-219-2006 dated 03/12/1427H, corresponding to 24/12/2006G, under Licence No. 37-06046, to carry out dealing, as principal and agent, and underwriting, managing, arranging, advising and custody, with respect to securities. NCB Capital was authorised by the Capital Market Authority to commence business on 10/6/1428H, corresponding to 25/06/2007G.

NCB Capital is a direct subsidiary of The National Commercial Bank, of Jeddah, Saudi Arabia.

The registered office of NCB Capital is at Al Mather Street, P.O. Box 22216, Riyadh 11495, Kingdom of Saudi Arabia.

Fund Facts:

Currency	US Dollar
Fund Type	Open ended Fund invests in Sukuk and Murabaha
Risk Category	Medium Risk
Benchmark	The Fund Benchmark consist of the following; 60% of one month Averaged Daily US Dollar Inter bank rate (LIBID)+ 40% of 2 years US Government Bonds returns. The Fund is not allowed to invest in US Government Bonds, however US Government Bonds returns is used as a benchmark to the Fund performance.
Investment Objectives	To provide competitive returns and liquidity through investing in Murabaha trades and Sukuk
Minimum Investment	USD 10,000
Minimum Subsequent Subscription	USD 2,000
Minimum Subsequent Subscription through Regular Investment Service (RIS) or alternative distribution channel	USD 26.67 (SAR 100)
Minimum Redemption	USD 2,000
Valuation and Dealing Days	Tuesday
Subscription/ Redemption Request Days	Every Saudi Business day
Subscription / Redemption Request cut off time	Before or at 12 noon on the day prior to the targeted Valuation Day
Subscription Fee	N/A
Management Fee	0.75%
Redemption Proceeds Payment Day	Made available to Investor within 3 days after the Valuation Day.
Other expenses	The Fund Manager will charge the Fund any expenses related to custody, Shariah audit, data processing and other similar charges. However, such expenses will not exceed 0.50% from the Fund's NAV
Offer Date	17/2/1431 corresponding to 1/2/2010
Initial Unit Price	1 USD

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Definitions:

The Fund	AlAhli US Dollar Sukuk and Murabaha Fund.
Fund Manager	NCB Capital.
Board	The Board of Directors of the Fund, as set out at section 13 of the Terms and Conditions.
CMA	The Capital Market Authority of Saudi Arabia.
CML	The Capital Market Law of Saudi Arabia, which was issued by Royal Decree No. M/30 dated 2/6/1424 H (16 th . June, 2003).
Regulations	The Investment Funds Regulations issued by the Capital Market Authority.
NCB Capital	NCB Capital Company, whose Commercial Registration number is 1010231474, and whose registered address is at Al Mather Street, P.O. Box 22216, Riyadh 11495, Kingdom of Saudi Arabia.
Terms and Conditions	These Terms and Conditions Specific to the Fund
Benchmark	The Fund Benchmark consist of the following; 60% of one month Averaged Daily US Dollar Inter bank rate (LIBID)+ 40% of 2 years US Government Bonds returns. The Fund is not allowed to invest in US Government Bonds, however US Government Bonds returns is used as a benchmark to the Fund performance.
US Dollar	US Dollar.
Saudi Business Day	A day on which banks are normally open for business in Saudi Arabia, not including any official Saudi holiday.
Dealing Day	The day(s) on which subscriptions and redemptions will in the ordinary course be processed, and the net asset value per Unit will be calculated.
Valuation and Dealing Day	Tuesday
Redemption Form	Form used to redeem units.
Subscription Fee	Fees charged for subscribing in the Fund.
Subscription Form	Form used for subscribing in the Fund.
Subscription Monies	The gross amount paid by the Investor to the Fund Manager to invest in the Fund.
Switch Form	Form used for switching between Al-Ahli mutual funds.
Regular Investment Service (RIS)	A service that allows investors to subscribe a fixed amount to the fund on a monthly basis
Units	A Unit offers the investor the right to participate in the beneficial ownership of the assets of the Fund <i>pro-rata</i> to the number of Units held by the investor.
Custodian	The Custodian assigned for the Fund
Financial Year	The financial year of each Fund or as the context may require.

Investor	An investor in the Fund or person applying to invest in the Fund.
“Investments”	The assets, property, rights, and undertakings from time to time of each Fund.
“Investment Account”	An investment account held by Investors with NCB Capital.
“Net Asset Value”	The value of a Unit, calculated by dividing the value of (i) assets attributable to the Fund net of expenses divided by (ii) the number of Units outstanding, as determined by the Fund Manager.
“Register”	The register of unitholders held by the Fund Manager or any party appointed by the Fund Manager to hold such register.
Sukuk	Sukuk are participation securities that grant the investors (the owner of the Sukuk) a share of a shariah compliant asset, project or its benefits along with the cash flow and related risks

Terms and Conditions of the Fund:

1. Fund Name

ALAhli US Dollar Sukuk and Murabaha Fund.

2. Fund Manager's Head Office Address and further information

The Fund Manager is NCB Capital, whose Commercial Registration number is 1010231474, and whose registered address is at Al Mather Street, P.O. Box 22216, Riyadh 11495, Kingdom of Saudi Arabia. Information about the Fund can be found at the Fund Manager's website: www.ncbc.com.

3. Commencement

The Fund will commence accepting subscriptions on 17/2/1431 corresponding to 1/2/2010

4. Regulator

The Fund is regulated by the Capital Market Authority, established by the Capital Market Law, issued by Royal Decree No. M/30 dated 2/6/1424 H (16th June, 2003).

NCB Capital was authorised by the Capital Market Authority pursuant to resolution No 7-219-2006 dated 03/12/1427 H corresponding to 24/12/2006 G under licence No 37-06046, to carry out dealing, as principal and agent, and underwriting managing, arranging, advising and custody with respect to securities.

5. Date of issuance of these Terms and Conditions

The Fund's Terms and Conditions were approved by CMA on 19/12/1430 corresponding to 6/12/2009 and updated on Jamada Althaany 1436 H corresponding to April 2015 G.

6. Minimum Investment

The minimum initial subscription is USD 10,000 (ten thousand). Subsequent subscriptions must be in an amount of at least USD 2,000 two thousand but need not to be in exact multiples of USD 1,000 (one thousand). However subscriptions or switches to the fund through alternative distribution channels or Regular Investment Service can subscribe with amounts less than the required minimum subscription amount. Investors must maintain a minimum investment of USD 5,000 (five thousand) otherwise the Fund Manager has the right to redeem all of their Units starting on the Subscription Day following the decrease of the Investor's investment below USD 5,000.

7. Fund Currency

The Fund is denominated in US Dollar. If the Investor provides any currency other than US Dollars, the exchange rate used to convert the other currency to US Dollar will be subject to prevailing exchange rate available at that time.

8. Fund Objectives

Provide competitive returns and liquidity through investing in Murabaha trades and Sukuk.

Fund Benchmark : The Fund Benchmark consists of the following;

60% of one month Average Daily US Dollar Inter bank rate (LIBID) + 40% of 2 years US Government Bonds returns

The Fund is not allowed to invest in US Government Bonds, however US Government Bonds returns is used as a benchmark to the Fund performance.

Investors can monitor the Index performance on the Fund Manager's website.

9. Principal Investment Strategies

1. Purchase goods and commodities and sell them at a mark-up on Shariah compliant short to long term US Dollar deferred payment terms based on Murabaha trades
2. Enter in a Murabaha trade transaction that provides competitive returns and liquidity
3. Invest in other US Dollar NCBC managed money market murabaha Funds
4. Invest in US Dollar denominated Sukuk
5. Invest in other US Dollar Shariah compliant short and long term trade transactions at the Fund Manager sole discretion
6. The Fund can invest up to 50% of its assets in Sukuk and a minimum of 50% in Murabaha
7. The Fund Manager may at its own discretion invest up to 10% of the Fund assets in other Shariah compliant Sukuk Funds

Please refer to Investment Restrictions appendix for further details.

10. Principal risks of investing in the Fund

The Fund is considered to be a medium risk investment because the Fund invests in a diversified spread of Murabaha trade transactions (short to long term) and Sukuk.

An Investor must be aware that he or she may lose money if at the time of selling the Units; the value of the Units is less than what was originally invested.

There can be no assurance that any appreciation in the value of the Fund's underlying investments will occur. The value of the Fund's underlying investments and the income derived from them may fall as well as rise and Investors may not recoup the original amount invested in the Fund. There is no assurance that the investment objectives of the Fund will actually be achieved. Past performance is not a guide to future growth or rates of return.

Potential Investors should consider the following risk factors before investing in any Fund.

An investment in the Fund is subject to normal market fluctuations as well as other economic, political or financial developments.

- A. Issuer, Counterparty, Murabaha Trade and Sukuk Risk
These include changes in the financial conditions of counter party of the Murabaha trade or the issuer of the Sukuk that negatively affect its ability to pay back to the Fund both its obligations and/or dues.
- B. Sukuk Related Risk
Investment in Sukuk carries a higher than usual risk, Sukuk issues and trading volumes in some markets are relatively small, with the majority of market capitalization and trading volumes concentrated in a limited number of Sukuk. The Fund investments may encounter some difficulties while buying or selling Sukuk if certain Sukuk issues have no trading market or volumes. Consequently the Fund's investments may experience greater price volatility or less efficiency and significantly lower liquidity than a fund investing in more developed markets which will result in unit value fluctuation and unitholders might lose money if at the time of selling the units, the value of the units is less than what was originally purchased. Some Sukuk has a call back provisions which allows the issuer to liquidate the Sukuk before its maturity date, in this case the Fund Manager might be forced to reinvest the Sukuk value received in a lower profit investment especially when prevailing interest rates in the market is low.
- C. Political Risk
Is the risk of the negative impact of any adverse political event in the region that the Fund is investing in, and that might have an effect on the Fund's performance.
- D. Economic Risk
Is the risk of the negative impact of any adverse economic event in the country that the Fund is investing in, and that might have an effect on the Fund's performance.
- E. Interest Rate Risk
This is the risk that the value of financial instruments will fluctuate due to a change in interest rates. Accordingly, the value of securities and Sukuk may be affected favourably or unfavourably.
- F. Liquidity Risk
Liquidity of investments may be low in some periods and as a result this may increase the difficulty of valuing such investments. Reduced market liquidity may adversely affect the market price of the Fund's investments and the Fund's ability to dispose of particular investments to meet its liquidity requirements. This risk may be mitigated through utilizing the available cash portion of the Fund.
- G. Currency Risk
There is always a possibility that there is a difference in the exchange rate between the Saudi Riyal and the Fund currency where is the exchange rate in the redemption day is less than the exchange rate in the subscription day, which will result in receiving less amounts in Saudi Riyal compared to the subscribed amount.
An investment in an investment fund is not a deposit with any local bank sponsoring, selling, or otherwise affiliated with the investment fund. Unit holders bear a risk of loss of money in the investment fund, since the investment value may increase or decrease. Investors in the Fund are not certain to make a profit and may suffer a loss, and therefore may not recover their fully-invested capital. Subscribers should only invest in this Fund if they are able to sustain a loss.
Investors in the Fund should be aware of the risks in investing in the Fund and, if they are in any doubt as to the suitability of the Fund, should consult an independent financial advisor.

11. Fees and Expenses

- A. Management Fees
The Fund Manager charges the Fund, on every Dealing Day, an annual management fee % 0.75 proportionate to the period" of the Fund's net asset value.
- B. Other Expenses
The Fund Manager reserves the right to charge the Fund on a prorata basis on every Dealing Day any other expenses incurred on behalf of the Fund such as custody, Shariah audit, data processing,

accounting audit and other similar charges as permitted under the Regulations. However, such other expenses will not exceed 0.50% from the Fund's NAV.

Please refer to the attached Summary of Financial Disclosure for details of the above expenses

12. Dealing Costs

Brokerage or dealing expenses charged by the authorities or brokers for dealing in securities are paid by and charged directly to the Fund. Such expenses are subject to the local broker, authorities and markets where the fund conducts business in and are subject to the fund portfolio turnover and activities.

13. Fund Board

The Fund Board consists of the following members who will serve for a period of three (3) years and will begin their duties following approval by the CMA;

1. Mr. Feras Al Ajaji (Chariman)
Currently he is the Managing Director – Head of Wealth Management of NCB Capital. He is a seasoned banker with around 15 years of experience in Corporate, Commercial, Small to Medium Enterprises (SME) and Investment Banking in well-known regional Banks. Prior joining NCB Capital, Feras was the Country Head of Commercial & SME Banking in Al Rajhi Bank. Feras holds B.S in Marketing from King Fahad University of Petroleum & Minerals. He successfully completed Leadership Development Program Diploma at University of Virginia - Darden School of Business.
2. Mr. Naif Al Mesned (Non-independent Director)
Currently he is the Acting Head of Risk Management at NCB Capital. Prior to joining NCB Capital he held multiple positions with Barclays Saudi Arabia, the Saudi Capital Market Authority "CMA" and Ernst & Young "EY". He also participated in a number of executives programs in Wharton Executive Education university of Pennsylvania and Massachusetts Institute of Technology "MIT". Naif holds a Master degree in Business Administration "MBA" from Clark University, B.S in Accounting from King Fahad University of Petroleum and Minerals, and passed the American Certified Public Accounting "CPA" exam.
3. Dr. Abdullah Alshwer (Independent Director)
Dr. Alshwer is currently the chair of the Department of Finance at the College of Business Administration at King Saud University, where he is also an Assistant Professor of Finance and Investment. Dr. Alshwer holds a PhD degree in Business Administration (Finance) from the Lubar School of Business at the University of Wisconsin, USA, Master of Business Administration (MBA) in Finance from the University of Toledo, USA, Bachelor in Business Administration majoring in Finance from King Saud University, and is Chartered Financial Analyst (CFA). He has served in several positions academically and professionally as a consultant and expert for government, semi-government and private agencies. His academic work has appeared in many leading international journals and conferences in the United States, Europe, and Asia. Dr. Alshwer had been invited as a guest speaker at major U.S. and European universities, such as Ohio University and Purdue University. He is an active member in many professional and academic societies in such areas as investment, finance, strategies, institutional investment, and financial analysis.
4. Eng. Abdulaziz Abalkhail (Independent Director)
Abdulaziz is currently the Chief Audit Executive of the National Industrialization Co. "TASNEE" and serves as an independent member of the Audit Committee of the Arabian Cement Company. Prior to TASNEE, he worked for the Saudi Capital Market Authority (CMA) serving various managerial positions with respect to monitoring listed companies continuous disclosure requirements, intermediaries & financial institutions supervision, and Internal Audit. Previous experiences also included 10 years with the Saudi Industrial Development Fund and the Arab Petroleum Investment Corporation. He went through special secondments and attachment programs with well-known international organizations like US Securities Exchange Commission (SEC), US Financial Industry Regulatory Authority (FINRA), Chase Manhattan Bank, and HSBC. He also attended senior executive and leadership programs with INSEAD, IMD, and London Business School. Abdulaziz holds MBA in finance from Nottingham University, UK and Bachelor degree in Systems Engineering from King Fahad University of Petroleum & Minerals.

The Fund Board's duties include, but are not limited to, the following

1. The approval of all Funds' material contracts, reports and decisions.

2. Overseeing, and where appropriate, ratifying any conflict of interest the Fund Manager has identified in accordance with the Regulations.
3. Meeting at least twice annually with the Fund Manager's Compliance Officer and the anti money laundering and anti terrorist finance officer to ensure the Fund Manager's compliance with all applicable laws and regulations.
4. The approval of any recommendations made by an appointed liquidator.
5. The responsibility to ensure completeness, accuracy and compliance with the Regulations of the Terms and Conditions.
6. Ensuring the Fund Manager carries on his obligations in the best interest of the unitholders, in accordance with the Terms and Conditions of the Fund and with the Regulations.
7. To act in the best interests of the Fund and its unitholders.

The Fund Board members will be compensated for their services by the Fund. For details Please refer to the attached appendix, the summary Financial Disclosure.

All the above Fund Board members are also members in the following fund boards:

1. AlAhli Diversified US Dollar Trade Fund
2. AlAhli Sadaqqat Fund
3. AlAhli International Trade Fund
4. AlAhli Diversified Saudi Riyal Trade Fund
5. AlAhli Saudi Riyal Trade Fund
6. AlAhli Euro Murabaha Fund
7. AlManarah Conservative Growth Fund
8. AlManarah Medium Growth Fund
9. AlManarah High Growth Fund

14. Fund Manager

The Fund Manager is NCB Capital. The head office address of the Fund Manager is at Al Mather Street, P.O. Box 22216, Riyadh 11495, Kingdom of Saudi Arabia.

The Fund Manager was authorised by the CMA pursuant to resolution No 7-219-2006 dated 03/12/1427 H corresponding to 24/12/2006 G under licence No 37-06046, to carry out dealing, as principal and agent, and underwriting managing, arranging, advising and custody with respect to securities. The Fund Manager also manages various other investment Funds.

15. Custodian

NCB Capital is the Custodian to the Fund units and securities. Where applicable, the Fund's securities may be held by one or more internationally recognized securities custodians appointed by the Manager.

The head office address of the custodian is at, Al Mather Street, P.O. Box 22216, Riyadh 11495, Kingdom of Saudi Arabia.

16. Auditor

The Auditors to the Fund are Messrs.

Ernst & Young King Road Tower -13th Floor -King Abdulaziz Road – Jeddah

P.O. Box 1994 – Jeddah 21441, Kingdom of Saudi ArabiaT: +96612- 221 8400 - Fax: +96612- 221 8575
www.ey.com/me

17. Annual Audited Financial Statements

The Fund's independently audited annual financial statements will be made available within 90 days after the Fund's fiscal year (the first Fiscal year is expected to be 31 December 2010), without any charges to the unitholders, upon request made to the Fund Manager. In addition, the semi annual financial statements reviewed by the external auditors will be available for unitholders within 45 days from the date relevant period end. Such statements will be available by both electronic mail and regular mail.

18.Characteristics of the Units

There shall be only one class of Units in the Fund.

19. Confidentiality

Strictest confidentiality shall be observed at all times in the handling of the business of the Fund and the Fund's Investors. This shall not be construed as limiting the access of the CMA to the Fund's records for the purposes of regulatory supervision.

20. Fund Shariah Board

The Fund Shariah Board consists of the following members:

1. Sheikh Abdullah Bin Suleiman Al-Maniya (Chairman)
Member of the Senior Ulema Board and formerly was Judge of the Cassation Court in Makkah Al Mukarramah.
2. Sheikh Dr. Abdullah bin Abdulaziz Al Musleh (Member)
Rector of Al-Imam Muhammad Bin Saud Islamic University and he is the Director General of the Panel of Scientific Miracles in the Quran and Sunnah.
3. Sheikh Dr. Muhammad Al-Ali Al Gari (Member)
One of the world's most distinguished scholars in Islamic economics and he is a Professor of Islamic Economics at King Abdulaziz University in Jeddah.

The Shariah Board members will be compensated for their services by the Fund. For details please refer to the attached Appendix, summary of Financial Disclosure.

21. Initial Offer:

- A. Minimum amount to initiate the Fund is 10 million US Dollar
- B. Investment of Subscription Monies During Subscription Period

During the Subscription Period, (expected to be 30 days from the inception day) the Subscription Monies will be invested for the benefit of the Investors in:

1. ALAHLI International Trade Fund (Short term Shariah-compliant fund that invests in Murabaha and managed by NCB Capital) in accordance with these Terms and Conditions.
2. Or invest the Subscription Monies temporarily directly in Murabaha transactions.

The Fund Manager charges the fund and the Murabaha an annual Management Fee of 0.75 %. The Unitholder will only bear the fees and expenses for the period he has subscribed into the Fund (where there will be no fee duplication) and the accrued income from the Murabaha or the fund (net investment after deduction of management fees and expenses) will be added to the Subscription Monies and invested in the ALAHLI US Dollar Sukuk and Murabaha Fund.

If the required minimum amount above is not fully subscribed, the Fund Manager maintain the rights at its own discretion to extend the initial subscription period after obtaining the Fund Board approval and informing the investors, However the investors have the right to redeem their initial subscriptions without any additional fees.

22. Fund Manager Investment in the Fund:

The Fund Manager may at its discretion participate in the Fund as an Investor. The Fund Manager reserves its right to reduce in part or in whole its participation whenever it deems appropriate, However the Fund Manager does not have any investment in the Fund currently.

23. Subscription and Redemption Procedures

The Fund is open for subscription and redemption every Saudi Business Day and valued every Tuesday

A. Subscriptions

All subscriptions paid in US Dollar or Saudi Riyal must be made at or before 12 noon on the day before the targeted Valuation Day in order to commence participation in the Fund from the related Dealing Day. However, the Fund Manager reserves the right to extend subscription, redemptions or switches time limit through alternative distribution channels (telephone and Internet) to 4:00 PM on the day prior to the targeted Valuation Day. Other forms of subscription payments such as cheques and transfers may require additional time for clearing and collection and participate in the Fund only from the Dealing Day following receipt of the payment by the Fund. Applications made after 12 noon or 4: PM for (telephone and Internet) will participate in the Fund from the following Dealing Day. If the Dealing Day falls at the beginning of an official Saudi Holiday, it will be invested in the Fund on the following Dealing Day.

B. Redemptions

Redemption is allowed on every Dealing Day provided that a signed Redemption Form is received at or before 12 noon on the day prior to the targeted Valuation Day. Redemption proceeds (which are determined as described in clause # 24 below) are made available on the third Saudi Business Day after the related Dealing Day. Redemption of Units must be for minimum value of US Dollar 2,000. However, redemption transactions made through alternative distribution channels such as the Call Centre, or the Internet may carry lower amounts.

If the Dealing Day falls on a non Saudi business day, the Units will be redeemed on the following Dealing Day. Redemption amounts are made available to the investor in a period of not more than three days after the Dealing Day on which redemption has been made.

If total redemptions exceed 10% of the Fund's value, the Fund Manager has the right to postpone such redemptions to the next Valuation Day. Such redemptions will be accounted for on a pro rata basis.

The Investors should be aware that where prevailing conditions in any part of the financial markets or any state of affairs exist which render the disposal or valuation of assets or Units in the Fund impractical or impossible, at the Fund Manager's sole discretion, subscription/redemption and the days set thereupon may be temporarily suspended or amended by the Fund Manager after obtaining the CMA approval.

C. Subscription Procedures

The Investor is required to sign a copy of these Terms and Conditions and complete an Investment Account Application Form and Subscription Form. If the Investor already has an investment account with NCB Capital, an Investment Account Application Form is not required. These forms should be submitted with payment to a designated staff and a copy will be returned to the Investor as a receipt. The Investor is required to provide identification in the form of a valid identity card (citizens of Saudi Arabia), an Iqama (non-Saudi residents), a passport (for GCC citizens), or a signed board resolution, stamped with the company seal and a copy of the company's commercial registration for (Corporate Investors).

The Fund shall not be available for subscription in the United States and Units in the Fund shall not be open to subscription by U.S. persons and entities.

D. Rejection of Application

The Fund Manager reserves the right to reject any application / subscription if he believes that such subscription may result in a violation of CMA's regulations and/or applicable regulations including the Terms and Conditions of the Fund.

E. Redemption Procedures

Application for redemption will be made by the Investor in whole or in part at any time by completing and submitting a Redemption Form provided at designated branches of the Fund Manager. For identification purposes, an Investor's valid Saudi Identification Card, passport, or Iqama, must be made available and its number noted on the Redemption Form. The Investor must specify whether the redemption is complete or partial. In case of a partial redemption, it is important to note that should the Investor's balance decline on the Dealing Day (due to decline in Unit price), the redemption process will not be executed. This is, without liability of the Fund Manager. In such case, the Investor must submit a new redemption request on the next Dealing Day.

F. Redemption by the Fund Manager

Upon obtaining permission from the CMA, the Fund Manager reserves the right to affect complete or partial redemption of Units held by any Investor with notice thereafter to the Investor and without assigning any reason therefore, and without any liability to the Fund Manager.

G. Switching Procedures

A switch between two AlAhli Funds is considered a single transaction made up of two separate components: redemption and subscription. The redemption portion of the transaction is processed first in accordance with the "Redemption" clause above. The subscription portion of the transaction will then be processed in accordance with the "Subscriptions" of the other Fund. To request a switch, the Investor is required to complete a Switch Form and submit it to the designated staff along with a valid identification card.

24. Valuation of the Assets of the Investment Fund

The initial Unit price is US DOLLAR 1.

The Unit value is computed by dividing the total asset value of the Fund which consists of (the principal cost of Murabaha trades plus the market value of the Sukuk plus all income, including accrued income and reinvested income distributions) less liabilities, management fees and any other expenses by the total number of Units outstanding at that time.

Unit price will be published on the next day to the Valuation Day on the Fund Manager's website and on Tadawul.

- Temporarily suspension of Valuation and subscription and redemption from the Fund

The Investor should be aware that where prevailing conditions in any part of the financial markets, or any state of affairs, renders the disposal or valuation of assets in the Fund impractical or impossible (for example and not limited to situations where trading is suspended in markets where the Fund is investing or trading), the Fund Manager has sole discretion temporarily to suspend, or amend the terms and procedures for, all subscriptions and/or redemptions and the applicable days for subscriptions and redemptions, after obtaining CMA approval. Such temporary suspension period or amendment if applicable will be reviewed by CMA.

25. Winding up and Appointment of a Liquidator

In accordance with the Regulations, the CMA has the power to appoint a replacement Fund Manager or a liquidator or take any other measure it deems necessary as appropriate.

26. Fund Termination

The Fund Manager retains the right to terminate the Fund without penalty to any party involved by giving not less than 60 days' written notice to Investors after obtaining the approval of the CMA. In such case, the relevant Fund's portfolio shall be liquidated, the Fund's liabilities discharged and the net proceeds shall be distributed to the Investors pro rata to their holdings of Units.

27. Reporting to Unitholders

The Fund Manager will issue a confirmation to each Investor when such Investor subscribes or redeems units in the Fund. A statement detailing each Investor's position is issued every three months or as determined by the Fund Manager (however for periods not longer than 3 months). Statements to Investors are sent to the mailing address shown on the Application Form, unless notification of a change of address has been provided in writing. Any discrepancies must be brought to the attention of the Fund Manager within sixty (60) days of the date of issuance of such statements and confirmations, after which the statements issued by the Fund Manager will be final and conclusive and the Fund Manager shall not be liable to Investors in connection with any discrepancy. The Fund Manager shall not be liable for any consequences arising from statements or confirmation advices that are held by the Fund Manager on the instructions of the Investor.

28. Conflict of Interest

The Fund Manager and other companies within the NCB Capital group may, from time to time, act as fund managers or advisers to other funds or sub-funds, which follow similar investment objectives to those of the Fund. It is therefore possible that the Fund Manager may in the course of its business have potential conflicts of duty or interest with one or more of the funds it manages. The Fund Manager will, however, have regard in such an event to its obligations to act in the best interests of the relevant unitholders so far as practicable, having regard to its obligations to other clients when undertaking any investment where potential conflicts of interest may arise. The Fund Manager will inform the Fund Board of any conflict of interest may arise and the steps taken to deal with any such issues.

29. Voting Rights Policies

After consulting with the Compliance Officer, the Fund Board approves the general policies of practising the Fund voting rights. As a policy, the Fund Manager may practice the voting rights (if any) for the securities held by the Fund's.

30. Changes to the Terms and Conditions

These Terms and Conditions shall remain in effect until such time as they are amended by the Fund Manager, subject to prior approval of the Shariah Board and CMA. Written notice of material amendments shall be given to the Investors 60 days prior to such amendments becoming effective.

31. Complaints Procedure

A copy of the Fund Manager's policies and procedures for handling Investors complaints is available upon written request being given to the Fund Manager.

32. Governing Law

These Terms and Conditions are governed by the laws of the Kingdom of Saudi Arabia. If an Investor is subject to the laws of a jurisdiction other than that of Saudi Arabia, then it is the Investor's responsibility to conform to those laws without any obligation on the part of the Fund or the Fund Manager.

Any disputes between the Investors and the Fund Manager relating to these Terms and Conditions will be subject to the exclusive jurisdiction of the Committee for the Resolution of Securities Disputes (CRSD) in Saudi Arabia.

33. Compliance with Regulations

The Terms and Conditions comply with the Investment Funds Regulations issued by the CMA and contain a full, true and plain disclosure of all material facts relevant to the Fund.

34. Appendices

The following appendices are an integral part of the Terms and Conditions:

- Investment Restrictions
- Summary of Financial Disclosure
- Shariah Criteria's
- Fund's Historical Performance

35. Fund Structure

Funds established prior to 10/6/1428H, corresponding to 25/06/2007G, were established by The National Commercial Bank (CR No. 4030001588) with the registered address of King Abdul Aziz Street, P.O. Box 3555, Jeddah, 21481, Saudi Arabia.

All funds established on or after 10/6/1428H, corresponding to 25/06/2007G, have been established by NCB Capital (CR No. 1010231474) with the registered address of Al Mather Street, P.O. Box 22216, Riyadh 11495, Kingdom of Saudi Arabia. Each fund will have a specific portfolio of securities to which that fund's assets and liabilities are attributable. So far as the Unitholders are concerned each fund will generally be treated as a separate entity. Unitholders' liability is limited to the principal amount invested.

Each fund will be charged with the liabilities, expenses, costs and charges of the Fund Manager attributable to that fund in accordance with the relevant terms and conditions.

Further details of the units in respect of each fund are set out in the relevant fund specific terms and conditions. For a list of the funds visit NCB Capital on-line at: www.ncbc.com.

New funds may be established by NCB Capital from time to time, subject to their compliance with the Regulations. If a new fund is introduced, new fund specific terms and conditions will be prepared to set out the required information in relation to such a Fund.

36. Responsibilities

36.1 Fund Manager's Responsibilities

The Fund Manager is responsible for the overall management of each Funds' investments and related activities. The Fund Manager may also enter into arrangements with other institutions for the provision of investment, custodian or other administrative services in accordance with the Regulations.

36.2 Investor's Responsibilities

Acceptance of the Terms and Conditions by each Investor constitutes such Investor's authorizations to the Fund Manager to invest the Subscription Monies in the Fund and confirms such Investor's acceptance that the risk inherent in the Fund resides with such Investor, and not with the Fund Manager.

36.3 Money Laundering

As a result of legislation in force in Saudi Arabia to prevent money laundering, persons conducting investment business are responsible for compliance with money laundering regulations. Accordingly, in certain circumstances Investors may be asked to provide proof of identity in a form satisfactory to the Fund Manager when buying, selling, switching, or redeeming Units and, until satisfactory proof of identity is provided, the Fund Manager reserves the right to refuse to sell, redeem or switch Units or to delay processing and/or withhold any payments due to Investors in respect of their investment and to discontinue any deals it is conducting on behalf of those Investors. The Fund Manager also reserves the right to request additional information or proof of identity, in order to validate any element of a transaction and to comply with any relevant money laundering regulations.

37. Islamic Shariah

The Fund is structured as a Shariah Compliant Fund. The Fund has appointed a Shariah board as described above.

Appendix 1:

Investment Restrictions

Pursuant to Article 39 of the Regulations the following investment restrictions apply to the investment fund unless an investment fund is established and approved by the Authorities as a specialized investment fund (as defined in Article 42) or Funds of Funds or money market funds (as defined in Article 43 and 44) or an specific waiver has been obtained from the Authorities:

1. An investment fund may not acquire units of another investment fund if the total units of the acquired investment fund owned by the acquiring investment fund would exceed ten (10) per cent of the acquiring investment fund's net asset value or ten per cent of the net asset value of the acquired investment fund at the time of such acquisition.
2. An investment fund shall not hold in excess of (5) five per cent of the issued securities of any issuer.
3. The exposure of an investment fund to a single issuer shall not exceed (15) fifteen per cent of its net asset value.
4. An investment fund may not hold more than (10)ten per cent of its net asset value in any class of security issued by any single issuer, with the exception of securities issued by the Government of the Kingdom and the sovereign debt of OECD countries or countries that are members of the Gulf Cooperation Council.
5. An open-ended investment fund may not invest more than (10) ten per cent of its net asset value in illiquid investments.
6. An investment fund may not lend to any person, but it may acquire debt instruments in conformity with the fund's investment objectives as set out in the terms and conditions of the fund.
7. An investment fund may not assume, guarantee, endorse or otherwise become directly or contingently liable for any obligation or indebtedness of any person.
8. An investment fund may not acquire any asset that involves the assumption of any liability that is unlimited.
9. The maximum borrowing of an investment fund must not exceed(10) ten per cent of its net asset value except in the case of borrowing from its fund manager or an affiliate to meet redemption requests pursuant to Article 49 of the Regulations.
10. The portfolio of an investment fund may not include any security where a call is to be made for any sum unpaid on that security unless that call could be met in full out of cash or securities which can be converted into cash within (5) five days out of the fund's portfolio.

Appendix 2:

Summary of Financial Disclosure

Table (1): expenses of the Fund in USD for the period ended December 2014:

Type of expenses	Amount
Annual Fund Management Fees (0.75% from Fund's NAV)	422,965
Annual remuneration cost of independent directors of the Fund (reviewed every 3 months and allocated among all the funds managed by the Fund Manager)*	4,938
Custody Fees	406
External Audit fees (reviewed every 3 months)*	7,067
Financing charges (if applicable, will be based on market prevailing rates)	0
Shariah supervisory cost (reviewed every 3 months and allocated among all the funds managed by the Fund Manager)*	7,200
Regulatory Fees (reviewed every 3 months) *	2,000
Tadawul publication Fees (reviewed every 3 months)*	1,333
Dealing expenses (based on trading volume and to be paid directly by the Fund from total value of the assets on each Valuation Day)	0
Fund Administration & Operation expenses (reviewed every 3 months and allocated among all the funds managed by the Fund Manager)*	15,034

Management Fees: The Manager will charge the Fund on every Dealing Day an annual management fee of 0.75% to be proportionate to the period of the Fund's net asset value.

*Other Expenses: The Fund Manager reserves the right to recover from the Fund any other expenses incurred on behalf of the Fund such as custody, Shariah audit, data processing, accounting audit and other similar charges acceptable by the authorities. The other expenses that may be specified in advance such as audit fees, regulatory fees etc., will be charged directly to the fund. Expenses of the Fund's Board will be equally allocated to all funds supervised by the Board and managed by the Fund Manager. General floating expenses which are subject to change, such as Fund administration & operation cost, will be allocated using different criteria such as the total assets of each fund, number of subscription and redemption transactions, in addition to number of valuation days in that period. Other expenses shall not exceed in total 0.50% of the average value of Fund's asset. The actual expenses were 0.07% of the average value of the Fund's asset. The Fund will review the expenses charged to the Fund on quarterly basis (every three months).

Basis of calculation, collection and payment of fees

All actual expenses will be calculated and deducted from the Fund's assets after having been allocated as units on each Valuation Day on the basis of 360 days as follows:

Fund management fees = (Fund assets - other expenses) * (0.75%) * (number of days between the current Valuation Day and the last Valuation Day) ÷ 360

We have assumed the following values:

- Fund's assets = USD 100,000
- Total other expenses and liabilities of the Fund = USD 1.36

- Net Assets Value of the Fund = USD 99,998.64
- Annual management fees = 0.75%

Management Fees on the valuation day = $99,998.64 \times 0.75\% \times (7 \div 360)$ = USD 14.58

Example of Unitholder's share of Fund total expenses

The following table shows a hypothetical example of a Unitholder investment, assuming that the investment value of the Unitholder is USD 10,000

Table (2) - Hypothetical investment of a Unitholder and its share of the expenses in USD

Description	Amount
Hypothetical Unitholder's investment	USD 10,000
Total Dealing Cost	0
Total Other Expenses (0.07%)	7
Annual Management Fee (0.75%) of NAV	75
Unitholder's net investment amount	9,918

All expenses charged to the Fund will be disclosed in the annual financial statements of the Fund.

Appendix 3:

Fund's Shariah Criteria Disclosure

Shariah Principles

All Investments and Investment Strategies employed by the Fund Manager must be in compliance with the Shariah Compliance guidelines issued by the Fund Shariah Committee.

Shariah Compliant investments

1. Shariah compliant Murabaha; which represents purchase of goods and commodities and sell them at a mark-up on Shariah compliant pre defined and accepted deferred payment terms
2. Shariah compliant Murabaha Funds managed by other investment houses which has Shariah committee acceptable to the Fund's Shariah committee
3. Shariah compliant Sukuk; which are participation securities that grant the investors (the owner of the Sukuk) a share of a shariah compliant asset, project or its benefits along with the cash flow and related risks (for example the Sukuk that are based on Ijara, Murabaha and Istisnaa), such Sukuk has Shariah committee acceptable to the Fund's Shariah committee
4. Shariah compliant Sukuk Funds managed by other investment houses which has Shariah committee acceptable to the Fund's Shariah committee
5. in general the Fund can invest in shariah compliant Sukuk, Murabaha trades, Trade finance and investment funds

Investment's Instruments

The following instruments or any derivatives thereof may not be held in the Fund:

- Futures
- Forwards
- Preferred Stock
- Options
- Swaps
- Short Sales
- Any other instruments that involve the payment or receipt of interest.

Periodic Review

The Fund will be reviewed on quarterly basis

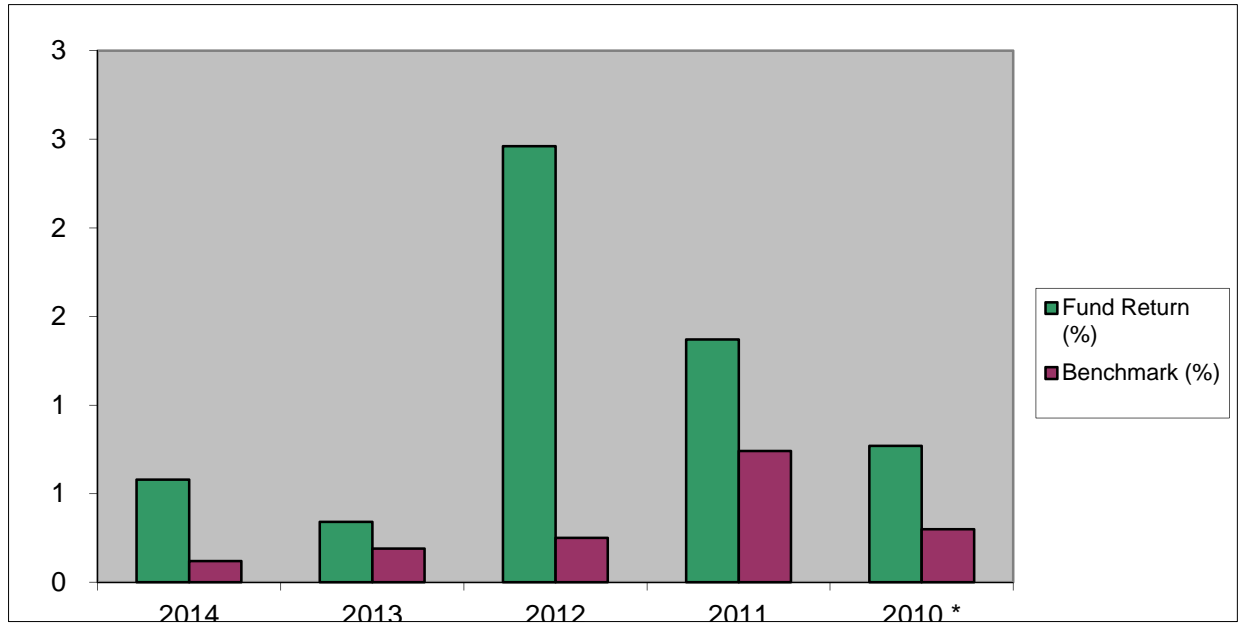
Appendix 4:

Fund's Historical Performance

Fund Performance compared to the benchmark up to December 2014

Particulars	2010 *	2011	2012	2013	2014
Fund Return (%)	0.77	1.37	2.46	0.34	0.58
Benchmark (%)	0.30	0.74	0.25	0.19	0.12

*March 2010 to December 2014 actual returns



Annual Fund Performance as of 31 December 2014

Particulars	1 Year	3 Years	5 Years	10 Years
Annualized Fund Return (%)	0.58	1.12	-	-
Annualized Benchmark (%)	0.12	3.40	-	-

Neither the Fund nor the Index past performance is considered as a base for future performance.

The Fund has been approved by CMA but approval of the CMA does not imply protection from loss. If a person has any doubt about the suitability of the Fund, he should contact an independent financial adviser. A person making an investment in the Fund does so entirely at his own risk.

This Fund is not a Bank time deposit. Investment value may go down as well as up. Investors in the Fund are not certain to make a profit and may suffer a loss and therefore may not recover their fully invested capital. Investors should only invest in this Fund if they are able to sustain a loss which could be substantial.

This is an English translation of the official Arabic text of the Terms and Conditions. In case of any inconsistency or contradiction between the Arabic text and this English translation the Arabic text shall prevail

In signing this document, I /We hereby declare that I/We have read and understood **AlAhli US Dollar Sukuk and Murabaha Fund** Terms and Conditions and the related appendixes, that I /We agree to them and that a copy has been provided to me/ us.

Full Name:

Nationality:

ID number (Saudi ID, Iqamah, or Passport):

Signature:

Date:

Investment Account Number:

Two copies of these Terms and Conditions are to be signed; one for the Investor and one to be retained by the Fund Manager