



بنك أبوظبي الوطني
NBAD

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NBAD Growth Funds **Prospectus**

Valid as at 30 November 2014

Manager

National Bank of Abu Dhabi

Custodian

National Bank of Abu Dhabi

Auditors

KPMG Abu
Dhabi

Legal Advisors

Allan & Overy
Abu Dhabi

Important Information

Prospective Investors in any NBAD Growth Fund should carefully review this Prospectus and the relevant Term Sheet in order to decide whether or not to invest in Units in a particular Fund. Prospective Investors who are not clear as to any matter concerning a relevant Fund or any matter stated in this Prospectus are advised to seek independent professional advice, particularly in the areas of taxation, legal requirements and any relevant exchange controls or reporting requirements.

Investment in any area carries certain risks as the value of investments may go up or down, influenced by market and other factors. There is no guarantee that any individual Fund will meet its investment objectives. Prospective Investors should particularly read Clause 11 of this Prospectus (Risk Factors).

Prospective Investors may find that they are Restricted Persons being subject to constraints placed upon their investment in Units under this Prospectus under the laws and regulations, for example, of their state of nationality/domicile. Restricted Persons are responsible for ensuring that they comply with all relevant requirements under such laws and regulations. Units in respect of Funds under this Prospectus are offered in the U.A.E. (where any fund issued under this prospectus will have received the authorisation of the U.A.E. Central Bank), in countries of the Middle East and North Africa Region, and in other countries where the relevant Fund (and this Prospectus) will have been authorised by the appropriate regulatory authorities. This Prospectus does not constitute an offer or invitation to subscribe to any relevant Fund under this Prospectus outside the UAE, such countries of the Middle East and North Africa Region or other countries as it may be approved in, in conformity with the foregoing.

Other than as contained in this Prospectus and any relevant Term Sheet, no member of NBAD's staff, salesman or any other person is authorised to make further statements or representations as to matters addressed in this Prospectus and to the extent the same are made they will not be accepted by NBAD unless specifically authorised by it. In particular no modification or clarification to the terms of this Prospectus, any relevant Term Sheet or any aspect of either of the foregoing is or will be accepted unless specifically authorised by NBAD.

Contents

Clause	Heading	Page
1.	Introduction	5
2.	The Funds	5
3.	Investment Objectives	5
4.	Investment Guidelines and other matters	5
5.	Management and the Investment Review Committee	5
6.	Structure	6
7.	The Register	6
8.	The Advisory Board	6
9.	The Custodian	7
10.	Registration through Nominees	7
11.	Fund Assets and Accounting	7
12.	Risk Factors	7
13.	Reporting	8
14.	Notices and Communications	9
15.	Dividend Policy	9
16.	The Net Asset Value (NAV)	9
17.	Suspension or Deferral of NAV	9
18.	Application for Subscription and over Subscription	9
19.	Subscription to Units	10
20.	Confirmation of Investment	10
21.	Applicant Details	10
22.	Publication of Prices	11
23.	Redemption	11
24.	Switching	11
25.	Fees and Expenses	11
26.	Duration and Termination	12
27.	This Prospectus	12
28.	Law	12
29.	Conflict of Interest	12
30.	Additional Information	12
	Attachment 1 - Definitions & Interpretation	13
	Attachment 2 - Net Asset Value (NAV) Calculations	15

Prospectus

1. Introduction

This Prospectus relates to various open-ended Funds to be launched and managed from time to time by NBAD and known as the 'NBAD Growth Funds'. Each such Fund will be offered on the terms stated in this Prospectus and the relevant Term Sheet for that particular Fund. Capitalised terms used in this Prospectus and/or in any relevant Term Sheet shall have the meanings attributed to them in Attachment 1 to this Prospectus, which also details certain interpretational matters. NBAD is licensed by the Central Bank of the UAE. The Funds in question are offered on the following terms and conditions:

2. The Funds

The Funds will be open-ended investment 'paper' funds established under UAE law and will have been authorised by the U.A.E. Central Bank (and, where appropriate, other relevant regulatory authorities in any state in the Middle East and North Africa Region and in other countries). There is no limit to the number of Units in the Funds, which may be issued at any time. Units in the Funds will be available for subscription in the U.A.E., in any other state in the Middle East and North Africa Region and other countries where the same will have been approved by the concerned regulatory authorities.

NBAD intends to invite Founder Investors (being prominent local, regional or international financial institutions) to participate in each Fund prior to the First Closing Date applicable to the relevant Fund.

3. Investment Objectives

The Investment Objectives of each particular Fund are as stated in the relevant Term Sheet for that Fund. The Investment Objectives between Funds may vary.

4. Investment Guidelines and other matters

The Investment Guidelines of each particular Fund are as stated in the relevant Term Sheet for that Fund. The Investment Guidelines between Funds may vary. The Investment Guidelines are stated as at the Launch Date and may, at the discretion of the Manager (the same having previously been approved by the Advisory Board) be varied from time to time to take advantage of market conditions or other changing relevant circumstances.

From time to time, the Manager may maintain up to a defined proportion (as stated in the relevant Term Sheet) of Total Assets in cash or in the form of Liquid Tradable Securities in order to provide funding for redemptions, other investment opportunities as required or as a defensive strategy to counter a potential adverse phase in the market.

Funds may borrow in accordance with their then prevailing Investment Guidelines and their assets may be charged as security for such borrowings.

5. Management and the Investment Review Committee

Each Fund will be managed according to NBAD Asset Management Group's investment process which is designed to deliver returns consistent with the Fund's objective whilst playing close attention to risk. The investment processes draws primarily on the expertise of the relevant investment teams and are supplemented where required by outside expertise. All AMG portfolios and funds are overseen by the Investment Review Committee who meets on a quarterly basis to ensure that risk and return outcomes are consistent with requirements and objectives. The Manager may from time to time supplement or replace members of the Investment Review Committee.

The Members of the Investment Review Committee making investment recommendations to it shall not have the right to vote thereon. The Quorum for Investment Review Committee meetings is a simple majority of those appointed to the relevant Investment Review Committee at the time. All decisions of the Investment Review Committee will be by a majority of those participating. The Investment Review Committee may make and record its decisions by circulation.

The Manager may from time to time appoint investment advisers to the Investment Review Committee and may delegate and revoke powers of management in respect of assets of a particular Fund(s) to such person or entities and on such terms and conditions as the Manager sees fit and appropriate.

The powers of the Manager relative to a particular Fund include, but are not limited to the following:

- to invest the Total Assets of that Fund as it, in its unfettered discretion considers appropriate, including investing in Liquid Tradable Securities and in all such investments which comply with the relevant Investment Guidelines at such time;
- to keep under continuous review investments in relevant markets and to analyse the same, whether generally or relative to particular investments;
- to maintain the Register of Investors and to close the same for appropriate periods (as determined by the Manager in its discretion);
- to maintain accurate books and records;
- to inform Investors as to matters relating to the investment and to arrange for the publication of the relevant information;
- to appoint and remove advisers including custodians, trustees, lawyers, auditors and others and to liaise with concerned regulatory authorities, including the U.A.E. Central Bank;
- to borrow on behalf of that Fund and to execute documentation to charge the assets of that Fund in security;
- to determine NAV and Unit NAV at any time; and
- to do such other acts and things as may be necessary to fulfil the responsibilities, obligations and others of the Manager (in the widest possible sense) of the Fund whether pursuant to this Prospectus, the relevant Term Sheet, law or others, relative to that Fund.
- The Manager will manage individual Funds in accordance with the terms of this Prospectus and the relevant Term Sheet.

6. Structure

According to the Central Bank (Resolution 164/8/94), each of the Funds would be deemed to be an independent judicial person able to own assets in its own name. The Funds are not companies within the terms of the UAE Companies Law, as amended. Participation in the Funds by Investors confers no voting rights, no rights to receive dividends and no other rights relative to the underlying investments made by the particular Fund in question. Investors in a particular Fund have no legal rights in or to the underlying investments of the relevant Fund except as set out in this Prospectus and the relevant Term Sheet. All assets of the Funds are held in the name of the Manager, or its appointed Custodian or nominee, effectively for and on behalf of the Investors in the relevant Fund. The Funds are, in effect, collective investment schemes established, administered, managed and controlled at all times by the Manager. Upon payment of subscription monies in respect of each Application for Units in a particular Fund an Investor will have no further obligation in respect of those Units or that Fund.

The Manager may consider (and if thought appropriate, effect) a listing of any relevant Fund on an appropriate exchange on such terms and conditions as the Manager considers appropriate.

7. The Register

The Manager will maintain and operate the Register for each Fund. The Register is the authoritative record of the rights of individual Investors in particular Funds. The Register will reflect those Investors subscribing to the Funds, and those redeeming their interests therein. Transfers of Units from one Investor to another may take place through completion of an appropriate transfer document which is subsequently notified and entered into the Register (the actual transfer being on such terms and conditions as the concerned parties agree, this being a private transaction between them). The subscription, transfer of legal title to Units and the redemption of Units (in all cases in accordance with the terms of this Prospectus and any relevant Term Sheet) will only be effective and recognised by the Manager/NBAD when notified to and entered into the Register.

8. The Advisory Board

The Advisory Board relative to each Fund consists of up to eleven (11) suitably experienced and independent

persons nominated from time to time by the Manager. The Advisory Board in respect of each Fund may include representatives from Founder Investors. The Advisory Board will meet at least twice a year and more regularly if required, upon at least seven (7) days notice. Advisory Board decisions may be effected by circulation so long as recorded in writing. The Quorum for Advisory Board meetings is a simple majority of those appointed to the relevant Advisory Board at the time. All decisions of the Advisory Board will be by a majority of those participating.

The purpose of the Advisory Boards is to review the activities and performance of individual Funds (including their investment strategies as set out in the Investment Process) and to make appropriate recommendations to the Manager.

The Advisory Board will also deal with and make decisions relative to circumstances in which the Manager may be considered to have, or may actually have, a conflict of interest: for example, as between Funds, when the Manager will endeavour to act fairly in the context of both or all Funds concerned. The functions of the Advisory Board include ensuring fairness and transparency for Investors in all matters relating to a particular Fund.

9. The Custodian

The appointed Custodian will hold the entire assets of a particular Fund and may in turn appoint sub-custodians as circumstances require. The Custodian is responsible for ensuring the preservation of the assets of Funds, and for the collection of dividends and other distributions relative to the same, and for accounting for the foregoing. The first Custodian is NBAD.

10. Registration through Nominees

Certain assets purchased for particular Funds may require to be registered in the name of nominees. The Custodian will endeavour to enter into appropriate arrangements to reflect the beneficial interest of a particular Fund therein and will endeavour to secure such arrangements.

11. Fund Assets and Accounting

11.1 The Manager will use the Total Assets of each Fund (less any assets held in Liquid Tradable Securities) to purchase relevant investments on behalf of that Fund (and that in accordance with the Investment Guidelines for the relevant Fund), to discharge the liabilities and expenses of the relevant Fund, to redeem Units on NAV Days and to distribute relevant amounts to Investors, whether on liquidation of the relevant Fund or otherwise.

11.2 The cash and investments of the Funds are held as fiduciary assets in the accounts of NBAD and the Manager may borrow against those Funds in the interests of Investors at its discretion in pursuance of investment opportunities which it determines. In such event the Fund will have liabilities in respect of such borrowing. Total Assets of any relevant Fund are not intended to be beneficially owned by the Manager.

11.3 The Manager will open and operate separate bank account(s) for each Fund, including its Subscription Account.

11.4 The Manager will maintain accounting records relative to each Fund (independently of those maintained for itself) treating each Fund as an independent investment unit and will procure that the Annual Report for the relevant fund is duly audited by the Manager's Auditors at the relevant time.

12. Risk Factors

Prospective Investors in any Fund should take into account, amongst others the following Risk Factors:

12.1 The reference to the Funds being "paper" funds in Clause 1 of this Prospectus is intended to convey to Investors that the Fund is established in accounting terms in the books of the Manager as separate and discrete sums of money managed and held by the Manager for and on behalf of the Investors. Investors should note that efforts have been made by the Manager to establish fiduciary relationships and duties with the Investors so as to endeavour to ring fence and protect the Funds from the effects of UAE insolvency laws. Investors have nevertheless to recognize that there is no established concept of trust under UAE law and therefore despite the efforts of the Manager, courts may not rule for the assets to be protected from liquidators of the Manager in the unlikely event of the Manager becoming insolvent.

- 12.2** Investment in the Funds is subject to risks associated with the markets in which individual Funds invest. These risks include, but are not limited to market risk, political risk, corporate risk and country risk as well as to risk arising out of unforeseen events (including changes in law and/or regulatory requirements) and Acts of God, such as earthquake, fire or flood. An investment in the Funds involves a degree of risk. Such investment is suitable for persons who possess suitable financial means, and should not be made by any person who cannot afford the loss of his or her investment.
- 12.3** To the extent any Fund may invest in equities traded on the UAE ‘over the counter’ market, or in equities or securities in a newly created or emerging financial market then the relevant Fund may require to do so in the absence of detailed financial information and/or reporting in respect of the companies in question and the absence of disclosure of the trading circumstances of such companies (which may make determination of accurate valuations difficult) and in the light of a certain level of lack of market and other organisation. The level of liquidity, volatility and the efficiency with which such markets operate is not necessarily of the order of more developed markets, nor do such markets necessarily operate in the same way as the more developed markets. Particularly liquidity in any ‘over the counter’ market and/or particular equities and/or securities therein may be low. In consequence of the foregoing the purchase or sale of certain equities and/or securities may not be possible at the time a relevant Fund wishes to deal and/or may involve dealing at unfavourable prices.
- 12.4** Clearing, settlement and share registration processes and procedures vary widely, and the same may affect the NAV of a particular Fund, and the liquidity of that Fund.
- 12.5** There may be circumstances in which individual Funds may not invest in particular equities and/or securities, and where the purchase of the same through nominees may be impracticable. These circumstances may restrict investment opportunities for particular Funds.
- 12.6** The use of nominees represents a level of technical risk but may be the only practicable way for a particular Fund to invest in a particular equity and/or security.
- 12.7** An Investor who redeems Units after a short period (but after the Lock In Period as defined in the relevant Term Sheet) should realise that the amount originally invested (by that Investor) in the relevant Fund may be the subject of relevant charges and fees both at the time of subscription and redemption. Investors should view investment in a particular Fund as being one for (at least) the medium term.
- 12.8** There can be no assurance that the relevant Fund will achieve their Investment Objectives.
- 12.9** Although it may be the policy of the relevant Fund to diversify its investment portfolio, relevant Fund may at certain times hold relatively few investments. The relevant Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected.
- 12.10** Stock markets in general are volatile and, given that the relevant Fund will be investing in these markets, the relevant Fund will be subject to this volatility. However, there is the risk that one or more of these markets will go down sharply and unpredictably for any reason.
- 12.11** There is a risk that securities selected by the relevant Fund will result in losses over the short or long term.
- 12.12** The relevant Fund’s investment activities are subject to the normal risks of becoming involved in litigation by third parties. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgements will be borne by the relevant Fund.

13. Reporting

- 13.1** The Manager will provide an Annual Report to Investors in respect of the NAV of each Fund, and therefore of their attributable Units. Such Annual Report will consist of a summary report as to the conduct of the relevant Fund and a summary set of audited accounts (with a supporting audit report) in relation to the relevant Fund. Such Annual Report should be available to Investors within six (6) months of the end of the relevant financial year.
- 13.2** The Manager will provide an Interim Report to Investors in respect of the NAV of each Fund and therefore of their attributable Units. Such Interim Report will consist of a summary report as to the conduct of the

relevant Fund and a set of management accounts, prepared by the Manager in relation to the relevant Fund. Interim Reports will be prepared up until 30 June in any year so long as the relevant Fund has been in operation for at least six (6) months at such time. Interim Reports should be available within four (4) months of the end of the relevant financial period.

13.3 The Manager may report to Investors from time to time as market conditions relative to particular Funds require.

14. Notices and Communications

14.1 Notices and communications hereunder are given to Investors at the address or email address shown in their respective Applications: Annual Reports relative to a particular Fund will be mailed or emailed to that address.

14.2 Annual and Interim Reports and other notices and information in relation to a particular Fund may be viewed at NBAD's website as specified in the relevant Term Sheet.

15. Dividend Policy

Unless otherwise provided in the relevant Term Sheet, Units in particular Funds will not bear dividends, and dividend income will be credited to the relevant Fund (and therefore to its NAV).

16. The Net Asset Value (NAV) of Funds

Calculation details and criteria of NAV, Unit NAV and relevant valuation matters relative to the Funds are as more fully stated in Attachment 2 to this Prospectus.

17. Suspension or Deferral of NAV

The Manager may suspend or defer the calculation of NAV (and in consequence of Unit NAV) in a particular Fund(s) and the issue and redemption of Units in that Fund(s) at any time as a consequence of any of the following:

- 17.1** where a market, on which a substantial proportion of the assets of the relevant Fund(s) are invested is closed, or when dealings on it are suspended or restricted; or
- 17.2** where for any reason the transfer of funds for the purchase or sale of assets by the relevant Fund(s) or the purchase or sale of such assets cannot be effected at normal prices or exchange rates; or
- 17.3** as a consequence of material communications breakdowns preventing valuation of the assets of the relevant Fund(s); or
- 17.4** where the price or value of the assets of the relevant Fund(s) cannot be ascertained with accuracy; or
- 17.5** if the Manager has elected to terminate the relevant Fund(s) in accordance with the provision of this Prospectus; or
- 17.6** if the Manager determines that there has been a material and substantial change in the valuation of a significant part of the assets of the relevant Fund(s) and the Manager decides in consultation with the Investment Review Committee to delay valuation or to carry out valuation at a subsequent time as being in the best interests of the Investors in that Fund(s).

The Manager will notify Investors in the relevant Fund(s) of such suspension or deferral. Units may not be subscribed for nor redeemed during any such period of suspension or deferral. In the event of a suspension or deferral an Investor in a relevant Fund(s) may withdraw Redemption Notice(s) provided the Manager receives notice of the same before the end of the suspension period. In the event that the relevant Redemption Notice(s) are not withdrawn, the applicable day on which Units may be redeemed will be the NAV Day immediately subsequent to the end of the period of suspension or deferral.

18. Applications for Subscription and over Subscription

18.1 Applications for subscription in a particular Fund (and therefore to Units in that Fund) shall be submitted to the Manager on the forms provided by the Manager for this purpose. Applications for subscription to Units

will be accepted by the Manager either on the First Closing Date of the relevant Fund, or if subsequent, the “Cut-off Time” on the relevant business day.

18.2 In the event that any particular Fund is or becomes over subscribed (that is, the Manager receives more subscription monies by the First Closing Date or thereafter than the Manager believes it will be beneficial to Investors for the Manager to invest) the Manager shall have the sole right to determine the size of the relevant Fund and/or the basis of allotment to apply relative to that Fund.

18.3 The relevant Term Sheet may contain further subscription details relative to any Fund.

19. Subscription to Units

Until the First Closing Date of a Fund, Units in that Fund will be offered at the price stated in the appropriate Term Sheet (which will also detail subscription and other fees and expenses payable). After the First Closing Date of a Fund, Units in that Fund will be issued at the Unit price determined at close of business on the first NAV Day following the Manager’s receipt of cleared monies into the Subscription Account for the Fund in question.

20. Confirmation of Investment

Applications once made are irrevocable except with the Manager’s consent in writing. Upon acceptance of an Application to subscribe for Units or to transfer Units, Investors will receive a receipt for the amount invested in the relevant Fund, the same also stating the number of Units purchased and the price per Unit paid. This receipt serves only as evidence of the purchase of Units; final proof of ‘ownership’ of Units from time to time will be determined in accordance with the Register maintained by the Manager. In either event (that is, subscription to a particular Fund by the First Closing Date or thereafter) written confirmation and receipt should be issued to Investors within thirty days of their Application being received with appropriate monies.

The relevant Term Sheet will contain further details as to subscription to particular Funds and should be reviewed by prospective Investors.

Fractions of Units (rounded down to three (3) decimal places) may be issued where the amount subscribed does not entitle an Investor to whole Units.

All Investors must have an NBAD account. All Subscriptions payments to the Funds and/or Redemptions proceeds will be debited from and/or credited to the Investors relevant NBAD accounts.

The Manager may suspend receipt of Applications (and therefore the issue of new Units) where the Manager believes that the relevant Fund may not, for any reason, be able to invest the funds so raised at acceptable rates of return or risk.

The Manager reserves the right to reject Applications for Units (in whole or in part) without detailing its reasons for the same. The Manager may do so, for example, where Applications are not properly completed, subscription monies are not paid in full or where, for some other reason the Manager believes the prospective applicant should not be allotted Units in any relevant Fund.

21. Applicant Details

- **Individual Applicants:** should submit original copies of their passports (with residency details if appropriate) or identity cards (Khulasat Al Qaid).
- **Corporate Applicants:** should submit original copies of their Trade Licences and should ensure that their Applications are signed by properly authorised persons, and should provide proof of this.
- **Joint Applicants:** in addition to providing details on the individuals concerned (above) (who may not number more than three) joint applicants must nominate one of them to be the sole person with whom the Manager should communicate. Such person, unless the Manager is instructed otherwise in writing and accepts the same shall also be the person (of the joint applicants in question) entitled to receive payments from the Fund and to provide good receipt for the same. Unless otherwise stated on the relevant Application the applicant Investor whose name appears first on it will be considered such person by the Manager. The Manager will operate joint investments in accordance with instructions on the relevant Application.

- **Minors:** Applications in the name of minors (that is, persons under the age of 21 Hijrah years (approximately 20 years and 1 month Gregorian)) should be presented by their parents/legal guardians (and if the latter then due evidence of such appointment should be provided).

22. Publication of Prices

Prices for Units should be obtained from the Manager and will appear on NBAD's website on a daily basis (on every business day) and in local newspapers on at least a weekly basis. Prices appearing in the local newspapers are clearly historic and in consequence only serve informational purposes. Whilst published prices will be indicative they will not necessarily (because of market movements) be accurate.

23. Redemption

Except by agreement with the Manager, redemption of Units may not take place during the Lock In Period as defined in the relevant Term Sheet. The relevant Term Sheet should be referred to concerning redemption generally.

Subject only to the Lock In Period as defined in the relevant Term Sheet and the remaining provisions of this Prospectus an Investor may require redemption of its Units in the relevant Fund by delivering a Redemption Notice pursuant to the terms of the relevant Term Sheet. All Units to be redeemed shall be valued at the Valuation Point on the relevant NAV Day and the Manager will distribute amounts then due to redeeming Investors pursuant to the terms of the relevant Term Sheet.

The Manager may at its discretion and on the giving of at least ten Business Days notice require redemption of Units held in a particular Fund by Restricted Persons on becoming aware of the same, particularly where the Manager considers the same to be in the interests of that Fund to do so. In order to determine the requirements of any particular situation as they may affect a Restricted Person the Manager may request such declarations and information from Investors as it considers necessary or appropriate at any time.

In the event that, on any particular NAV Day the relevant Fund has insufficient liquidity to fund outstanding Redemption Notices the Manager may abate all such Redemption Notices on a pro rata basis or otherwise address the situation in an equitable manner. In the foregoing circumstances should Redemption Notices not (because of a lack of liquidity) be met on the relevant NAV Day the same will be carried forward to the next NAV Day and the Manager will use its reasonable and proper efforts to effect redemption of the same then, subject only to liquidity constraints in all cases. The Manager will notify concerned Investors of the foregoing circumstances.

In the event that an Investor, having issued a Redemption Notice is, as a consequence of liquidity constraints unable to redeem its then Units on the subsequent NAV Day the Manager will sympathetically consider (but in light of any action or commitment entered into by the Manager in consequence of the Redemption Notice in question) a request, by such Investor to cancel its Redemption Notice and that particularly in circumstances where there has been a significant decrease in that Investor's Unit NAV.

24. Switching

Investors may switch Units between Funds and into other funds offered by the Manager at their respective Unit NAVs, on preferred terms (as relates to subscription and redemption fees) subject however to guidelines for switching to be issued by the Manager from time to time. Switching out and in between Funds will occur on the same NAV Day (in both cases applicable specifically to the funds in question). Investors will be allowed to switch once a year, for all their investments in all Funds, with no fees charged. If switching between Funds occurred more than once a year, only the first switch will be with no fees charged, while all other switches will be charged with 50% of the applicable Redemption/Subscription Fees as stated in the relevant Term Sheet. All switching between Funds is subject to the minimum and maximum investment limits with respect to the relevant Fund.

25. Fees and Expenses

The Term Sheet relating to the relevant Fund provides details of Fees and Expenses and should be referred to.

The Manager reserves the right to charge Investors (on the basis of the Subscription and Redemption Fees stated

in the relevant Term Sheet) for the effecting of transfers of Units between Investors (in accordance with Clause 6 of this Prospectus) and/or for providing valuation reports (in respect of the Units in a particular Fund(s) held by a holder of these Units) outside those which the Manager will provide on periodic basis and/or the Manager's provision of other services to Investors relative to a particular Fund.

26. Duration and Termination

The Funds are intended to have an unlimited duration but may be terminated on a selective, partial or total basis by the Manager on the giving of at least thirty (30) days notice to Investors. Particularly the Manager reserves the right to terminate a particular Fund in the following circumstances:

- 26.1** adverse market outlook or investment climate when viewed on a macro economic basis; and/or
- 26.2** change of an adverse nature in applicable legal, regulatory or operational frameworks, applicable to the particular Fund in question.

Upon termination of a particular Fund the Manager will liquidate the assets of the Fund, discharging its liabilities: thereafter (a) the net proceeds shall be distributed to Investors pro-rata to their holdings of Units in the relevant Fund, and (b) the Manager shall prepare and circulate a final set of accounts for the relevant Fund, and cause the same to be audited in due course.

27. This Prospectus

- 27.1** Information contained in this Prospectus, the relevant Term Sheet and other documents relating to Funds is true and correct to the best of the Manager's knowledge and belief. As pointed out elsewhere in this Prospectus the Manager accepts no responsibility for unauthorised representations or statements made in connection with the same.
- 27.2** Subject to the approval of the Advisory Board the Manager reserves the right at any time (upon due notification to the Investors in relevant Funds at such time) to amend the provisions of this Prospectus.

28. Law

This Prospectus (and the terms and conditions contained herein and in any relevant Term Sheet hereunder) is governed by and construed in accordance with the laws of Abu Dhabi, UAE as applied by the Civil Courts thereof.

29. Conflict of Interest

Due to the widespread operations undertaken by NBAD and its respective affiliates and agents, conflicts of interest may arise. In such circumstances NBAD will use its best efforts to resolve any such conflict fairly and in the interests of the investors.

30. Additional Information

The Manager accepts no liability for the consequences of any delay or losses arising from the same whether relative to delays in communications, documents, refunds, redemption, or payments upon termination of a relevant Fund. Except in the case of palpable negligence the Manager/NBAD accepts no liability which may arise from its central management or administration of the Funds or from investment in the Funds.

This Prospectus may be revised at any time to comply with the requirements of the Central Bank of the U.A.E. The readers should therefore check that it represents the current issue before placing reliance upon it.

Attachment 1 Definitions and Interpretation

A1.1 In this Prospectus and any relevant Term Sheet unless the context otherwise requires the following expressions have the following meanings:

‘Advisory Board’ means the Advisory Board relative to a particular Fund as constituted from time to time pursuant to Clause 8 of this Prospectus.

‘AED’ means UAE Dirhams, being the base currency of the Funds.

‘Annual Report’ means the Annual Report published by NBAD relative to a particular Fund, and made available to Investors in that Fund at the appropriate time.

‘Applications’ means properly completed applications (in the form prepared by NBAD) for Units submitted by individual Investors relative to a particular Fund.

‘Auditors’ means the auditors of the Manager as appointed from time to time.

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‘Business day’ means each day (Sunday to Thursday) the banks in the UAE are open for business.

‘Custodian’ means the Custodian of the assets of the relevant Fund as stated in Clause 9 of this Prospectus.

“Cut-off Time” means 2:00pm (UAE time) on the business day immediately preceding the relevant “NAV Day”, which is the latest the Manager can accept duly completed applications for subscriptions and/or redemptions in order for investors to take the NAV of the same business day or as stated in the relevant Term Sheet. The Manager may substitute another specific day or date, as the Manager shall at its discretion determine from time to time.

‘First Closing Date’ means the date on which NBAD stops accepting initial Applications from Investors relative to the first closing of a particular Fund, as certified by NBAD.

‘Founder Investor’ means a professional investor being a bank or financial institution invited by NBAD to invest in a Fund prior to its Launch Date.

‘Fund’ means a Fund launched by NBAD from time to time of an open-ended nature offered in accordance with the terms of this Prospectus and the relevant Term Sheet.

‘Interim Report’ means the Interim Reports published by NBAD relative to a particular Fund, and made available to Investors in Units in that Fund at the appropriate time.

‘Investment Review Committee’ means the Manager’s Investment Review Committee relative to a particular Fund as constituted from time to time pursuant to Clause 4 of this Prospectus.

‘Investment Guidelines’ means the Investment Guidelines for a particular Fund as stated in the Term Sheet relative to that Fund.

‘Investment Objectives’ means the Investment Objectives for a particular Fund as stated in the Term Sheet relative to that Fund.

‘Investors’ means persons (individual or corporate) submitting Applications to subscribe for Units relative to a particular Fund (the same subsequently being accepted by NBAD) and resulting in such persons becoming registered as holders of Units (and therefore Investors) in a particular Fund from time to time.

‘Launch Date’ means the date upon which NBAD launches a particular Fund, as certified by NBAD.

‘Liquid Tradable Securities’ means liquid tradable securities which particular Funds may invest in (other than those stated to be their primary investments pursuant to the relevant Term Sheet) either to hedge or protect the investment of Investors in the relevant Fund or to ensure the maintenance of appropriate levels of liquidity in that Fund (in which event, to the extent compatible with prudence the same to be invested in fixed income securities, floating rate notes, commercial paper, promissory notes, bills of exchange, loans and corporate and sovereign bonds, in all cases of an appropriate quality to ensure their ready liquidity).

‘Lock In Period’ means the period of six (6) months or as stated in the relevant Term Sheet, commencing from the First Closing Date of the relevant Fund during which Investors may not redeem their Units in the relevant Fund.

‘Manager’ means NBAD in its capacity as manager of the relevant Fund for and on behalf of the Investors in the relevant Fund.

‘Middle East and North Africa countries’ means the Middle East and North Africa Region including the Gulf Co-operation Council States as presently constituted.

‘NAV’ means the net asset value of the relevant Fund calculated in accordance with the calculation details stated in Attachment 2 to this Prospectus, also detailing the basis of valuation at such time.

“NAV Day” for the purpose of the relevant Term Sheet means each business day when the NAV for the previous business day’s valuation is published. The Manager may substitute another specific day or date, as the Manager shall at its discretion determine from time to time.

‘N.B.A.D.’ means National Bank of Abu Dhabi, a public joint stock company of P.O. Box No. 4, Abu Dhabi, U.A.E.

‘Prospectus’ means this Prospectus relating to the Funds.

‘Redemption Notice’ means a notice in a form prescribed by the Manager, in writing addressed to the Manager confirming that a particular Investor in a particular Fund wishes to redeem its Units in the same and being irrevocable, unless permitted by or agreed with the Manager.

‘Register’ means the register of Investors maintained by the Manager listing the Investors being holders of Units in the relevant Fund from time to time.

‘Restricted Person’ means an Investor in a particular Fund(s) who is the subject of constraints upon his investment in Units in that Fund under the laws and regulations of his state of nationality / domicile or is otherwise the subject of similar constraints.

‘Risk Factors’ means the Risk Factors to which Investors are exposed as stated in Clause 12 of this Prospectus and as may be further stated in a relevant Term Sheet.

‘Subscription Account’ means the Subscription Account for a particular Fund established and operated by the Manager for that Fund from time to time.

‘Term Sheet’ means the Term Sheet detailing each individual Fund and information relative thereto and being additional /supplementary to this Prospectus.

‘Total Assets’ means the gross assets of a particular Fund at any relevant time without deduction of any liabilities such Fund may have at that time.

‘U.A.E.’ means the Federal State of the United Arab Emirates.

‘U.A.E. Central Bank’ means the UAE Central Bank, being the regulatory authority of NBAD in the U.A.E.

‘Unit’ means a Unit in a particular Fund representing the participation of a particular Investor in the relevant Fund.

‘Unit NAV’ means the NAV of the relevant Fund divided by the number of Units in that Fund in issue from time to time (and at any relevant time) calculated in accordance with this Prospectus.

‘Valuation Point’ means close of business UAE time on any Business Day (including NAV Days) when the Unit NAV will be calculated.

A1.2 References in this Prospectus and any relevant Term Sheet to the singular include the plural and vice versa.

A1.3 References in this Prospectus and any relevant Term Sheet in any capacity to NBAD and/or the Manager include its successors and assignees.

A1.4 References in this Prospectus and any relevant Term Sheet to persons include natural persons, bodies corporate, unincorporated associations and any other juridical persons, entities or bodies.

A1.5 References in this Prospectus and any relevant Term Sheet to periods of time are to be construed in accordance with Gregorian calendar except where otherwise stated.

Attachment 2 Definitions and Interpretation

Except where the calculation of Net Asset Value is suspended or deferred the Net Asset Value of a particular Fund(s) will be calculated at the Valuation Point on each Business Day and NAV Day (as is appropriate) during the subsistence of each Fund.

The Net Asset Value of a particular Fund is the value of the Total Assets of that Fund less the total liabilities of that Fund. The assets of a particular Fund include cash, accrued interest and the value of its investments. The liabilities of a Fund include borrowing and expenses (including accrued expenses) and any contingencies (including taxation) for which provisions or reserves are required. The liabilities of a Fund also include amounts due to the Manager by that Fund, whether by way of Management or Performance Fees or otherwise. The Manager may depreciate certain costs over such period as it may agree after consultation with its Auditors.

Asset Valuation Guidelines

The Total Assets of a particular Fund will be valued at the Valuation Point on Business Days and NAV Days in accordance with the following guidelines:

1. the value of assets is determined on the basis of the last available mid market price (or, where none is available, the last known price) on the relevant market. Where an asset is traded on more than one market, the Manager may in its discretion select the principal market on which the asset in question is traded;
2. for assets not quoted on a particular market, available valuation reports or other information will be used by the Manager to estimate probable realisation value;
3. cash and debt instruments, receivables etc (including Liquid Tradable Securities) will be valued at their then current market value; and
4. all other assets will be valued at their attributable fair values as determined by the Manager in accordance with International Accounting Standards and other applicable principles or procedures.

The Manager may determine, in relation to any Fund or any part of the assets thereof and from time to time that some more suitable method of valuation be invoked where that method of valuation appears (to the Manager) to be more appropriate.

The Net Asset Value of assets will be stated in AED. Where assets or liabilities are denominated in currencies other than AED the same will be translated into AED at market rates.

All valuations produced by the Manager are final and binding upon Investors, save in the case of manifest error.

Unit NAV

The Unit NAV is the Net Asset Value (NAV) (of the relevant Fund) divided by the number of Units in that Fund then in issue.



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