

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

Relating to the Offering of

Class A Redeemable, Non-Voting, Participating Shares

by

AL MAL OPPORTUNITIES FUND LTD.

(a Cayman Islands exempted company)

Price per Class A Share: US\$10.00

Manager:

**Al Mal Capital PSC
P.O. Box 119930
Dubai, United Arab Emirates**

March 31st 2010

AL MAL CAPITAL



INTRODUCTION AND GENERAL INFORMATION

Al Mal Opportunities Fund Ltd. (the “**Fund**”) is a Cayman Islands exempted company incorporated on December 28, 2006. It is an opportunistic “total return” oriented pooled vehicle, intended to maximize capital gain while emphasizing use of principles designed to minimize risk of capital loss. The Fund’s investment objective is to provide investors with returns derived from a resilient, high performing portfolio of investments.

Al Mal Capital PSC (the “**Manager**”) serves as the investment manager of the Fund and, in that capacity, has responsibility for managing the investment activities of the Fund.

The Fund is offering Class A redeemable, non-voting, participating shares (“**Class A Shares**”) by way of this Confidential Private Placement Memorandum (which, together with its exhibits, is referred to as the “**Memorandum**”). The Manager owns all of the Fund’s voting shares (the “**Management Shares**”). You should not construe the contents of this Memorandum as legal, tax, financial or other advice or as a recommendation or advice in relation to the subscription, purchase, holding or disposition of Class A Shares. **You should consult your independent professional advisers in assessing the merits and risks of investing in the Fund.** You and your advisers must rely on your own examination of the Fund and the Class A Shares and the terms of this offering in assessing such merits and risks. In doing so, you should carefully review this Memorandum and consider the following:

An investment in the Fund should be considered speculative and involves substantial risk due to, among other things, the nature of the Fund’s investment strategy and techniques, the significant fees and costs associated with such an investment and the illiquidity of the Class A Shares. You should not invest in the Fund unless you have no need for immediate liquidity with respect to your investment, are fully able to bear the financial risk of your investment for an indefinite period of time and are fully able to sustain the loss of all or a significant part of your investment. In light of this financial risk, you should consider an investment in the Fund only for an appropriate portion of your overall portfolio.

Since incorporation shares have been available for subscription by the Manager only and prior to the publication of this Memorandum, the Fund was not a regulated mutual fund for the purposes of the Mutual Funds Law (2009 Revision) of the Cayman Islands (the “**Mutual Funds Law**”) as it was exempt from registration with the Cayman Islands Monetary Authority (the “**Monetary Authority**”) pursuant to section 4(4) of the Mutual Funds Law, on the basis that the equity interests were held by not more than fifteen investors, the majority of whom were capable of appointing and removing the operator of the Fund (which, in the case of the Fund, means its directors).

In order that Class A Shares may be offered to a wider investor base, the Fund is now registered as a mutual fund pursuant to section 4(3) of the Mutual Funds Law. The Monetary Authority now has supervisory and enforcement powers to ensure compliance with the Mutual Funds Law. Regulation under the Mutual Funds Law entails the filing of prescribed details and audited accounts annually with the Authority. As a regulated mutual fund, the Authority may at any time instruct the Fund to have its accounts audited and to submit them to the Authority within such time as the Authority specifies. Failure to comply with these requests by the Authority may result in substantial fines on the part of the Directors and may result in the Authority applying to the court to have the Fund wound up.

Investors who wish to transfer their Class A Shares must also comply with the restrictions and conditions on transfer set forth in the Fund’s Articles of Association. Among other things, an investor may transfer Class A Shares only with the Fund’s consent, which the Board of Directors of the Fund may withhold in its discretion. The Class A Shares will not be listed on any exchange, and no public market for the Class A

Shares otherwise exists or is likely to develop.

Neither the delivery of this Memorandum nor the offer, issue or sale of Class A Shares shall, under any circumstances, constitute a representation that the information contained in this Memorandum is correct at any time subsequent to the date of this Memorandum. The Fund will afford you and your representatives the opportunity to ask questions regarding those matters and to obtain any additional information necessary to verify the accuracy of any representations or information set forth in this Memorandum to the extent the Fund possesses such information or can acquire it and provide it to you without unreasonable effort or expense. If you have any questions regarding this Memorandum, please direct them to Mr. Blair Look at the Manager.

No offer or invitation to subscribe for Class A Shares may be made to the public in the Cayman Islands.

“**Business Day**” as used in this Memorandum means any day that is not a Friday, Saturday or Sunday and is not a legal holiday or day on which banking institutions generally are authorized or obligated by law or regulations to remain closed in the United Arab Emirates and Singapore.

TABLE OF CONTENTS

Summary of Principal Terms	4
Investment Strategies	8
Investment Restrictions	9
Subscriptions and Redemptions	10
Management	13
Expenses	18
Share Class Rights and Participation	19
Valuation of Class A Shares	20
Risk Factors	23
Conflicts of Interest	26
Taxation and Exchange Control	27
General Information	28

§1. SUMMARY OF PRINCIPAL TERMS

This Memorandum summarizes certain provisions of the governing documents and contractual agreements relating to the Fund, as well as certain provisions of applicable statutes, rules and regulations. These summaries are intended to be brief and do not purport to provide detailed descriptions or explanations of the topics they cover. This Memorandum is therefore qualified in its entirety by the full text of those documents and agreements, which you should read in their entirety for a more complete understanding of the Fund and the Class A Shares.

GENERAL

The Fund

The Fund is an exempted company limited by shares and was incorporated on December 28, 2006 under the Companies Law (as amended) of the Cayman Islands.

Since incorporation until the date of this Memorandum, a separate class of shares has been available for subscription by the Manager only. From the date of the publication of this Memorandum, Class A Shares will be available to any investor described in this Memorandum.

The Manager has confirmed that all subscriptions received prior to the date of the publication of this Memorandum exceeded the minimum initial investment required pursuant to the Mutual Funds Law and the Fund is now registered as a mutual fund pursuant to section 4(3) of the Mutual Funds Law.

The Board of Directors of the Fund (the “**Fund Board**”), whose current members are Mr. Naser Nabulsi, Mr. Khalid Madi and Mr. Blair Look, has overall responsibility for managing the business and affairs of the Fund. However, the Fund Board has delegated the responsibility to make investment and trading decisions for the Fund to the Manager and has delegated certain administrative and accounting functions to Deutsche Bank AG, Singapore Branch (the “**Administrator**”).

The Manager

Al Mal Capital PSC.

The Administrator

Deutsche Bank AG, Singapore Branch.

Custodian

Al Mal Capital PSC.

Auditors

KPMG.

Legal Counsel as to Cayman Islands law

Maples and Calder.

Registered Office Provider

Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

INVESTMENT OBJECTIVE AND STRATEGIES; INVESTMENT RESTRICTIONS; RISK AND RISK MANAGEMENT

<i>Investment Objective and Strategies</i>	The Fund's objective is to generate total return in any market environment. The Fund invests primarily in equity and equity-related securities in the Middle East and North Africa (MENA) region, taking advantage of the Manager's expertise in regional markets. If deemed appropriate by the Manager, the Fund will invest outside of MENA, particularly for opportunities that are not accessible regionally, but also in some instances to hedge positions that cannot be practically or efficiently protected via direct positions. In addition, the Fund may buy or sell bonds, commodities as well as other asset classes even though the Fund's primary focus remains MENA equities.
<i>Investment Restrictions</i>	The Fund is not limited or constrained, by percentage of capital allocated, to any single asset class, investment, region, sector, or security.
<i>Risk</i>	An investment in the Fund should be considered speculative and involves substantial risk. See "RISK FACTORS."

THE OFFERING OF CLASS A SHARES

<i>Classes of Shares</i>	The share capital of the Fund is US\$50,000 divided into 49,999,900 redeemable, non-voting, participating shares, par value US\$0.001 each (the "Shares") and 100 non-redeemable, voting, non-participating shares, par value US\$0.001 each (the "Management Shares"). The Management Shares are held by the Manager. The Fund currently has two classes of Shares and may after the date of this Memorandum have other classes of shares (each, a "Class"). Class A Shares only are being offered by way of this Memorandum. The other Class of Shares currently in existence is presently available for subscription by the Manager itself only. Each Class of Shares participates in the same underlying portfolio of assets. The only differences between the Classes are their fee structures and provisions for redemption. The Shares are issued in registered, book entry form only.
<i>Eligible Investors</i>	To invest, you must complete the subscription agreement accompanied separately with this memorandum (the "Subscription Agreement").
<i>Minimum Initial Investment and Purchase Price per Share</i>	<p>If you wish to become a shareholder of the Fund (a "Shareholder"), you must make an initial investment in the Fund of at least US\$100,000, and in multiples of US\$10,000 (together with the Subscription Fee detailed under "Fees and Expenses" below). The Fund Board may raise or lower this minimum from time to time and accept initial capital contributions below the established minimum in its discretion (subject always to meeting any minimum subscription requirements prescribed by law).</p> <p>Class A Shares are to be issued on the Initial Closing (as defined below) at a price of US\$10.00 per Share.</p>
<i>Initial Offering Period</i>	The Manager expects that the Fund's initial offering period of Class A Shares (the "Initial Offering Period") will terminate prior to March 31, 2010. The day on which the Fund first issues Class A Shares pursuant to

this Memorandum is referred to herein as the “**Initial Closing.**”

***Continuous Offering
Period***

After the termination of the Initial Offering Period, the Fund Board may, in its discretion, accept subscriptions for Class A Shares on the first Business Day of each calendar month or on such other day or days as the Fund Board may from time to time determine (each, an “**Investment Date**”). However, the Fund Board may suspend the offering of Class A Shares from time to time or terminate the offering of Class A Shares at any time in its discretion. The Fund Board also reserves the right to refuse any subscription for shares from any party at any time.

FEES AND EXPENSES

Expenses

The Manager is responsible for all organizational and offering expenses of the Fund, as well as salaries (where appropriate), bonuses and employee benefit expenses of its principals and employees who are involved in making investment and trading decisions for the Fund (as well as related overhead, including office space and equipment, utilities and other similar items), except as otherwise described herein.

The Fund generally will bear all other costs and expenses associated with its ongoing operations, except as otherwise described in this Memorandum.

To the extent the Fund invests in pooled investment vehicles, it will bear its allocable share of the costs and expenses of such vehicles, including their organizational, offering and operating costs and expenses and the management fees and incentive compensation payable to their sub-managers.

Management Fees

The Fund ordinarily will pay the Manager a monthly management fee, in advance, in respect of the Class A Shares equal to 1/12 of 1.50% of the Net Asset Value (“**NAV**”) of each Share, as of the beginning of such month (the “**Management Fee**”).

Performance Fee

The Fund will also pay to the Manager a performance fee in relation to the Class A Shares (the “**Performance Fee**”). The Performance Fee will be calculated and accrued monthly and paid quarterly in arrears on or after the last Valuation Day in each calendar quarter. A Performance Fee shall only be payable in respect of a Class A Share and in relation to any calendar month if the Net Asset Value per Share at the end of the relevant calendar month exceeds any previous Net Asset Value per Share (the “**Previous High NAV**”). If a Performance Fee is payable in relation to any calendar month, the Performance Fee shall be an amount equal to 20% of the amount by which the Net Asset Value per Share exceeds the Previous High NAV.

Since the Performance Fees are calculated and accrued on a monthly basis but paid quarterly, the Net Asset Value per Share of the Class A Shares in the Fund will, depending upon when a person subscribes for or redeems Class A Shares, reflect Performance Fees accrued during part of a calendar quarter, and this is notwithstanding that it is possible that the Fund may

incur substantial overall losses during the relevant calendar quarter.

Subscription Fee

Prior to being admitted as a Shareholder, each investor will be required to pay the subscription fee detailed on its Subscription Agreement (the “**Subscription Fee**”). The Subscription Fee will generally be calculated as a percentage of the amount to be paid for the Class A Shares for which a subscription has been made (the “**Subscription Price**”), as further detailed under the section "Subscriptions and Redemptions" below). The Subscription Fee will be payable in addition to the Subscription Price and will be paid to the Manager.

LIQUIDITY: DISTRIBUTIONS, REDEMPTIONS AND TRANSFERS

Distributions

The Fund is not designed to generate a regular or fixed stream of income and does not anticipate making distributions to Shareholders. Income earned by the Fund will generally be reinvested and reflected in the NAV of the Class A Shares.

Redemptions

A Shareholder may generally redeem all or any portion of its Class A Shares as of the last Business Day of any month, upon not less than thirty (30) calendar days prior written notice to the Fund.

OTHER

Auditors

The Fund Board has initially selected KPMG to audit the financial statements of the Fund on an annual basis.

Financial Year

The financial year of the Fund shall end on 31 December in each year unless the Directors prescribe some other period therefore. The accounts of the Fund will be prepared in accordance with IFRS.

§2. INVESTMENT STRATEGIES

The Fund's objective is to generate total return in any market environment. The Fund invests primarily in equity and equity-related securities in the Middle East and North Africa (MENA) region, taking advantage of the Manager's expertise in regional markets. If deemed appropriate by the Manager, the Fund will invest outside of MENA, particularly for opportunities that are not accessible regionally, but also in some instances to hedge positions that cannot be practically or efficiently protected via direct positions. In addition, the Fund may buy or sell bonds, commodities as well as other asset classes even though the Fund's primary focus remains MENA equities.

The Manager will employ an opportunistic approach to allocating the Fund's assets. The Manager is authorized to apply whatever investment strategies it deems appropriate under prevailing market conditions to achieve its goal of total return.

The Manager primarily employs a macro top-down approach reinforced by bottom-up, security-specific analysis. Emphasis is placed on understanding the structural themes dominating the global economic landscape, and referencing those themes in a historical context that facilitates investment discourse. By being located in the heart of the MENA region's financial center, the Fund benefits from the Manager's insight gained from access to regional companies, media, and industry contacts. By identifying the resulting information-based opportunities, coupled with the unique analytical skills of the management team, the Manager can exploit assets that are mispriced. The information edge is particularly unique to the region as MENA firms are still in many respects not accustomed to the type of access and transparency that are customary in international markets. Furthermore, the region is still in the early stages of a pan-Arabian development, with emphasis on relatively insulated domestic markets. These indigenous advantages, combined with open and transparent international capital market access, also position the Fund to take advantage of global themes within a regional context. Moreover, the Manager operates on a relatively level playing field when processing information to make decisions related to developed financial markets, providing unencumbered access to potential international diversification opportunities.

Prospective investors should be aware that some of the techniques used by the Manager may entail a significant risk of reduction in the net assets of the Fund.

The description contained herein of specific activities which may be engaged in by the Fund should not be construed in any way as limiting the Fund's investment activities. The Fund may engage in investment activities which the Manager deems appropriate.

§3. INVESTMENT RESTRICTIONS

The Manager intends to adopt an opportunistic approach in the allocation of the Fund's assets: combining a top-down methodology to identify attractive themes, with a fundamental valuation process and analysis of potentially mispriced securities. While the Manager's primary focus will be listed equities, with a primary weighting and focus towards the Middle East and North Africa region, the Manager intends to apply whatever investment strategy is deemed appropriate under prevailing economic and financial conditions to achieve improvement in the Net Asset Value of the Fund. Accordingly, the Fund is not limited or constrained, by percentage of capital allocated, to any single asset class, investment, region, sector, or security. Notwithstanding this flexibility, it is the Manager's intention to mitigate capital loss and derive attractive risk-adjusted returns by diversifying the Fund's capital across a portfolio of investments.

§4. SUBSCRIPTIONS AND REDEMPTIONS

Subscriptions

General

Applications for subscriptions should be made on the Subscription Agreement and sent to the Administrator at the following address:

Deutsche Bank AG, Singapore Branch
One Raffles Quay
South Tower Level 16
Singapore 048583
Attention: DB Alternative Fund Services (TA)
Email: hw-ta@list.db.com
Tel: +65 6423 8172/8746
Fax: +65 6227 3013

The Initial Offering

Class A Shares in the Fund are being offered to investors during the Initial Offering Period at the issue price of US\$10.00 per Share. Copies of the Subscription Agreement are available from the Administrator. Class A Shares will be issued on the Business Day following the close of the Initial Offering Period in respect of applications which are received prior to 12 p.m. (UAE time) on the last day of the Initial Offering Period.

Further Issues of Class A Shares

Following the close of the Initial Offering Period, Class A Shares may be issued by the Fund on any Investment Date in respect of applications which are received together with application monies in cleared funds before 12 p.m. (UAE time) two (2) Business Days prior to that Investment Date. Applications received after this deadline will be treated as having been received at the opening of business on the next following Investment Date.

The price at which Class A Shares will be issued on any particular Investment Date will be the Subscription Price per Participating Share calculated in the manner described below under the section headed "Subscription and Redemption Prices". The minimum subscription and subsequent holding for each applicant (including an existing Shareholder) is US\$100,000 and thereafter in multiples of US\$10,000. Class A Shares may be issued in fractions of a share provided that the minimum fraction is not less than one-thousandth of a Share. Application monies representing smaller fractions of a Share will be retained by the Fund.

No Class A Shares will, unless the Fund Board otherwise determine, be issued unless and until the relevant application monies have been received in cleared funds by or on behalf of the Fund. Application monies may be paid in US dollars or any other currency acceptable to the Manager. Application monies other than in US dollars will be converted into US dollars and all bank charges and other conversion costs will be deducted from the application monies prior to investment in Class A Shares.

Class A Shares may not be issued during the period of any suspension of the determination of the Net Asset Value (for details see the section headed "Valuation of Shares").

Unless the applicant has made arrangements with the Manager to make payment in some other currency or by some other method, payment must be made in US dollars by telegraphic transfer to the bank account detailed in the Subscription Agreement.

Class A Shares will be in registered form and share certificates will not be issued. A confirmation notice will be sent as soon as practicable to successful applicants on acceptance of their application and receipt in cleared funds of their application monies.

The Manager reserves the right to reject any application for Class A Shares in whole or in part. If any application is not accepted in whole or in part, the application monies or (where an application is accepted in part only) the balance thereof will be returned (without interest) in US dollars by telegraphic transfer made out in favour of the applicant named.

Subscription Fee

Prior to being admitted as a Shareholder, each investor will be required to pay a Subscription Fee. The Subscription Fee will generally be calculated as a percentage of the Subscription Price, as follows:

(i)	US\$100,000 to \$1 Million	3%
(ii)	US\$1 million to US\$2 million	2%
(iii)	US\$2 million and above	1.5%

The Subscription Fee to be paid will be detailed on each applicant's Subscription Agreement and will be payable in addition to the Subscription Price. The Subscription Fee will be paid to the Manager, and may be varied or waived, in whole or in part at its sole discretion.

Redemptions

A request for redemption that would reduce the value of a Shareholder's aggregate holdings below US\$100,000 at the time of such redemption will be treated as a request for redemption in full, unless the Fund Board, following consultation with the Manager, in its discretion, determines otherwise.

Redemption Gate

In the event that redemption requests received for any particular effective date amount to more than ten percent (10%) of the Fund's aggregate NAV as of such effective date, the Fund Board may, in its discretion, reduce such redemption requests on a pro rata basis based on the relative amounts of such requests, so that redemptions representing no more than ten percent (10%) of the Fund's aggregate NAV as of the effective date of such redemptions are effected. A redemption request that is not satisfied as of the requested redemption date because of the foregoing restrictions will be satisfied as of the next regular redemption date; provided, however, that redemptions for the next redemption date are subject to the same ten percent (10%) threshold. Unsatisfied requests for redemptions from earlier redemption dates will be satisfied in preference to later requests for redemptions subject to the foregoing provisions. The Fund Board may, in its discretion, satisfy requests for redemptions that remain unsatisfied following a redemption date at earlier times than are provided for above and in priority to later requests. Amounts not redeemed from the Fund by virtue of the foregoing restrictions will remain at risk of the Fund's business until the effective date of the redemption.

Compulsory Redemptions

The Fund may compulsorily redeem all or any portion of the Class A Shares held by any Shareholder as of any date by giving not less than ten (10) Business Days written notification to such Shareholder. The Fund may also require redemptions without notice for certain tax and regulatory reasons.

Redemption Price

The redemption price for Class A Shares being redeemed shall be the NAV per Share as of the effective date of such redemption, after the deduction of any accrued Management and Performance Fees attributable to such Class A Shares.

Payments on Redemption

If a Shareholder requests redemption of Class A Shares, or the Fund requires a Shareholder to redeem Class A Shares, the Fund will generally distribute no less than 90% of the Shareholder's estimated redemption proceeds within 30 days of the Fund's receipt of the proceeds of any withdrawals or redemptions that the Fund makes from Pooled Investment Vehicles and/or Managed Accounts, if any, in order to fund such redemption. Any outstanding balance will be paid as soon as is reasonably practicable following the completion of the Fund's annual audit for the year in which such redemption was effective.

Suspensions of Redemptions

The Fund may temporarily suspend redemptions and redemption payments at the discretion of the Manager in certain limited circumstances.

Subscription and Redemption Prices

The Articles provide that the Subscription Price or Redemption Price of each Participating Share for any relevant Valuation Day will, subject as provided below, be determined by dividing the Net Asset Value per Share as at the close of business in the relevant market or markets on that Valuation Day by the number of Class A Shares then in issue, the resulting amount being rounded to the nearest hundredth of a cent.

Under the Articles the Fund Board is given the power, in determining the Subscription Price of a Share, to add to the Net Asset Value per Share (before making any rounding adjustment) an amount which they consider to be an appropriate allowance for the fiscal and purchase charges which would be incurred for the account of the Fund in investing an amount equal to that Net Asset Value per Share. Similarly, the Fund Board is empowered by the Articles, when determining the Redemption Price of a Share, to deduct from the Net Asset Value per Share (before making any rounding adjustment) for the account of the Fund an amount which they consider to be an appropriate allowance for the fiscal and sale charges which would be incurred in realizing assets to provide funds to meet any redemption request.

§5. MANAGEMENT

The Fund Board

General

The Fund Board is responsible for managing the overall business and affairs of the Fund, subject to the provisions of Cayman Islands law and the Fund Charter (defined in Section 10). However, the Fund Board has delegated the responsibility to make investment and trading decisions for the Fund to the Manager.

Current Members of the Fund Board

Naser Nabulsi

Mr. Nabulsi is currently the Executive Chairman of the Manager, having spearheaded the formation of Al Mal Capital PSC as a regional multi-line investment institution in 2005, with a pre-eminent shareholder base and compelling value proposition to clients. Mr. Nabulsi has led Al Mal Capital to a position of prominence among investment firms in the UAE and MENA region, with offices having been established in key regional centers, and clients spanning the globe.

Mr. Nabulsi worked from 1989 until 2000 with Merrill Lynch International as a top performer internationally, holding the position of First Vice President at age 27, and managing relationships for institutions and high net worth families in the region. He led the team which created the first structured commodity-linked transaction in the Middle East with Dubai Aluminium in 1994, securing a 5 year, US\$ 250 million syndicated loan which received Deal of the Year accolades from Euromoney and Institutional Investor magazines for its creativity and vision.

From 2000 until early 2003 he served as Senior Investment Officer and Head of the Asset Management Group for The Executive Office, based in Dubai. Mr. Nabulsi oversaw the formation and launch of two successful joint venture funds, one with Deutsche Bank (Estithmaar Ventures) and the second with Citigroup (Estithmaar Islamic Real Estate Fund).

In 2003, he was requested to take on the role of initial Chief Executive Officer of the newly-announced Dubai International Financial Centre (DIFC). Mr. Nabulsi transformed DIFC from a nascent idea into a recognized and respected brand in regional and global financial circles. Under his leadership, DIFC laid the groundwork for its future success by establishing the legal, regulatory and physical presence for the world's next significant financial hub.

Khalid Madi

Mr. Madi is currently the Managing Director, Investment Banking of the Manager. Al Mal Capital's Investment Banking group provides a full range of structuring, advisory and placement services. To date, the unit has handled more than 15 advisory and placement mandates, including seven private placements, two M&A transactions and two initial public offerings.

Mr. Madi established Infinity Investment Solutions, an independent advisory company, in 2002. Having spent eight years with Merrill Lynch, where he built a successful private banking franchise, he recognised and seized upon the need for a low-cost direct alternative distribution model to that employed by banks and institutions in the region.

Mr. Madi was responsible for setting up the risk monitoring systems, legal framework, counterparty

agreements, structuring capabilities, reporting and IT framework to enable Infinity to operate smoothly. He primarily focused his placement efforts on hedge funds, unique structured products, and direct private equity placements. In this short period Infinity Investment Solutions placed - both in direct placements and structured products - over US\$ 800 million, through institutions and banks in the region.

Mr. Madi graduated from Boston University in 1993 with a BA in Finance and Marketing.

Blair Look

Mr. Look is a member of the original Founding Committee of the Manager, and is Managing Director, Asset Management. He has led the Asset Management unit from the Manager's inception and has introduced a number of category-leading MENA fund products, totaling US\$200 million in assets under management.

Prior to this, Mr. Look enjoyed a distinguished career with Merrill Lynch International, based in Dubai and London over an 11 year period. He was responsible for asset acquisition, portfolio risk analysis and allocation of assets in client portfolios, managing in excess of US\$400 million in client accounts. Mr. Look began his banking career with HSBC in Canada, and worked as an International Officer of the Bank to postings in Hong Kong and India before moving to Dubai.

Mr. Look graduated in 1990 with a B.Comm (Honours) from Queen's School of Business in Kingston, Canada, and holds securities industry and regulatory qualifications from the US, Canada, the UK and the United Arab Emirates.

Exculpation and Indemnification of Members of the Fund Board

The Fund Charter provides that each Director of the Fund shall be indemnified out of the assets of the Fund from and against all actions, proceedings, costs, charges, losses, damages and expenses that he or she may incur or sustain by reason of any act done or omitted in or with respect to the execution of his or her duty as a director of the Fund, provided that such Director acted honestly and in good faith with a view to the best interests of the Fund and had no reasonable cause to believe that his or her conduct was unlawful. The Articles of Association also exculpate each Director from any liability to the Fund or any Shareholder provided that his or her actions conformed to the same standard.

Notwithstanding the foregoing, no exculpation or indemnification of a Director shall be permitted to the extent such exculpation or indemnification would be inconsistent with the requirements of applicable law.

The Manager

General

The Manager, Al Mal Capital PSC, is a full service investment firm, licensed and regulated by the UAE Central Bank, with 83 prominent local and regional shareholders, and paid up capital of Dh 366 million (US\$100 million). The Manager provides its clients with investment banking, brokerage and asset management services. Mr. Nabulsi, Mr. Madi and Mr. Look, the current members of the Fund Board, are all affiliated with the Manager, and Mr. Look is the Managing Director of Asset Management. See "Current Members of the Fund Board" above. Other officers of the Manager are as follows:

Akram Annous

Mr. Annous is presently Deputy Fund Manager of the Fund and also spearheads publication of regular research and strategy commentary in the Asset Management unit. He joined the Manager in January of 2008 as a senior analyst in the firm's portfolio advisory team. Prior to joining the Manager, Mr. Annous received his Juris Doctor in 2007 from the University of Maryland School of Law. He has also worked for the United

States Treasury Department as a Bank Regulator in the Office of the Comptroller of the Currency division.

Mr. Annous attended Emory University in Atlanta, Georgia, majoring in political science while also completing a B.B.A. with a concentration in Finance.

The Investment Management Agreement

The Fund has appointed the Manager as its investment manager and has agreed that, in that capacity, the Manager shall possess the right, power and authority to take such actions for and on behalf of the Fund as the Manager may reasonably determine to be necessary, appropriate, advisable or convenient in connection with pursuing the Fund's investment strategies. A copy of the agreement with the Manager is available upon request.

The Investment Management Agreement provides that the Fund shall, to the fullest extent permitted by law, indemnify each Manager Associate – *i.e.*, the Manager, its affiliates and each shareholder, partner, member, director, officer, employee or agent of the Manager or of any of its affiliates – from and against any and all losses, damages, liabilities, costs, expenses (including reasonable legal and expert witness fees and related costs and expenses), judgments, fines, amounts paid in settlement and other amounts (including costs and expenses associated with investigation or preparation), actually and reasonably paid or incurred by such Manager Associate in connection with any and all legal or similar proceedings that arise from or relate, directly or indirectly, to any act or omission (or alleged act or omission) of such Manager Associate in connection with this Agreement or the business or affairs of the Fund and in which such Manager Associate may be involved, or is threatened to be involved, as a defendant, witness, deponent or otherwise (but not as a plaintiff, unless the Fund Board agrees otherwise in its sole and absolute discretion), whether or not the same shall proceed to judgment or be settled or otherwise be brought to a conclusion, except to the extent that it is judicially determined that such Manager Associate is not entitled to be exculpated in respect of such act or omission as described above.

The Investment Management Agreement also provides that the Agreement may be terminated by the Fund or the Manager upon written notice to the other parties in the event of (i) material breach by the other party, (ii) bankruptcy or insolvency of the other party, (iii) inability of the other party for regulatory reasons to perform its services or (iv) commencement of winding up of the Fund. In addition, the Manager or the Fund may terminate the Agreement upon not less than 60 days notice to the other party.

The Administrator

Deutsche Bank AG, Singapore Branch has been appointed the Fund's Administrator pursuant to an Administration Agreement (the "Administration Agreement"). The Administrator is a banking entity that is licensed to provide banking services in Singapore. The Administrator's ultimate parent company is Deutsche Bank AG.

Under the Administration Agreement, the Administrator will be responsible for, among other things, maintaining the accounting and statutory records of the Fund; calculating the Net Asset Value of the Fund; processing the subscriptions, redemptions and transfers in relation to the Fund; assisting the Fund in performing all applicable anti-money laundering/Shareholder identification checks; and performing various administrative, registrar and transfer agency and other services in respect of the Fund more fully described in the Administration Agreement. In calculating the Net Asset Value of the Fund, the Administrator may rely, without further inquiry, investigation or verification, upon information and communications received by the Administrator from any source, including the Investment Manager or any other person, firm or corporation whatsoever, and the Administrator shall not (in the absence of fraud, gross negligence or wilful default on the part of the Administrator) be liable for any loss suffered by the Fund, the Investment Manager or any

Shareholders by reason of any error in such calculations by the Administrator resulting from any inaccuracy in any such information.

Under the Administration Agreement, the Fund agrees to indemnify the Administrator from all charges, costs, damages, losses, claims, liabilities, expenses, fees and disbursements (together with any value added tax or similar tax imposed from time to time), which the Administrator may suffer or incur howsoever in connection with or arising from the Administration Agreement other than those resulting from the Administrator's, any Affiliate's, or any of their directors', officers', employees', agents' or delegates' own proven fraud, gross negligence or wilful default.

The Administration Agreement may be terminated by either party giving not less than ninety (90) days' written notice to the other party. In addition, either the Fund or the Administrator may terminate the Administration Agreement by providing written notice to the other if the other party commits any material breach of its obligations under the Administration Agreement and fails to remedy such breach (if capable of remedy) within five (5) Business Days of the mailing of notice from the non-defaulting party requiring it to do so.

The Administrator shall also have the right to terminate the Administration Agreement immediately without notice or cure period, if (i) the Fund goes into liquidation, bankruptcy, is dissolved or a receiver is appointed over any of its assets, or any similar events occur, (ii) the Investment Manager (or any control person thereof) is no longer serving as the investment manager (or control person) of the Fund's assets and the Administrator determines, in its sole discretion, that the successor investment manager (or control person) is not acceptable; (iii) if either the Fund or the Investment Manager (including any director and/or control person thereof) violates any applicable law or is named as a respondent, defendant or is otherwise the focus of a regulatory, civil or criminal proceeding; or (iv) if the Administrator has reasonable grounds to believe, and has consulted competent outside counsel who advises, that the Fund or the Investment Manager is engaging in actions that could expose the Fund, the Investment Manager, the Administrator or the Administrator's Affiliates to material liability or significant reputational risk.

The Administration Agreement is governed by Singapore law.

Neither the Administrator nor the officers, directors, members, employees or agents of the Administrator are directly involved in the business affairs, organization, sponsorship or management of the Fund nor will they be responsible for the preparation or issue of this Private Placement Memorandum other than in respect of the description of the Administrator and the services it will provide.

The Administrator shall not be responsible for the monitoring of the investments made by the Investment Manager or the Investment Manager's compliance with the investment policies and the investment restrictions contained in this Private Placement Memorandum and/or the Fund Documents. The Administrator will not review or control the valuation of the assets as may be held in the Fund's account from time to time. The Administrator has no decision-making discretion in relation to the Fund's investments. The Administrator is a service provider to the Fund and is not responsible for the preparation of this Private Placement Memorandum and therefore accepts no responsibility for the accuracy of any information contained in this Private Placement Memorandum.

Custodian

Al Mal Capital PSC has been appointed as the initial custodian to the Fund pursuant to a Custodian Agreement.

The Custodian will perform the following services for the Fund:

- (a) registering all securities in the name of the Custodian, the Fund or the nominee of either of them and keeping such securities in its custody;
- (b) carrying out transactions in securities for the Fund;
- (c) maintaining banking accounts for the Fund and monitoring the operation of those bank accounts;
- (d) collecting and depositing in such accounts all payments due to the Fund;
- (e) paying redemptions and dividends (where these are declared);
- (f) delivering to the Fund all notices received;
- (g) paying any obligations of the Fund; and
- (h) doing all acts, deeds and things as deemed necessary and incidental to the services above and to ensure the orderly ongoing operation of the Fund.

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

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

As it may be necessary in relation to certain investments for the Custodian to delegate the performance some of its services to another entity, the Custodian shall be permitted to undertake such delegation. Such costs incurred and invoiced will be borne by the Fund.

The Prime Broker

It is anticipated that the Fund will appoint one or more persons to act as prime broker and custodian with responsibility, together with the Custodian, for custody of all of the Fund's assets. The prime broker will provide prime brokerage services to the Fund under the terms of a prime brokerage agreement. These services may include providing the Fund with margin financing, clearing, settlement, stock borrowing and foreign exchange facilities. The Fund may also use the prime broker and other brokers and dealers to execute transactions for the Fund. The prime broker may also provide a custody service for all the Fund's investments held by the prime broker in accordance with such prime brokerage agreement. It is anticipated that any such prime broker would be regulated in the conduct of its investment business.

The terms of the prime brokerage agreement will be agreed with the prime broker upon its appointment.

§6. EXPENSES

Subject to the limitations described below, the Fund has paid all of its initial organizational expenses and will pay such costs and expenses as the Manager shall reasonably determine to be necessary, appropriate, advisable, incidental or convenient to carry on the Fund's business and realize its objective, including without limitation: (i) costs and expenses incurred in connection with the offer and sale of Class A Shares; (ii) Management Fees and Performance Fees; (iii) direct operating costs and expenses, including administrative, legal, accounting, auditing, record-keeping, tax form preparation, compliance and consulting costs and expenses (including costs and expenses associated with obtaining systems and other information designed to facilitate Fund accounting or record-keeping, including related hardware and software); fees, costs and expenses of third-party service providers that provide such services (including fees, costs and expenses of attorneys retained by the Manager to represent the Manager in connection with the business and affairs of the Fund, to the extent such fees, costs and expenses relate to advice provided to the Manager by such attorneys with respect to such business and affairs); insurance costs and expenses (including premiums for liability insurance covering the Fund and other persons); and bank service fees; (iv) fees and taxes imposed by any federal, state, local or foreign government, governmental agency or regulatory body or self-regulatory organization, including licensing, filing, registration and exemption fees and withholding, transfer and franchise taxes; (v) the Fund's indemnification obligations under the Fund Charter; and (vi) extraordinary costs and expenses, if any.

§7. SHARE CLASS RIGHTS AND PARTICIPATION

Each Class of Shares participates in the same underlying portfolio of assets. The only differences between the Classes are their fee structures and provisions for redemption. The Management Shares are held by the Manager and do not carry the right to participate in the assets of the Fund on a winding up other than return of paid up capital after payment of all other amounts due to other classes of shares nor in any dividends or other distributions of the Fund. All the 100 Management Shares have been issued to the Manager and are fully paid up. The holder(s) of the Management Shares controls all of the voting interests in the Fund, except on proposals to change class rights attaching to the Shares and may make such changes to the Fund's constitutional documents as it deems appropriate.

Generally, only the holders of the Management Shares are entitled to vote at meetings of the Fund. However, holders of the Shares shall be entitled to vote with respect to material adverse changes in the terms or conditions relating to the Shares. The Class A Shares are redeemable on the terms set out in this Memorandum.

§8. VALUATION OF CLASS A SHARES

Subject to the overall supervision of the Fund Board and the considerations discussed below, the Administrator will, on the Fund Board's behalf, determine the Fund's aggregate NAV and the NAV per Share of the Class A Shares (as well as for any other Class of Shares) for purposes of determining (i) the Management Fees and Performance Fees payable in respect of Shares of such Class and (ii) the redemption value of Shares of such Class.

Calculation of Net Asset Value

The value of the net assets of the Fund will be determined as at the Valuation Point relating to each Dealing Day in accordance with the following:-

- (a) the value of any cash on hand or on deposit, bills, demand notes, accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received shall be deemed to be the full amount thereof unless the Directors shall have determined that any such deposit, bill, demand note or account receivable is not worth the full amount thereof in which event the value thereof shall be deemed to be such value as the Directors shall deem to be the reasonable value thereof;
- (b) except in the case of any interest in a unit trust, mutual fund corporation, open-ended investment company or other similar open-ended investment vehicle (a "managed fund") to which paragraph (c) applies and subject as provided in paragraphs (d), (e) and (g) below, all calculations based on the value of investments quoted, listed, traded or dealt in on any stock exchange, commodities exchange, futures exchange or over-the-counter market shall be made by reference to the last traded price on the principal stock exchange for such investments as at the close of business in such place on the day as of which such calculation is to be made; and where there is no stock exchange, commodities exchange, futures exchange or over-the-counter market all calculations based on the value of investments quoted by any person, firm or institution making a market in that investment (and if there shall be more than one such market maker then such particular market maker as the Directors may designate) shall be made by reference to the mean of the latest bid and asked price quoted thereon; provided always that if the Directors in their discretion consider that the prices ruling on a stock exchange other than the principal stock exchange provide in all the circumstances a fairer criterion of value in relation to any such investment, they may adopt such prices;
- (c) subject as provided in paragraphs (d), (e) and (g) below, the value of each interest in any managed fund which is valued as at the same day as the Fund shall be the net asset value per unit, share or other interest in such managed fund calculated as at that day or, if the Directors so determine or if such managed fund is not valued as at the same day as the Fund, the last published net asset value per unit, share or other interest in such managed fund (where available) or (if the same is not available) the last published redemption or bid price for such unit, share or other interest;
- (d) if no net asset value, bid, redemption and asked prices or price quotations are available as provided in paragraphs (b) or (c) above, the value of the relevant asset shall be determined from time to time in such manner as the Directors shall determine;
- (e) for the purpose of ascertaining quoted, listed, traded or market dealing prices, the Directors, the Administrator or their agents shall be entitled to use and rely upon mechanized and/or electronic systems of valuation dissemination with regard to valuation of investments of the

Fund and the prices provided by any such system shall be deemed to be the last traded prices for the purpose of paragraph (b) above;

- (f) interest-bearing securities which are not quoted, listed, traded or dealt in on any stock exchange, commodities exchange, futures exchange or over-the-counter market shall be valued at cost plus accrued interest;
- (g) notwithstanding the foregoing, the Directors may, at their absolute discretion, permit some other method of valuation to be used if they consider that such valuation better reflects the fair value; and
- (h) any value (whether of a security or cash) otherwise than in US dollars shall be converted into US dollars at the rate (whether official or otherwise) which the Directors shall in their absolute discretion deem appropriate to the circumstances having regard, inter alia, to any premium or discount which they consider may be relevant and to costs of exchange.

The Fund will prepare its annual report and accounts in accordance with IFRS. Investors should note that the above valuation policies may not necessarily comply with IFRS. Under IFRS, investments should be valued at fair value, and bid and ask pricing is considered to be representative of fair value for long and short listed investments respectively. However, under the valuation basis described above, listed investments are expected to be valued at the last traded price instead of bid and ask pricing as required under IFRS. To the extent that the valuation basis adopted by the Fund deviates from IFRS, the Directors may be required to make adjustments in the annual accounts of the Fund in order to comply with IFRS, and if relevant will include a reconciliation note in the annual accounts of the Fund to reconcile values shown in the annual accounts determined under IFRS to those arrived at by applying the Fund's valuation rules. Otherwise, non-compliance with IFRS may result in the auditors issuing a qualified or an adverse opinion on the annual accounts depending on the nature and level of materiality of the non-compliance.

The Articles provide that the Directors may at any time and from time to time suspend the calculation of the Net Asset Value of the Fund, the issue of Shares, the redemption of Shares and/or the payment of redemption proceeds in respect of Shares during the whole or any part of a period:-

- (a) during which any stock exchange, commodities exchange, futures exchange or over-the-counter market on which any significant portion of the investments of the Fund is listed, quoted, traded or dealt in is closed (other than customary weekend and holiday closing) or trading on any such stock exchange or market is restricted or suspended; or
- (b) when circumstances exist as a result of which in the opinion of the Directors it is not reasonably practicable for the Fund to dispose of investments or as a result of which any such disposal would be materially prejudicial to Shareholders; or
- (c) when a breakdown occurs in any of the means normally employed in ascertaining the value of investments or the Net Asset Value or the Subscription Price or Redemption Price per Share or when for any other reason the value of any of the investments or other assets of the Fund or the Net Asset Value or the Subscription Price or Redemption Price per Share cannot in the opinion of the Directors reasonably or fairly be ascertained; or
- (d) during which the Fund is unable to repatriate funds for the purpose of making payments on the redemption of Shares or during which any transfer of funds involved in the realization or acquisition of investments or payments due on redemption of Shares cannot in the opinion of the Directors be effected at normal rates of exchange; or
- (e) when in the opinion of the Directors such suspension, delay or extension is required by law or

applicable legal process; or

- (f) where the Fund is invested in one or more managed funds, and the redemption of interests in a relevant managed fund is suspended or restricted; or
- (g) where the Fund has issued or is expected by the Directors to issue within the next 60 days a notice to convene an extraordinary general meeting of the holders of one or more classes of Shares.

All reasonable steps will be taken to bring any period of suspension to an end as soon as possible. Any period of suspension effected under paragraph (g) above will be lifted after the holding of the relevant extraordinary general meeting (or any adjourned extraordinary general meeting, if applicable).

The Directors may also suspend the redemption of Shares in the event that there is a delay in receipt by the Fund of the proceeds of realisation of its investments to meet redemption requests.

§9. RISK FACTORS

In considering an investment in the Fund, prospective investors should be aware of certain special considerations and risk factors, which include, but are not limited to, the following:

- **General Investment Risk, *i.e.***, the risk of deterioration in the financial markets in general;
- **Strategy Risk, *i.e.***, the risk that the Fund's investment strategies and/or investment techniques may not work as intended; and
- **Institutional Risk, *i.e.***, the risk that the Fund could incur losses due to: (i) the failure of counterparties to perform their contractual commitments to the Fund; or (ii) the financial difficulty of brokerage firms, banks or other financial institutions that hold assets of the Fund.

In addition, the inclusion of specific special considerations and risk factors in this Memorandum should not be construed to imply they are described in complete detail, or that there are not other special considerations or risk factors that apply to an investment in the Fund.

GENERAL INVESTMENT OR MARKET RISK

All investments in securities and other financial instruments involves substantial risk of volatility (potentially resulting in rapid declines in market prices and significant losses) arising from any number of factors that are beyond the control of the Manager, such as: changing market sentiment; changes in industrial conditions, competition and technology; changes in inflation, exchange or interest rates; changing domestic or international economic or political conditions or events; changes in tax laws and governmental regulation; and changes in trade, fiscal, monetary or exchange control programs or policies of governments or their agencies (including their central banks). Changes such as these, as well as innumerable other factors, are often unpredictable and unforeseeable, rendering it difficult or impossible to predict or foresee future market movements. Unexpected volatility or illiquidity in the markets in which the Fund directly or indirectly holds positions could impair its ability to achieve its objective and cause it to incur losses.

Mail addressed to the Fund and received at its registered office will be forwarded unopened to the Administrator to be dealt with. None of the Fund, its directors, officers or service providers will bear any responsibility for any delay howsoever caused in mail reaching the Administrator. In particular the Directors will not receive, open or deal directly with mail addressed to the Fund.

STRATEGY RISK

Use of Leverage

The investment strategies of the Manager may require the use of substantial leverage. Such leverage may be achieved through, among other methods, borrowing funds, purchases of securities on margin and the use of options, futures, futures and forward contracts, repurchase and reverse repurchase agreements and swaps. In addition, the Fund may submit requests to subscribe for offerings of securities that are in amounts exceeding the Fund's liquidity available for subscription. The use of leverage magnifies the degree of risk as well as the opportunity for gain.

Use of Derivatives

The Fund may use derivative instruments including, without limitation, option contracts, swap agreements and forward contracts, as well as derivative techniques and strategies including, without limitation, synthetic short sales, for various hedging and/or speculative purposes. The use of such instruments, techniques and strategies may result in leverage being applied against the assets of the Fund.

Short Selling

The Fund may engage in selling securities short, which involves the sale of borrowed securities. In order to sell a security short, the seller must borrow the security from a securities lender and deliver it to the buyer. The seller is then obligated to return the security to the lender at its request (although the seller remains free to return the security to the lender at any time prior to the lender's request). The seller ordinarily fulfills its obligation to return a security previously sold short by acquiring it in the open market.

The principal risk in selling a particular security short is that, contrary to the Manager's expectation, the price of the security rises, resulting in a loss equal to the difference between the cost of acquiring the security (for return to the lender) and the net proceeds of the short sale. (This risk of loss is theoretically unlimited; since there is theoretically no limit on the price to which the security sold short may rise.)

Illiquid Investments

Despite the reasonable volume of trading in most of the instruments traded by the Manager, the markets for some of those instruments may have limited liquidity and depth. This lack of depth could be a disadvantage to the Fund, both in the realization of the prices which are quoted and in the execution of orders at desired prices.

INSTITUTIONAL RISK

Suspension of Trading

Securities and futures exchanges typically can suspend or limit trading in any instrument traded on the exchange. A suspension could render it impossible to liquidate positions and thereby expose the Fund to substantial losses.

Failure of Exchanges and Clearinghouses

The Fund is subject to the risk of the failure of any of the exchanges on which its positions trade or of the clearinghouses for such exchanges.

Counterparty Risk

Some of the markets in which the Fund invests are over-the-counter or "interdealer" markets. The participants in these markets typically are not subject to the type of strict credit evaluation and regulatory oversight applicable to members of "exchange-based" markets, and transactions in these markets typically are not settled through clearinghouses that guarantee the trades of their participants. This results in the risk that a counterparty may not be able to settle a transaction with the Fund in accordance with its terms because of a credit or liquidity problem of the counterparty, thereby exposing the Fund to loss.

Failure of Custodians and sub-Custodians

Financial institutions such as broker-dealers and banks may have custody of the assets of the Fund, including their margin deposits. Financial difficulty, fraud or misrepresentation at one of these institutions could impair the operational capabilities or capital position of the Fund.

No Participation in Management of the Fund; Limited Rights of Shareholders

Shareholders will have no right to participate in the day-to-day operations of the Fund and will not be entitled to receive notice of, nor attend or vote at, general meetings of the Fund other than meetings to vote upon a variation of the rights of the Class A Shares. Consequently, Shareholders will not have any control over the management of the Fund or the appointment and removal of its Directors and service providers. The Manager, as holder of the Management Shares, controls all of the voting interests in the Fund, except on proposals to vary the rights of the Class A Shares, and may make such changes to the Memorandum and Articles of Association of the Fund as it deems appropriate, including increasing the share capital, consolidating the Class A Shares and sub-dividing the Class A Shares.

§10. CONFLICTS OF INTEREST

Because of the Manager's role as sponsor and organizer of the Fund, the terms of the Fund Charter and the Investment Management Agreement were not the result of arms-length negotiation between the Manager, on the one hand, and the Fund, on the other hand.

The Manager and its related persons are currently involved in, and may in the future become involved in, other business ventures, including other investment funds whose investment objectives, strategies and policies are the same as or similar to those of the Fund. The Fund will not share in the risks or rewards of such other ventures, and such other ventures will compete with the Fund for the time and attention of the Manager and its related persons and might create additional conflicts of interest, as described below.

The Manager and its related persons invest and trade and may continue to invest and trade in securities and other financial instruments for their own accounts, even if such securities and other financial instruments are the same as or similar to those in which the Fund invests and trades, and even if such trades compete with, occur ahead of or are opposite those of the Fund.

§11. TAXATION AND EXCHANGE CONTROL

This discussion is only a summary of certain tax considerations relating to the Fund. No attempt is made herein to summarize the tax consequences applicable to every Shareholder. Prospective investors should consult legal and tax advisors in the countries of their citizenship, residence, and domicile to determine the possible tax or other consequences of acquiring, holding, and disposing of Class A Shares under the laws of their respective jurisdictions. No advance tax ruling (except with respect to the Cayman Islands) has been, or will be, sought in connection with the operation of the Fund or an investment in Class A Shares, and there is no assurance that Cayman Islands or other tax authorities will agree with the discussion herein. This discussion is based on current law, regulations, rulings and judicial decisions there under, which may change from time to time, possibly with retroactive effect.

Cayman Islands

The Government of the Cayman Islands will not, under existing legislation, impose any income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax upon the Fund or the Shareholders. The Cayman Islands are not party to a double tax treaty with any country that is applicable to any payments made to or by the Fund.

The Fund has applied for and can expect to receive an undertaking from the Governor-in-Cabinet of the Cayman Islands that, in accordance with section 6 of the Tax Concessions Law (1999 Revision) of the Cayman Islands, for a period of 20 years from the date of the undertaking, no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Fund or its operations and, in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable (i) on or in respect of the Class A Shares, debentures or other obligations of the Fund or (ii) by way of the withholding in whole or in part of a payment of dividend or other distribution of income or capital by the Fund to its members or a payment of principal or interest or other sums due under a debenture or other obligation of the Fund.

No capital or stamp duties are levied in the Cayman Islands on the issue, transfer or redemption of shares. The only taxes that will be chargeable on the Fund in the Cayman Islands are an annual charge payable to the Registrar of Companies calculated on the nominal amount of the authorized share capital of the Fund, which is currently US\$731.71 per annum for the Fund. There are no exchange controls in the Cayman Islands.

Other Countries

The Fund may be subject to income or withholding taxes on certain income sourced in other countries as well as securities taxes, turnover taxes, stamp duties and capital gains taxes in certain countries.

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

§12. GENERAL INFORMATION

Incorporation and Share Capital

- (a) The Fund is an exempted company limited by shares and was incorporated on December 28, 2006 in the Cayman Islands under the provisions of the Companies Law (as amended).
- (b) The authorized share capital of the Fund is US\$50,000 divided into 49,999,900 redeemable, non-voting, participating shares, par value US\$0.001 each (the “**Shares**”) and 100 non-redeemable, voting, non-participating shares, par value US\$0.001 each (the “**Management Shares**”). The Management Shares are held by the Manager. The Fund currently has two classes of Shares and may after the date of this Memorandum have other classes of shares (each, a “**Class**”). Class A Shares only are being offered by way of this Memorandum. The other Class of Shares currently in existence is presently available for subscription by the Manager itself only. Each Class of Shares participates in the same underlying portfolio of assets. The only differences between the Classes are their fee structures and provisions for redemption. The Shares are issued in registered, book entry form only.

Rights Attached to the Shares

- (a) The Shares confer on their holders the right to receive dividends or otherwise participate in the profits and assets of the Fund and the right, upon a winding up, to share, pro rata to their respective holdings, in the Fund’s surplus assets available for distribution to Shareholders.
- (b) Subject to the provisions of section 37 of the Companies Law (as amended), the Shares shall be redeemable and redeemed in the manner and upon and subject to the terms and conditions set out in the Fund’s Articles of Association.
- (c) There are no rights of pre-emption attaching to the Shares.
- (d) None of the Shares are under option, or agreed, conditionally or unconditionally, to be put under option.
- (e) The Shares will be issued in fully registered, book-entry form.

The Fund Charter

The Fund's Memorandum of Association provides that the Fund's objects are unrestricted. Copies of the Fund's Memorandum of Association and Articles of Association (the "**Articles**") and, together with the Fund's Memorandum of Association, the "**Fund Charter**") are available from the Administrator upon request.

Set out below is a summary of some of the main provisions of the Articles. Words and expressions defined in the Articles that are not defined in this Memorandum shall have the same meaning wherever used in the following summary:

(a) *Shares*

Subject to the Articles, all unissued Shares shall be under the control of the Directors, who may allot and dispose of or grant options over the same to such persons, on such terms and in such manner as they may think fit. The Directors may in their absolute discretion refuse to accept any application for Shares.

(b) *Issue of Shares*

(i) The Fund may issue fractions of a Share.

(ii) The Shares will not be issued by the Directors in different series.

(iii) The price at which the first issue of Shares shall be effected and the time of such issue shall be determined by the Directors. Thereafter, Shares may be allotted and issued from time to time in the discretion of the Directors, provided that such additional Shares are issued at not less than the then current NAV per Share.

(c) *Modification of Rights*

(i) The rights attached to any class of Shares (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Fund is being wound-up, be varied with the consent in writing of the holders of not less than two-thirds of the issued Shares of that class, or with the sanction of a resolution passed by the holders of not less than two-thirds of the issued Shares of that class at a general meeting of the holders of the Shares of that class.

(ii) The rights attached to any class of Shares shall be deemed to be varied by the creation or issue of Shares of any other class in priority to them as regards participating in the profits or assets of the Fund.

(d) *Transfer of Shares*

(i) Subject to the Articles, Shares shall be transferable by a transfer in any usual or common form in use in the Cayman Islands or in such other form as the Directors shall from time to time sanction or allow.

(ii) Instruments of transfer must be executed by or on behalf of the transferor and be accompanied by such evidence as the Directors may reasonably require to show the right of the transferor to make the transfer.

(iii) Shares may only be transferred with the prior approval of the Directors, which approval may be withheld in their sole discretion; provided that the Directors may relax this requirement to the extent that they deem appropriate in connection with the listing of any class of Shares on a stock exchange or otherwise.

(e) *Valuation and Redemption of Shares*

Shares shall be valued and may be redeemed as described under the heading “Valuation and Redemption of Shares,” above. The Articles provide that the valuation of Shares may be suspended in certain circumstances.

(f) *General Meetings*

The Directors may, whenever they think fit, convene an extraordinary general meeting. There is no requirement that there be an annual general meeting of the Fund.

(g) *Directors*

(i) Unless otherwise determined by the Fund in general meeting, the minimum number of directors shall be two and the maximum shall be unlimited. A Director need not be a Shareholder of the Fund but shall be entitled to receive notice of and attend all general meetings of the Fund.

(ii) The business of the Fund shall be managed by the Directors, who may exercise such powers of the Fund as are not, by law or by the Articles, required to be exercised by the Fund in general meeting.

(iii) The Directors shall be entitled to be paid for their general services to the Fund. The Directors shall also be entitled to be paid their traveling, hotel and other expenses properly incurred by them in going to, attending and returning from meetings of the Directors, or any committee of the Directors, or general meetings of the Fund, or otherwise in connection with the business of the Fund. The Directors may by resolution award special remuneration to any Director (other than members or employees of the Manager) undertaking any special work or services for, or undertaking any special mission on behalf of, the Fund, other than his ordinary routine work as a Director.

(iv) A Director may hold any other office or place of profit under the Fund (other than the office of auditor) in conjunction with his office of Director for such period and on such terms as to remuneration and otherwise as the Directors may determine. A Director may act by himself or his firm in a professional capacity for the Fund, and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

(v) A Director may be or become a director or other officer of or be otherwise interested in any company promoted by the Fund or in which the Fund may be interested as a shareholder or otherwise, and no such Director shall be accountable to the Fund for any remuneration or other benefits received by him as a director or officer of, or from his interest in, such other company.

(vi) No person shall be disqualified from the office of Director or prevented by such office from contracting with the Fund, either as vendor, purchaser or otherwise, nor shall any such contract or any contract or transaction entered into by or on behalf of

the Fund in which any Director shall be in way interested be or be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Fund for any profit realized by any such contract or transaction by reason of such Director holding such office or of the fiduciary relation thereby established. A Director shall be at liberty to vote in respect of any contract or transaction in which he is so interested as aforesaid PROVIDED that the material facts of the interest of such Director in any such contract or transaction shall be disclosed by him at or prior to the Directors' consideration of such contract or transaction and any vote thereon (either at such meeting or by notice in writing) and provided that no other Director objects to such interested Director voting on such matter.

- (vii) The majority of the holders of the Shares then in issue may, by instrument in writing, appoint any person to be a Director and may, by instrument in writing, remove any Director.

(h) *Borrowing Powers*

- (i) The Directors may exercise all the powers of the Fund to borrow money and to secure such borrowings in any manner.
- (ii) The Fund is not restricted in its ability to borrow money.

(i) *Dividends*

- (i) The Directors may in their discretion declare dividends on the Shares.
- (iii) No dividend shall be declared or paid except out of the profits of the Fund, realized or unrealized, out of the share premium account or as otherwise permitted by law.

(j) *Winding Up*

The duration of the Fund is unlimited. Under the laws of the Cayman Islands, the Fund may be voluntarily wound up following the passing of a Special Resolution to that effect at a general meeting. Any surplus assets available for distribution shall be distributed *pari passu* among the holders of the Shares. On a winding up (whether the liquidation is voluntary, under supervision, or by the court) the liquidator may, with the authority of the Fund, distribute the assets of the Fund to the Shareholders in specie.

(k) *Financial Year*

The financial year of the Fund shall end on 31 December in each year unless the Directors prescribe some other period therefore.

(l) *Indemnity*

The Articles contain provisions exculpating the Directors and officers from and indemnifying them against certain liabilities in the discharge of their duties.

(m) *Alteration of Fund Charter*

Subject to the provisions of Cayman Islands law, the Fund may by Special Resolution change its name, alter its objects or amend its Articles of Association. Under the Articles, the

passing of a Special Resolution at a general meeting requires at least two-thirds of the votes cast to be in favor, provided a quorum is present at such meeting. Subject to and insofar as permitted by the provisions of Cayman Islands law, the Fund may from time to time by ordinary resolution increase its authorized share capital. Under the Articles, the passing of an ordinary resolution at a general meeting requires a simple majority of the votes cast to be in favor, provided that a quorum is present at such meeting.

Anti-Money Laundering Regulations

In order to comply with legislation or regulations aimed at the prevention of money laundering the Fund is required to adopt and maintain anti-money laundering procedures, and may require subscribers to provide evidence to verify their identity and source of funds. Where permitted, and subject to certain conditions, the Fund may also delegate the maintenance of its anti-money laundering procedures (including the acquisition of due diligence information) to a suitable person.

The Fund, and the Administrator on the Fund's behalf, reserve the right to request such information as is necessary to verify the identity of a subscriber. In some cases the Directors, or the Administrator on the Fund's behalf may be satisfied that no further information is required since an exemption applies under the Money Laundering Regulations (2009 Revision) of the Cayman Islands, as amended and revised from time to time (the "**Regulations**"). Depending on the circumstances of each application, a detailed verification of identity might not be required where:

- (a) the applicant makes the payment for their investment from an account held in the applicant's name at a recognised financial institution; or
- (b) the applicant is regulated by a recognised regulatory authority and is based or incorporated in, or formed under the law of, a recognised jurisdiction; or
- (c) the application is made through an intermediary which is regulated by a recognized regulatory authority and is based in or incorporated in, or formed under the law of a recognized jurisdiction and an assurance is provided in relation to the procedures undertaken on the underlying investors.

For the purposes of these exceptions, recognition of a financial institution, regulatory authority or jurisdiction will be determined in accordance with the Regulations by reference to those jurisdictions recognized by the Cayman Islands Monetary Authority as having equivalent anti-money laundering regulations.

In the event of delay or failure on the part of the subscriber in producing any information required for verification purposes, the Fund, or the Administrator on the Fund's behalf, may refuse to accept the application, in which case any funds received will be returned without interest to the account from which they were originally debited.

The Fund, and the Administrator on the Fund's behalf, also reserve the right to refuse to make any redemption payment to a Shareholder if the Directors or the Administrator suspect or are advised that the payment of redemption proceeds to such Shareholder might result in a breach of applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or if such refusal is considered necessary or appropriate to ensure the compliance by the Fund or the Administrator with any such laws or regulations in any applicable jurisdiction.

If any person resident in the Cayman Islands knows or suspects or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or is involved with terrorism or terrorist property and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, the person will be required to report such knowledge or suspicion to (i) the

Financial Reporting Authority of the Cayman Islands, pursuant to the Proceeds of Crime Law, 2008 of the Cayman Islands if the disclosure relates to criminal conduct or money laundering, or (ii) a police officer of the rank of constable or higher pursuant to the Terrorism Law (2009 Revision) of the Cayman Islands if the disclosure relates to involvement with terrorism or terrorist financing and property. Such a report shall not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise.

The Mutual Funds Law

The Fund is regulated as a mutual fund under the Mutual Funds Law (2009 Revision) of the Cayman Islands ("**Mutual Funds Law**"). The Cayman Islands Monetary Authority (the "**Authority**") has supervisory and enforcement powers to ensure compliance with the Mutual Funds Law. Regulation under the Mutual Funds Law entails the filing of prescribed details and audited accounts annually with the Authority. As a regulated mutual fund, the Authority may at any time instruct the Fund to have its accounts audited and to submit them to the Authority within such time as the Authority specifies. Failure to comply with these requests by the Authority may result in substantial fines on the part of the Directors and may result in the Authority applying to the court to have the Fund wound up.

The Fund will not, however, be subject to supervision in respect of its investment activities or the constitution of the Fund's portfolio by the Authority or any other governmental authority in the Cayman Islands, although the Authority does have power to investigate the activities of the Fund in certain circumstances. Neither the Authority nor any other governmental authority in the Cayman Islands has passed judgment upon or approved the terms or merits of this document. There is no investment compensation scheme available to investors in the Cayman Islands.

The Authority may take certain actions if it is satisfied that a regulated mutual fund is or is likely to become unable to meet its obligations as they fall due or is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investors or creditors. The powers of the Authority include the power to require the substitution of Directors, to appoint a person to advise the Fund on the proper conduct of its affairs or to appoint a person to assume control of the affairs of the Fund. There are other remedies available to the Authority including the ability to apply to court for approval of other actions.

Cayman Islands Legal Counsel

Maples and Calder, PO Box 309, Umland House, Grand Cayman, KY1-1104, Cayman Islands, acts as Cayman Islands legal counsel to the Fund. In connection with the Fund's offering of Shares and subsequent advice to the Fund, Maples and Calder will not be representing Shareholders. No independent legal counsel has been retained to represent the Shareholders. Maples and Calder's representation of the Fund is limited to specific matters as to which it has been consulted by the Fund. There may exist other matters that could have a bearing on the Fund as to which Maples and Calder has not been consulted. In addition, Maples and Calder does not undertake to monitor compliance by the Manager and its affiliates with the investment program, valuation procedures and other guidelines set forth herein, nor does Maples and Calder monitor ongoing compliance with applicable laws. In connection with the preparation of this Memorandum, Maples and Calder's responsibility is limited to matters of Cayman Islands law and it does not accept responsibility in relation to any other matters referred to or disclosed in this Memorandum. In the course of advising the Fund, there are times when the interests of Shareholders may differ from those of the Fund. Maples and Calder does not represent the Shareholders' interests in resolving these issues. In reviewing this Memorandum, Maples and Calder has relied upon information furnished to it by the Fund and has not investigated or verified the accuracy and completeness of information set forth herein concerning the Fund.