

## Terms and Conditions

# Yaqeen Saudi Equity ETF

Yaqeen Saudi Equity ETF is an ETF open-end public Investment Fund, registered under the laws of the Kingdom of Saudi Arabia

Fund Manager  
Yaqeen Capital



The Fund's Terms and Conditions has been reviewed and approved by the Fund's Board of Directors. The Fund Manager and the members of the Fund's Board of Directors collectively and individually bear full responsibility for the accuracy of the information presented herein. Having made all reasonable inquiries, the fund board directors and the fund manager confirm the validity and completeness of the information in the Terms and Conditions, and further confirm that the information and data maintained in the Terms and Conditions are not misleading

The Capital Market Authority has approved the offering of units in the investment fund. The Capital Market Authority does not, however, take any responsibility for the contents of the Fund's Terms and Conditions, nor does it make any representation as to its accuracy or completeness. The Capital Market Authority does not make any recommendation as to the soundness or otherwise of investing in the investment fund, and the approval of offering the fund does not mean that the Authority recommends to invest in the fund, and the Authority emphasizes that the decision to invest in the fund is up to the investor or his representative.

Yaqeen Saudi Equity ETF is certified as being an open-end public Investment Fund that is compliant with the Shariah Guidelines permitted by the Investment Fund's Shariah Board.

The Fund Manager states that the Terms and Conditions of the Fund and all other documents are subject to the Investment Funds Regulations, and include complete, clear, true and non-misleading information about Yaqeen Saudi Equity ETF, which is updated and amended.

Each investor shall read the Terms and Conditions of the Fund and all other documents of the fund.

• **The fund** manager undertakes to register the fund with the Zakat, Tax and Customs Authority within the statutory period. It also undertakes to submit the declaration of information and data requested by the Zakat, Tax and Customs Authority for the purposes of examining and reviewing the declarations during the statutory period and providing the unitholders in charge with the publishable information necessary for the calculation of the Zakat base. In short, the Zakat, Tax and Customs Authority will terminate the fund within the statutory period for that, and the regulations and rules related to investment funds issued by the Zakat, Tax and Customs Authority can be viewed through the website:

<https://zatca.gov.sa/ar/pages/default.aspx>

The Unit Holder shall sign and accept the fund's Terms and Conditions when subscribing to any of the fund's units.

The fund's performance can be tracked through reports issued by the Fund Manager and published on the Fund Manager's website and the website of the Saudi Stock Exchange "Tadawul".

Investors are advised to read and understand the Fund's Terms and Conditions. In the event that the Terms and Conditions of the Fund are not understood, we recommend that you take the advice of a professional advisor.

Date of issuance of the Fund's Terms and Conditions: 16/03/2010G .

It was last updated on:19/02/2024 G

Date of the Authority's approval of establishing the Investment Fund and offering its units: 16/03/2010 AD.

This is the amended version of the Terms and Conditions of Yaqeen Gold Fund, which reflects the v **Appointment of a Fund's Board member**, That according to our letter sent to the Capital Market Authority on 19/02/2024 G.

## Table of Contents

4.....	Fund Summary	
5.....	1. Investment Fund	
5.....	2. Governing Laws:	
5.....	3. Investment Policies and Practice	
8.....	4. The Main Risks of Investing in the Fund:	
10.....	5. Mechanism for Assessing Risks	
10.....	6. Targeted Class for Investing in the Fund	
10.....	7. Investments Restrictions/Limitations	
10.....	8. currency	
10.....	9. Fees, Charges and Expenses	
13.....	10. Valuation and Pricing	
14.....	11. Dealings	
15.....	12. Distribution Policy	
15.....	13. Reporting to Unitholders	
16.....	14. Unitholders Register	
16.....	15. Meeting of unitholders	
16.....	16. Unitholders' Rights	
17.....	17. Unitholders' Liability	
17.....	18. Units Characteristics	
18.....	19. Changes to the Fund's Terms and Conditions	
19.....	20. Termination and liquidation of the Investment Fund	
20.....	21. Fund Manager	
22.....	22. Fund Operator	
23.....	23. Custodian	
24.....	24. Fund Board	
26.....	25. Shariah Supervisory Committee	
27.....	26 Tax & Zakat Advisor	
28.....	27. Auditor	
28.....	28. Fund assets	
29.....	29. Complaints procedures	
29.....	30. Other information	
29.....	31. Additional information requirements for certain types of Funds	
32.....	32. Unitholder Declaration	

## Fund Summary

1.	<b>Fund name:</b> Yaqeen Saudi Equity ETF.
2.	<b>Fund Type:</b> An equity open-end public Investment Fund compliant with the regulations of the Shariah Board.
3.	<b>Name of the fund manager:</b> Yaqeen Capital.
4.	<b>Purpose of the fund:</b> The Fund seeks to achieve growth and long-term capital gains through the a passive management of a Market Basket of petrochemical sector companies listed in the Saudi market in order to achieve a performance level similar to the performance of the index before fees and expenses.
5.	<b>Risks level:</b> The Fund is considered a high-risk investment.
6.	<b>Minimum amount for subscription and redemption:</b> The minimum subscription and recovery is one bundle.
7.	<b>Days of dealing/valuation:</b> They are done every business day.
8.	<b>Days of announcement:</b> The unit price is announced at the end of the day, and the prices are calculated and published within two hours from the time of the market closing through the Fund Manager's offices or by electronic means on the Fund Manager's websites and Tadawul websites.
9.	<b>Date for paying redemption amount:</b> Not applicable.
10.	<b>Unit price at initial offer (nominal value):</b> 20 Saudi riyals.
11.	<b>Currency of the fund:</b> Saudi Riyal.
12.	<b>Period of the investment fund and its maturity date (where applicable):</b> Yaqeen Saudi Equity ETF is an open-end public Investment Fund, and there will be no specific period for the fund's operation and no date for the fund's maturity.
13.	<b>Date of commencing the fund:</b> This shall be effective from the date of the Authority's approval of establishing the Investment Fund and offering its units on 30/03/1431 AH corresponding to 16/03/2010 AD. The start date of the offering was 27/03/2010 and the initial offering period has been completed.
14.	<b>Date of issuing the Terms and Conditions, and latest update of it:</b> Date of issuance of these Terms and Conditions of the Fund was 16/03/2010 G . The last update was on 19/02/2024 G .
15.	<b>Early redemption fees:</b> Not applicable.
16.	<b>Benchmark:</b> It is Yaqeen Saudi Equity ETF (Yaqeen 30). Provider of the Index: The Saudi Stock Exchange (Tadawul) Methodology used to calculate the index: The Yaqeen Saudi Equity ETF (Yaqeen 30) is evaluated on the basis of Free (floating) capital value of the market. It shall follow up the performance of 30 companies listed on the Saudi Stock Exchange (based on floating free capital value) compliant with Shariah controls. The index value is calculated using the normal market trading value, which is the value determined by market factors and the trading mechanism.
17.	<b>Name of the Fund Operator:</b> Yaqeen Capital.
18.	<b>Name of Custodian:</b> Albilad Capital Company.
19.	<b>Name of Auditor:</b> KPMG
20.	<b>Fund management fees:</b> They are 0.50% (fifty basis points) out of the fund's net asset value annually, calculated on each evaluation day as a percentage of the net asset value and paid to the Fund Manager every quarter as dues.

21.	<b>Subscription and recovery fees:</b> Investors or market makers are not subject to issuance or recovery fees. In any case, the investors shall bear the brokerage fees in the market when buying or selling units of the fund.
22.	<b>Custodian fees:</b> They are 0.03% of the net asset value calculated on each valuation day as a percentage of the net asset value and paid to the custodian monthly as accruals.
23.	<b>Tax and Zakat Advisor Fees:</b> Baker Tilly Company The expenses of the tax and zakat advisor amount to SAR 2,500 paid once for the registration of the fund and borne by the fund, in addition to SAR 6,000 paid annually from the net asset value of the fund. (There are optional fees borne by unitholders in the event that they request a tax and zakat certificate on their investments in the fund documented and approved by the chartered accountant, where the service fee is SAR 3,000)
24.	<b>Dealing expenses:</b> The Fund issues and recovers unit bundles only in exchange for an in-kind exchange. However, for the purpose of rebalancing the portfolio, the Fund may buy and sell index shares. These operations may result in a dealing cost that is estimated at cost and borne by the Fund as a deduction from its assets.
25.	<b>Other fees and expenses:</b> Please view paragraph (a) of Article 9 below.
26.	<b>Performance fee:</b> Not applicable.

## 1. Investment Fund

- A) **Fund name and type:** Yaqeen Saudi Equity ETF is an equity open-end public Investment Fund that is compliant with the regulations of the Shariah Board and was established in the Kingdom of Saudi Arabia according to the Investment Funds Regulations issued by the Capital Market Authority (CMA).
- B) **Date of issuance of the Fund's Terms and Conditions:** The date of issuance of these Terms and Conditions of the Fund was 16/03/2010 AD. The last update was on 19/02/2024 G.
- C) **The date of the Authority's approval to offer the Fund's units:** 30/03/1431 AH corresponding to 16/03/2010 AD.
- D) **Investment Fund Term and Fund Maturity Date:** Yaqeen Saudi Equity ETF is an open-end public Investment Fund, and there will be no specific period for the fund's operation and no date for the fund's maturity.

## 2. Governing Laws:

Yaqeen Saudi Equity ETF and the Fund Manager shall be subject to the Capital Market Law and its executive regulations and other applicable laws and regulations applicable in the Kingdom of Saudi Arabia.

## 3. Investment Policies and Practice

- A) **Investment objectives of the Investment Fund:** The Fund seeks to achieve growth and long-term capital gains through the passive management of a Market Basket of Saudi Equity listed in the Saudi market in order to achieve a performance level similar to the performance of the index before fees and expenses.
- B) **Type (s) of securities in which the Fund will invest mainly** - The Fund is authorized only to invest in the companies compliant with Shariah controls, listed and traded in the Saudi Stock Exchange (Tadawul) within the index's portfolio. The Fund may also invest its available cash in short-term money market instruments, such as Murabaha deals, at the discretion of the Fund Manager and within the framework of the Fund's investment objectives.
- C) **Any investment concentration policy:** The Fund invests at least 95% of its assets in the companies compliant with Shariah regulations listed and traded in the Tadawul market in the Kingdom of Saudi Arabia. The Fund invests in the components of the Fund's portfolio, taking into account the relative weight of the asset allocation, while adequate cash is

maintained in the Fund on an ongoing basis to meet expenses and any other obligations to the Fund.

**D) A table showing the percentage of investment in each investment field, with its minimum and maximum:**

Asset Categories	Minimum	Maximum
Shares of companies listed in the Saudi market that are compliant with Shariah regulations	95%	100%

- E) Stock markets where the Fund is likely to buy and sell its investments:** All of the Fund's investments will be in the Saudi Capital Markets.
- F) Disclosure of whether the Fund Manager intends to invest in the units of the Investment Fund:** Yaqeen Capital, in its capacity as the Fund Manager, may subscribe in the Fund starting from its offering, and then its contribution can be gradually reduced to the level deemed appropriate.
- G) Transactions, methods and tools that the Fund Manager may use for the purpose of making investment decisions for the Investment Fund:**
- The Fund follows a passive management approach to investing in the components of the Yaqeen Saudi Equity ETF (Yaqeen 30). In any case, the rebalancing operations are carried out periodically (at least every quarter) in order to ensure that the performance of the index is consistent and sufficient cash is available in the Fund.
  - The Fund invests in the components of the Fund's portfolio, taking into account the relative weight of the asset allocation, while adequate cash is maintained in the Fund on an ongoing basis to meet expenses and any other obligations to the Fund.
  - The Fund does not seek to outperform the index, such as other funds. It does not seek temporary entry into defensive investments when the market is low or in the case of excessive assessment. The Fund seeks to simulate and match the benchmark performance.
  - The Fund Manager will, yearly at least, evaluate the index to ensure that the fund's long-term growth and capital gains objectives can be properly realized.

Investment Policies:

- The Fund seeks to track the performance of the index by maintaining the deviation ratio at the lowest level.
- The Fund Manager seeks to maintain a margin of deviation in comparison to the performance of the index by a maximum of 1%, taking into consideration factors of income, fees and expenses.
  - \* The deviation ratio can be measured as a deviation coefficient for the increase or decrease in each day of the fund's return compared to the daily performance of the index."
- The Fund seeks to achieve a correlation coefficient of 0.99 on a yearly basis between the daily return level of the benchmark index and the Fund's daily return.
- The Fund deals with issuing and recovering units in kind only (a basket of equities in addition to a cash share). Details of the units' bundles, the components of the stock basket and the monetary component are posted by the Fund Manager on a daily basis.
- The Fund exercises its rights resulting from the actions of the companies related to its investments in order to best benefit the holders of the Fund's units. For example, in the exercise of rights of issue, the Fund participates in the exercise of the rights of issue to any of the shares invested in which the index in turn the process of rebalancing its portfolio accordingly with the concern to address any deviations that may occur. The cash required to exercise the rights of issuance (if necessary) may be provided by the

relative sale of some components of the Fund's portfolio of shares (the relative sale means the relative weight of the portfolio compared to the index after the sale). The calculation of the rights to issue and the actions of other related companies is carried out in accordance with the normal course of business and generally accepted accounting principles.

- Distributions received by the Fund will be retained in the Fund initially for purposes of fees, expenses, etc. (refer to the Distribution Policy under these Terms and Conditions).
  - In the event of any other actions of companies such as mergers, acquisitions or otherwise, the Fund Manager shall conduct the necessary actions to the best benefit of the unit holders. However, in the event of any discrepancy between the relative weights of the Fund relative to the relative weight of the Index as a result of any of the actions of the companies, the Fund Manager shall rebalance the portfolio accordingly.
  - The Fund does not reconcile its portfolio with Shari'ah controls. In any case, the index that the Fund invests in its portfolio complies with Shari'ah controls. The Fund only invests in the index portfolio. The index purifies the shares of its portfolio for Shari'ah purposes on a quarterly basis and eliminates shares that violate Shari'ah controls. Accordingly, the Fund Manager rebalances his portfolio and the Fund Manager considers the interest of the unit holders in the event of the disposal of shares that violate the Shari'ah controls. The Fund then buys more shares to achieve a relative match with the benchmark portfolio.
  - If the index changes (the disposal or increase of shares), the Fund Manager shall endeavor to position the Fund again with the index portfolio level by rebalancing the Fund's portfolio.
  - The Fund may temporarily suspend the issuance and redemption of units during the rebalancing phase.
- H) **Types of securities that cannot be included in the Fund's investments:** The Fund shall not invest in securities other than those mentioned earlier in these Terms and Conditions.
- I) **Any other restriction on the type (s) of securities or other assets to which the Fund may invest:** The Fund shall abide by the investment restrictions mentioned in paragraph 41 of the Regulations of the Investment Funds issued by the Authority. The Fund will not invest in any securities that do not comply with the Shariah standards approved by the Fund's Shariah Supervisory Board.
- J) **The extent to which the assets of the Fund may be invested in units of a Fund or Investment Funds managed by that manager or other managers:** Not applicable.
- K) **The powers of the Fund in the assumption and the policy of the Fund Manager regarding the exercise of borrowing powers and its policy statement regarding the pledge of the Fund's assets:**
- The Fund is not authorized to grant loans to any other parties.
- L) **Disclosure of the upper limit for dealing with any counterparty:** Not applicable.
- M) **Fund Manager's Risk Management Policy:**
- Compliance with the Capital Market Law and its executive Regulations and the Investment Funds Regulations issued by the Capital Market Authority Board and other related laws and regulations in force in the Kingdom of Saudi Arabia.
  - Adhere to the investment limits as set out in the Terms and Conditions of the Fund.
  - Adhere to the investment decision-making mechanism of the Fund and to seek the maximum amount of information relevant to any investment that the Fund decides to enter into.
  - To follow up the Fund's activities and the Fund Manager's commitment to its investment limits and obligations to the Client by Compliance Department.
  - As for the unpredictable risks, Yaqeen will make all effort to try to study these risks before making the investment decision.
  - Stop listing the shares in which the Fund invests.
  - The Capital Market Authority may stop listing the shares in which the Fund invests. In such a case, the Fund shall act in the following cases:
    - It shall stop the issuance or recovery of unit bundles until the issue of listing of shares has been resolved.

- It shall adopt an alternative assessment method (based on fair value) after the prior approval of the Capital Market Authority in respect of shares that have been discontinued.
- The Fund does not face the risk of tracking a short-term performance deviation as the shares that have been discontinued continue to form part of the index's portfolio until the time of update. The number of floating free shares and their closing prices are used before the listing is stopped to calculate the index.
- Addressing Performance Deviation Ratio: The Fund seeks to track the performance of the index to achieve its investment objectives in achieving growth and capital gains in the long term and there are no fundamental risks of undesirable deviation in performance. The Fund Manager has adequate tools (such as quantitative and other analysis models) to assist in finding solutions and estimating deviations. The Fund Manager shall review any deviations that may occur and apply procedures that mitigate the impact of those risks.
- If the listing continues to be suspended after the update date, both the Fund and the Index will dispose of the outstanding shares at the date of the update.
- The Fund follows the principle of a conservation when evaluating the Fund and adopts a method that reflects the fair value of the Fund's assets.
- Liquidity risk: The Fund's units are listed in Tadawul to be available to investors for trading during the day trading hours. The Fund Manager has signed agreements with the Market Maker to provide liquidity in the market. The market maker prices the units in Tadawul so that the margin between the selling and buying price does not exceed 2%. The market maker faces pricing risks while issuing and recovering market units. To mitigate the impact of these risks, the Fund provides the market maker with the possibility of immediate issuance and recovery of the Fund's units enabling it to access the Issued Units and the components of the Market Basket through immediate issuance and recovery operations.

#### N) Benchmark "Indicative Index":

- The Fund's benchmark is Yaqeen Saudi Equity ETF (Yaqeen 30).
- Index Provider: Saudi Stock Exchange (Tadawul).
- Methodology used to calculate the index: The Yaqeen Saudi Equity ETF (Yaqeen 30) is evaluated on the basis of Free (floating) capital value of the market. It shall follow up the performance of 30 companies listed on the Saudi Stock Exchange (based on floating free capital value) compliant with Shariah controls. The value of the index is calculated using the normal market trading value, which is the value that is determined by market factors and the trading mechanism.

**N) Derivatives contracts: Subject to Shariah controls in all Fund operations, the Fund will not invest in financial derivatives.**

**O) Any exemptions approved by the Capital Market Authority regarding any restrictions or limits on investment: Not applicable.**

## 4. The Main Risks of Investing in the Fund:

Prospective investors should be aware of the risks that their investment in the Fund may be exposed to. Therefore, the Fund is suitable for investors who realize the magnitude of those risks and have the financial capacity, awareness and knowledge that qualifies them to bear a partial or total loss of the investment value. Given the nature of the investment in the Fund and its investment strategies, it turns out that investing in the Fund involves a high degree of risk, including but not limited to the risks referred to below.

The Fund Manager cannot give any assurances that the Unit Holders will achieve profits on their investment in the fund, but rather that the money invested in the Fund is subject to total or partial profit or loss. Also, the statements on the risks below do not represent a complete explanation of all the risks involved in investing in the Fund. In addition, as the Fund's investment portfolio evolves and changes over time, the investment in the units may be subject to other risk factors. Accordingly, each



prospective investor should study the Terms and Conditions in full and consult his professional advisors before deciding to apply for subscription in the units.

- A) The Fund is considered a high-risk investment in view of its investment in the shares of companies listed on the Saudi stock market.
- B) The previous performance of the Investment Fund, or the previous performance of the Index does not indicate what the fund's performance will be like in the future.
- C) The Fund does not guarantee to Unit Holders that the fund's performance (or its performance compared to the index) will be repeated or similar to past performance in the future.
- D) Investment in the Fund is not a deposit with any local bank that markets or sells securities or follows the Investment Fund.
- E) Investors in the Fund may be exposed to the risks of partial or total financial losses resulting from their investments in the Fund units.
- F) The elements of risks that may affect the value of the investment in the Fund are as follows, for example, but not limited to:
  1. **Investment risks:** The Fund may be exposed to investment risks that could result in loss of invested amounts. The Fund Manager does not make any undertaking or commitment that the objectives of the Fund will be realized.
  2. **Shares Investment Risks:** Investment in the Fund may be exposed to the risks associated with investing in ordinary equity funds, which may include the risk of market volatility and potential fluctuations in equity prices due to supply and demand factors, inflation risks, liquidity risk and other regular and irregular risks. Equity prices can be reduced as a result of economic factors or as a result of expectations or factors relating to the companies in which the Fund invests. For example, non-positive reports on returns may lead to a market decline and public stock prices for some issuers may have a faster response to market movements. The decline in the market affects the value of the shares in which the Fund invests. The value of the Fund's portfolio may decline as a result of the issuer's inability to meet expected distributions as a result of the Company's financial position.
  3. **Passive management risk (index risk):** The Fund follows an inactive management approach to monitor the performance of the index that differs from an active management method that exceeds the performance of the index by direct and active criticism of the target shares. This may entail the possibility that the Fund will retain components of the index's shares, regardless of developments at the macro level or in the performance of a particular stock or industry. Retain the shares of certain companies without responding to changes in market factors or in the performance of certain stocks may adversely affect the performance of the Fund.
  4. **Risks of low correlation coefficient:** Fund returns may not match the index's returns due to the Fund's exposure to a number of operating expenses that are not applicable in the case of the index. The Fund may incur certain operating expenses in the case of the sale and purchase transactions when the rebalancing process is carried out to reflect changes in the index portfolio. The Fund's investments may not be fully in shares due to cash flows or cash reserves held by the Fund to meet any expenses or obligations.
  5. **Concentration risk (segment investment risk):** If the index concentrated on a specific industry or group of industries, the Fund's investments will be focused on that sector where the Fund follows the distribution and weight of the index portfolio. In this case, the values of the Fund's units may rise or fall in the market more or less than the prices of units of funds investing in shares of companies in various sectors in the market.
  6. **Risks of lack of Diversification:** Opportunities for diversification of the Fund's portfolio are limited within the components of the indicative index "Benchmark" portfolio and within the target sector. The Fund may invest a significant share of its assets in the shares of a limited number of issuers as part of its investment strategy and policy compared to funds that have opportunities to diversify the investment through listed shares. Therefore, the Fund's performance may be affected by fluctuations in the performance of a relatively limited number of shares.

7. **Risks of Shariah Compliance:** In the event that any stock in the index is not compatible, it shall be disposed of and therefore the investment opportunities of the Fund are in a tight space compared to the investment world available to conventional funds, which may reduce opportunities for the Fund's investments.

## 5. Mechanism for Assessing Risks

The Fund Manager acknowledges that there is an internal mechanism to assess the risks related to the fund's assets. However, no risk control system is without potential errors or failures. No assurance can be given that any risk control framework used by the Fund Manager will achieve its objective. The target risk limits set by the Fund Manager may be based on past patterns of returns and correlations of the securities in which the Fund invests. No confirmation can give past patterns an accurate prediction about future patterns.

## 6. Targeted Class for Investing in the Fund

The Fund mainly targets investors from individuals, institutions, government agencies and others who have a desire to invest in the Saudi stock market.

## 7. Investments Restrictions/Limitations

The Fund Manager shall abide by the restrictions that apply to the Fund contained in the Funds Regulations, the Fund's Terms and Conditions, the Fund's Shariah Board controls.

## 8. currency

The fund's currency is the Saudi Riyal.

## 9. Fees, Charges and Expenses

- A) A detailed statement of all payments from the assets of the Investment Fund, and the method of calculating them:

Type of fees and charges	Statement
<b>Management Fees:</b>	0.50 % (fifty basis points) of the net asset value of the Fund annually calculated on each calendar day as a percentage of the net asset value and paid to the Fund Manager every quarter as claims
<b>Administrator Fees:</b>	0.22 % (twenty-two basis points) of the net asset value of the Fund annually calculated on each calendar day as a percentage of the net asset value and paid to the Administrator every quarter as claims.
<b>Custody Fees:</b>	0.03 % (thirty basis points) of net asset value calculated on each calendar day as a percentage of the net asset value and paid to Custodian per month as claims.
<b>Index Fees:</b>	0.10 % (ten basis points) of the net asset value of the Fund annually calculated on each calendar day as a percentage of the net asset value. Index fees cover Index Service Provider fees and any related publishing expenses.
<b>Registration Fees:</b>	0.08 % (eight basis points) of the net asset value of the Fund annually paid for trading. The annual rate of the Fund's expenses does not exceed 1% (hundred basis points) of net asset value.
<b>Dealing Expenses:</b>	The Fund issues and recovers packages of units only in exchange for an in-kind exchange. However, for purposes of rebalancing the portfolio, the Fund may purchase and sell shares of the Index. Such transactions may result in a transaction cost estimated at cost and incurred by the Fund through deduction of its assets
<b>Tax and Zakat Advisor Fees</b>	The expenses of the tax and zakat advisor are borne by the fund in the amount of SAR 2,500 paid once to register the fund, in addition to SAR 6,000 paid

	annually from the net value of the fund's assets, and fees of SAR 3,000 borne by unitholders when they request a tax and zakat certificate on their investments approved by the chartered accountant.
The Fund Manager shall incur the following actual effective expenses incurred after the start of the Fund	<ul style="list-style-type: none"> <li>Expenses of publishing the details of prices of units in newspapers, electronic media and other information systems and listing of the units of the Fund in the stock markets (if any).</li> <li>Liquidator expenses in case of liquidation</li> <li>Expenses related to the publication of annual reports</li> <li>Any other actual operating expenses due to other persons dealing with the Fund</li> </ul> <p>The above expenses are part of the Fund management fees</p>
The market maker's compensation for the issuance and recovery of the units in kind, if any	It is paid by the administrator through deduction of fees due to him.

All fees and expenses mentioned in these Terms and Conditions for the Fund do not include value added tax unless otherwise stated.

- B) A table showing all fees and expenses, along with the method of calculating the consideration for services, commissions and fees, and the time of their payment by the Investment Fund:**

Type of fees and charges	Prescribed ratio	Calculation basis	Calculation timing	Payment Basis
Management fees	0.50% of NAV	Annually	Every calendar day	It is paid every 3 months as dues
Custody Fees	0.03% of NAV	End of period	Every calendar day	Paid monthly
Administrative fees	0.22% of NAV	Annually	Every calendar day	It is paid every 3 months as dues
Index fees	0.10% of NAV	Annually	Every calendar day	Paid annually
Auditor's fees	20,000 SAR	Fixed amount deducted annually	Every calendar day	Paid annually
Tax and Zakat Advisor Fees	2,500	Fixed amount deducted	When registering the fund	<b>Paid once</b>
	6,000	Fixed amount deducted annually	Every calendar day	<b>Paid annually</b>
Capital Market Authority fees	7,500 SAR	Fixed amount deducted annually	-	Paid annually
Dealing Expenses (Brokerage)	Any costs related to stock trading are borne by the fund.	It is calculated at cost	Every calendar day	Paid on demand

All fees and expenses mentioned in these Terms and Conditions for the Fund do not include value added tax unless otherwise stated.

- C) A hypothetical table showing the ratio of the fund's costs to the total value of the fund's assets at the level of the Fund and the Unit Holder during the life of the fund: (assuming the Fund size is 10 million Saudi riyals)**

	Fund	Unit holder
Assets value at the beginning of the year	SAR 10,000,000	SAR 50,000

Type of fees	Fee ratio of net asset value	Amounts paid annually (SAR)
Management fees	SAR 50,000	SAR 250
Custodian fees	SAR 3,000	SAR 15
Auditor fees	SAR 20,000	SAR 100
Capital Market Authority fees	SAR 7,500	SAR 38
Index fees	SAR 10,000	SAR 50
Tax and Zakat Advisor Fees	SAR -6,000	SAR -30
Tax and Zakat Advisor registration fees, one time	SAR -2,500	SAR -12,5
Dealing expenses	If any	
<b>Total fees and expenses</b>	<b>99,000</b>	<b>495.50</b>
Closing net assets value	9,901,000	49,504.50
Fund expenses to total value ratio*	0.99%	0.99%
Recurring expenses ratio*	0.97%	0.99%
Non-recurring expenses ratio	-0.3%	-0.3%

\*Total fees and expenses (excluding subscription fee) divided by the closing net asset value.

- D) **Consideration against transactions prescribed on subscription, recovery and transfer of ownership paid by unit holders, and the method of calculating that consideration:** Investors or the market maker are not subject to issuance or recovery fees. In any case, the investors shall bear the brokerage fees in the market when buying or selling units of the fund.
- E) **Special discounts and commissions:** Not applicable.
- F) **Information related to zakat and/or tax:**  
 The value added tax will be applied according to the instructions of the executive regulations issued by the General Authority of Zakat and Income on all fees, expenses, fees and costs subject to value added tax. All fees and charges mentioned in these Terms and Conditions do not include value added tax unless otherwise stated. The Fund Manager is not responsible for paying the zakat on the investment units from the investors, and the Unit Holder is responsible for paying the zakat on the units he owns.  
 • The fund manager undertakes to register the fund with the Zakat, Tax and Customs Authority within the statutory period. It also undertakes to submit the declaration of information and data requested by the Zakat, Tax and Customs Authority for the purposes of examining and reviewing the declarations during the statutory period and to provide the unitholders in charge with the publishable information necessary for the calculation of the Zakat base upon request in accordance with the executive regulations for the collection of Zakat issued by the Zakat, Tax and Customs Authority. Taxpayers subject to the: <https://zatca.gov.sa/ar/pages/default.aspx>
- G) **Any special commission concluded by the Fund Manager:** Not applicable.
- H) **A hypothetical example showing all fees, expenses, and consideration for transactions that were paid out of the fund's assets or by the unit holder on the basis of the fund's currency.**

	Fund	Unit holder
Assets value at the beginning of the year	SAR 10,000,000	SAR 50,000
Type of fees	Fee ratio of net asset value	Amounts paid annually (SAR)
Management fees	SAR 50,000	SAR 250
Custodian fees	SAR 3,000	SAR 15
Auditor fees	SAR 20,000	SAR 100
Capital Market Authority fees	SAR 7,500	SAR 38
Index fees	SAR 10,000	SAR 50
Tax and Zakat Advisor Fees	SAR -6,000	SAR -30
Tax and Zakat Advisor registration fees, one time	SAR -2,500	SAR -12,5
Dealing expenses	If any	

Total fees and expenses	99,000.00	495.50
Closing net assets value	9,901,0000.99	49,504.50

## 10. Valuation and Pricing

### A) How to assess all Fund assets

1. Securities listed or traded in the financial market: it is evaluated at the last transaction price in that market. If such securities are suspended, they will be settled at the latest rate prior to the suspension, unless there is a conclusive evidence that the value of such securities has fallen below the suspension price.

2. Any other investment: The fair value determined by the Fund Manager based on the methods and rules approved by the custodian and after verification by the Fund's auditor.

B) **Number and Frequency of Assessment Points:** There will be a regular indicative assessment for the net asset value of the Fund by issuing an indicative assessment every 15 seconds during trading hours, as well as a net asset assessment at the end of the day.

### C) Actions to be taken in case of error in assessment or error in pricing:

1. If a Fund asset is incorrectly assessed or the unit price is incorrectly calculated, the Fund Manager shall document the error directly and promptly report the error in the assessment or pricing which constitutes 0.5% or more of the unit price to the Authority. This is immediately disclosed on the Fund Manager's website, on the Market's website and in the Fund's reports.

2. The Fund Manager will reimburse all affected Unit Holders (including former unit holders) for all errors in the assessment or pricing without delay.

### D) Method of calculating unit price for the purposes of execution of applications for subscription and recovery:

- Net Asset Value represents the net value of the Fund at the end of each working day. The net asset value is calculated by calculating the value of all the assets of the Fund at the closing price, in addition to any existing monetary items minus any accrued expenses at the end of the working day. The net asset value of the unit is calculated by dividing the result by the number of units existing at the assessment time.

- The indicative price is an indication of the net asset value of the Fund during the trading hours where the last trading price is used while the indicative price is calculated. The same remaining steps are taken to calculate the net asset value as the expenses due are netted depending on the net value of the assets by the end of the last trading day to reach the net indicative value of the unit.

In both cases, the net asset value of the unit of the Fund as well as the reference price for unit trading can be reached by dividing the net asset value by the number of units existing at the time of calculation.

- The purpose of issuing the unit price is to clarify the relative relationship between the net asset value of the Fund unit and the market value of the unit's trading. Under normal circumstances, the Fund Manager follows the above-mentioned assessment policy. In any case in other circumstances beyond his will, the Fund Manager shall endeavor to follow the best assessment methods to assess Fund assets. For example, the process of stopping the listing of shares by the Authority or Tadawul. In some cases, the fair value may be used instead of market value after reporting to the CMA and obtaining its approval. Posting shall be made on both Tadawul and Yaqeen website and in any other appropriate means of posting.

- The fund's net asset value is calculated by the administrator in accordance with accepted and recognized accounting standards.

Expenses that can be deducted from the total asset value:

- Portfolio management fees and any other third party fees (if any).
- Administrative and external auditor fees.
- Custody fees.

- Index service provider fees.
- E) **Place and time of publication of the unit price, and its frequency:** The net asset value assessment process is carried out at the end of the day and the price is calculated and published within two hours of market closing time.

The Net Asset Value and Indicative Price are expressed in Saudi Riyal and are available to investors through the Fund Manager's offices or by E-Posting on the Fund Manager's website and Tadawul [www.Yaqeen.sa](http://www.Yaqeen.sa). [www.tadawul.com.sa](http://www.tadawul.com.sa).

## 11. Dealings

- A) Details of the initial offering:
  - **The start date of the offering:** 27/03/2010 AD and the initial offering period has been completed
  - **Initial price:** 20 Saudi riyals per trading unit.
- B) **The deadline for submitting subscription and recovery requests on any trading day:** The time to submit the issuance and recovery orders is 15 minutes before the market closes on the trading day.
- C) **Procedures for submitting subscription and recovery requests in units:** The units are purchased and sold through offers of sale and purchase during the trading periods and are subject to the rules of trading of the stock market in terms of trading periods and types of orders. Units can also be purchased and sold by establishing and recovering these units through the market maker or any authorized entity..
- D) **Any restrictions on dealing in the units of the Fund:** Since the units of the Fund are traded in the same way that the shares listed in the market are traded, the restrictions on dealing in Yaqeen Saudi Equity ETF are the restrictions of dealing in the market.
- E) **Cases where units trading is postponed or suspended and procedures followed in those cases:**

The Fund Manager shall have the right to suspend or postpone the dealing in the Fund's units in the following cases:

1. If requested by the Authority.
2. If the Fund Manager considers that the suspension serves the interests of the unit holders.
3. If the dealing is suspended in the market, in which the securities or other assets held by the Fund are dealt with.
4. If the listing of the shares in which the fund invests is delayed in a way that may affect the process of evaluating the fund's units.
5. In the event of difficulties in the market in which the fund deals, for example, but not limited to: **the lack of liquidity in the financial market, and the recovery or evaluation of the fund's units becomes unfair or impossible.**
6. In the event of delay in the process of evaluating the net assets of the Fund.

Procedures followed in these cases:

If the Fund assessment is suspended, recovery or subscription requests submitted on or after the suspension date will be executed on the next assessment date when the assessment suspension is terminated. The Fund Manager will immediately notify the Authority and the unit holders of any comments, clarifying the reasons for the suspension, and notify them in the same manner used in the suspension notice immediately after the suspension and disclose this suspension on the Fund Manager's website and the market website.

- F) **Procedures under which recovery requests to be postponed will be selected:** Not applicable.
- G) **The Fund Manager does not allow the transfer of ownership of units to other investors.**
- H) Minimum number or value of units to which the Unit Holder must subscribe, transfer or redeem: **Minimum Issuance / recovery bundles:** One package.

- l) **Minimum Fund offering:** The initial value of the issue is 50 million Saudi riyals. In the event that the minimum amount is not collected during the initial offering period and after obtaining the Authority's approval, the initial offering period may be extended by a maximum of 21 days and disclosed on the website. If the minimum amount is not collected during the Initial Offering Period, the Fund Manager will return the Subscription Amounts and any proceeds resulting from its investment to the unite owners without any deduction. The Fund Manager has fulfilled this requirement in the Fund's initial offering period.

## 12. Distribution Policy

- A) **A statement relating to the policy of distribution of income and gains, including details of the unclaimed distributions:** Contributions received by the Fund are generally held in the Fund. The Fund does not make periodic distributions to unit holders and any amounts available to the Fund from distributions are reflected to the net asset value. The Fund Manager may reinvest surplus liquidity where it is appropriate to buy into existing portfolio shares in order to achieve compliance with the benchmark portfolio. However, the Fund may, at the discretion of its Board of Directors, distribute the surplus in the form of distributions to unit holders at the discretion of the Fund Manager within the framework of the fund's objectives. Any such distributions are subject to approval by the Fund's Board of Directors.
- B) **Approximate maturity and distribution date:** Non applicable.
- C) **A statement on how distribution will be paid:** Non applicable.

## 13. Reporting to Unitholders

- A) **Financial reports:**  
Yaqeen prepares initial financial reports every half year within 30 days of the end of the period examined by the Fund's External Auditor. These reports shall contain preliminary financial statements, information on the Fund Manager and any other information on the Fund's activities during the period. This is in addition to an audited annual report, covering the financial statements prepared in accordance with the financial laws and regulations applicable in the Kingdom of Saudi Arabia within 3 months after the end of the Fund's financial year, including details of the financial position and performance of the Fund. In addition to information on the Fund Manager and Custodian as at the end of the financial year which is at 31 December of each year. The annual financial statements are audited and approved by the external auditor of the Fund.  
The fund manager shall prepare the quarterly statement in accordance with the requirements of Annex (4) of the Investment Funds Regulations, within a period not exceeding (10) days from the end of each quarter, and it shall be published on the website of the market and the fund manager.
- B) **Place and means of making reports available as prepared by the Fund Manager:**  
These reports will be delivered through the Fund Manager's office at no charge and will be posted on the Fund Manager's website, [www.yaqeen.sa](http://www.yaqeen.sa), and on the Capital market website (Tadawul) [www.saudiexchange.sa](http://www.saudiexchange.sa).
- C) **Means of providing unit holders with annual financial statements:**  
The annual financial statements will be delivered through the Fund Manager's office at no charge and will be posted on the Fund Manager's website, [www.yaqeen.sa](http://www.yaqeen.sa), and on the Capital market website (Tadawul) [www.saudiexchange.sa](http://www.saudiexchange.sa).
- D) **The Fund Manager acknowledges providing all audited financial statements for the Fund at the end of each fiscal year since its establishment, noting that the fund's first financial statement is for the year 2010.**
- E) **The Fund Manager acknowledges providing the fund's audited annual financial statements free of charge when requested by unit holders. The Fund Manager makes the current net asset value of the Public Fund that he manages available for examination by unit holders free of charge, and all previous NAV figures are available at the Fund Manager's registered offices.**

## 14. Unitholders Register

- A) **Securities Depository Center Company ("Edaa") will prepare the updated register of unit owners and keep it in the Kingdom.**
- B) **The unit holders register will be maintained by the Securities Depository Center Company ("Edaa").**

## 15. Meeting of unitholders

- A) **Conditions in which unite holders are called for a meeting:**
  1. The Fund Manager may call for a meeting of Unit Holders on his own initiative.
  2. The Fund Manager shall call for a meeting of Unit Holders within (10) days of receiving a written request from the Custodian.
  3. The Fund Manager shall call for a meeting of the Unit Holders within (10) days of receiving a written request from one or more of the unit holders who together or individually own at least 25% of the value of the units of the Fund.
- B) **Procedures for convening a meeting of unit holders:**
  1. The call for the unit holders' meeting shall be announced on the website of the Fund Manager and on the Market website, and by written notice to all unit holders and custodian according to the regulations set by the Authority at least ten days prior to the meeting and for a period not exceeding ( 21) days before the meeting. The notification will include the date, place, time and decisions proposed. The Fund Manager must, if he sends a notification to unit holders after any meeting of unit holders, send a copy of it to the Authority.
  2. The Fund Manager may amend the agenda of the unit holders meeting during the announcement period, provided that it is announced on its website and any other website available to the public according to the regulations set by the Authority and by sending a written notice to all unit holders and the custodian at least ten days prior to the meeting and for a period not exceeding (21) days before the meeting.
  3. If the unit holders agree to any of the proposed decisions at the unit holders meeting, and this necessitates amending the Terms and Conditions of the fund. The Fund Manager shall amend these Terms and Conditions in accordance with the approved resolution.
  4. The meeting of unit holders shall not be valid unless attended by a number of unit holders who collectively own at least 25% of the value of the units of the public fund.
  5. If the quorum mentioned in the preceding paragraph is not met, the Fund Manager shall call for a second meeting by posting on the website of the Fund Manager and the Market website and by sending written notice to all Unitholders and Custodian prior to the second meeting of not less than (5) days. The second meeting is valid regardless of the percentage of units represented at the meeting.
- C) **A statement of voting rights of unit holders:**
  1. Each Unit Holder may appoint a representative to represent him at the meeting of unit holders.
  2. Each Unit Holder may make one vote at the meeting of unit holders for each unit held by the meeting time.
  3. It is permissible to hold unit holders' meetings, participate in their deliberations and vote on their decisions by means of modern technology in accordance with the controls set by the Authority, provided that the announcement of this is on the website of the Fund Manager and the website of the market.

## 16. Unitholders' Rights

- A) **List of rights of unit holders:**
  1. Obtain a copy of the Fund's terms and conditions or any update on it free of charge



2. Obtain a summary of the unit holders' register (this summary should show all information related to the applicant owner only) for free upon request.
  3. Exercise all rights related to units including but not limited to the right to vote in meetings of unit holders.
  4. Receive notification from the Fund Manager of details of the Fund's fundamental changes. (10) Days after the change takes effect.
  5. Vote on any proposed fundamental change to the Fund.
  6. Recover units (in the open-end public fund) before any significant change takes effect without any recovery fees (if any).
  7. Receive notification from the Fund Manager of any Non-fundamental changes proposed before (10) days after the change takes effect.
  8. Recover units (in the open-end public fund) before any Non-fundamental change takes effect without any recovery fees (if any).
  9. Receive immediate notification from the Fund Manager when he imposes a suspension or recovery of subscription of the Fund's units and explains the reasons for the suspension.
  10. Receive immediate notification from the Fund Manager when he terminates the suspension or recovery of subscription of Fund Units.
  11. Owners of affected units shall have the right to receive compensation from the Fund Manager for all assessment or pricing errors.
  12. Issuing a special decision to dismiss any member of the Board of Directors of the Fund. This request shall be directed to the Fund Manager.
  13. The Fund Manager shall comply with all requirements of the unit holders' meetings in accordance with Article (75) of the Investment Funds Regulations.
  14. The Fund Manager shall comply with all requirements of reporting to the unit holders in accordance with Article (76) of the Investment Funds Regulations.
  15. In the event of merger of funds, the Fund Manager shall comply with all requirements of Part 7 of the Investment Funds Regulations.
  16. Receive an immediate written notice from the Fund Manager when he deposes the Custodian appointed by him.
  17. Receiving a written notice from the fund manager no less than (21) days before the date on which the public fund is intended to be terminated.
  18. Obtaining information on the net asset value of the unit and the indicative unit price in the manner and timing disclosed in this terms and conditions.
  19. Obtaining information on the target shares basket in the manner and timing disclosed in these terms and conditions.
- B) Policy of the Fund Manager in respect of voting right associated with any assets of the public Fund that it manages:**

In accordance with inside Falcon's regulations of voting rights, in cooperation with the Board of Directors of the Fund, Conformity, Compliance and Risk Management group, this system will be followed in case of voting. The Fund Manager will also make voting decisions within the framework of this system by consulting the Conformity, Compliance and Risk Management group.

## 17. Unitholders' Liability

It is the responsibility of the unit holders to bear the loss of their investment in the Fund or part thereof, and shall have no liability for the debts and obligations of the Fund. The unite holder shall not incur any liabilities beyond the purchase price paid for the units and shall not incur any other liabilities as a result of the acquisition of the units.

## 18. Units Characteristics

- Units of the Fund are of the same kind and have the same value, privileges and rights. The Fund's units do not represent a relative ownership in the Fund's shares, but represent a proportionate share of the Fund.

- Each issue or recovery bundle consists of 25,000 units of the Fund.
- The initial value of the Fund unit is SAR 20.
- The process of issuance and recovery of the Fund's units shall be on an ad hoc basis where the Fund Manager and the Market Maker shall exchange units of the Fund against a basket of shares through the Custodian for the purposes of issuing and recovering the Units.
- The Fund's units are electronically issued in the form of electronic records and are not issued in the form of paper certificates.

## 19. Changes to the Fund's Terms and Conditions

### A) This Fund shall be subject to all provisions governing the change in the Terms and Conditions of the Public Investment Funds and the approvals and notices set forth in the Investment Funds Regulations:

The provisions regulating changing the Terms and Conditions of the Fund are divided into two parts according to the Investment Funds Regulations, based on the quality of the information to be changed in accordance with Articles 62 and 63, respectively, as follows:

#### First: The approval of the Authority and the Unit Holders on the fundamental changes

1. The Fund Manager must obtain the approval of the unit holders in the Fund for the proposed basic change through an ordinary Fund resolution.
2. The Fund Manager must obtain the approval of the unit holders in the Fund for the proposed fundamental change, which is the change in the maturity or termination date of the closed public Fund through a special resolution for the fund.
3. The Fund Manager must, after obtaining the approval of the unit holders, obtain the approval of the Authority on the proposed basic change for the public fund.

#### The term "fundamental change" means any of the following cases:

- A significant change in the objectives, nature or category of the Public Fund.
  - A change that may have a negative and material effect on the unit holders or on their rights in relation to the closed public fund.
  - The change that has an impact on the degree of risk of the Public Fund.
  - Voluntary withdrawal of the Fund Manager from the position of Fund Manager.
  - Any change that would normally cause Unitholders to reconsider their participation in the Closed Public Fund.
  - Any change that leads to an increase in payments from the assets of the closed public Fund to the Fund Manager or any member of the fund's board of directors or any affiliate of any of them.
  - Any change that introduces a new type of payment shall be made from the assets of the Closed Public Fund.
  - Any change that substantially increases the other types of payments that are paid from the assets of the closed public fund.
  - A change in the maturity or termination date of a closed public fund.
  - Increasing the total value of the closed public fund's assets by accepting contributions in cash or in kind or both.
  - Any other cases decided by the Authority from time to time and reported to the Fund Manager.
4. The Fund Manager must obtain the approval of the fund's board of directors before making any fundamental change.
  5. The Fund Manager must announce the details of the basic changes on his website, the market website and any other website available to the public according to the regulations set by the Authority (10) days before the change takes effect.
  6. The details of the basic changes must be stated in the Public Fund reports prepared by the Fund Manager.

#### Second: Notifying the Authority and unit holders of any non-fundamental changes

1. The Fund Manager must notify the Authority and announce that on its website, the market's website and any other website available to the public according to the controls set by the Authority about any non-fundamental changes in the public Fund that it manages 10 days before the change takes effect.
  2. The Fund Manager must obtain the approval of the fund's board of directors before making any non-fundamental change.
  3. For the purposes of the Investment Funds Regulations, "non-fundamental change" means any change that does not fall within the basic changes.
  4. The details of the non-fundamental changes must be stated in the Public Fund reports prepared by the Fund Manager.
- B) A statement of the procedures to be followed for notification of changes in the Terms and Conditions of the Fund:**
1. The Fund Manager must announce the details of the fundamental changes on his website, the market website and any other website available to the public according to the controls set by the Authority (10) days before the change takes effect.
  2. The Fund Manager must notify the Authority and announce that on its website, the market's website and any other website available to the public according to the controls set by the Authority about any non-fundamental changes in the public Fund that it manages 10 days before the change takes effect.

## 20. Termination and liquidation of the Investment Fund

- A) Cases requiring the termination of an Investment Fund, and the relevant procedures in accordance with the provisions of the Investment Funds Regulations:** If the Fund Manager notices that the amount of the fund's assets under management is insufficient to justify the permanent operation of the fund, or in the event of any change in the law, regulation or any other circumstances in which the Fund Manager deems it an appropriate reason to terminate the fund, the Fund Manager shall notify the Capital Market Authority and notify the unit holders in writing of his desire to terminate the fund, for a period of no less than 21 days from the date on which the Fund is intended to be terminated if the Fund Manager wishes to terminate the fund.

### Procedures for liquidating an Investment Fund:

The Fund Manager must follow the following procedures for terminating the Fund in accordance with the provisions of Article (22) of the Investment Funds Regulations:

- The Fund Manager must complete the stage of selling the fund's assets and distributing the dues of unit holders to them before the end of the fund's term.
- For the purpose of terminating the fund, the Fund Manager must prepare a plan and procedures for terminating the Fund in the interest of the unit holders, and the approval of the fund's Board of Directors must be obtained on this plan before taking any action in this regard.
- In the event that the Fund Manager wishes to terminate the fund, he must notify the Authority and announce on its website, the market's website or any other website available to the public, according to the controls set by the Authority, no less than 21 days before the date on which the public Fund is intended to terminate, without prejudice to Terms and Conditions of the fund.
- The Fund Manager must notify the Authority and the unit holders in writing of the end of the Fund within (10) days from the end of the Fund term in accordance with the requirements set forth in the Investment Funds regulation
- The fund manager must terminate the fund immediately if the fund manager notices that the amount of the fund's assets under management is insufficient to justify the permanent operation of the fund, or in the event of any change in the law, regulation or any other circumstances that the fund manager considers to be an appropriate reason to terminate the fund and notify the Authority Unitholders in writing within (5) days from the occurrence of the event that requires the termination of the Fund.
- The Fund Manager must abide by the Fund termination plan and procedures approved by the fund's Board of Directors.

- The Fund Manager must treat all unit holders equally during the Fund termination process.
  - The Fund Manager must distribute the entitlements of the unit holders to them immediately upon the expiry of the fund's term without delay and in a manner that does not conflict with the interest of the unit holders and the fund's Terms and Conditions.
  - For the purpose of terminating the fund, the Public Fund Manager must announce on his website, the market's website or any other website available to the public, according to the regulations set by the Authority, about the expiry of the fund's term.
  - The Fund Manager must provide the unit holders with a report on the termination of the Fund within a period not exceeding (70) days from the date of completion of the termination of the fund, including the final audited financial statements of the Fund for the period following the last audited annual financial statements.
- B) In the event of the expiry of the fund's term, the Fund Manager shall not charge any fees deducted from the fund's assets.**

## 21. Fund Manager

### A) Name, duties and responsibilities of the Fund Manager:

The Fund Manager is Yaqeen Capital, which is an entity authorized under the Regulations of Financial Market Institutions, Yaqeen Capital in its capacity as a Fund Manager, the Fund Manager (Yaqeen Capital) manages the Fund wisely and fairly in order to achieve the investment objectives of the Fund included in this prospectus, and in all cases takes into account the interests of the unit holders under the Terms and Conditions of the fund.

#### Duties, Duties and Responsibilities of the Fund Manager:

- Establishing, registering and offering the Yaqeen Saudi Stock Exchange Traded Fund.
- Appointing the market maker, arranging the initial working capital, and coordinating with the market maker to complete the issuance and redemption of units.
- Designating the indicator service provider and agreeing with it on a mechanism for calculating, evaluating and publishing the indicator information.
- Appointment of the custodian and the continuous coordination of the processes of issuing and redeeming units.
- Setting the fund's policies and determining the mechanism for issuing and redeeming unit.
- Preparing for the listing of the Fund's units.
- Ensure conformity of performance and reconcile and address deviations.
- **Monitoring performance and working to achieve the fund's objectives within the framework of the announced strategy and policies.**
- Determining and advertising the components of the basket of shares and the monetary elements, if any.
- Periodically checking the rebalancing operations with the rebalancing level of the index portfolio.
- Ensure that the market maker provides liquidity.
- Ensure the correctness of the calculation and publication of the net asset value and indicative value of the unit.
- Ensure that information related to the indicator is published.
- The fund manager (Yaqeen Capital Company) manages the fund wisely and fairly in order to achieve the investment objectives of the fund included in this prospectus, and in all cases takes into account the interests of unit holders within the framework of the fund's terms and conditions.
- The fund manager shall abide by the controls set forth in paragraph (3) ("Investment Policies and Practice") of this prospectus, as well as with the relevant controls contained in Article (41) ("investment restrictions") contained in the investment funds regulations.
- The fund manager is also committed to the Shariah standards for investment, and periodically checks that all the fund's investments comply with the Shariah standards and controls approved by the Shariah board of the fund under the supervision of the fund's Shariah board, and informs the fund's board of directors in a timely manner of any material violations.

- B) License number and date issued by the Capital Market Authority:**  
License No. 37-06020, dated 29/04/1427 AH to carry out the services of dealing as principal, agent, underwriting, managing Investment Funds and private portfolios, arranging, advising and custody in securities.
- C) The registered address and main office of the Fund Manager:**  
Kingdom Saudi Arabia  
  
Olaya Main Road, Al Wurud District  
  
Yaqeen Company Building,  
  
Tel: 800 429 8888
- D) The address of the Fund Manager's website and any linked website that contains information about the Investment Fund:**  
The Fund Manager's website: [www.yaqeen.sa](http://www.yaqeen.sa)  
Saudi market website (Tadawul): [www.saudiexchange.com](http://www.saudiexchange.com)
- E) The paid-up capital of the Fund Manager:**  
A Saudi closed joint stock company with a paid-up capital of 150 million Saudi riyals
- F) A summary of the Fund Manager's financial information with an explanation of the revenues and profits for the previous fiscal year:**

Statement of financial position (000) Saudi riyals	Yaqeen Capital
Description	<b>Dec-22</b>
Assets	19,377
Liabilities	97,377
Shareholders' equity	222,292
Net liabilities and shareholders' equity	319,377

Income statement (000) Saudi riyals	Yaqeen Capital
Description	<b>Dec-22</b>
Total sales	99,032
Expenses	(82,715)
Net income	3,818

- G) The basic roles and responsibilities of the Custodians in relation to the Investment Fund:**
1. Establishing, registering and offering the Yaqeen Saudi Stock Exchange Traded Fund.
  2. Appointing the market maker, arranging the initial working capital, and coordinating with the market maker to complete the issuance and redemption of units.
  3. Designating the indicator service provider and agreeing with it on a mechanism for calculating, evaluating and publishing the indicator information.
  4. Appointment of the custodian and the continuous coordination of the processes of issuing and redeeming units.
  5. Setting the fund's policies and determining the mechanism for issuing and redeeming unit .
  6. Preparing for the listing of the Fund's units.
  7. Ensure conformity of performance and reconcile and address deviations.
  8. **Monitoring performance and working to achieve the fund's objectives within the framework of the announced strategy and policies.**
  9. Determining and advertising the components of the basket of shares and the monetary elements, if any .

10. Periodically checking the rebalancing operations with the rebalancing level of the index portfolio.
11. Ensure that the market maker provides liquidity.
12. Ensure the correctness of the calculation and publication of the net asset value and indicative value of the unit.
13. Ensure that information related to the indicator is published.
14. The fund manager (Yaqeen Capital Company) manages the fund wisely and fairly in order to achieve the investment objectives of the fund included in this prospectus, and in all cases takes into account the interests of unit holders within the framework of the fund's terms and conditions.
15. The fund manager shall abide by the controls set forth in paragraph (3) ("Investment Policies and Practice") of this prospectus, as well as with the relevant controls contained in Article (41) ("investment restrictions") contained in the investment funds regulations.
16. The fund manager is also committed to the Shariah standards for investment, and periodically checks that all the fund's investments comply with the Shariah standards and controls approved by the Shariah board of the fund under the supervision of the fund's Shariah board, and informs the fund's board of directors in a timely manner of any material violations.

- H) **There are no other business activities or interests of the Fund Manager that are of material importance, or that may conflict with the activities of the Investment Fund.**
- I) **The Fund Manager has the right to appoint a sub-Fund Manager if he deems it necessary.**
- J) **A statement of the provisions regulating the dismissal or replacement of the Fund Manager:**

The Authority shall have the right to dismiss the Fund Manager and take any action it deems appropriate to appoint an alternative Fund Manager for the Fund or to take any other measure it deems appropriate in case of any of the following cases:

1. If the Fund Manager ceases to exercise management activity without notice to the Authority in accordance with the list of authorized persons.
2. In the case of revocation of the license of the Fund Manager to exercise Investment management activity or its withdrawal or suspension by the Authority.
3. In the case of a request to the Authority from the Fund Manager to cancel his license to exercise Investment management activity.
4. If the Authority considers that the Fund Manager has violated – as the Authority deems material – the obligation of the law or its executive regulations.
5. In the case of the death, deficit or resignation of the investment portfolio manager who manages the fund's assets, with no other person registered with the Fund Manager able to manage the assets of the funds managed by the portfolio manager.
6. Any other case that the Authority considers – on reasonable grounds – that it is of fundamental importance.

## 22. Fund Operator

- A) **Name of the Fund operator:** Yaqeen Capital performs the tasks assigned to the Fund operator according to the Investment Funds regulations.
- B) **License number issued by the Capital Market Authority, and its date:** The company is licensed by the Capital Market Authority under license number O6O2O-37 issued on 29/04/1427 AH corresponding to 05/27/2006 AD.
- C) **The address of the Fund Operator:**  
 Yaqeen Capital  
 Olaya Main Road  
 PO Box 884 Riyadh 11421  
 Tel: 8004298888  
 Fax: +966 (11) 4617268
- D) **Basic roles and responsibilities of the Fund operator in relation to the Investment Fund:**
- Operation of the fund.

- Maintain books and records related to the operation of the fund.
  - Preparing and updating the register of unit subscribers and keeping it in the Kingdom in accordance with the requirements of the Investment Funds regulation.
  - The Fund Operator is responsible for the process of distributing profits, if any, according to the distribution policy stipulated in these Terms and Conditions.
  - Evaluating the Fund's assets fully and fairly, and calculate the price of the fund's units.
- E) **The Fund Operator may assign one or more third parties or any of its affiliates licensed to practice the activity of operating the funds to work as a sub-operator of the fund.**
- F) **The tasks assigned to the Fund operator by a third party:** Not applicable, with the possibility of appointing the Fund Operator one or more third parties or any of its affiliates licensed to practice the activity of operating the funds to work as a sub-operator of the fund.

## 23. Custodian

- A) **Name of the custodian:** Albilad Capital Company.
- B) **License number issued by the Capital Market Authority, and its date:** Albilad Capital is a Saudi company with one person, closed joint stock, licensed by the Capital Market Authority under License No. 37-08100, dated 01/08/1428 AH to carry out the services of dealing as principal, agent, underwriting, managing Investment Funds and private portfolios, arranging, advising and custody in securities.
- C) **The registered address and business address of the custodian:**  
 King Fahd Road, Al Olaya  
 PO BOX, 140 Riyadh 11411  
 Tel No. 920003636  
 Fax: + 966 (11) 2906299
- D) **The basic roles and responsibilities of the Custodians in relation to the Investment Fund:**
1. Physical preservation of the fund's assets, when needed.
  2. Carry out the procedures for executing the requests submitted by the market maker in accordance with the directions of the fund manager to issue and redeem the fund units as follows:
  3. Review the components of the portfolio in light of the information announced by the fund manager.
  4. Upon executing the Units Issue Request, the Market Maker shall arrange for the transfer of the basket of shares and other monetary items from the Market Maker's account to the Fund Manager's account.
  5. When executing the unit redemption request, the custodian shall ensure that the units are in the market maker's account.
  6. Arranging for the issuance and redemption of the Fund's units and ensuring that the listing process (or suspension of listing) has been properly carried out by the Tadawul.
  7. When issuing, ensuring that the number and value of the units transferred to the fund's account is equal to the number and value of the issue units transferred to the account of the market maker.
  8. Upon redemption, ensure that the fund units (and their values) are proportional to the basket of shares (and their values) transferred to the account of the market maker.
  9. Settlement of intra-day unit issuance and redemption with Tadawul.
- E) **The custodian is not entitled to appoint a sub-custodian.**
- F) **Tasks assigned to a third party by the custodian in relation to the Investment Fund:** Not applicable.
- G) **A statement of the provisions regulating the dismissal or replacement of the custodian:**  
 The Authority may dismiss the custodian appointed by the Fund Manager or take any measure it deems appropriate in the event of any of the following cases:
1. The custodian stops carrying out custodian activities without notifying the Authority of that in accordance with the Financial Market Institutions Regulations.
  2. Cancelling the custodian's license to practice custody activity, withdrawal or suspension by the Authority.

3. Submitting a request to a custodian authority to cancel his license to practice custodian activity.
4. If the Authority considers that the custodian has fundamentally breached, according to the Authority, the obligations of the Law or its executive regulations.
5. Any other event determined by the Authority – based on reasonable grounds– to be of sufficient significance.

In this case, the Fund Manager will appoint a replacement custodian and transfer custodian responsibilities to the new custodian within 60 days of his appointment.

The Fund Manager may also dismiss the custodian by written notice if it reasonably considers that the removal of the custodian is in the interest of the unit holders. In this case, the Fund Manager will appoint a replacement custodian within (30) days of the custodian receiving the written notification. The Fund Manager's website and the market's website will immediately disclose the appointment of a replacement custodian.

## 24. Fund Board

### A) The names of the members of the fund's Board of Directors, with mentioning the type of membership:

1. **Mr. Ahmad Ibrahim Alshabanah (Chairman of the Board of Directors of the Fund - Non-Independent)**
2. Dr. Abdul Karim bin Hamad Al-Nujaidi (Independent Member)
3. Mr. Muhammad Bin Misfer Al-Maliki (Independent Member)
4. **Dr. Muath Bin Howaimel (Independent Member).**

### B) Qualifications of the Fund Board Members:

#### Mr. Ahmad Ibrahim Alshabanah (Chairman of the Board of Directors of the Fund - Non-Independent)

Deputy CEO of Yaqeen Capital, holds a master's degree in business administration from the Swiss Business School and a bachelor's degree in business administration from King Faisal University. More than twenty two years of experience in the banking and investments, experience in treasury, Money Market and foreign exchange trading, his most prominent previous experiences: He worked at Alawwal Bank (SABB) and Gulf International Bank. He also held the position of Treasury Manager at Yaqeen Capital, then he joined the Asset Management from 2017 until November 2022.

#### Dr. Abdul Karim bin Hamad Al-Nujaidi (Independent Member)

He holds an Executive MBA from King Fahd University of Petroleum and Minerals in 2011 and a Ph.D. in Linguistics from Oklahoma Stillwater State University, Oklahoma Stillwater, USA in 2003. He has experience of more than 32 years, and he is currently a board member of Abdullah Al Othaim Markets Company, a board member and a member of the Nominations and Remunerations Committee of the Arab Group for Education and Training Holding Company, Member of the Board of Directors, Chairman of the Nominations Committee and member of the Risk Committee in Aljazira Takaful Company and previously the CEO of Maharah for Human Resources And CEO of the National Gas and Industrialization Company.

#### Mr. Muhammad Bin Misfer Al-Maliki (Independent Member)

He holds a master's degree in business administration from Al-Faisal University in 2013. He has more than 30 years of experience in the financial sector in financial markets, banks, business and construction supervision, business and business supervision, construction, investment, board of directors, member of the board of directors and a member of the management committee And nominations and rewards in Kwara Finance, and a member of the audit committee of the "The Riq" project of the Public Investment Fund, a member of the board of



directors and a member of the nominations and rewards committee of the Saudi Real Estate Company, and a member of the board of directors and a member of the audit committee of the Saudi Al-Benj Industrial Company for Industrial and Agricultural Investment (Sapenko ), a member of the Board of Directors, a member of the Board of Directors, a member of the Board of Directors, and a member of the Board of Directors of Al Anson Trading Company.

**Dr. Muath Bin Howaimel (Independent Member)**

He holds a Ph.D. in finance from Swansea University - the United Kingdom, a master's degree in finance and investment management from Sacred Heart University - the United States, a bachelor's degree in finance, and a number of related professional certificates. He has experience in the financial industry. His most prominent experiences include financial research supervision and banking operations in several countries from the Hawk Center. He is also currently an assistant professor in finance, a member of the board of directors of the College of Business, a member of the study materials development committee at Shaqra university, and he is also a member of the audit committee at Al-Medawa Specialized Medical Company.

**C) Roles and Responsibilities of the Board of Directors of the Fund:**

1. Approve all contracts, resolutions and material reports to which the Fund is a party.
2. Adopt a written policy regarding voting rights relating to the Fund's assets.
3. Supervise and, if appropriate, approve any conflict of interest disclosed by the Fund Manager in accordance with the Investment Funds Regulations.
4. Meeting at least twice a year with the compliance and conformance(Compliance and Conformance Committee) officer with the Fund Manager, the money laundering and terrorist financing reporting officer to ensure that the Fund Manager complies with all applicable laws and regulations.
5. Approve any recommendation made by the liquidator in case of his appointment.
6. Ensure that the Terms and Conditions of the Fund, the Memorandum of Information and any other document of the Investment Funds Regulations are complied with.
7. Ensure that the Fund Manager carries out its responsibilities to the benefit of the unit holders in accordance with the Terms and Conditions of the Fund and the provisions of the Investment Funds Regulations.
8. Review the report evaluating the performance and quality of services provided by the parties concerned with providing essential services to the Fund in order to ensure that the Fund Manager carries out its responsibilities in the interest of the unit holders in accordance with the Terms and Conditions of the Fund.
9. Evaluate the Fund Manager's mechanism of dealing with risks related to the fund's assets in accordance with the Fund Manager's policies and procedures regarding monitoring risks related to the Fund and how to deal with them.
10. Act in honesty and in the interest of the Investment Fund and its unit holders.
11. Record the minutes of the meetings that show all the minutes of the meetings and the decisions taken by the Board.
12. Review the report that includes all complaints and the measures taken in respect of them, in order to ensure that the Fund Manager is carrying out his responsibilities in a manner that serves the interests of Unit Holders in accordance with the Terms and Conditions of the Fund and what is stated in the Investment Funds Regulations.

**D) Details of the remuneration of the members of the fund's Board of Directors:**

Board remuneration is payable to the independent directors in the amount of 3,000 Saudi riyals per meeting, with a maximum of 5,000 Saudi riyals per month if more than one meeting is held per month. Board members' remuneration is covered by management fees.

**E) There is no actual or potential conflict between the interests of a member of the fund's board of directors and the interests of the fund, Any member shall disclose to the fund's board of directors the existence of any conflict of interest in the event of voting on any decision taken by the fund board of directors in which a board member may have a direct or indirect special interest.**

- F) **The members of the fund's Board of Directors are members of the boards of directors of other funds managed by the Fund Manager as described below:**

Fund name	Ahmad Ibrahim Alshabanah	Abdul Karim bin Hamad Al-Nujaidi	Muhammad Bin Misfer Al-Maliki	Muath Bin Howaimel
Yaqeen Petrochemical ETF	✓	✓	✓	✓
Yaqeen IPO Fund	✓	✓	✓	✓
Yaqeen Saudi Equity Fund	✓	✓	✓	✓
Yaqeen SAR Murabaha Fund	✓	✓	✓	✓
Yaqeen Gold Fund	✓	✓	✓	✓
Yaqeen Murabaha Fund	✓	✓	✓	✓
Yaqeen Arar Hills Fund	✓	✓	✓	✓
Yaqeen Income Generating Fund	✓	✓	✓	✓

## 25. Shariah Supervisory Committee

- A) **Names of the members of the Shariah Supervisory Committee, and their qualifications:**  
The Shariah Board of Yaqeen Capital will play the role of the Shariah Board of the Fund to ensure that the Fund adheres to Shariah regulations. The Shariah Board of Yaqeen Capital is composed of the following members:

**Sheikh/ Abdullah bin Suleiman Al-Manea - Chairman of the Authority**

He is a member of the Council of Senior Scholars in the Kingdom of Saudi Arabia since its inception, an advisor to the Royal Court, a member of the Shura Council and a former judge of the Court of Cassation in Makkah. He is a member of the Islamic Fiqh Academy, a member of the Shariah Council of the Accounting and Auditing Organization for Islamic Financial Institutions, and the head and member of several Shariah committees in Saudi and Gulf banks. He wrote many books on Islamic banking.

**Sheikh Dr. Muhammad bin Ali Al-Qari bin Eid – Member**

He holds a master's and PhD degrees in economics from the University of California. He is a professor of Islamic economics at the former King Abdulaziz University in Jeddah, and an expert at the Fiqh Academy of the Muslim World League. Dr. Al-Qari is a member of several Shariah Boards of Islamic Banking in many banks around the world.

**Sheikh Dr. Abdul Rahman bin Abdulaziz Al-Nafisah - Secretary and member of the Authority**

He holds a Bachelor's degree in Sharia, a Master's and a Ph.D. in Islamic economics, more than 15 years of experience in the field of Shariah supervision, and Islamic financial transactions, a collaborating lecturer at Imam Muhammad bin Saud Islamic University, a member of a number of Shariah boards in the Kingdom of Saudi Arabia, has published researches and multiple participations in the field of Islamic finance.

- B) **A statement of the roles and responsibilities of the Shariah Supervisory Committee:**
1. Studying and reviewing the fund's investment objectives and policies and the fund's documents to ensure their compliance with the Shariah standards.
  2. Advising the Fund Manager on issues related to Shariah compliance, if requested by the Fund Manager.

3. Giving advice in determining the legal criteria necessary for selecting securities, companies or any other investments in the primary market or the secondary market in which the Fund is expected to invest.
  4. Periodic monitoring of the extent to which the Fund's investments conform to Shariah standards.
  5. Expressing the Shariah opinion on the extent to which the Fund's business conforms to the Shariah standards for inclusion in the Fund's annual audited report.
    - o The Fund Manager abides by the standards and recommendations issued by the Shariah Supervisory Committee and ensures that they are applied in all the fund's investments at all times.
- C) **The remunerations of the members of the Shariah Supervisory Committee shall be borne by the Fund Manager on behalf of the fund.**
- D) **The standards applied to determine the legality of the assets intended for investment and the periodic review of those assets and the procedures followed in the event of non-conformity with the Shariah standards.**

The following are the Shariah controls approved by the Shariah Board of Yaqeen for selecting company shares:

- Objectives of the company:  
It is not permissible to deal in shares of companies involved in one or more of the following activities:
  - Dealing with the interest rate or illegal financial instruments, including the prohibited activities of conventional banks.
  - Producing, distributing and marketing prohibited goods such as smoke and the like, alcohol, drugs, pigs and their meat, and meat not slaughtered according to Shariah, and the gambling industry, resorts, hotels and restaurants with prohibited activities.
  - Producing and publishing media and publications that call for pornography.
  - Derivatives including futures instruments, options, carry contracts and conventional preferred shares.
- Dealing in currency futures contracts.
- Securities issued by companies whose sources of income are related to the following sectors:
  - Conventional banks, insurance companies or activities related to interest rates.
  - Production and distribution of alcohol products.
  - Production and distribution of weapons.
  - Gambling.
  - Production and distribution of pork or any related illegal activities.
  - Hotels and resorts that provide illegal services.
  - Production and distribution of liquor and drugs and the like.

The committee reviews periodically and in the event that **one of the fund's assets does not comply** with the Shariah standards, the Fund Manager will liquidate this asset, taking into account that the unit holders will not be harmed as a result of the liquidation of the asset.

## 27 Tax & Zakat Advisor

:a) Name of Tax and Zakat Advisor

Baker Tilly Company

:b) The registered address and working address of the tax and zakat consultant

Kingdom of Saudi Arabia, Riyadh, Othman Bin Affan Branch Road, Al Taawun District

c) Description of the basic roles and responsibilities of the tax and zakat advisor in relation to the investment fund: review and submit the zakat returns of the fund at the end of the fiscal year

Registration with the Tax and Zakat Authority for each fund •

• Providing a tax and zakat certificate from the CPA to investors upon their request to know the calculation of the zakat base for their investment, as the issuance of the certificate is not mandatory on the fund manager.

## 26. Auditor

A) **The name of the auditor:** KPMG

B) **Registered address and business address of the auditor:**  
Kingdom of Saudi Arabia

KPMG Tower

Riyadh Front – Airport Road, P.O.Box 92876,

Tel: +966 11 874 8500

Fax: +966 11 874 8600

C) **A statement of the primary roles and responsibilities of the auditor:** The auditor reviews the initial and annual financial statements of the Fund.

D) **The provisions regulating the replacement of the auditor of the Investment Fund:**

If the fund manager wants to appoint or change fund auditor, he must obtain the approval of the fund's board of directors. The members of the board of directors shall have the right to refuse to appoint the auditor or direct the fund manager to change, in any of the following cases:

1. Existing and important allegations about the auditor's professional misconduct related to the performance of his duties.
2. If the auditor of the Public Fund is no longer independent.
3. If the auditor of the public Fund is no longer registered with the Authority.
4. If the fund's Board of Directors decides that the auditor does not have sufficient qualifications and experience to perform the audit tasks satisfactorily.
5. If the Authority, at its sole discretion, requests a change of the appointed auditor in relation to the Public Fund.

## 27. Fund assets

A) The assets of the Investment Fund are held by the custodian for the benefit of the Investment Fund.

B) The custodian must separate the assets of each Investment Fund from its own and from the assets of its other clients.

C) The Fund Manager acknowledges that the assets of the Investment Fund are collectively owned by the unit holders (common ownership). The Fund Manager, Fund sub-manager, Fund operator, custodian, sub-custodian, advisor or distributor has no interest in, or claim in, the assets of the fund, unless the Fund Manager, Fund sub-manager, Fund operator, custodian, sub-custodian, advisor, or distributor owns units in the fund, within the limits of his ownership, or if such claims are permitted under the provisions of the Investment Funds Regulations and disclosed in these Terms and Conditions.

## 28. Complaints procedures

The Fund Manager states that the procedures for handling complaints will be provided upon request, free of charge. Unit holders can also write to the Fund Manager in the event of any complaint that may arise at the following address:

Yaqeen Capital  
Compliance Officer  
Kingdom Saudi Arabia  
Olaya Main Road, Al Wurud District  
Yaqeen Company Building,  
Tel: 8888 429 800  
Website: [www.yaqeen.sa](http://www.yaqeen.sa)  
Email: [Addingvalue@yaqeen.sa](mailto:Addingvalue@yaqeen.sa)

## 29. Other information

- A) The policies and procedures that will be followed to address the conflict of interest and any potential or actual conflict of interest will be provided upon request free of charge.
- B) The judicial authority competent to consider any dispute arising from or from investing in Investment Funds is the Securities Dispute Resolution Committee.
- C) List of documents available to unit holders:  
The list includes the following documents:
  - Terms and Conditions of the Fund.
  - The contracts mentioned in the Terms and Conditions.
  - The financial statements of the Fund Manager.
- D) There is no other information, to the knowledge of the Fund Manager and the board of directors, that was not included in the prospectus of the Terms and Conditions.
- E) There are no exemptions from the restrictions of the Investment Funds Regulations approved by the Capital Market Authority, except for those mentioned in the investment policies and practices.

## 30. Additional information requirements for certain types of Funds

In the case of an ETF:

1. The holders of the Yaqeen Saudi Equity ETF Units agree to the Terms and Conditions of the Fund once they have subscribed to it.
2. **Assessment points for the Net Asset Value and the Net Asset Value of each unit:** There will be a regular guiding assessment for the net asset value of the Fund by issuing an guiding assessment every 15 seconds during the trading hours, as well as an assessment for net asset value at the end of the day.
3. Market Maker:  
**First Market Maker:** Yaqeen Capital is a legal entity licensed under license number 37-06020- dated 29/04/1427 AH, based on the provisions of the Financial Market Institutions Regulations issued by the Capital Market Authority to carry out transactions in an authentic capacity.  
**First Market Maker Address:**  
Headquarters - Olaya Main Road  
PO BOX. 884 Riyadh 11421  
Tel: 8004298888  
Fax: + 966 (11) 2054831  
Website: [www.yaqeen.sa](http://www.yaqeen.sa)

**Second Market Maker:** Saudi Fransi Capital Limited is a legal person licensed by the Capital Market Authority under license number 1115337 for the purpose of dealing, preservation, management, arrangement and advice, and incorporated under Commercial Registration No. 1010231217.

**Second Market Maker Address:**

The intersection of Olaya Street with Al Orouba Street  
PO BOX 1290 Riyadh 11431  
Phone: (11) 1111 215 - Fax: (11) 2353 215  
Kingdom Saudi Arabia

**Market Maker Tasks:**

- Providing initial liquidity to the primary market to establish trading units.
  - Providing liquidity for buying and selling operations in the secondary market within the permissible percentage of 2%.
  - The market maker facilitates the issuance and redemption of the fund's units in coordination with the Fund Manager, custodian and Tadawul.
  - Contribute to the stability of the price and demand for the Fund's units in the market by intervening to increase the supply or demand for the units when necessary.
4. **There is no guarantee of the accuracy or conformity of the Fund's performance and the performance of the Index.**
  5. **Circumstances that may lead to errors in tracking the performance of the Index, and strategies used to reduce such errors:**  
The Fund may purchase and sell index shares, which leads to a change in the fund's shares and for the purposes of rebalancing or changing the components of the index, so these operations may result in transaction costs or cause ineffective investment. The total return on investment in the fund's units may also decrease due to some expenses and costs compared to the index because they do not affect the index, and thus the margin of the fund's coefficient of deviation from the index will increase.
  6. **The index methodology and the means by which Unit Holders can obtain the latest information, news and components of the index:**  
Yaqeen Saudi Equity ETF (Yaqeen 30) is evaluated on the basis of the free (floating) capital value of the market and it tracks the performance of 30 companies in the Saudi stock market (based on the free floating capital value) that are compatible with Shariah regulations. Where the index value is calculated using the normal market trading value. The value of the index is calculated using the normal market trading value, which is the value that is determined by market factors and Tadawul.  
The index is calculated daily on the basis of the official closing prices for the shares that make up the index, and the updated information and value of the index will be available during trading hours on the website of the Saudi Stock Exchange (Tadawul) [www.saudiexchange.sa](http://www.saudiexchange.sa)  
Please refer to the Fund Manager's website [www.yaqeen.sa](http://www.yaqeen.sa) and the Tadawul website for additional information on the components of the index.
  7. **A statement of any circumstance or circumstances that may affect the accuracy and completeness of the Index calculation:** Exceptional cases that may affect the accuracy and completeness of the Index calculation may take place as a result of malfunctions in the technical systems in transferring and updating prices directly and accurately. In the event of any circumstance that may affect the accuracy and completeness of the Index calculation, the Fund Manager will take the necessary measures in a manner that does not conflict with the rights of the unit holders.
  8. **A description of the Fund Manager's plan in case the index account is suspended by the service provider:** In this case, the Fund Manager will rely on another service provider. In the event that the given index differs from the alternative service provider, the Fund Manager will take all the required procedures and obtain the necessary approvals from the Unit Holders and the concerned parties to use the new index.

9. **Deviation Coefficient Margin for the Index:** The Fund Manager seeks to maintain a margin of deviation in comparison to the performance of the Index by a maximum of 1%, taking into consideration factors of income, fees and expenses.

## 31. Unitholder Declaration

By signing this Terms and Conditions, I/we acknowledge that I/we have obtained a copy of this prospectus containing the Terms and Conditions of Yaqeen Saudi Equity ETF and Its annexes. I/we have also reviewed It, understood and approved It, and I am aware that the financial summary of this prospectus is updated annually, and accordingly I/we have signed it:

Investor's name: \_\_\_\_\_

Investor account number: \_\_\_\_\_

Investor's signature: \_\_\_\_\_

Date: ... / ... / ...

### On behalf of Yaqeen Capital:

Name: \_\_\_\_\_

Job title: \_\_\_\_\_

Office address: \_\_\_\_\_

Date: ... / ... / ...