

Terms and Conditions

Al Ma'ather REIT Fund.

Al ma'ather REIT fund has been approved as a Real Estate Investment traded Fund takes the form of a special purpose entity in accordance with the provisions of the Real Estate Investment Funds Regulation and the Rules Governing Special Purpose Entities

(A Closed-end Fund)



Fund Manager

- The terms and conditions of Al-Ma'ather REIT Fund, which is managed by Osool and Bakheet Investment Company, are subject to regulations issued by the Board of the Capital Market Authority in the Kingdom of Saudi Arabia, and include complete, clear, correct, updated and not misleading information about the investment fund.
- Prospective investors shall read the terms and conditions of the fund and be aware of the risks specific to the fund before making any investment decision regarding the fund.
- I / We have read the terms, conditions and appendices of the fund, understood and agreed to what came there, and a copy was obtained and signed.
- Prospective investors shall conduct the necessary study to verify the investment opportunities offered under this document and seek the assistance of a special consultant in the matters of zakat and tax regarding the zakat or taxes that may imposed as a result of owning units in the fund, trading them or disposing of them in any other way. Prospective investors may not consider the opinions and estimates presented by the fund manager in these terms and conditions as recommendations for investment in the fund.
- The terms and conditions of this fund were issued on 13/ 06/ 2017 (corresponding to 18/ 09/ 1438 AH), and the last amendment was made on 10/05/2021G (corresponding to 28/09/1442 AH).
- The terms and conditions of this fund were issued on 13/06/2017 AD (corresponding to 18/09/1438 AH).
- This is the amended version of the terms and conditions of the Al-Ma'ather REIT Fund, which reflects the following change (Amendments related to the Zakat Collection Rules for Investing in Investment Funds) according to the notification sent to the Capital Market Authority on 17/01/2024

In the name of Allah, and blessings and peace be upon the Messenger of Allah, his family and his companions:

Important Notice

Each prospective investor shall read these terms and conditions very carefully completely, before making any investment decision related to the fund. It is not permissible for prospective investors to deal with the contents of these terms and conditions as investment, tax, zakat, or legal advice. Rather, all investors shall read these terms and conditions and investigate themselves, check and test the investment opportunity in the fund, and that is related to the advantages and risks Involved in investing in the fund. Investors are advised to consult their professional advisors, tax advisors and their legal and accountants' advisors regarding the purchase, maintenance and disposal of units in the fund.

These terms and conditions have been prepared by Osool & Bakheet Investment Company, a closed joint stock Saudi company, under the Commercial Registry No. 1010219805 dated 02/ 05/ 1427 AH. (corresponding to 29/ 05/ 2006 AD.) and licensed as a "licensed person" under the Capital Market Authority's license No. 08126-07. Also, it has been licensed as per the Real Estate Investment Funds Regulations issued by the Capital Market Authority pursuant to Decision No. 1-193-2006 dated 19/ 06/ 1427 AH. (corresponding to 15/ 07/ 2006 AD.) based on the Capital Market Law issued by Royal Decree No. 30/m) and dated 02/ 06/ 1424 AH. (corresponding to 31/ 07/ 2003 AD), and in accordance with instructions related to Real Estate Investment traded funds issued by the Board of the Capital Market Authority pursuant to Decision No. 6-130 - 2016 and dated 23/ 01/ 1438 AH. (corresponding to 24/ 10/ 2016 AD.), and based on the Capital Market Law issued by Royal Decree No. 30/m) and dated 02/ 06/ 1424 AH. (corresponding to 31/ 07/ 2003 AD).

The level of risks in the fund is classified with medium to high impact risks, so it may not be suitable for investors who want to invest with low risks, as the prices of the fund's units or cash returns may fall due to the risks that the fund may encounter. Consequently, the investor may not recover the original amount that was invested. Therefore, we advise the investor to consult an independent Financial Advisor licensed by the Capital Market Authority before making an investment decision. The prospective investors shall be aware that investing in the fund carries high risks and is only suitable for investors who are familiar with the risks involved, understand these risks, and are able to bear the loss of their invested capital partially or completely (for more information concerning risks of investing in the fund, please refer to Article "g" herein).

The Fund manager shall bear responsibility for the information contained in these terms and conditions, which the fund manager confirms according to his knowledge (after having exerted reasonable professional care to ensure this) that it does not include any false or misleading statement and does not neglect any matters stipulated by the executive regulations issued by the Board of the Capital Market Authority to be included. The Capital Market Authority shall not bear any responsibility for the contents of these terms and conditions, and it shall not give any assurances regarding its accuracy or completeness, and expressly discharges itself of any liability whatsoever for any loss resulting from what is stated herein or for reliance on any part thereof. Those desiring to purchase the fund units offered under these terms and conditions shall investigate the validity of the information related to the fund.

All dates are indicated in the Hijri calendar and the corresponding Gregorian calendar or vice versa, and in the event that the Hijri date does not coincide with the Gregorian, the date mentioned first shall be considered.

Name and Address of Fund Manager

Osool & Bakheet Investment Company
P. O. Box: 63762, Riyadh 11526
Saudi Arabia Kingdom
Tel.: 966-11-419-1797
Fax: 966-11-419-1899
Email: WMD@OBIC.COM.SA

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The Fund Summary

Fund Type	Al ma'ather REIT fund has been approved as a Real Estate Investment traded Fund takes the form of a special purpose entity in accordance with the provisions of the Real Estate Investment Funds Regulation and the Rules Governing Special Purpose Entities.
Fund Currency:	Saudi Riyal.
Fund Terms:	The Fund Term is 99 years starting from the date of listing units on Tadawul, renewable for similar periods at the discretion of the Fund manager and after obtaining the approval of the Capital Market Authority.
The Fund's Investment Objectives:	<p>The fund aims to invest in real estate assets, within the Kingdom of Saudi Arabia, which are achievable periodic rental income, and to distribute at least 90% of the fund's net profits annually.</p> <p>The fund invests as a secondary asset of the fund in real estate development projects, provided that:</p> <ol style="list-style-type: none"> 1. Fund's assets invested in developed real estate assets, that generate income periodically, shall not be less than, about 75% of the total assets of the fund according to the latest audited financial statements 2. The fund shall not invest its assets in Idle Lands.
Fund Size:	The Fund Size is SR 613,700,000.
Unit Price:	SR 10.
The Risk Degree:	Medium to High (Kindly refer to Article "G" of these Terms and Conditions for details on the risks associated with investing in the fund).
The Minimum Subscription Amount:	The Minimum Subscription Amount is SR10,000 plus the subscription fee, and it is also possible to allocate a smaller amount from the minimum subscription due to the large number of subscribers during the initial offering period.
Minimum Equity:	N/A
Dividend Policy:	Annual dividends (if achieved) will be distributed to unit owners which not less than ninety percent (90%) from the net profit of the fund during the first quarter, in the month of March of each year.
Initial Offering Period:	<p>The start date for accepting subscriptions during the initial offering period as follows: 08/ 10/ 1438 AH. corresponding to 02/ 07/ 2017 AD.</p> <p>End date of the initial offering period is: 12/ 10/ 1438 AH. corresponding to 06/ 07/ 2017 AD.</p>
Number of Evaluation Times:	Twice per year, every six months of the fund's fiscal year (June 30 and December 31 of each Gregorian Year).
Subscription Fees:	Subscription fees shall be deducted from the total subscription amount and after allocating units, with a value of 2% of the total subscription amount. The Fund manager shall waive/ deduct the full subscription fees for sellers of real estate assets (in-kind subscription) whose data are mentioned in Article "H" herein.
Fund Management Fees:	An annual fee equivalent to 0.50% of the fund's gross assets under management after deducting accrued expenses. It shall be calculated on a daily basis and paid quarterly.
Property Manager's Fees:	Annual fees equivalent to 5% of the total revenue that has already been collected from real estate assets, provided that it shall be paid on a semi-annual basis.
Development Fees:	In the event that the Fund invests in real estate development projects, the developer will receive its fees for supervising/ working to develop the project in the form of a percentage of the project operating costs, according to the prevailing market price, with a maximum of 15% of the project operating costs.
Custody Fees:	<ul style="list-style-type: none"> • 0.05% annually of the value of assets as per the last valuation, if assets value is between 0 and 500 million. • 0.04% annually of the value of assets as per the last evaluation, if assets value is

- between 500 million and 1 billion.
- 0.025% annually of the value of assets as per the last valuation, if assets value is 1 billion or more.
- Provided that the custody fees are not less than SR 150,000 annually.
- An amount of SR 60,000, a one-time setup fee.
- An amount of SR 25,000 as additional fees for establishing a special purpose company.

Fees for the Chartered Accountant	An amount of SR 73,000 annually, including zakat services.
Financing Fees	The fund shall bear all financing costs, fees and expenses related to arranging and structuring financing fees of the fund, if any, as per the prevailing Market Price.
Board Members' Fees	The fund shall bear all costs of the actual accommodation and travel price and that each member incurred in order to attend meetings, in addition to an attendance allowance of SR 3,000 per meeting. Provided that the total of these costs and allowances for the members collectively does not exceed SR 100,000 annually, and the members of the board shall not receive from the employees of the fund manager any allowances or bonuses for their membership in the fund's board of directors. The fund manager shall bear the remuneration of the independent members of the board of directors (collectively) at the amount of SR 200,000 annually.
Other Expenses:	The fund shall bear all fees, expenses and expenditures related to the activities and investments of the fund, and it also shall bear the expenses and fees resulting from the transactions and services provided by third parties or by related parties such as legal and advisory services, real estate consultants, related insurance costs and any other professional or technical services including, the expenses related to the transfer fees between bank or investment accounts, in addition to any taxes or fees if any. It is expected that these costs shall not exceed 1% of the total value of the fund's assets annually. In all events, only the actual expenses and fees will be deducted.
Real Estate Brokerage Commission:	The fund shall pay a maximum amount of 2.5% of the value of the property acquisition. It is calculated and paid upon conveyance in favor of the real estate broker, and the real estate broker may be a dependent party.
Arranging Fees:	The fund manager shall get 1% of the purchase or sale price of every Real estate asset bought or sold by the fund, in exchange for the fund manager shall conduct the necessary investigation, negotiating the terms of purchase or sale, and complete the transaction. Arranging Fees shall be payable after completion of the purchase or sale of each real estate asset. In addition, the fund shall bear all expenses, costs, and handling/ transaction fees such as buying, selling and acquiring assets, and the advisory and the related legal costs. Those expenses (if any) shall be disclosed in the Financial Disclosure Summary at the end of each year.
Trading of Units:	Dealing in units shall be through the (Tadawul) upon listing, in the same way as trading shares of companies listed on the Saudi Stock Exchange (Tadawul). Consequently, it is permissible for unit owners and investors to trade during the regular trading hours announced by the Capital Market directly.
Zakat	The Fund Manager shall not be responsible for paying the zakat of units on behalf of investors, and it shall be incumbent upon the unitholder to pay the zakat for any units held in the Fund, according to the rules for collecting zakat from investment investors and which started to be implemented as of January 1, 2023.
Governmental Fees/ Taxes:	The fees, commissions and expenses due to Osool & Bakheet Investment Company or other parties shall not include governmental fees/ taxes, and the Fund shall bear governmental fees/ taxes separately in accordance with relevant legislation and executive regulations, including for example the Value-Added Tax.

Table of Terms:

Authority/ Capital Market Authority	Refers to the Capital Market Authority in the Kingdom of Saudi Arabia, comprehensive as per the context. Any committee, subcommittee, employee, or an agent who can be authorized to perform any of the Authority's procedures.
Authorized Persons Rules	Refers to the Authorized Persons Rules issued by the Capital Market Authority board of directors.
Real-estate investment funds Regulations	Refers to the real estate investment funds regulations issued by Capital Market Authority board of directors.
Investment funds regulations	Refers to the investment funds regulations issued by Capital Market Authority board of directors.
Instructions of the real-estate investment traded fund	Refers to the instructions to the real-estate investment traded funds issued by Capital Market Authority board of directors.
Osool & Bakheet Investment Company/ Fund Manager	Refers to Osool & Bakheet Investment Company, a Saudi closed joint stock company, under the Commercial Registration No. 1010219805, dated 02/05/1427, 29/05/2006, licensed under the Capital Market Authority License No. 08126-07 to practice the activity of dealing as principal, agent, management and custody in securities business.
Fund board of directors	Refers to the board of directors in which the manager appoints its members in accordance with the Real-estate investment funds regulations, in order to monitor and control the fund work progress.
Independent board member	Refers to a member of the board of directors, who is not an employee, nor a board member of the fund manager, their subordinate, or the fund custodian. A member is not involved in a substantial business or contractual relationship with the fund manager or their subordinate or custodian of that fund.
Property manager	Refers to an entity or several entities that have the necessary licenses to conduct their business and activities from the relevant government entities - appointed by the fund manager to manage the real estate subject of the fund's investment and be responsible for all services related to real estate management, including, for example: management, operation and maintenance of real estate, leasing services and the collection of rent amounts. It refers in this terms and conditions to Medad EL Khair Real Estate Company under the Commercial Registration No. 1010268694 dated 06/06/1430 - 30/05/2009.
Authorized person	Refers to the person who is authorized to practice securities business.
Compliance Officer	Refers to the Compliance Officer of Osool & Bakheet who was appointed in accordance with the provisions of paragraph (a) of Article No. 57 of the authorized persons rules.
Fund	Refers to Al-Ma'ather REIT Fund.
Fund duration	Refers to the fund's term, which is 99 years starting from the date of listing the units on Tadawul. It may be renewable for similar periods in accordance with the estimation of the fund manager and after obtaining the approval of the Capital Market Authority.
Fund's total assets/ fund's capital	Refers to the total units in the beginning of each day.
Fund managing fees	Refers to compensation, expenses and fees related to advisory services paid to the fund manager.
Consideration	Refers to what the subscriber offers in terms of cash or in-kind consideration for the purpose of investing in the fund through owning units in the fund in accordance with the fund's terms and conditions.
Unit	Refers to the owner's share in the fund, each unit is considered as a common share in the net assets of the fund that gives the investor the right to participate in the ownership of the fund's assets on a proportional basis, in accordance with the number of units owned by the investor.
Unit owner	Refers to synonyms, which are used to refer to the person who owns units in Al-Ma'ather REIT fund.
Fundamental changes	Refer to the following cases: 1- Significant change in the objectives or nature of the fund. 2- A change that has a negative and substantial impact on unit holders or on their rights in relation to the fund.

- 2- A change that has an impact on the risk position of the fund.
- 4- Increase the fund's capital.
- 5- Any other cases that the Authority deems to be a fundamental change and reported to the fund manager.

Offering	Refers to the public offering of units in accordance with these terms and conditions.
Net assets of a unit	Refers to the monetary value of any unit based on the total assets value of the investment fund minus the value of liabilities and expenses, then the result is divided by the total number of units outstanding on the valuation date.
Net assets	Refers to the net assets value of the fund as specified in Article (k) of these terms and conditions.
Valuation day	Refers to the day on which the net assets of the fund shall be calculated. Valuation shall be made each six months on 30 June and 31 December of every Gregorian year.
Riyal/ SAR	Refers to the Saudi Riyal, the official currency of the Kingdom of Saudi Arabia.
Monetary market funds	Refers to the investment funds whose sole purpose is to invest in short-term securities and money market transactions, in accordance with investment funds regulation.
Murabaha transactions	Refers to the transactions executed by the fund by owning commodities and selling them on credit. Where the client expresses their desire to buy a commodity from the fund on credit, then the fund buys the commodity from the market, and sells it to them, the client is entitled to keep or receive the commodity, they may also delegate the fund to sell it in the market. It can also be implemented by delegating the fund to a financial institution to buy commodities from the international market of the fund at a price, then the fund sells them to the financial institution or others for a deferred price.
Subscription application form	Refers to the form used to apply for subscribing to the fund and any documents required in accordance with the regulations of the Capital Market Authority and AML / CFT rules, any attached information signed by the client for the purpose of subscribing to the fund units, subject to the approval of the fund manager.
Fiscal year	Refers to the Gregorian year and the period of time at the beginning of which all the financial transactions of the fund are documented and recorded, at the end of which the financial statements are prepared, which consist of 12 calendar months.
Quarter	Refers to a period of three months of every fiscal year ending on the last day of the months (March/ June/ September/ December) of each year.
Business day	Refers to the official business day when banks are open for business in the Kingdom of Saudi Arabia.
Net profit of the fund	Refers to the total revenue of the fund including rental income after deducting the total expenses incurred by the fund.
Related party	<ul style="list-style-type: none"> 1- Fund manager 2- Custodian 3- Property manager 4- Approved Evaluator 5- Legal accountant 6- Members of the board of directors or any of the executives or employees of any of the above parties.

- 7- A unit owner whose property exceeds (5%) of the net assets of the Real Estate Investment Traded Fund
8- Any person subordinate or controlling any of the aforementioned persons.

Market / Tadawl	Refers to Saudi Fund Market
Saudi Capital Markets	Refers to any financial market operating in the Kingdom of Saudi Arabia (or to be licensed later), i.e. the main market and the parallel market (Nomu).
Fund assets	Refers to the real estate assets stipulated in the introductory summary of the real estate assets and any real estate assets that the fund will acquire later.
Public	Refers to anyone who owns a unit in the fund, provided that they are not the following: 1- Any unit owner who owns 5% or more of the fund's units. 2- The fund manager and their affiliates. 3- Members of the Fund's Board of Directors.
Leasehold Contracts	Refers to the contracts according to which the Leasehold of the right to use those assets is purchased for a specified period of time, the purchase of the Leasehold right does not result in acquiring the full ownership of the assets so that that ownership remains with its primary owner. These terms and conditions mean utility contracts for real estate assets whose descriptions are stipulated in these terms and conditions.
Recipients	Refers to the fund manager who receives the subscription forms and the terms and conditions of the fund and the bank specified in the subscription form that will receive the subscription amounts from potential investors.

Fund Manual

Fund name:		Al-Maather REIT Fund
Fund Manager:		King Fahd Road, Bahrain Tower, Mezzanine Floor P.O Box 63762, postal code: 11526 Tel: 00966114191797 Fax: 00966114191899 www.obic.com.sasool & Bakheet Investment Company
Custodian		Albilad Capital Company Kingdom of Saudi Arabia Albilad Capital, The main center, King Fahd Road P.O Box 140, Riyadh: 11411 Tel: 920003636 Fax: 0112906299 www.obic.com.sa
Legal Accountant		Allied Accountants RSM The Kingdom of Saudi Arabia Box PO: 1233 Riyadh 11473 Riyadh-Olaya District-Al Oruba Street Tel:+966 11 416 9361 Fax:+966 11 416 9361 http://www.rsm.global/saudi-arabia
Legal consultant	TURKISTANI & ALABBAD	Hital Tower, 4th floor Riyadh 11361, Kingdom of Saudi Arabia Site: www.talawksa.com 1- Jihad Ahmed Turkistani and Mishari Abdulaziz Al-Abbad Law Firm
Property manager		Medad El Khair Charitable Real Estate Kingdom of Saudi Arabia P.O Box 300, Riyadh 11411 Abdullah Al-Khurajji St. - Al-Aqiq District Tel: 00966114856057 Fax: 00966114983951
Real Estate evaluator	 الشركة السعودية لتقييم وتممين الأصول Saudi Asset Valuation Company	1- Tathmen Riyadh - King Abdullah - Exit 12 - Eastern Ring Road, P.O Box 7121 www.tathmen.net Ri 2- White Cubes Kingdom of Saudi Arabia Riyadh - Almalga district - prince Mohammed bin Saeed road, P.O Box 2955 www.white-cubes.com
Tadawul platform		Saudi Global Market Company (Tadawul) Kingdom of Saudi Arabia King Fahd Rd, Cooperation Towers, North Tower P.O Box 60612, Riyadh 11555 Tel: +966(11)2189999 Fax: +966(11)2181220 www.tadawul.com.sa webinfo@tadawul.com.sa
Organizer		Capital Market Authority Kingdom of Saudi Arabia King Fahd Rd, Castle building P.O Box 87171, Riyadh 11642 www.cma.org.sa info@cma.org.sa

Al-Maather REIT Fund

Terms and Conditions

A. Name/type of the fund:

The name of the fund is Al-Maather REIT Fund, has been approved as a Real Estate Investment traded Fund takes the form of a special purpose entity in accordance with the provisions of the Real Estate Investment Funds Regulation and the Rules Governing Special Purpose Entities, established in the Kingdom of Saudi Arabia under the Real Estate Investment Funds Regulations and the Instructions for Real Estate Investment Traded Funds.

B. Address of the fund manager:

Osool & Bakheet Investment Company
King Fahd Road, Bahrain Tower, Mezzanine Floor
P.O Box 63762, postal code: 11526
Tel: 00966114191797
Fax: 00966114191899
www.obic.com.sa

C. Fund duration:

Fund duration shall be 99 years starting from the date of listing the units on Tadawul. It may be renewable for similar periods in accordance with the estimation of the fund manager and after obtaining the approval of the Capital Market Authority.

D. Fund objects:

The fund aims to invest in real estate assets that generate periodic income so that at least 90% of the fund's net profits are distributed to the unit owners annually, after the fund manager receives the rental revenues of the real estate assets.

E. Description of fund purpose and its investment objects:

The fund aims to invest in real estate assets capable of achieving periodic income within the Kingdom of Saudi Arabia in line with the fund's investment strategy contained in Article (f), to distribute no less than 90% of the fund's net profits annually. The fund continues its assets in secondary real estate development projects in accordance with the restrictions specified in the fund's strategy contained in Article (f).

F. Fund strategies summary:

The fund manager acknowledges that the real estate assets, subject of the fund's investment, are free from any regulatory violations that prevent or cause them not to benefit from them or to operate them. Also, the real estate assets are technically sound and free from any defects or major engineering defects that prevent or cause them not to be used or operated. Or, in turn, cause costly repairs and major changes.

The fund works to achieve its objects by following the following strategies:

1- Types of real estate assets that the fund invests in:

The fund aims to form a diversified real estate investment portfolio by owning real estate assets within the Kingdom of Saudi Arabia that are capable of achieving periodic rental income, which are expected to generate revenues on the invested capital in line with the fund's investment strategy. The fund invests as a secondary asset in real estate development projects provided that:

1- The fund's investments in developed real estate assets that generate periodic income shall not be less than 75% of the total value of the fund's assets, in accordance with the latest audited financial statements.

2- The fund shall not invest its assets in Idle land.

The introductory summary shown below presents the real estate assets that make up the initial Fund's investment portfolio:

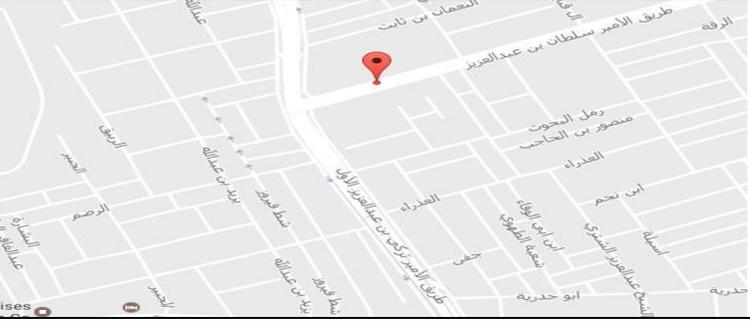
An introductory summary about real estate assets

1- Fund Portfolio Summary (Initial):

Description	Number/Value
Total number of real estate and utility contracts to be acquired	12
Number of real estates to be acquired	8
Number of real estates under the Leasehold Contract	4
Number of fully developed real estates	11
Number of real estates under construction*	1
Percentage of income-generating real estate to total assets	100%
Percentage of real estate under construction in total assets	8.33%
Total cost of real estate purchase (SAR)	592,616,677
Total cost of purchasing the benefit contract (SAR)	11,030,823
The expected cost to complete the construction of the real estate (SAR)*	10,052,500
Total Fund Amount (SAR)	613,700,000
Total rents for all the assets of the target fund during the 12 months (2017) (SAR)	44,959,492
Total rents for all the assets of the target fund during the 12 months (2017) (SAR)	52,217,920
Total building areas for real estate according to building permits (m ²)	133,838.43
Total building areas for the Leasehold Contract according to building permits (m ²)	7,376.60
Total occupancy rate (calculated by weighted average method)	96.85%
Ratio of the Leasehold Contract to the total fund amount	1.80%
All the above numbers are as per the last update on 05/08/1438 - 01/05/2017.	

*There is one real estate in the final phases of construction (Al Tkahssusi showrooms), it is leased and is under construction based on the contract signed with the final lessor of the contract after its completion. Whereas, the signed lease agreement started from the period of initiation of real estate development on 22/10/2015 - 09/01/1437 and continues for a period of 22 years.

2. Real Estate Assets Summary

Real Estate Name:	Genx Al Maather													
Real Estate Type:	Residential, Commercial, Offices													
City:	Riyadh													
District	Al Ma'ather													
Street	Prince Turki I bin Abdulaziz													
Location's Coordinates	24°40'53.2"N 46°40'03.4"E													
Location's Sketch														
Land's area (m²)	10,709.16													
Building Area (m², as per Building Permit)	22,707.37													
Real Estate's Purchasing Cost (SR)	192,636,980.71													
Target Rent within 12 months (SR)	17,653,850													
About the current lease contracts (SR)	<p>Due to the nature of this Real Estate and the diversity of Lessees and due to the large number of contracts that cannot be presented all together, the contracts have been merged according to the type of rental area</p> <table border="1"> <thead> <tr> <th></th> <th>Annual Value</th> <th>Numbers of Contracts</th> </tr> </thead> <tbody> <tr> <td>Lessees of Showrooms (11 Showrooms)</td> <td>4,761,318</td> <td>9</td> </tr> <tr> <td>Lessees of Offices (11 Offices)</td> <td>2,248,000</td> <td>8</td> </tr> <tr> <td>Lessees of Residential units (117 Residential units)</td> <td>8,736,200</td> <td>117</td> </tr> </tbody> </table> <p>Please refer to Appendix 2 of these terms and conditions for more information on the Lease contracts of this Real Estate Asset.</p>			Annual Value	Numbers of Contracts	Lessees of Showrooms (11 Showrooms)	4,761,318	9	Lessees of Offices (11 Offices)	2,248,000	8	Lessees of Residential units (117 Residential units)	8,736,200	117
	Annual Value	Numbers of Contracts												
Lessees of Showrooms (11 Showrooms)	4,761,318	9												
Lessees of Offices (11 Offices)	2,248,000	8												
Lessees of Residential units (117 Residential units)	8,736,200	117												
The Date of the Building Completion (as per the Building Completion Certificate)	01/ 11/ 1436 AH. corresponding to 15/ 08/ 2015 AD.													
Floors' No.	4 floors (basement + ground floor + first floor + upper outbuilding)													
Types and numbers of units (As per Building Permit)	11 Showrooms, 11 Offices and 132 residential units													
Occupancy Rate	90 %, there are 15 unrented Residential units													
Description of the Real Estate's Location	The Real Estate is located at the corner of Prince Turki I bin Abdulaziz Street and Prince Sultan bin Abdulaziz Street, the Real Estate is diversified in terms of sectors and lessees.													
Additional Notes	<p>Some contract includes an increase in the rental value, stipulated in the contract entered by the Lessor, as follows:</p> <ul style="list-style-type: none"> The value of annual rent as for Lessee No. 1 on Showrooms is (1,157,400) from 01/ 08/ 1436 AH., corresponding to 19/ 05/ 2015 AD., to 30/ 07/ 1442 AH., corresponding to 13/ 03/ 2021 AD., the rental value shall be increased to (1,286,000) from 01/ 08/ 1442 AH., corresponding to 14/ 03/ 2021 AD., to 30/ 07/ 1446 AH., corresponding to 13/ 03/ 2021 AD. The value of annual rent as for Lessee No. 6 on Offices is (188,000) from 06/ 04/ 1437 AH., corresponding to 16/ 01/ 2016 AD., to 05/ 04/ 1440 AH., corresponding to 13/ 12/ 2018 AD., the rental value shall be increased to (206,800) from 06/ 04/ 1440 AH., corresponding to 14/ 12/ 2018 AD., to 05/ 04/ 1442 AH., corresponding to 20/ 11/ 2020 AD. The value of annual rent as for Lessee No. 7 on Offices is (151,000) from 													

	14/ 06/ 1437 AH., corresponding to 23/ 03/ 2016 AD., to 13/ 06/ 1440 AH., corresponding to 18/ 02/ 2019 AD., the rental value shall be increased to (166,100) from 14/ 06/ 1440 AH., corresponding to 19/ 02/ 2019 AD., to 16/ 06/ 1442 AH., corresponding to 29/ 01/ 2021 AD.
Disclosure:	With the exception of what was disclosed in Article "O 4" and Article "T" of these terms and conditions, the fund manager shall confirm that there is no conflict of interests of the sellers of real estate assets or the property manager with the fund manager in relation to Al Mather's Real Estate. The fund manager also shall confirm that there is no fundamental conflict of interests of the fund manager and the interests of any tenant of real estate assets whose returns constitute 10% or more of the annual rental returns of the fund's assets, in relation to Al Ma'ather's real estate.

All the above numbers were in accordance with the last updated numbers on 05/ 08/ 1438 AH. corresponding to 01/ 05/ 2017 AD.

Real Estate Name:	Genx Al Rabie		
Real Estate Type:	Hotel Units, Commercial		
City:	Riyadh		
District	Al Rabie		
Street	Prince Saud bin Muhammad Al Muqrin		
Location's Coordinates	24°46'56.2"N 46°38'56.9"E		
Location's Sketch			
Land's area (m²)	3,900		
Building Area (m², as per Building Permit)	8,589.53		
Real Estate's Purchasing Cost (SR)	50,284,948.37		
Target Rent within 12 months (SR)	3,407,040		
About the current lease contracts (SR)	Lessee 1 (4 Showrooms and 81 Residential units)	Annual Value 3,000,000	Duration From 01/ 09/ 1437 AH. corresponding to 06/ 06/ 2016 AD. To 30/ 06/ 1447 AH. corresponding to 20/ 12/ 2025 AD.
	Lessee 2 (2 Showrooms)	261,040	From 26/ 02/ 1437 AH. corresponding to 08/ 12/ 2015 AD. To 25/ 02/ 1447 AH. corresponding to 19/ 08/ 2025 AD.
	Lessee 3 (1 Showrooms)	146,000	From 21/ 07/ 1437 AH. corresponding to 28/ 04/ 2016 AD. To 20/ 07/ 1441 AH. corresponding to 14/ 03/ 2020 AD.
	(Please refer to Appendix 2 of these terms and conditions for more information on the Lease contracts of this Real Estate Asset.)		
The Date of the Building Completion (as per the Building Completion Certificate)	24/ 04/ 1437 AH. corresponding to 03/ 02/ 2016 AD.		
Floors' No.	4 floors (basement + ground floor + first floor + upper outbuilding)		
Types and numbers of units (As per Building Permit)	7 Showrooms and 81 Residential units		
Occupancy Rate	100 %		
Description of the Real Estate's Location	The Real Estate is located in the north of the city of Riyadh in Al Rabie district and the real estate area is bordered on the north by Imam Saud bin Faisal Road, on the south by the Northern Ring Road, on the east by King Abdul Aziz Road and on the west by King Fahd Road.		
Additional Notes	The contract of Lessee No. 1 includes an increase in the rental value, stipulated in the contract entered by the Lessor, as follows: <ul style="list-style-type: none"> From 01/ 07/ 1439 AH., corresponding to 17/ 03/ 2018 AD., to 30/ 06/ 1443 AH., corresponding to 02/ 02/ 2022 AD., the rental value shall become (3,750,000) annually. From 01/07/1443 AH., corresponding to 03/ 02/ 2022 AD., to 30/ 06/ 1447 AH., corresponding to 19/ 12/ 2025 AD., the rental value shall become (3,800,000) annually. The contract of Lessee No. 2 includes an increase in the rental value, stipulated in the contract entered by the Lessor, as follows: <ul style="list-style-type: none"> From 26/ 02/ 1443 AH., corresponding to 03/ 10/ 2021 AD., to 25/ 02/ 1445 AH., corresponding to 10/ 09/ 2023 AD., the rental value shall become (400,000) annually. From 26/ 02/ 1445 AH., corresponding to 11/ 09/ 2023 AD., to 25/ 02/ 1447 AH., corresponding to 19/ 08/ 2025 AD., the rental value shall become (445,000) annually. 		
Disclosure:	With the exception of what was disclosed in Article "O 4" and Article "T" of these terms and		

	conditions, the fund manager shall confirm that there is no conflict of interests of the sellers of real estate assets or the property manager with the fund manager in relation to Al Rabie Real Estate. The fund manager also shall confirm that there is no fundamental conflict of interests of the fund manager and the interests of any tenant of real estate assets whose returns constitute 10% or more of the annual rental returns of the fund's assets, in relation to Al Rabie Real Estate.
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All the above numbers were in accordance with the last updated numbers on 05/ 08/ 1438 AH. corresponding to 01/ 05/ 2017 AD.

Real Estate Name:	Al Mohammadia Tower		
Real Estate Type:	Commercial, Offices		
City:	Riyadh		
District	Al Olaya		
Street	King Fahad Bin Abdul Aziz Road		
Location's Coordinates	24°40'55.0"N 46°41'12.1"E		
Location's Sketch			
Land's area (m²)	2,109		
Building Area (m², as per Building Permit)	15,582.92		
Real Estate's Purchasing Cost (SR)	99,581,867.03		
Target Rent within 12 months (SR)	8,206,300		
About the current lease contracts (SR)	Lessee 1 (40 offices)	Annual Value 7,206,300	Duration From 14/ 09/ 1436 AH. corresponding to 30/ 06/ 2015 AD. To 13/ 09/ 1446AH. corresponding to 12/ 03/ 2025 AD.
	Lessee 2 (4 Showrooms)	1,000,000	From 27/ 01/ 1438 AH. corresponding to 28/ 10/ 2016 AD. To 26/ 01/ 1446 AH. corresponding to 01/ 08/ 2024 AD.
(Please refer to Appendix 2 of these terms and conditions for more information on the Lease contracts of this Real Estate Asset.)			
The Date of the Building Completion (as per the Building Completion Certificate)	15/ 04/ 1430 AH. corresponding to 10/ 04/ 2009 AD.		
Floors' No.	12 floors (2 basement + ground floor + mezzanine floor + 8 identical floors)		
Types and numbers of units (As per Building Permit)	40 Offices and 4 Showrooms		
Occupancy Rate	100 %		
Description of the Real Estate's Location	The Real Estate is located in the middle of the city of Riyadh in Al Olaya district along the way of King Fahad. The real estate area is bordered on the north by Mousa Bin Nusair Street, on the south by Makkah Al Mukarramah Road, on the east by King Fahad Road next to Al Olaya Street and on the west by Tkahassusi St.		
Disclosure:	With the exception of what was disclosed in Article "O 4" and Article "T" of these terms and conditions, the fund manager shall confirm that there is no conflict of interests of the sellers of real estate assets or the property manager with the fund manager in relation to Al Muhammadiyah Real Estate. The fund manager also shall confirm that there is no fundamental conflict of interests of the fund manager and the interests of any tenant of real estate assets whose returns constitute 10% or more of the annual rental returns of the fund's assets, in relation to Al Muhammadiyah Real Estate.		

All the above numbers were in accordance with the last updated numbers on 05/ 08/ 1438 AH. corresponding to 01/ 05/ 2017 AD.

Real Estate Name:	Al Tkahassusi showrooms	
Real Estate Type:	Commercial	
City:	Riyadh	
District	Al Ma'ather	
Street	Tkahassusi St.	
Location's Coordinates	24°40'51.4"N 46°40'39.2"E	
Location's Sketch		
Land's area (m²)	4,248	
Building Area (m², as per Building Permit)	6,610.61	
Real Estate's Purchasing Cost (SR)	43,680,817.33	
Target Rent within 12 months (SR)	3,338,820	
About the current lease contracts (SR)	Lessee 1 (whole Building)	Annual Value 3,338,820
		Duration From 22/ 10/ 2015 AD. corresponding to 09/ 01/ 1437 AH. To 21/ 10/ 2037 AD. corresponding to 12/ 09/ 1459 AH.
(Please refer to Appendix 2 of these terms and conditions for more information on the Lease contracts of this Real Estate Asset.)		
The Date of the Building Completion (as per the Building Completion Certificate)	The Real Estate is Off-Plan	
Floors' No.	3 floors (basement + ground floor + mezzanine floor)	
Types and numbers of units (As per Building Permit)	1 Showroom	
Occupancy Rate	100 %	
Description of the Real Estate's Location	The Real Estate is located in the west of the city of Riyadh in Al Ma'ather district and. The real estate area is bordered on the north by Imam Mohammed Bin Abdulaziz Road, on the south by Makkah Al Mukarramah Road, on the east by King Fahd Road and on the west by Tkahassusi Road.	
Additional Notes	<p>The project is under construction, and it is currently leased. The rent value shall increase in the event that the construction of the project is completed based on the contract concluded between the lessor and the lessee, and it shall be as follows:</p> <ul style="list-style-type: none"> From the time of completion of the construction of the project to 21/ 10/ 2027 AD., corresponding to 21/ 05/1449 AH., the rent shall be calculated at 8.5% of the total cost of the land value plus the costs of removal and construction. From 22/ 10/ 2027 AD., corresponding to 22/ 05/ 1449 AH. to 21/ 10/ 2032 AD., corresponding to 17/ 07/ 1454 AH., the rent shall be increased by 5% of the last rent value in the previous period. From 22/ 10/ 2032 AD., corresponding to 18/ 07/ 1454 AH. to 21/ 10/ 2037AD., corresponding to 12/ 09/ 1459 AH., the rent shall be increased by 5% of the last rent value in the previous period. 	
Disclosure:	With the exception of what was disclosed in Article "O 4" and Article "T" of these terms and conditions, the fund manager shall confirm that there is no conflict of interests of the sellers of real estate assets or the property manager with the fund manager in relation to AL Tkahassusi showrooms. The fund manager also shall confirm that there is no fundamental conflict of interests of the fund manager and the interests of any tenant of real estate assets whose returns constitute 10% or more of the annual rental returns of the fund's assets, in relation to AL Tkahassusi	

showrooms.

All the above numbers were in accordance with the last updated numbers on 05/ 08/ 1438 AH. corresponding to 01/ 05/ 2017 AD.

The project is expected to be completed during October, 2017.

Real Estate Name:	Al Sahafa Tower 1		
Real Estate Type:	Commercial, Offices		
City:	Riyadh		
District	Al Sahafa		
Street	Al Olaya		
Location's Coordinates	24°47'49.1"N 46°37'59.8"E		
Location's Sketch			
Land's area (m²)	2,520		
Building Area (m², as per Building Permit)	11,340		
Real Estate's Purchasing Cost (SR)	50,102,755.81		
Target Rent within 12 months (SR)	4,312,660		
About the current lease contracts (SR)	Lessee 1 (Whole Building)	Annual Value	Duration
		4,312,660	Three Years from 22/ 01/ 1436 AH. corresponding to 14/ 11/ 2014 AD. Shall be automatically renewed to same durations, except if it was notification of desire to not renew.
Please refer to Appendix 2 of these terms and conditions for more information on the Lease contracts of this Real Estate Asset.			
The Date of the Building Completion (as per the Building Completion Certificate)	27/ 12/ 1432 AH. corresponding to 23/ 11/ 2011 AD.		
Floors' No.	10 floors (2 basement + ground floor + 7 identical floors)		
Types and numbers of units (As per Building Permit)	44 Offices		
Occupancy Rate	100 %		
Description of the Real Estate's Location	The Real Estate is located in the north of the city of Riyadh in Al Sahafa district. The real estate area is bordered on the north by King Salman Road, on the south by Northern Ring Road, on the east by Airport Road and on the west by Al Olaya Road directly.		
Disclosure:	With the exception of what was disclosed in Article "O 4" and Article "T" of these terms and conditions, the fund manager shall confirm that there is no conflict of interests of the sellers of real estate assets or the property manager with the fund manager in relation to Al-Sahafa Building- 1 Real Estate. The fund manager also shall confirm that there is no fundamental conflict of interests of the fund manager and the interests of any tenant of real estate assets whose returns constitute 10% or more of the annual rental returns of the fund's assets, in relation to Al Al-Sahafa Building- 1 Real Estate.		

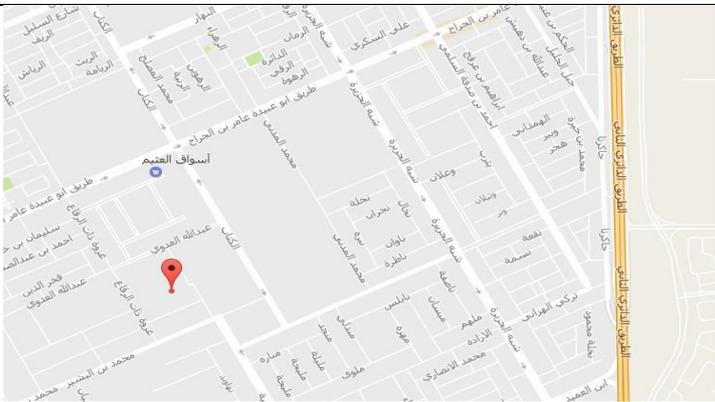
All the above numbers were in accordance with the last updated numbers on 05/ 08/ 1438 AH. corresponding to 01/ 05/ 2017 AD.

Real Estate Name:	Al Sahafa Tower 2		
Real Estate Type:	Offices		
City:	Riyadh		
District	Al-Sahafa		
Street	Al Olaya		
Location's Coordinates	24°46'48.0"N 46°38'31.1"E		
Location's Sketch			
Land's area (m²)	2,380		
Building Area (m², as per Building Permit)	10,880		
Real Estate's Purchasing Cost (SR)	53,544,744.13		
Target Rent within 12 months (SR)	4,670,000		
About the current lease contracts (SR)	Lessee 1 (Whole Building)	Annual Value	Duration
		4,670,000	Three Years from 09/ 09/ 1437 AH. corresponding to 14/ 06/ 2016 AD., Shall be automatically renewed to same durations, except if it was notification of desire to not renew.
Please refer to Appendix 2 of these terms and conditions for more information on the Lease contracts of this Real Estate Asset.			
The Date of the Building Completion (as per the Building Completion Certificate)	04/ 01/ 1434 AH. corresponding to 17/ 11/ 2012 AD.		
Floors' No.	10 floors (2 basement + ground floor + 7 identical floors)		
Types and numbers of units (As per Building Permit)	44 Offices		
Occupancy Rate	100 %		
Description of the Real Estate's Location	The Real Estate is located in the north of the city of Riyadh in Al-Sahafa district. The real estate area is bordered on the north by King Salman Road, on the south by Northern Ring Road, on the east by Airport Road and on the west by Al Olaya Road directly.		
Disclosure:	With the exception of what was disclosed in Article "O 4" and Article "T" of these terms and conditions, the fund manager shall confirm that there is no conflict of interests of the sellers of real estate assets or the property manager with the fund manager in relation to Al-Sahafa Building- 2 Real Estate. The fund manager also shall confirm that there is no fundamental conflict of interests of the fund manager and the interests of any tenant of real estate assets whose returns constitute 10% or more of the annual rental returns of the fund's assets, in relation to Al Al-Sahafa Building- 2 Real Estate.		

All the above numbers were in accordance with the last updated numbers on 05/ 08/ 1438 AH. corresponding to 01/ 05/ 2017 AD.

Real Estate Name:	Hair Warehouses				
Real Estate Type:	Warehouses				
City:	Riyadh				
District	Al-Masani'				
Street	-				
Location's Coordinates	24°33'48.3"N 46°44'29.8"E				
Location's Sketch					
Land's area (m²)	13,544.45				
Building Area (m², as per Building Permit)	11,970				
Real Estate's Purchasing Cost (SR)	27,281,887.81				
Target Rent within 12 months (SR)	1,747,000				
About the current lease contracts (SR)	Due to the nature of this Real Estate and the diversity of Lessees and due to the large numbers of contracts that cannot be presented all together, the contracts have been merged according to the rental duration				
	Lessees for 1 to 3 years (28 Warehouses)	<table border="1"> <thead> <tr> <th>Annual Value</th> <th>Numbers of Contracts</th> </tr> </thead> <tbody> <tr> <td>1,747,000</td> <td>28</td> </tr> </tbody> </table>	Annual Value	Numbers of Contracts	1,747,000
Annual Value	Numbers of Contracts				
1,747,000	28				
Please refer to Appendix 2 of these terms and conditions for more information on the Lease contracts of this Real Estate Asset.					
The Date of the Building Completion (as per the Building Completion Certificate)	27/ 01/ 1427 AH. corresponding to 25/ 02/ 2006 AD.				
Floors' No.	(ground floor)				
Types and numbers of units (As per Building Permit)	28 Warehouses				
Occupancy Rate	100 %				
Description of the Real Estate's Location	The Real Estate is located in the south of the city of Riyadh in Al-Masani' district. The real estate area is bordered on the north by Southern Ring Road, on the south by Mansouriya district, on the east by Al Hair Road and on the west by Ash Shifa district.				
Disclosure:	With the exception of what was disclosed in Article "O 4" and Article "T" of these terms and conditions, the fund manager shall confirm that there is no conflict of interests of the sellers of real estate assets or the property manager with the fund manager in relation to Hair Warehouses. The fund manager also shall confirm that there is no fundamental conflict of interests of the fund manager and the interests of any tenant of real estate assets whose returns constitute 10% or more of the annual rental returns of the fund's assets, in relation to Hair Warehouses.				

All the above numbers were in accordance with the last updated numbers on 05/ 08/ 1438 AH. corresponding to 01/ 05/ 2017 AD.

Real Estate Name:	Sulai Warehouses										
Real Estate Type:	Warehouses										
City:	Riyadh										
District	Al Sulai										
Street	El-Khattab										
Location's Coordinates	N 46°50'20.6"E 31.7'40°24										
Location's Sketch											
Land's area (m²)	54,075										
Building Area (m², as per Building Permit)	46,158										
Real Estate's Purchasing Cost (SR)	75,502,675.27										
Target Rent within 12 months (SR)	5,523,550										
About the current lease contracts (SR)	Due to the nature of this Real Estate and the diversity of Lessees and due to the large numbers of contracts that cannot be presented all together, the contracts have been merged according to the rental duration										
		<table border="1"> <thead> <tr> <th></th> <th>Annual Value</th> <th>Numbers of Contracts</th> </tr> </thead> <tbody> <tr> <td>Lessees for 1 to 3 years (29 units)</td> <td>4,016,100</td> <td>19</td> </tr> <tr> <td>Lessees for 3 to 5 years (7 units)</td> <td>1,507,450</td> <td>8</td> </tr> </tbody> </table>		Annual Value	Numbers of Contracts	Lessees for 1 to 3 years (29 units)	4,016,100	19	Lessees for 3 to 5 years (7 units)	1,507,450	8
		Annual Value	Numbers of Contracts								
Lessees for 1 to 3 years (29 units)	4,016,100	19									
Lessees for 3 to 5 years (7 units)	1,507,450	8									
Please refer to Appendix 2 of these terms and conditions for more information on the Lease contracts of this Real Estate Asset.											
The Date of the Building Completion (as per the Building Completion Certificate)	06/ 01/ 1414 AH. corresponding to 25/ 07/ 1993 AD.										
Floors' No.	(ground floor)										
Types and numbers of units (As per Building Permit)	26 Warehouses divided to 36 units										
Occupancy Rate	100 %										
Description of the Real Estate's Location	The Real Estate is located in the southeast of the city of Riyadh in Al Sulai district. The real estate area is bordered on the north by Abu Obeida Amer bin Jarrah St., on the south by 2nd Ring Road extension, on the east by 2nd Ring Road and on the west by eastern Ring Road.										
Disclosure:	With the exception of what was disclosed in Article "O 4" and Article "T" of these terms and conditions, the fund manager shall confirm that there is no conflict of interests of the sellers of real estate assets or the property manager with the fund manager in relation to Al Sulai Warehouses. The fund manager also shall confirm that there is no fundamental conflict of interests of the fund manager and the interests of any tenant of real estate assets whose returns constitute 10% or more of the annual rental returns of the fund's assets, in relation to Al Sulai Warehouses.										

All the above numbers were in accordance with the last updated numbers on 05/ 08/ 1438 AH. corresponding to 01/ 05/ 2017 AD.

Summary of Real Estate Assets: The Leasehold Contract

Real Estate Name:	Al Rabie Leasehold		
Real Estate Type:	Commercial		
City:	Riyadh		
District	Al Rabie		
Street	King Abdulaziz Road		
Location's Coordinates	24°47'16.9"N 46°39'31.9"E		
Location's Sketch			
Land's area (m²)	2,450		
Building Area (m², as per Building Permit)	1,413.26		
Leasehold's Purchasing Cost (SR)	1,483,658.95		
Target Rent within 12 months (SR)	1,098,700		
About the current lease contracts (SR)		Annual Value	Duration
	Lessee 1 (1 Showroom)	160,000	From 01/ 04/ 1432 AH., corresponding to 06/ 03/ 2011 AD. To 30/ 03/ 1442 AH., corresponding to 15/ 11/ 2020 AD
	Lessee 2 (1 Showroom)	370,700	From 01/ 08/ 2011 AD., corresponding to 02/ 09/ 1432 AH. To 01/ 08/ 2021 AD., corresponding to 23/ 12/ 1442 AH.
	Lessee 3 (1 Showroom)	165,000	From 01/ 09/ 1432 AH., corresponding to 31/ 07/ 2011 AD. To 01/ 09/ 1442 AH., corresponding to 12/ 04/ 2021 AD
	Lessee 4 (1 Showroom)	25,000	From 01/ 04/ 1434 AH., corresponding to 11/ 02/ 2013 AD. To 01/ 04/ 1442 AH., corresponding to 15/ 11/ 2020 AD
	Lessee 5 (1 Showroom)	158,000	From 01/ 01/ 1438 AH., corresponding to 02/ 10/ 2016 AD. To 01/ 01/ 1444 AH., corresponding to 29/ 07/ 2022 AD
	Lessee 6 (1 Showroom)	220,000	From 17/ 07/ 1435 AH., corresponding to 30/ 04/ 2014 AD. To 16/ 07/ 1440 AH., corresponding to 22/ 03/ 2019 AD
Please refer to Appendix 2 of these terms and conditions for more information on the Lease contracts of this Real Estate Asset.			
The Costs of Leasehold Contract Lease	The Contract of Leasehold Lease shall include lease increasing as follows:		
	Annual cost of Contract	Date of Commence	Date of Expiry
	450,000	01/ 04/ 1435 AH Corresponding to 01/ 02/ 2014 AD	01/ 04/ 1439 AH Corresponding to 19/ 12/ 2017 AD
	500,000	01/ 04/ 1439 AH Corresponding to 19/ 12/ 2017 AD	01/ 04/ 1443 AH Corresponding to 06/ 11/ 2021 AD
The Date of the Building Completion (as per the date of operating the electric current)	26/ 11/ 1432 AH. corresponding to 23/ 10/ 2011 AD. Based on the date of operating the electric current		
Floors' No.	3 floors (ground floor+ Mezzanine floor +upper outbuilding)		
Types and numbers of units (As per Building Permit)	6 Showrooms		
Occupancy Rate	100 %		
Description of the Real Estate's Location	The Real Estate is located in the North of the city of Riyadh in Al Rabie district. The real estate area is bordered on the north by Imam Saud Bin Faisal Road., on the south by Northern Ring Road, on the east by King Abdulaziz Road and on the west by King Fahd Road.		
About Leasehold Contract	This Real Estate is not owned by the fund, but the Leasehold Contract was purchased from the current beneficiary. The remaining period in the Real Estate Leasehold Contract is five years. Work is currently ongoing to issue a building completion certificate for Al Rabie Leasehold, noting that		

	failure to obtain it may lead to the inability of tenants of real estate units in Al Al Rabie Leasehold to extract municipal licenses for their activities, which may adversely affect the cash flows and returns of Al Rabie Leasehold, which may have a Negative impact on the fund's operations, financial condition and operating results
Additional Notice	<ul style="list-style-type: none"> The Contract enclosed between Lessee No. 4 and landlord includes an increase in the rental value. This increase shall be as follows: From 01/ 04/ 1439 AH., corresponding to 19/ 12/ 2017 AD. To 01/ 04/ 1442 AH., corresponding to 16/ 11/ 2020 AD the rental value shall be increased at 10 % to be (SR 27,500) annually. The Contract enclosed between Lessee No. 5 and landlord includes an increase in the rental value. This increase shall be as follows: From 01/ 01/ 1439 AH., corresponding to 21/ 09/ 2017 AD. To 01/ 01/ 1444 AH., corresponding to 29/ 07/ 2022 AD the rental value shall be increased to be (SR 173,800) annually.
Disclosure:	With the exception of what was disclosed in Article "O 4" and Article "T" of these terms and conditions, the fund manager shall confirm that there is no conflict of interests of the sellers of real estate assets or the property manager with the fund manager in relation to Al Rabie Leasehold. The fund manager also shall confirm that there is no fundamental conflict of interests of the fund manager and the interests of any tenant of real estate assets whose returns constitute 10% or more of the annual rental returns of the fund's assets, in relation to Al Rabie Leasehold.

There is no Building completion certificate currently, and the work ongoing to extract such certificate.

All the above numbers were in accordance with the last updated numbers on 05/ 08/ 1438 AH. corresponding to 01/ 03/ 2017 AD.

Real Estate Name:	Qudus Leasehold		
Real Estate Type:	Commercial, Offices		
City:	Riyadh		
District	Al Quds		
Street	King Abdullah bin Abdulaziz Road		
Location's Coordinates	24°45'36.0"N 46°44'25.0"E		
Location's Sketch			
Land's area (m²)	895.5		
Building Area (m², as per Building Permit)	1,257.84		
Leasehold's Purchasing Cost (SR)	2,243,692.91		
Target Rent within 12 months (SR)	640,000		
About the current lease contracts (SR)		Annual Value	Duration
	Lessee 1 (1 Showroom)	150,000	From 01/ 05/ 1435 AH., corresponding to 02/ 03/ 2014 AD. To 30/ 04/ 1445 AH., corresponding to 13/ 11/ 2023 AD
	Lessee 2 (1 Showroom)	120,000	From 01/ 12/ 1435 AH., corresponding to 25/ 09/ 2014 AD. To 30/ 11/ 1440 AH., corresponding to 01/ 08/ 2019 AD
	Lessee 3 (1 Showroom)	120,000	From 01/ 07/ 1436 AH., corresponding to 19/ 04/ 2015 AD. To 30/ 06/ 1441 AH., corresponding to 23/ 02/ 2020 AD
	Lessee 4 (3 Offices)	100,000	From 22/ 10/ 1436 AH., corresponding to 08/ 07/ 2015 AD. To 21/ 10/ 1441 AH., corresponding to 13/ 05/ 2020 AD
	Lessee 5 (1 Showroom)	150,000	From 01/ 01/ 1438 AH., corresponding to 02/ 10/ 2016 AD. To 30/ 12/ 1442 AH., corresponding to 08/ 08/ 2021 AD
Please refer to Appendix 2 of these terms and conditions for more information on the Lease contracts of this Real Estate Asset.			
The Costs of Leasehold Contract Lease (SR)	The Contract of Leasehold Lease shall include lease increasing as follows:		
	Annual cost of	Date of Commence	Date of Expiry

	Contract	
	275,000	10/ 11/ 1432 AH Corresponding to 07/ 10/ 2011 AD
	350,000	10/ 11/ 1442 AH Corresponding to 19/ 06/ 2021 AD
The Date of the Building Completion (as per the date of operating the electric current)	10/ 10/ 1435 AH. corresponding to 06/ 08/ 2014 AD.	
Floors' No.	3 floors (ground floor+ Mezzanine floor +upper outbuilding)	
Types and numbers of units (As per Building Permit)	4 Showrooms and 3 Offices	
Occupancy Rate	100 %	
Description of the Real Estate's Location	The Real Estate is located in the Northeast of the city of Riyadh in Al Quds district. The real estate area is bordered on the north by King Abdullah Road., on the south by Al Urubah Road, on the east by Khalid Ibn Al Walid St., and on the west by Eastern Ring Road.	
About Leasehold Contract	This Real Estate is not owned by the fund, but the Leasehold Contract was purchased from the current beneficiary. The remaining period in the Real Estate Leasehold Contract is ten years.	
Additional Notice	<ul style="list-style-type: none"> The Contract enclosed between Lessee No. 1 and landlord includes an increase in the rental value. This increase shall be as follows: From 01/ 05/ 1440 AH., corresponding to 07/ 01/ 2019 AD. To 30/ 04/ 1445 AH., corresponding to 13/ 11/ 2023 AD the rental value shall be increased at 10 % to be (SR 165,000) annually. 	
Disclosure:	With the exception of what was disclosed in Article "O 4" and Article "T" of these terms and conditions, the fund manager shall confirm that there is no conflict of interests of the sellers of real estate assets or the property manager with the fund manager in relation to Al Quds Leasehold. The fund manager also shall confirm that there is no fundamental conflict of interests of the fund manager and the interests of any tenant of real estate assets whose returns constitute 10% or more of the annual rental returns of the fund's assets, in relation to Al Qudus Leasehold.	

All the above numbers were in accordance with the last updated numbers on 05/ 08/ 1438 AH. corresponding to 01/ 05/ 2017 AD.

Real Estate Name:	Wadi laban Leasehold		
Real Estate Type:	Residential, Commercial		
City:	Riyadh		
District	Dhahrat Laban		
Street	Ash Shefa		
Location's Coordinates	24°38'06.8"N 46°34'08.2"E		
Location's Sketch			
Land's area (m²)	895.5		
Building Area (m², as per Building Permit)	1,645.02		
Leasehold's Purchasing Cost (SR)	1,375,978.49		
Target Rent within 12 months (SR)	570,000		
About the current lease contracts (SR)	Annual Value		Duration
	Lessee 1 (1 Showroom)	90,000	From 15/ 12/ 1435 AH., corresponding to 09/ 10/ 2014 AD. To 14/ 12/ 1440 AH., corresponding to 15/ 08/ 2019 AD
	Lessee 2 (2 Showrooms)	180,000	From 01/ 12/ 1435 AH., corresponding to 25/ 09/ 2014 AD. To 30/ 11/ 1445 AH., corresponding to 06/ 06/ 2024 AD
	Lessee 3 (6 Residential Units)	180,000	From 01/ 09/ 1436 AH., corresponding to 17/ 06/ 2015 AD. To 30/ 08/ 1446 AH., corresponding to 27/ 02/ 2025 AD
	Lessee 4 (1 Showroom)	120,000	From 15/ 03/ 1438 AH., corresponding to 14/ 12/ 2016 AD. To 14/ 03/ 1448 AH., corresponding to 27/ 08/ 2026 AD
Please refer to Appendix 2 of these terms and conditions for more information on the Lease contracts of this Real Estate Asset.			
The Costs of Leasehold Contract Lease (SR)	The Contract of Leasehold Lease shall include lease increasing as follows:		
	Annual cost of Contract	Date of Commence	Date of Expiry
	200,000	30/ 08/ 1433 AH Corresponding to 18/ 07/ 2012 AD	29/ 04/ 1449 AH Corresponding to 30/ 09/ 2027 AD
The Date of the Building Completion (as per the date of operating the electric current)	07/ 03/ 1436 AH. corresponding to 28/ 12/ 2014 AD.		
Floors' No.	4 floors (ground floor+ Mezzanine floor +first floor+ upper outbuilding)		
Types and numbers of units (As per Building Permit)	4 Showrooms and 6 Residential Units		
Occupancy Rate	100 %		
Description of the Real Estate's Location	The Real Estate is located in the Southwest of the city of Riyadh in Al Wadi al-Laban district. The real estate area is bordered on the north by Al Taif St., on the south by Al Ash Shefa Road, on the east by Route 40., and on the west by Najran St.		
About Leasehold Contract	This Real Estate is not owned by the fund, but the Leasehold Contract was purchased from the current beneficiary. The remaining period in the Real Estate Leasehold Contract is ten years.		
Additional Notice	The Contract enclosed between Lessee No. 2 and landlord includes an increase in the rental value. This increase shall be as follows:		
	<ul style="list-style-type: none"> From 01/ 09/ 1441 AH., corresponding to 23/ 04/ 2020 AD. To 30/ 08/ 1446 AH., corresponding to 28/ 02/ 2025 AD., the rental value shall be (SR 200,000) annually. 		
	The Contract enclosed between Lessee No. 3 and landlord includes an increase in the rental value. This increase shall be as follows:		
	<ul style="list-style-type: none"> From 01/ 12/ 1440 AH., corresponding to 02/ 08/ 2019 AD. To 30/ 11/ 1445 AH., corresponding to 28/ 02/ 2025 AD, the rental value shall be increased by 10 % to be (SR 198,000) annually. 		
	The Contract enclosed between Lessee No. 3 and landlord includes an increase in the rental value. This increase shall be as follows:		
	<ul style="list-style-type: none"> From 15/ 03/ 1441 AH., corresponding to 12/ 11/ 2019 AD. To 15/ 03/ 1448 AH., corresponding to 28/ 08/ 2026 AD., the rental value shall be (SR 140,000) annually. 		
Disclosure:	With the exception of what was disclosed in Article "O 4" and Article "T" of these terms and conditions, the fund manager shall confirm that there is no conflict of interests of the sellers of real estate assets or the property manager with the fund manager in relation to Wadi al-Laban Leasehold. The fund manager also shall confirm that there is no fundamental conflict of interests of the fund manager and the interests of any tenant of real estate assets whose returns constitute 10% or more of the annual rental returns of the fund's		

	assets, in relation to Wadi laban Leasehold.
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All the above numbers were in accordance with the last updated numbers on 05/ 08/ 1438 AH. corresponding to 01/ 05/ 2017 AD.

Real Estate Name:	Dabbab Leasehold		
Real Estate Type:	Commercial- Offices		
City:	Riyadh		
District	Al Murabba		
Street	Imam Abdullah bin Faisal bin Turki		
Location's Coordinates	24°39'38.0"N 46°42'33.4"E		
Location's Sketch			
Land's area (m²)	774.5		
Building Area (m², as per Building Permit)	3,060.48		
Leasehold's Purchasing Cost (SR)	5,927,493.04		
Target Rent within 12 months (SR)	1,050,000		
About the current lease contracts (SR)	Annual Value		Duration
	Lessee 1 (Whole Building)	1,050,000	From 01/ 11/ 1435 AH., corresponding to 26/ 08/ 2014 AD. To 01/ 11/ 1445 AH., corresponding to 08/ 05/ 2024 AD
Please refer to Appendix 2 of these terms and conditions for more information on the Lease contracts of this Real Estate Asset.			
The Costs of Leasehold Contract Lease (SR)	The Contract of Leasehold Lease shall include lease increasing as follows:		
	Annual cost of Contract	Date of Commence	Date of Expiry
	200,000	01/ 02/ 1433 AH Corresponding to 26/ 12/ 2011AD	01/ 02/ 1443 AH Corresponding to 08/ 09/ 2021 AD
350,000	01/ 02/ 1443 AH Corresponding to 08/ 09/ 2021 AD	01/ 02/ 1453 AH Corresponding to 22/ 05/ 2031 AD	
The Date of the Building Completion (as per the date of operating the electric current)	23/ 01/ 1438 AH. corresponding to 24/ 10/ 2016 AD.		
Floors' No.	8 floors (basement + ground floor + 6 Identical floors)		
Types and numbers of units (As per Building Permit)	18 Offices and 4 Showrooms		
Occupancy Rate	100 %		
Description of the Real Estate's Location	The Real Estate is located in the south of the city of Riyadh in Al Murabba district. The real estate area is bordered on the north by Imam Abdullah bin Faisal bin Turki St., on the south by Al Washm St., on the east by Prince Abdulaziz Ibn Musaid Ibn Jalawi St., and on the west by King Faisal Road next to King Fahd Road.		
About Leasehold Contract	This Real Estate is not owned by the fund, but the Leasehold Contract was purchased from the current beneficiary. The remaining period in the Real Estate Leasehold Contract is fifteen years.		
Disclosure:	With the exception of what was disclosed in Article "O 4" and Article "T" of these terms and conditions, the fund manager shall confirm that there is no conflict of interests of the sellers of real estate assets or the property manager with the fund manager in relation to Dabbab Leasehold. The fund manager also shall confirm that there is no fundamental conflict of interests of the fund manager and the interests of any tenant of real estate assets whose returns constitute 10% or more of the annual rental returns of the fund's assets, in relation to Dabbab Leasehold.		

All the above numbers were in accordance with the last updated numbers on 05/ 08/ 1438 AH. corresponding to 01/ 05/ 2017 AD.

3. Previous and targeted rent returns for each property / Leasehold:

The name of the property / Leasehold	2016		*2017		*2018		Average target turnover rent of the Fund (2017-2018)
	Turnover rent (SAR)	The ratio (turnover rent / total rents for the same year)	Target turnover rent (SAR)	The ratio (turnover rent / total rents for the same year)	Target turnover rent (SAR)	The ratio (turnover rent / total rents for the same year)	
Genx Al Maather	12,887,653	28.7%	17,653,850	33.8%	17,653,850	32.6%	17,653,850
Genx Al Rabie	2,108,373	4.7%	3,407,040	6.5%	3,969,540	7.3%	3,688,290
Al Mohammadia Tower	8,206,300	18.3%	8,206,300	15.7%	8,206,300	15.2%	8,206,300
Al Tkahssusi showrooms	3,338,820	7.4%	3,338,820	6.4%	4,675,000	8.6%	4,006,910
Al Sahafa Tower 1	4,312,660	9.6%	4,312,660	8.3%	4,312,660	8.0%	4,312,660
Al Sahafa Tower 1	4,670,000	10.4%	4,670,000	8.9%	4,670,000	8.6%	4,670,000
Hair Warehouses	1,481,167	3.3%	1,747,000	3.3%	1,747,000	3.2%	1,747,000
Sulai Warehouses	4,708,319	10.5%	5,523,550	10.6%	5,523,550	10.2%	5,523,550
Al Rabie Leasehold	1,098,700	2.4%	1,098,700	2.1%	1,117,000	2.1%	1,107,850
Qudus Leasehold	527,500	1.2%	640,000	1.2%	655,000	1.2%	647,500
Wadi Laban Leasehold	570,000	1.3%	570,000	1.1%	570,000	1.1%	570,000
Al Dabbab Leasehold	1,050,000	2.3%	1,050,000	2.0%	1,050,000	1.9%	1,050,000
Total	44,959,492	100.0%	52,217,920	100.0%	54,149,900	100.0%	53,183,910
Targeted overall return **			8.51%		8.82%		8.67%
Targeted net return ***			6.76%		7.08%		6.92%

* Targeted returns were calculated according to the contracts currently signed and assuming that all contracts are continuous or automatically renewed with the same contract terms.

**** Total Targeted Return:**

- Total targeted return was calculated on the basis of the unit price of ten (10) Riyals per unit, according to the value of the currently targeted Fund's assets amounting to 613,700,000 Saudi riyals.
- The total returns mentioned in the above table were calculated before deducting all fees and expenses related to the Fund.
- Some of the returns and rents related to the Fund mentioned in the above table are subject to change during the term of the Fund which results in a change in the total targeted return.

****Net Targeted Return:**

- The net returns mentioned in the above table were calculated after deducting all cash fees and expenses related to the Fund, as non-cash expenses were not deducted as depreciation provisions for fixed assets.
- Some of the cash fees and expenses related to the Fund and mentioned in Article "J" of these terms and conditions are subject to change during the term of the Fund, which results in a change in the net targeted return.
- Some of the returns and rents related to the Fund mentioned in the above table are subject to change during the term of the Fund, which results in a change in the net targeted return.

2. Investment focus policies:

The Fund aims at investing in real estate assets within the Kingdom of Saudi Arabia that are capable of generating periodic rental income and which are expected to generate returns on the invested capital. Areas/ cities that are characterized by positive investment features, growth in business activities and a positive flow of investments, growth in supply and demand, as well as good infrastructure will be selected. The selection shall be according to the reasonable discretion of the Fund manager, after taking into account the reports issued in this regard by two independent valuers authorized by the Saudi Authority for Accredited Valuers. The initial investments of the Fund mentioned in the introductory summary of these terms and conditions are all located in Riyadh city. However, and in order to diversify investments, the Fund may invest in the rest of the kingdom's regions / cities, in addition to the possibility of investing up to a maximum of 25% of the total value of the Fund's assets in real estate located outside the Kingdom. In addition, there are no other restrictions on the focus or diversification of investment in a specific real estate asset/ assets or a specific geographical area or the ratio of that focus/ diversity to the size of the Fund as a whole.

3. Fund's Borrowing Power:

There are no available loans or financing when the Fund is established/ initiated. The Fund manager has also the right to resort to obtaining financing in cases approved by the Fund's board of directors, so that the Fund's financing does not exceed 50% of the total value of the Fund's assets, according to the latest audited financial statements.

4. Methods and Ways to invest the cash available in the Fund:

The Fund manager has the right, at his own discretion, to invest the available and unused liquidity whenever needed (and with a maximum of 25% of the total value of the Fund's assets according to the latest audited financial statements) in one or more of the investments mentioned in the table below:

Investment Type**	The minimum total value of the Fund according to the most recent audited financial statements	The maximum total value of the Fund according to the most recent audited financial statements
Cash	0%	25%
Money market Funds publicly offered and licensed by the Authority.	0%	25%
Murabaha deals and short-term deposits in Saudi Riyals with banks licensed by the Saudi Arabian Monetary Agency and operating in the Kingdom of Saudi Arabia*.	0%	25%
Traded and offered Shares of companies to the public in the Saudi capital markets licensed by the Authority.	0%	25%
Real Estate Investment Traded Funds offered to the public in the Saudi capital markets licensed by the Authority.	0%	25%
Traded Debt instruments offered to the public in the Saudi capital markets licensed by the Authority.	0%	25%

* Banks will be selected by a decision of the Fund manager, as he will not abide by any specific credit rating as long as those banks are licensed and operating in the Kingdom.

** Investing with the single counterparty will not exceed 25% of the total value of the Fund according to the most recent audited financial statements.

G. Risks of Investing in the Fund:

g.1 Fund Risk Summary:

g.1.1 Risks related to the Fund

- **Geographical concentration of the Fund's investments:**

All the Fund's investments are concentrated in real estate assets located in the Kingdom of Saudi Arabia. As a result, the Fund's revenue and net income are related to the demand of office, residential and commercial spaces in the Kingdom of Saudi Arabia. Any decrease in the level of demand for real estate units in general in the Kingdom of Saudi Arabia may affect the performance of the Fund and the value of its units more than if the Fund's investments were in real estate assets distributed over a larger geographical area. There is a possibility of investing a maximum of 25% of the total value of the Fund's assets in real estate located

outside the Kingdom, which may expose the Fund to the risks of concentration if those investments are in a specific country or several countries belonging to a specific geographical area.

- **No previous operating processing of the Fund:**
The Fund was newly established with no previous operating processing that enables potential investors to predict the future performance of the Fund. Also, previous results of similar Funds or the past performance of real estate assets, subject matter of the Fund's acquisition are not necessarily indicative of the Fund's future performance, as unit owners will depend heavily on the Fund manager's decisions and efforts in managing the Fund's strategy and affairs and increasing returns on invested capital. Consequently, the Fund's recent establishment may have a negative impact on the Fund manager's expectations and thus the unit returns.
- **Dependence on key personnel of the Fund manager:**
The Fund will rely on management and consulting services provided by the Fund manager's staff. It can be difficult to replace some key personnel, especially in the senior management of the Fund manager. In the event that one of these employees leaves work and the Fund manager is not able to find a suitable replacement for him/ her, the performance of the Fund's business may be negatively affected.
- **Liquidity risk:**
Investors usually maintain their investments and rely on returns on the invested capital. However, in other cases, some investors want to liquidate their investments depending on many factors, including the revenues and value of real estate assets, and the overall performance of the Fund and the private market with similar investment tools. Owing to the fact that the amount of liquidity for the units of real estate investment Funds in circulation may be less than that of the traded companies' shares, it is possible that the investor in the units of the Fund will face difficulty in disassociation and liquidating his units in the Fund at a price higher than the original purchase price or the price offered by that investor. This may lead to the disassociation of the Fund by the investor at a value less than the market value of the Fund's assets.
- **Risks of Limited Experience:**
The Fund manager has limited experience managing Real Estate Investment Traded Funds (REITs). Given that the instructions for real estate investment traded Funds have been recently issued. Therefore, the way to implement them remains to some extent unknown, as the Fund manager may have to spend a great deal of time and effort in ensuring that the Fund adheres to the regulatory requirements issued by the Capital Markets Authority of Saudi Arabia and Saudi Stock Exchange (Tadawul). Therefore, failure of the Fund manager to implement these requirements as required may lead to a negative impact on the Fund's operations, its financial position, and the returns of unit owners.
- **Risks of trading at a price below the market value:**
Trading of units may be exposed to factors that lead to fluctuations in their value, including factors that may negatively affect the local and global stock markets, the prevailing and expected economic conditions, interest rates, financing costs, investor trends and general economic conditions. Accordingly, the purchase of units is appropriate only for investors who can bear the risks associated with these investments, especially since this may lead to difficulty in disassociation of the Fund by the investor or disassociation of it at a value less than the market value of the Fund's assets.
- **Risks of increasing the Fund's capital:**
In the event that the Fund manager decides with the unit owners to increase the Fund's capital by issuing new units, the issuance of these new units will lead to a reduction in the relative shares of the unit owners at that time to some extent, unless the unit owners exercise their rights in priority rights. The increase in capital may negatively affect the value of units, which negatively affects the investments of unit owners who do not exercise the right of priority to participate in increasing the capital.
- **Risks of not achieving returns on investment:**
There will be no guarantee that the operations of the Fund's assets will be profitable, or that the Fund will succeed in avoiding losses. In addition, the Fund in general will not have any source of Funds to pay dividends to unit owners other than the returns from rent and capital

returns that may come from operating the Fund's assets or selling some or all of its assets. Therefore, there is no guarantee that the Fund will achieve returns on the unit owners' investments in the Fund and that investors in the Fund may lose all or some of their capital invested in the Fund.

- **Risks of de-listing/ suspending units:**

There is a risk that the Capital Market Authority will cancel the listing of the Fund or suspend its trading at any time if the Authority deems that this is necessary to protect the unit owners or maintain the organization of the market, or if it deems that the Fund manager or security trustee has failed materially. The Saudi Stock Exchange has the right to suspend trading of units in the market according to Article no. 36 of the Listing Rules. The Authority may also cancel the listing or suspend it if the Fund fails to meet the liquidity criteria set forth in Paragraph (b) of Article 11 of Chapter Two in the Listing Rules as well as in Subparagraph No. (2) of Paragraph (B) of Article (Fourth) of the Instructions of Real Estate Investment Traded Funds.

- **Financing Risk**

It is possible that the Fund's assets will be financed, which may negatively affect the value of income earned by the Fund and limit the Fund's flexibility. In addition, in the case of financing, increases and decreases in the value of the Fund's real estate units increase. The use of financing creates an opportunity for the Fund to increase returns, but at the same time it increases financial risk and may lead to exposing the Fund and its investments to certain negative factors such as the high cost of financing, which may lead to a decline in profits, dividends, and sometimes returns. Moreover, the Fund's assets can be mortgaged to a lender, only in the interest of the Fund without the right of recourse to the unit owners. The lender can claim the pledged assets as soon as there is any default by the special purpose company or by the Fund manager or the Fund itself.

X.1.2 Risks related to the Fund's assets:

- **General risks of real estate investment:**

The return on real estate investments is subject to many related factors, including negative changes in local, regional or international economic conditions, negative conditions in the local market, financial conditions of real estate tenants, buyers and sellers, changes in operating expenses, environmental laws and regulations, zoning laws and other government laws and financial policies. This is in addition to energy prices, changes in the attendance for different types and locations of real estate, risks resulting from reliance on cash flows, operational problems and risks arising from the availability of some building materials, in addition to force majeure, uninsurable losses and other factors beyond the Fund manager's control. Any of these factors may contribute to causing material risks that negatively affect the value of the Fund's assets and the Fund's ability to generate any returns on its investments.

- **Fluctuations in real estate value and lack of liquidity:**

Real estate is considered an illiquid asset. The degree of its liquidity fluctuates according to the demand and desire for this type of investment. If the Fund needs to liquidate its real estate investments at an inappropriate time, the returns of the Fund may be less than the total book value of its real estate properties. Consequently, any delay or difficulty that the Fund may encounter in disposing of its assets may negatively and significantly affect the final return - if any - that the unit owners receive.

- **Possibility to challenge the Fund's ownership of real estate assets:**

Until the date of these terms and conditions, there are no effective and binding central real estate registries in Riyadh. In addition, title deeds do not necessarily represent the full right to dispose of the ownership of the property and may be subject to appeal as Saudi courts do not usually recognize the buyer's "good faith" defense against real estate claims. Moreover, the existence of a contract between two persons does not necessarily require one of them to claim the other to return ownership of the real estate asset, subject matter of the contract. Accordingly, the real estate assets that the Fund acquires may be subject to any legal disputes related to the ownership of those assets, which in turn may weaken the Fund's ability to dispose of the real estate assets or transfer them free of mortgage and restrictions. This may in some cases cause the Fund to lose the ownership of the real estate assets that were believed to have been lawfully acquired. In addition, these disputes and disagreements over ownership may materially affect the value of real estate assets, and thus the value of units in the Fund.

- **Possibility of not completing the development of Al Tkahassusi Real Estate Project within the expected timeframe or within the expected budget:**

The completion of the development of Al Tkahassusi Real Estate Project mentioned on page 18 of these terms and conditions is subject to a number of risks, including:

- 1) Delay of the relevant government agencies in granting the necessary governmental and regulatory permits and approvals to complete the development of Al Tkahassusi Real Estate Project or the refusal of those authorities to issue the aforementioned licenses and approvals.
- 2) The failure of contractors to develop Al Tkahassusi Real Estate Project or their failure to complete the construction work on time and within the agreed budget.
- 3) Lack of construction materials, equipment and labor.

There is no guarantee that the completion of the development of Al Tkahassusi Real Estate Project will take place within the expected time whether as a result of the above-mentioned factors or for any other reason. The inability to complete it within the expected time or budget may have a negative impact on the Fund's business, financial situation, cash flows and results of Operation.

- **The possibility of increasing competition in the real estate and hospitality sectors in the Kingdom:**

The real estate sector in the Kingdom is characterized by strong competition between global and local real estate development companies. The hotel suites sector is also very competitive, so the Fund will face competition from many sources, including service providers for apartments, hotel suites, or office or commercial spaces located directly near real estate assets. There is no guarantee that the Fund's business will not be affected by current and future competitors in the Kingdom. Failure to compete effectively with these competitors may have a material negative impact on the Fund's business, financial condition, cash flows and operating results.

- **Dependence of the future Fund's rental income on its ability to attract and retain suitable tenants and its effective management of real estate assets:**

A large portion of the Fund's income is represented in the rental income of the offices, retail component and hotel suites. There is no guarantee that the Fund will be able to attract and retain suitable tenants according to the terms and conditions it seeks. Moreover, the financial stability of the tenants of the Fund may affect the financial performance of the Fund. The financial stability of tenants may also change over time due to factors directly related to tenants or the overall economy of the Kingdom. It may affect their ability to pay rent. In addition, the Fund may incur costs related to retaining existing tenants and attracting new tenants, costs and time required to enforce the rights stipulated in the lease agreement with the defaulting tenant including eviction and lease-back costs, which may be huge. Failure to attract and retain suitable tenants may have a material negative impact on the Fund's works, financial position, cash flows and operating results. It may also negatively affect the value of real estate assets.

- **Possibility of the Fund being subject to some fixed costs that will not decrease with lower revenues:**

The rents and operating income that will be deposited in the Fund may decrease as a result of the various negative changes that affect the real estate assets or tenants of the Fund and the hospitality clients. It should be noted that some of the Fund's major expenditures, including management fees, maintenance costs and operational costs of real estate assets, will not reduce the burden of lower revenues. Thus, if rents and operating income decrease while costs remain the same, then Fund revenue and Funds available for distribution to unit owners may decrease.

- **The Fund's dependence on substantial operational support from the property manager:**

The real estate assets will be managed by Medad El khair Real Estate Corporation according to the real estate management and operation agreement signed between each of the Fund and Medad Elkhair Real Estate Corporation managers. The delay or failure of Medad El khair Real Estate Corporation to fulfill its obligations may have a material negative impact on the Fund's works, financial position and operating results.

- **Negative impact of lack of or non-compliance with regulatory approvals and licensing requirements on real estate assets:**

As part of operating real estate assets, all regulatory approvals and licenses necessary for operation must be obtained. It is not possible to guarantee that all regulatory approvals related to real estate assets will be obtained or renewed in a timely manner or that they will be required to be obtained. Moreover, violation of the terms of any of these regulatory approvals may lead to their cancellation, withdrawal, suspension or imposition of financial penalties by the relevant regulatory authorities. In addition, any amendments to existing laws and regulations may impose unforeseen and more costly requirements, whereby the Fund's commitment to these laws or regulations results in incurring large capital expenditures, obligations or other responsibilities, which may have a negative material impact on the Fund's works, financial position and operating results.

In this regard, it should be noted that is currently underway to issue a building completion certificate for Al Rabie Leasehold, noting that failure to obtain it may lead to the inability of tenants of real estate units in Al Rabie Leasehold to get municipal licenses for their activities, which in turn may negatively affect the cash flows and returns of Al Rabie Leasehold which may have a negative material impact on the Fund's works, financial position and operating results.

- The possibility of real estate assets being subjected to substantial damage due to natural disasters and other causes beyond the control of the Fund manager and for which insurance (if any) may not be sufficient:

Real estate assets may be subject to material damage caused by fire, storms, earthquakes, or other natural disasters, or for other reasons such as political disturbances. In case of any such event, the Fund may lose the capital invested in the real estate assets, as well as the expected revenues. In addition, no guarantee can be given that the resulting losses (including loss of rent income) may be fully compensated under the insurance cover (if any). There are certain types of risks and losses (for example, losses due to political unrest, War or some natural disasters) may not be secured in economic or general terms. If any of these events occur - in particular those related to uninsured or uninsurable losses, or those whose insurance returns are insufficient to repair or replace them, this may have a material negative impact on the Fund's works, financial position, cash flows and operating results.

- The seasonal nature of the hospitality sector in Riyadh:

The seasonal nature of the hospitality sector in Riyadh may negatively and Fundamentally affect the Fund, as the hospitality sector represents approximately 20% of the Fund's total rents. The hospitality sector is seasonal in nature, with the lowest occupancy rates recorded during the summer and during the holy month of Ramadan. As for the highest occupancy rates, they generally occur during the first and second quarters of the year. This seasonal nature is expected to cause periodical fluctuations in hotel apartment revenues, occupancy rates, rent rates and operating expenses. The Fund cannot guarantee that the cash flows will be sufficient to compensate for any deficits that may arise as a result of these fluctuations. Consequently, fluctuations in financial performance resulting from the seasonal nature of the hospitality sector may have a negative and material impact on the Fund's financial position, cash flows and operating results.

- **Risks of having a sole tenant for some real estate assets:**

The Fund will acquire real estate assets with a sole tenant at the initial stage of the Fund's term. This type of real estate assets is characterized by being equipped or re-equipped by the tenant in a way that serves his interests, including, for example, making some changes to the interior decoration of the real estate asset in a manner that reflects the identity and need of the tenant. Consequently, if the tenant decides not to renew or terminate the relevant lease, the Fund manager (through the property manager) may find it difficult to re-rent the property to a new tenant who rents t the entire real estate asset. This shall force the Fund manager (through the property manager) to search for tenants who rent real estate units separated from the real estate asset, after making the required modifications to the real estate asset.

Consequently, any delay in finding an alternative tenant or tenants and making any internal adjustments to the real estate asset may incur significant capital expenditures, obligations or other responsibilities to the Fund, which may have a negative Fundamental impact on the Fund's works, financial position, cash flows and operating results.

- Risks related to utility contracts:

The Fund intends to acquire, during the primary stage of the Fund's life, some real estate assets by transferring their Leasehold from their current tenants or beneficiaries, which do not result in transferring ownership of the asset to the Fund. Whereas the contracts concluded between the primary owners who fully own these assets and their tenants who transfer their benefit to the Fund do not include giving the tenants the right to transfer or assign the benefit of the real estate assets to other. It may result in the primary owners asking the Fund manager to vacate these real estate assets because there is no contractual relationship between them and the Fund manager. Consequently, this may cause the Fund to lose ownership of the Leasehold right of those real estate assets that it is believed that the acquisition of its utility was legal. In addition, these disputes and disagreements over ownership may fundamentally affect the value of real estate assets, and thus the value of units in the Fund.

- Risks of safety of real estate assets and obtaining regulatory approvals to operate real estate assets:

The lease contracts for real estate owned by the Fund may include the tenant's obligation to repair and maintain the real estate assets. Therefore, the Fund will rely in this case on the tenant in order to maintain the integrity of the property, provide the necessary operational insurance coverage, and obtain the necessary statutory approvals to operate these real estate assets. If the tenant is not able to maintain the integrity of the building, perform the necessary periodic maintenance, and maintain the necessary statutory approvals to operate the real estate assets in a timely manner. This would weaken the Fund's ability to complete or operate those real estate assets, which may negatively affect the performance of the Fund as a result of such delay.

- **Risks of expropriation of real estate assets:**

The state has the right to compulsory adverse possession of a property for the public benefit (for example, but not limited to, building roads and public utilities). In practice, the purchase price of a property is usually close to the market value. In the event of expropriation, the compulsory acquisition of the property takes place after an unspecified notice period, because its approval is based on a special system. Despite the possibility of paying compensation, there is a risk that the compensation value will not be sufficient compared to the size of the investment, lost profit, or the increase in the investment value. In the event of expropriation, the value of distributions to unit owners, trading value and price of units may decrease, and unit owners may lose all or part of the invested capital.

- Risks of changing subsidy and tax policies:

The government recently imposed a fee on idle lands in Saudi Arabia, known as "idle lands fee".

These fees provide an incentive for developers to develop unused lands, but they may also lead to an increase in levels of competition in the real estate market. In addition, any future reduction in subsidies for electricity and water in the Kingdom, changes in the tax imposed on expatriates and taxes on remittances from expatriates or value-added tax or the imposition of any new taxes on expatriate workers and their families may reduce available income and may reduce levels of demand for real estate assets belonging to the Fund. Moreover, any increase in rent limits or values by the government may have a negative impact on the income of real estate asset and thus the cash dividends and market value of the Fund units.

G.1.3 Other risks:

- **The Fund's dependence on the Kingdom's economy and its position in the global market:**

The results of the Fund and its financial position will be affected by the state of the economy in the Kingdom and the global economic conditions that affect the Kingdom's economy. Despite its growth in other sectors, the Saudi economy is still dependent on the price of oil and gas in global markets. Thus, the decrease in oil and gas prices may slow down or disrupt the Saudi economy, and the resulting impact on liquidity can negatively affect demand in Real estate sector. In addition, any negative change in one or more of the macroeconomic factors, such as the exchange rate, commission rates, inflation, wage levels, unemployment, foreign investment and international trade, it can have a negative and material impact on the Fund's works, financial position and operating results.

- **The political, economic and legal environments continuance to be subject to continuous changes:**

The political, economic and legal environments in the Kingdom are subject to continuous developments. The negative social, economic and political developments in the Kingdom and the neighboring countries or others in the region may have a negative and material impact on the Fund's works, financial position, cash flows and operating results.

▪ **Credit risks:**

They are the risks related to the possibility of failure of the contracting party or parties to fulfill their contractual obligations with the Fund manager according to the contracts or agreements concluded among them. These risks applies to the Fund in the event of investment in Murabaha Funds and money market Funds that enter into Murabaha deals (including low credit-rated deals) with other parties, which, if failed, will negatively affect the Fund's investments and the unit price.

▪ **Risks of investing cash available in the Fund in other securities:**

The securities or investments that the Fund may target to invest are exposed to additional risks that may not be mentioned in the paragraph "main risks of investing in the Fund" of these terms and conditions, which may negatively affect the Fund's investments and performance and the Fund's units holders.

▪ **Distribution risks related to increasing capital through in-kind contributions:**

They are the risks related to the decrease in distributions resulting from the entry of new investors into the Fund against their in-kind contributions by increasing the total number of units of the Fund. This may lead to the distribution of current profits in the Fund to a larger number of units, and thus to decrease those dividends in the unit where the decrease in distributions may be temporary, in the event that the returns of the new assets began to be realized and were higher than the returns of the current assets. The decrease shall be for a long time in the event that the new assets do not start providing the Fund with returns directly, or if their returns are low compared to the current returns of the Fund. It is possible that an agreement will be made with the vendors who are expected to make in-kind participation by excluding them from the distributions for the previous periods, but this remains a possibility for negotiations with these sellers.

▪ **Legislative risks**

They are changes in the regulatory environment, legislation, accounting systems, and local and governmental regulations that negatively affect the Fund manager's ability to manage the Fund or may lead to a decrease in the value of the assets invested in by the targeted investment Funds or the Fund and thus have a negative impact on the Fund's performance and the value of its units.

▪ **Legal, regulatory and tax risks:**

The information contained in these terms and conditions is based on the regulations in place at the time of issuing these terms and conditions. There may be statutory, tax, regulatory, zakat or other changes to the investment environment in the Kingdom during the term of the Fund, which may have a negative impact on the Fund, its investments or units' owners.

In this regard, it is indicated that there are currently no taxes imposed on investment Funds within the Kingdom of Saudi Arabia, with the exception of the value-added tax imposed on fees related to investment Funds under the regulations of The General Authority of Zakat and Income. However, there is no guarantee that the current zakat and tax system in force within the Kingdom will not change. Therefore, the Fund will abide by any changes in the tax, zakat or other regulations in the Kingdom. It will be responsible for that, and neither the Fund nor the Fund manager will be responsible for any taxes, zakat or any other amounts imposed by any concerned body. The General Authority of Zakat and Income may refer to the Fund manager with zakat claims for a previous period. The Fund will bear any zakat adjustments imposed by the General Authority of Zakat and Income for previous periods, if any.

G.2 Appropriateness of Investments:

Units may not be a suitable investment for all investors. Each potential investor in units must determine the appropriateness of this investment in light of its own circumstances. In particular, every potential unit owner should have the following:

- Sufficient knowledge and experience to conduct a true evaluation of units, the advantages and risks of investing in units, and the information contained in these terms and conditions.

- Access and knowledge of appropriate analytical tools for evaluation, in the context of its own financial situation, investment in units and the impact of units on the investment portfolio as a whole.
- He shall have sufficient financial resources and liquidity to bear all risks of investing in units.
- Accurate understanding of the terms and conditions and familiarity with the nature of relevant financial indicators and markets.
- He shall be able to evaluate (either alone or through taking advice from a financial advisor licensed by the Capital Market Authority) possible scenarios of economic and other factors that may affect the investment, and his ability to bear applicable risks.

G.3 Future data:

These terms and conditions have been prepared on the basis of certain assumptions that have been used by the Fund manager according to his experience in the markets and sectors in which he works, as well as public available market information. Future operating conditions may differ from the used assumptions. Accordingly, there is no guarantee or undertaking regarding the accuracy or completeness of any of these assumptions. Some of the statements contained in these terms and conditions constitute or may be considered to constitute "future statements." It is possible that these future statements may be evidenced through the use of some future statements such as "intends," "assesses," "believes," "expects," "is expected", "aims," "targeted," "it is possible," "it will be", "should" "expected" or the formulas that negate these terms and other close or similar to such terms in meaning. These future statements reflect the current view of the Fund manager regarding future events, but they do not constitute a guarantee of future performance.

There are many factors that may lead to a significant difference from the actual results, actual performance, or actual achievements performed by the Fund manager from what was expressly or implicitly expected. Article no. (G) (Risks of investing in the Fund) of these terms and conditions contains a more detailed description of some of the risks and factors that could lead to such impact. If one or more of these risks or uncertainties are realized, or if any of the assumptions are proven to be incorrect or inaccurate, the actual results of the Fund may differ fundamentally from the results mentioned in these terms and conditions as estimated, believed, expected or planned. Therefore, potential investors must examine all future statements in light of these explanations, without relying primarily on such statements.

G.2 Investing in the Fund does not guarantee that unit owners will obtain profits nor does it protect against losses. There is no guarantee that the Fund will achieve its investment objectives. Potential investors should, when considering investing in the Fund, carefully consider prior risk factors and other information contained in these terms and conditions. The risks and uncertainties outlined above are those that the Fund manager currently believes may affect the Fund and any investment made by potential investors. However, the above risks do not necessarily include all the risks associated with investing in units, noting that some additional risks and uncertainties that are not known to the Fund manager or which are currently believed to be non-Fundamental may materially or negatively affect the Fund's works, financial position, operational results or future possibilities. This shall include a decrease in the value of units or a loss in all or part of the investment by unit owners.

H. Subscription:

H.1 Subscription information

H.1.1 Subscription to units during the initial offering period:

The Fund manager will offer 61,370,000 units at a price of 10 Saudi riyals per unit, so that the Fund manager aims to raise an amount of 613,700,000 Saudi riyals during the initial offering period. The first offering period starts from 08/10/1438 A.H corresponding to 02/07/2017 and continues until 12/10/1438 A.H corresponding to 06/07/2017.

The following is a timetable showing the expected periods of time from the date of commencement of offering units until the commencement of trading of units:

Procedure	The expected time period
Initial Offering Period	Five (5) working days
Extending the Initial Offering Period (in the event of an extension)	Five (5) working days
Emptying the real estate assets deeds and transferring the Leasehold Contracts to the Fund (through the trustee) after collecting the minimum cash consideration to complete the acquisition of the real estate assets.	60 days
Returning the surplus after subscribing to the Fund and allocating units	15 working days from the end of the Initial Offering Period or any extension thereof
Refund of subscribers' Funds in case the required minimum is not collected	15 working days from the end of the Initial Offering Period or any extension thereof
The start of trading the Fund's units in the Saudi Stock Exchange	During the third quarter of 2017

In the event that the minimum requirements of the instructions for traded real estate investment Funds or the minimum amounting to 613,700,000 Saudi riyals are not covered, the Fund manager may extend the subscription period for a similar period after obtaining the approval of the Capital Market Authority. The Fund manager will also abide by the instructions of traded real estate investment Funds issued by the Capital Market Authority regarding the minimum number of unit owners among the public and their ownership percentage of the total Fund units.

H.1.2 Subscription procedures:

The investor wishing to subscribe to the Fund's units during the initial offering period must follow the following subscription steps:

- 1) The subscriber must have an active investment account with the Fund manager and an active portfolio with an authorized person.

Natural persons who meet the legal conditions can open an investment account with the Fund manager through the website: WWW.OBIC.com.sa without having to personally come to the Fund manager's headquarters. Otherwise, the investment account is opened by visiting the Fund manager's headquarters noting that the opening of the new investment account with the Fund manager may take a longer period of time than the usual situation due to the high number of requests to open accounts expected during the initial offering period.

In the event that the client already has an investment account with the Fund manager, the client must ensure that his investment account is active and not frozen.

- 2) Transferring/ depositing the subscription amount and fees to the bank account designated for subscriptions, the details of which are shown in the subscription form.

* Clients of legal persons in addition to high-risk natural persons by virtue of a high position or the nationality of a high-risk country according to the classification of the Financial Action Task Force are excluded from the use of the online account opening service.

- 3) Agreeing to the Fund's terms and conditions: This is done via the Internet through the online dealing service provided by the Fund manager. The electronic approval of the Fund's terms and conditions is an acknowledgment of reading them and approval of what is stated therein and dealt with as being a signature.
Filling the deposit form and register via the Internet through the online dealing service provided by the Fund manager.
- 4) The Fund manager has the right to reject the subscription request if all the above steps are not completed before the end of the offering period or in case incorrect information is provided or if the subscription is in violation of these terms and conditions, the Real Estate Investment Funds Regulations, the Instructions of Traded Real Estate Investment Funds, the Authorized Persons Regulations, or any other regulations in force. In this case, the Fund manager will Refund the amount and the subscription fee by bank transfer to the subscriber's account.
- 5) Without prejudice to non-Saudis' ownership and investment of real estate system. participation in the units is available to those who meet the conditions, citizens of the Kingdom of Saudi Arabia, citizens of the Arab Gulf Cooperation Council countries, and regular valuers of the Kingdom of Saudi Arabia.
- 6) Participation in the Fund units is also available to those who meet the conditions from institutions, companies, investment Funds and other legal persons existing in the Kingdom, who in turn are also subject to non-Saudis' ownership and investment of real estate system according to the subscription method described in the above subscription procedures.

H.3.1 Subscription in units after listing:

Investors wishing to participate in units after the initial offering period and units listing have the right to do so by purchasing units from the financial market (the main market) during trading hours in the Saudi Stock Exchange (please refer to Article no. "L" (Trading Units) for more information).

H.2 In-kind subscription:

The following real estate asset sellers will participate in the Fund during the initial offering period in kind in exchange for units issued in their favor as part of the real estate asset value:

Seller	Number of Units	Value of Units (Riyals)	The percentage of each subscriber's ownership of the Fund	The in kind shared real estate / benefit in the Fund
Zawiyat Al Ma'ather REIT	27,805,081	278,050,810	45.31%	-Genx Al Ma'ather -Genx Al Rabie - Al Mohammadia Tower -Al Tkahassusi Showrooms - Al Rabie Leasehold - Qudus Leasehold - Wadi Laban Leasehold - Al Dabbab Leasehold
Prince Abdullah bin Sultan bin Abdulaziz	7,255,325	72,553,250	11.82%	- Al Sahafa Tower 1 - Al Sahafa Tower 2
Abdul Aziz bin Abdul Rahman bin Mohammed Al-Omran	5,285,187	52,851,870	8.61%	- Sulai Warehouse
Khalid bin Abdul Rahman bin Mohammed Al-Omran	1,909,732	19,097,320	3.11%	- Hair Warehouse
Total	42,255,325	422,553,250	68.85%	-

It should be noted that Zawiyat Al Ma'ather REIT- a limited liability company - is owned by the following partners:

Partner's name	His ownership Percentage
Sahara Al Arabia Real Estate company	33.33%
Khalid bin Abdul Rahman bin Mohammed Al-Omran	33.33%
Abdul Aziz bin Abdul Rahman bin Mohammed Al-Omran	33.34%

H.3 Subscription of the Fund Manager during the offering period:

The Fund manager will subscribe in cash to the Fund during the initial offering period in exchange for a cash amount of 7,036,750 Saudi riyals so that all proceeds from the Fund manager's participation in the Fund are used to cover costs of the development completion of Al Tkahassusi project. Its details are mentioned on page 18 of these terms and conditions.

H.4 Mechanism of units' allocation:

Investors who have submitted applications to subscribe to the Fund will be notified within 15 working days of the end of the initial offering period, whether to accept or reject the subscription application, in whole or in part. Confirmations that include the approved subscription amount are sent to subscribers in case the subscription request is accepted. In the event that the subscription is rejected, in whole or in part, the unacceptable part of the subscription and the related subscription fees will be Refunded to the investor's bank account within 15 working days from the date of the end of the initial offering period (and any applicable bank fees are deducted from it).

Upon completion of the in-kind subscription requirements and the requirements for registering and listing the units below, the Fund manager will allocate the units after the end of the initial offering period in the following manner:

- 1) In the event that the total subscription amounts submitted by all investors (including the in-kind subscription and the Fund manager's subscription) is less than the minimum amount required to be collected of 613,700,000 Saudi riyals, all subscription amounts are Refunded to the investors (without any expenses, profits or interest) within 15 working days from the date of the end of the initial offering period or any extension thereof.
- 2) In the event that the total subscription amounts submitted by all investors (including the in-kind subscription and the Fund manager's subscription) equals or exceeds the minimum required to be collected of 613,700,000 Saudi riyals (after deducting any expenses or applicable fees), the total offering units shall be allocated as follows:
 - a) The priority of subscription and allocation in the Fund will be for sellers of real estate assets during the initial offering period and before subscribers from the public because of their in-kind subscription in the Fund by allocating 68.85% of the total units in the Fund against their in-kind subscription with an amount of 422,553,250 Saudi riyals, equivalent to 42,255,325 units.
 - b) The priority of subscription and allocation in the Fund after that will be for the Fund manager by allocating 1.15% of the total units in the Fund against his cash subscription amounting to 7,036,750 Saudi riyals, equivalent to 703,675 units.
 - c) Upon the completion of the allocation to the sellers of real estate assets and the Fund manager, the subscribers' subscriptions from the public are dealt with by allocating 30% of the total units in the Fund, which are 18,411,000 units, equivalent to 184,110,000 Saudi riyals, which is the remaining value of the offering as follows:
 - One thousand (1,000) units are allocated in the Fund for each investor.
 - In the event of a surplus of unallocated units, the remainder of the offered units will be allocated on a pro-rata basis.
 - In all cases, the maximum limit for subscription or allocation to one investor from the public will be 3,068,499 units of the Fund (i.e. less than 5% of the Fund's units), equivalent to 30,684,990 Saudi riyals.
 - The Fund manager does not guarantee the allocation of the minimum subscription amounting to one thousand (1,000) units if the number of subscribers is large, so that in this case, units less than the minimum subscription are allocated.

An amount of 10,052,500 Saudi riyals will be allocated from the initial cash subscription proceeds to cover the costs of completing the development of Al Tkahassusi Real Estate Project, the data of which are mentioned on page 18 of these terms and conditions. The Fund manager intends to cover 70% of these costs through cash subscription in the Fund during the initial offering period. The remainder will be covered by the initial cash proceeds of the public subscription.

H.5 Minimum Subscription:

10,000 Saudi riyals, and those wishing to participate in the minimum number of units must transfer the amount of 10,000 riyals in addition to the subscription fee amount. It is also possible to allocate an amount less than the minimum subscription due to the large number of subscribers during the initial offering period.

I. Increasing the Fund's capital:

If the Fund manager decides to increase the capital of the Fund (after obtaining the approval of the Capital Market Authority and the unit owners), he may do so by accepting cash subscriptions in exchange for the issuance of negotiable priority rights. Such act shall be according to what is applied to the listed companies under the regulatory controls and procedures issued in implementation of the Companies system. In this case, unit owners shall have the right of priority to subscribe any offering of such rights. The Fund may also increase its capital (after obtaining the approval of the Capital Market Authority and

unit owners) through in-kind contributions in which the unit owners do not have any priority rights. In the event that the eligible unit owners do not participate in the increase in the Fund's capital, the Fund manager has the right to offer the remaining un-subscribed units to the public to subscribe them.

J. Fees, services charges, commissions and management fees:

J.1 The Fund bears all the fees and expenses mentioned below the unit owners bear them accordingly. They are as follows:

1. Fees paid by the unit owners when subscribing to the Fund :	
Subscription fees	The subscription fee is deducted from the total subscription amount and after the allocation of units, at a value of 2% of the total subscription amount. The Fund manager will waive / deduct the full subscription fee of the sellers of real estate assets (in-kind subscription) whose data are mentioned in Article "H" of these terms and conditions.
2. Fees payable to the Fund manager from the Fund's assets against management	
Management Fees	Management Fees are calculated on the basis of 0.50% annually of the Fund's total assets value after deducting the accrued expenses. It is calculated on a daily basis and paid quarterly to the Fund manager.
Dealing Expenses	The Fund manager obtains 1% of the purchase or sale price of every real estate asset bought or sold by the Fund in exchange for the Fund manager conducting the necessary investigation, negotiating the terms of the purchase or sale, and completing the process. Dealing fees are payable after completion of the purchase or sale of each real estate asset. In addition, the Fund will bear all expenses, costs and dealing/ deals fees such as sale, purchase, acquiring assets in addition to the consulting and legal costs related thereto. This is in addition to what may be paid in terms of commissions for sale and purchase or any other expenses or costs associated with these operations or any other operations related to the Fund's works and activities, whether to other parties with contractual relationships with the Fund's projects, related parties, government or official agencies, or service providers. Those expenses (if any) will be disclosed in the Financial Disclosure Summary at the end of each year.
3. The consideration of the services provided by the trustee	
Custody fees	<ul style="list-style-type: none"> - A percentage of 0.05% annually from the value of assets according to the last valuation, if their value is between 0 and 500 million. - A percentage of 0.04% annually from the value of assets according to the last valuation, if their value is between 500 million and 1 billion. - A percentage of 0.025% annually from the value of assets according to the last valuation, if their value is 1 billion and more. - Provided that Custody fees are not less than 150,000 Saudi riyals annually. - A percentage of 60,000 Saudi riyals for the establishment fees, paid once. - A percentage of 25,000 Saudi riyals for the establishment of an additional company with a special purpose.
4. The Consideration of the services provided to the chartered accountant	
Chartered accountant Fees	The chartered accountant will receive a lump sum amount of SAR 73,000 annually, including zakat services.
5. Commissions generated from financial loans	
Finance expenses	The Fund bears all financing costs, fees and expenses related to arranging and structuring the financing of the Fund, if any, and according to the prevailing market price, provided that the Fund financing does not exceed 50% of the total value of the Fund's assets, according to the latest audited financial statements.
6. Registration fees and other administrative services	
Property manager Fees	Annual fees equal to 5% of the total revenue that is actually collected from real estate assets, to be paid on a semi-annual basis.
Development fees	In the event that the Fund invests in real estate development projects, the developer will receive his fees for supervising / working on developing the project in the form of a percentage of the project construction costs, according to the prevailing market price and with a maximum of 15% of the project construction costs.
Approved real estate valuers Fees	The expenses of approved real estate valuers are subject to pricing according to the prevailing market prices and market competition. We expect that the expenses of real estate valuers for the current properties owned by the Fund will not exceed 300,000 Saudi riyals annually, and to be paid semi-annually. The Fund manager will have the right to change valuers and seek the assistance of other accredited valuers, in a manner that does not conflict with the instructions for traded real estate investment Funds and serves the interest of unit owners.
Remuneration of Board Members	<p>Financial remuneration for members of the Fund's board of directors shall be as follows:</p> <ul style="list-style-type: none"> - The independent members of the board of directors shall collectively receive an annual remuneration of 200,000 Saudi riyals paid / borne by the Fund manager. - The Fund bears all the actual travel and accommodation costs that each member incurs in order to attend the meetings, in addition to the attendance allowance of 3,000 Saudi riyals for the meeting provided that the total of these costs and allowances for members collectively does not exceed 100,000 riyals annually. - Members of the Fund's board of directors will not receive any bonuses or allowances for their

	<p>membership in the Fund's board of directors from the Fund manager's employees.</p> <ul style="list-style-type: none"> - Actual costs to independent and non-independent Board members who are not employees of the Fund manager are paid every 12 months.
Listing and registration fees	<p>The Fund will bear fees for the services provided by the Saudi Stock Exchange (Tadawul). Fees are as follows:</p> <p>A) Registration fees:</p> <ul style="list-style-type: none"> ▪ A service for establishing a register for unit owners: an amount of 50,000 Saudi riyals in addition to 2 Saudi riyals for each investor, with a maximum amount of 500,000 Saudi riyals. ▪ Annual fee for unit owners' registry management service: an amount of 400,000 Saudi riyals annually. These fees may change from time to time according to the Fund's capital value. <p>B) Listing fees:</p> <ul style="list-style-type: none"> ▪ Initial listing service for Fund units: an amount of 50,000 SAR. ▪ Annual fee for listing the Fund units: an amount of 0.03% of the market value of the Fund, with a minimum of 50,000 Saudi riyals and a maximum of 300,000 Saudi riyals.
Regulatory fees paid to the Capital Market Authority	<p>Payment of a lump sum of 7,500 Saudi riyals annually. The fees will be divided proportionally into the number of days of the year, and the due fees will be paid every 12 months.</p>
Fees for publishing information on the Tadawul website	<p>Paying a lump sum of 5,000 Saudi riyals annually in exchange for publishing information on Tadawul website. The fees will be divided proportionally over the number of days of the year, and the fees due are paid every 12 months.</p>
7. Other fees paid by unit owners or deducted from the Fund's assets	
Other expenses	<p>The Fund bears all fees, expenses and expenditures related to the activities and investments of the Fund. It also bears the expenses and fees resulting from the transactions and services provided by third parties or related parties such as legal and advisory services, real estate consultants, related insurance costs and any other professional or technical services. This shall include expenses related to transfer fees between bank or investment accounts, in addition to any taxes or fees, if any or any other Sundry Expenses (which include, but not limited to, the expenses and costs of establishing the Fund, expenses related to printing and distributing the annual reports of the Fund, and any other expenses or fees owed to people who deal with the Fund in relation to management and operating services and meetings of unit owners expenses). It is expected that these costs will not exceed 1% of the total value of the Fund's assets annually. In all cases, the actual expenses and fees will only be deducted.</p>
Seeking the purchase of real estate	<p>The Fund manager pays a maximum of 2.5% of the value of the property acquisition, which is calculated and paid upon eviction in favor of the real estate broker. The real estate broker may be a related party.</p>
Zakat	<p>The Fund Manager shall not be responsible for paying the zakat of units on behalf of investors, and it shall be incumbent upon the unitholder to pay the zakat for any units held in the Fund, according to the rules for collecting zakat from investment investors and which started to be implemented as of January 1, 2023.</p>
Governmental fees / taxes	<p>The aforementioned fees, commissions and expenses due to Osool and Bakheet Investment Company or other parties do not include governmental fees/ taxes. The Fund will bear governmental fees/ taxes separately according to relevant legislation and executive regulations including, for example, value-added tax.</p>
8. Early Redemption Fees	
Not applicable	
9. Rechargeable and non-Rechargeable Expenses	
Rechargeable Expenses fees	<p>It is expected that the rate of rechargeable fees for the Fund will not exceed 1.80% after excluding non-cash expenses (depreciation and amortization expenses).</p>
Rechargeable and non-Rechargeable Expenses fees	<p>It is expected that the rate of rechargeable and non-rechargeable fees for the Fund will not exceed 2.0% after excluding non-cash expenses (depreciation, amortization expenses and provision for impairment) and finance expenses, if any.</p>

▪ **Calculating Fees Method:**

Fee type	Charged rate	Charged Amount (SAR)	Calculation Method	Recharging fees payment
Subscription fees	2%	-	The subscription fee is deducted from the total subscription amount (the total subscription amount and after allocating units x percentage)	Paid once upon subscription
Management Fees	0.50%	-	Calculated on a daily basis from the gross asset under management of the Fund after deducting the accrued expenses (total assets value after deducting accrued expenses x percentage)	Paid annually
Dealing Expenses	1%	-	Dealing fees are calculated upon purchase and sale of a real estate asset (the total purchase or sale price of each real estate asset x percentage)	Paid once upon sale and purchase
Custody fees	0.04%	-	Fees are calculated at the end of each quarter based on the asset value as per the last valuation.	Paid quarterly
Chartered accountant Fees	-	73,000	Calculated on a daily basis, by dividing the fees proportionately on the number of days of the year	Paid annually
Finance expenses	These expenses will be disclosed in the Summary of Financial Disclosure at the end of the year, if any.			
Property manager Fees	5%	-	Total revenue actually collected from real estate assets x percentage	Paid annually
Development fees	These expenses will be disclosed in the Summary of Financial Disclosure at the end of the year, if any.			
Approved real estate valuers Fees	-	300,000	Calculated on a daily basis, by dividing the fees proportionately on the number of days of the year	Paid semi-annually
Registration fees	-	400,000	Calculated on a daily basis, by dividing the fees proportionately on the number of days of the year	Paid annually
Registration fees upon Incorporation	-	500,000 - 50,000	Paid in advance by unit owners	Paid once upon Incorporation
Listing fees	0.03%	-	Fund's market value x percentage	Paid annually
Listing fees upon Incorporation	-	50,000	Paid in advance by unit owners	Paid once upon Incorporation
Remuneration of Board Members	These expenses will be disclosed in the Summary of Financial Disclosure at the end of the year.			
Regulatory fees paid to the Capital Market Authority	-	7,500	Calculated on a daily basis, by dividing the fees proportionately on the number of days of the year	Paid annually
Fees for publishing information on the Tadawul website	-	5,000	Calculated on a daily basis, by dividing the fees proportionately on the number of days of the year	Paid annually
Other expenses	These expenses will be disclosed in the Summary of Financial Disclosure at the end of the year.			
Seeking the purchase of real estate	These expenses will be disclosed in the Summary of Financial Disclosure at the end of the year.			
Rechargeable	The rechargeable expense fee includes cash to the total value of the Fund's assets.			

Expenses fees	
Rechargeable and non-Rechargeable Expenses fees	Cash rechargeable and non-rechargeable Expenses fees include the total value of the Fund's assets.

The Fund manager declares that all fees and services charges, and any commissions or fees that he or any other parties charge, have been disclosed according to the tables mentioned above.

J.2 Summary of Financial Disclosure:

The fees and expenses that the Fund is expected to incur have been included in the Financial Disclosure Summary contained in Appendix No. 1 of these terms and conditions.

J.3 Distribution Processes:

The Fund manager aims to provide annual cash dividends of no less than 90% of the Fund's net profits to the unit owners in the event that the rent collection is completed and after the approval of the Fund's board of directors during the first quarter in March of each year. The distribution amounts will be transferred to the beneficiaries according to the eligibility date that will be announced before the distribution. The Fund manager can pay these dividends more than once a year.

K. Valuation of Fund Assets:

K.1 Valuation method of the Fund's assets

The Fund manager will evaluate the Fund's assets by obtaining an average evaluation prepared by two independent valuers at least once every six months, provided that the valuers' report includes, at a minimum, the following:

1. The evaluation method, its way and assumptions on which it is based.
2. An analysis of variables related to the real estate market such as supply, demand and market trend.
3. Details of real estate assets and their descriptions.
4. Risks related to real estate assets.

The following is an evaluation of the initial real estate assets

Intimaa Company		
Property / Leasehold	Evaluation	Evaluation Date
Genx Al Ma'ather	188,398,584	05/03/2017 A.D corresponding to 07/06/1438 A.H
Genx Al Rabie	50,277,084	05/03/2017 A.D corresponding to 07/06/1438 A.H
Al Mohammadia Tower	103,554,389	05/03/2017 A.D corresponding to 07/06/1438 A.H
Al Tkahassusi Showrooms	48,054,277	05/03/2017 A.D corresponding to 07/06/1438 A.H
Al Sahafa Tower 1	53,908,325	12/02/2017 A.D corresponding to 16/05/1438 A.H
Al Sahafa Tower 2	58,375,000	12/02/2017 A.D corresponding to 16/05/1438 A.H
Hair Warehouse	30,218,730	05/03/2017 A.D corresponding to 07/06/1438 A.H
Sulai Warehouse	77,817,938	05/03/2017 A.D corresponding to 07/06/1438 A.H
Al Rabie Leasehold	1,407,600	05/03/2017 A.D corresponding to 07/06/1438 A.H
Quds Leasehold	1,155,750	05/03/2017 A.D corresponding to 07/06/1438 A.H
Wadi Laban Leasehold	1,276,500	05/03/2017 A.D corresponding to 07/06/1438 A.H
Al Dabbab Leasehold	6,365,250	05/03/2017 A.D corresponding to 07/06/1438 A.H

Danat Company		
Property / Leasehold	Evaluation	Evaluation Date
Genx Al Ma'ather	201,500,000	07/02/2017 A.D corresponding to 11/05/1438 A.H
Genx Al Rabie	51,500,000	07/02/2017 A.D corresponding to 11/05/1438 A.H
Al Mohammadia Tower	98,000,000	07/02/2017 A.D corresponding to 11/05/1438 A.H
Al Tkahassusi Showrooms	40,356,000	07/02/2017 A.D corresponding to 11/05/1438 A.H
Al Sahafa Tower 1	47,500,000	09/02/2017 A.D corresponding to 13/05/1438 A.H
Al Sahafa Tower 2	50,000,000	09/02/2017 A.D corresponding to 13/05/1438 A.H
Hair Warehouse	25,000,000	07/02/2017 A.D corresponding to 11/05/1438 A.H
Sulai Warehouse	75,000,000	07/02/2017 A.D corresponding to 11/05/1438 A.H
Al Rabie Leasehold	1,595,336	07/02/2017 A.D corresponding to 11/05/1438 A.H
Quds Leasehold	3,385,500	07/02/2017 A.D corresponding to 11/05/1438 A.H
Wadi Laban Leasehold	1,508,490	07/02/2017 A.D corresponding to 11/05/1438 A.H

		A.H
Al Dabbab Leasehold	5,632,037	07/02/2017 A.D corresponding to 11/05/1438 A.H

Where the price of the investment unit in the Fund is calculated by subtracting the total liabilities of the Fund from the total assets of the Fund. The result is then divided by the number of Fund units for the same period. This is considered an indicative price for the investment unit in the Fund. Also, the Fund manager will not rely on any evaluation / valuation report that has been prepared for more than three (3) months upon the sale or purchase of any asset for the Fund. The Fund manager has the right to change the valuers as he deems appropriate and to achieve the interest of the Fund and its investors.

The total liabilities of the Fund represent any obligations arising from the Fund's financing (if any) or any fees and expenses on the Fund that are due and unpaid during the calculation period. The lump sum amounts are deducted first, followed by the variable liabilities according to the Fund's net asset value.

Total assets represent the sum of all real estate assets, cash amounts, accumulated profits, all receivables and the market value of all investments in addition to the current value of any other assets owned by the Fund, noting that the units of the invested Funds will be evaluated according to the last declared price of the investment unit before the Fund's evaluation. the Fund manager will exercise his reasonable discretion with regard to determining the value of assets and debts, provided that the Fund manager's evaluation is issued in good faith and is in the interest of the Fund as a whole. the net assets of the Fund are owned by the Fund's unit owners collectively, and neither the Fund manager, the trustee or their creditors has any interest or claim on these assets. The trustee of the Fund will be obligated to separate the assets of the Fund from any other assets independently.

K.2 Times and timing of evaluation:

The Fund's assets will be evaluated at least twice annually, specifically on June 30 and December 31 of each calendar year, by two valuers approved by the Saudi Authority for Accredited Valuers. The Fund manager may also postpone the valuation after obtaining the approval of the Capital Market Authority according to Article 22 of the Real Estate Investment Funds Regulations. If there is a difference between the evaluations presented in the evaluation reports, then the average value of the submitted evaluations is taken.

K.3 Declaration of the net asset value per unit:

The Fund manager will declare the net asset value for each unit within 60 days from the approval date by the Fund manager of the valuation. This shall be announced through the website of the Saudi Stock Exchange (Tadawul) and the website of the Fund Manager. The reports submitted to the unit owners will also be included according to Article "U" of these terms and conditions on the net asset value of the unit in the Fund.

L. Trading Fund Units:

L.1 Days of acceptance of Sale and Purchase orders of the Fund units:

The units are dealt with through (Tadawul) system through an integrated mechanism that covers the entire trading process, starting from the execution of the deal and ending with its settlement. Trading takes place every working day of the week over one period from 10 in the morning until 3 in the afternoon from Sunday to Thursday of each week during which orders are executed. Outside these times, orders are allowed to be entered, amended, and canceled from 9:30 a.m. until 10 a.m. Trading times may be changed during the holy month of Ramadan as announced by Tadawul.

L.2 Procedures for delivering sale and purchase orders of the units

Deals are done through an automated order matching process. Every valid order is produced according to the price level, and in general, market orders (orders placed based on the best price) are executed first. The fixed-price orders (orders that were placed at a specific price), are then executed taking into account that if several orders are entered at the same price, they are executed first. According to the timing of the entry, Tadawul system distributes a comprehensive range of information through various channels, most notably the Tadawul website and Tadawul information link, which provides instant market data to information provider agencies. Transactions are settled automatically during the day. Ownership of units takes place immediately after executing the deal.

L.3 Cases in which the Fund is suspended and / or listing is canceled:

The Capital Market Authority shall cancel the listing of the Fund or suspend its trading at any time if the Authority deems that this is necessary to protect the unit owners or maintain the organization of the market, or if it deems that the Fund manager or trustee has failed materially. The Saudi Stock Exchange has the right to suspend trading of units in the market according to Article 36 of the Listing Rules. The Authority may also cancel the listing or suspend it if the Fund fails to meet the liquidity criteria set forth in Paragraph (b) of Article (11) of Chapter Two in the Listing Rules as well as in Subparagraph No. (2) of Paragraph (B) of Article (Fourth) of the Instructions for Traded Real Estate Investment Funds.

M. Expiration and Liquidation of the Fund:

M.1 Fund Expiry:

The Fund expires with the expiration of the Fund's term, unless it is terminated at an earlier time according to these terms and conditions.

The Fund may be terminated before its expiry date (a) in the event that the Fund (through the Fund manager) disposes of all investments and distributes all proceeds from these actions to unit owners in the manner stipulated in these terms and conditions, or (b) if a material event occurs either in the regulations related to the Fund and the Fund's works, or those related to the economic environment in the Kingdom of Saudi Arabia while the Fund manager believes that this is a valid reason to terminate the Fund before the end of its term, or (c) if the Capital Market Authority decides to terminate the Fund according to a decision by the Board of the Capital Market Authority. In the above two cases (a) and (b), the Fund manager is obligated to obtain the prior approval of the Fund's board of directors, the Fund's unit owners, and the Capital Market Authority.

M.2 Fund Liquidation:

Listing of the units shall be canceled and the time plan announced for the liquidation of the Fund upon termination of the Fund according to any of the reasons mentioned in Article (M.1) above. The Fund manager performs liquidation tasks as he will endeavor to terminate the Fund and distribute its assets to unit owners, taking into consideration achieving the interest of unit owners. It should be noted that the Fund manager may distribute the Fund's assets to unit owners in kind in case it is impossible to dispose of the Fund's assets or if the Fund manager deems that this matter is in the interest of the unit's owners.

N. Fund Board of Directors:

The Fund's management is supervised by a board of directors appointed by the Fund's manager. The Fund's board of directors consists of five members, including two independent members. The Fund's board of directors will meet at least twice a year. The Fund's board of directors shall assume its duties from the date of its appointment. The term of the Fund's board of directors is three (3) years, which are automatically renewed.

The Fund manager acknowledges that all members of the Fund's board of directors meet the qualification requirements stipulated in the regulations and rules of the Capital Market Authority. In addition, the independent members of the board meet the definition of a member of the board of directors of an independent Fund contained in the Real-estate investment funds regulations. Members of the board of directors are also obligated to inform the board of their direct or indirect personal interests in the business and contracts that are executed for the Fund's account, provided that it is recorded in the minutes of the Fund's board meeting. The interested member (s) will not participate in any vote on the decisions issued in this regard.

N.1 Formation of the Fund's Board of Directors:

The Fund's board of directors will be composed of five (5) members appointed by the Fund's manager, including two independent members. Each member of the Fund's board of directors has experience in the sector and real estate investment as indicated in these terms and conditions. The Fund's board of directors is composed of the following members:

- **Mr. Ziyad Al-Raqeeb - (non-independent member - president)**
Managing Director and CEO of Real Estate and Malls in Al Raqeeb Holding Company - a closed Saudi joint stock company established in 1961. He is also a member of the boards of several joint stock and limited liability companies in the Kingdom of Saudi Arabia. He also serves on the board of directors of Sahara Mall, Al Ma'ather REIT Fund and AL Malga Hills community Residential Fund. He has extensive experience in managing real estate investments and sufficient knowledge in the field of real estate investments locally and internationally. He held the position of Administrative Officer at Sahari Mall in 2000 and 2002. He progressed subsequently to several leadership positions. He holds a BA in Financial Management in 2002 from King Saud University.
- **Mr. Mazin bin Muhammad Al-Dawood - (non-independent member):**
He is currently the Chief Executive Officer of Osool & Bakheet Investment Company, as the "Fund Manager". Prior to that, he held the position of Chief Investments Officer at Saudi Venture Capital. He worked for Shuaa Capital as Head of Investment Banking, where he supervised several investment operations. Prior to that, he was Senior Manager - Investment Banking at the Saudi Hollandi Bank. He also worked as Assistant Director - Mergers and Acquisitions Department at "ABN AMRO - United Kingdom" participating in many initial public offerings of companies in the Saudi Stock Exchange. In addition to many international deals in a range of diverse sectors, he also participated in the board membership of several companies. He holds a bachelor's degree in business administration from Portland State University, then a master's degree in management from Cass Business School, City University, United Kingdom.
- **Mr. Hisham Tuffahah - (non-independent member)**

He joined Osool and Bakheet Investment Company as "Fund Manager" in February 2019. He is the Chief Investment Officer of the Fund Manager. He has more than 15 years of experience in the field of investment and asset management. He participated in the launch of the specialized financial information site ZawyA.Dom in 2001. He then moved to the Bakheet Financial Consulting Center Company in 2003 before turning in 2006 to the Bakheet Investment Group Company. He moved in several positions since then, where he worked as Head of the Investment Research Department in 2007. He then worked as Head of the Compliance Combating Money Laundering and Terrorist Financing, Department in 2009 then as Head of Asset Management in 2011. In 2012, he moved to work in Al Inma Investment Company as Fund Manager Investment. In 2014, he moved to work in Mulkia Investment Company as a Director of Private Portfolio Management, to participate in establishing the company's business and launching a number of investment products. He held several leadership positions in Mulkia Investment Company, where he held the position of Executive Vice President of Asset Management and Acting CEO during the period from 2016 until 2017. He obtained a bachelor's degree in banking and finance in 2001 from An-Najah National University in Palestine.

▪ **Mr. Adeeb Muhammad Abanmi - (Independent Member)**

Owner of Abanami Certified Public Accountants and Auditors Office since 2010, Kingdom of Saudi Arabia. He is a board member of bank Albilad since 2019, Jazan Energy and Development Company since 2019, and Al Ma'ather REIT Fund. He is also a member of audit committees of several companies. He is also a member of audit committees of several companies. He was a member of the Board of Directors of the Saudi Tunisian Bank and held the position of a second advisor at the Saudi Capital Market Authority between 2008 and 2009 and chief continuous disclosure specialist between 2005 and 2008 in the same authority. He also worked as a researcher and account analyst in the Treasury Department and a financial analyst in the Saudi Export Program at the Saudi Fund for Development. He holds a Master's in Accounting in 1998 from the University of Miami in the United States of America and a Bachelor's in Accounting in 1992 from King Saud University.

▪ **Mr. Abdulrahman Ibrahim Al-Modaimegh - (Independent Member)**

The Executive Partner of WATER Partners Company since October 2017, Kingdom of Saudi Arabia. He is a partner in Impact Company since 2019, and a member of the Board of Directors of each of the National Gypsum Company (JESCO) since 2019, Fipco for manufacturing and packaging materials since 2019 and Binaa Ready Mix Concrete Products Company and HSBC Saudi Arabia Fund Board since 2019. He worked in the National Company for Building and Marketing since 2019, Al Ma'ather REIT Fund and the Future Ceramics Company since 2019. He also served as the Acting CEO of Bawan Group between 2016 and 2017 and the Executive Vice President in the same company between 2011 and 2016. He worked as a credit analyst at the Saudi Industrial Development Fund between 2004 and 2007. He holds an MBA in 2017 from the London Business School, and a BA in Finance in 2004 from Prince Sultan University in Saudi Arabia.

N.2 Fund Board Members Compensation:

- The independent members of the board of directors shall collectively receive an annual remuneration of 200,000 Saudi riyals to be paid / borne by the Fund manager.
- The Fund bears all the actual travel and accommodation costs that each member incurs in order to attend the meetings, in addition to the attendance allowance of 3,000 Saudi riyals per meeting provided that the total of these costs and allowances for members collectively does not exceed 100,000 riyals annually.
- The Fund board members will not receive from the Fund manager's employees any bonuses or allowances for their membership in the Fund's board of directors.

N.3 Responsibility of the Fund Board of Directors:

- Ensuring that the Fund manager performs his responsibilities in the best interest of the unit owners according to the Fund's terms and conditions.
- Approval of all major contracts, decisions and reports to which the Fund is a party, including but not limited to approval of operating contracts, trust contract, marketing contract, and valuation contract.
- Approval of these terms and conditions and any amendments thereto.
- Making decisions regarding any deal involving a conflict of interest disclosed by the Fund manager.
- Approval of the appointment of the Fund chartered accountant nominated by the Fund manager.
- Meeting twice a year, at a minimum, with the compliance officer and the reporting officer for money laundering and terrorist financing with the Fund manager, to ensure that the Fund manager adheres to all applicable rules and regulations.
- Ensuring that the Fund manager is committed to disclosing material information to unit owners and other interested parties.
- Acting honestly in the interest of the Fund and its unit owners. The responsibility of a member of the Fund's board of directors towards unit owners includes a duty of sincerity, concern, and reasonable care.

N.4 Other Funds whose management is supervised by the Fund's board members:

#	Name	Fund name	Capacity
1	Ziyad Hamad Al-Raqeeb	Al Malga Hills community Residential Fund	-
2	Mazin Muhammad Al-Dawood	1. Osool and Bakheet Saudi Equity Trading Fund. 2. Osool and Bakheet Fund for initial Issues. 3. Osool and Bakheet Equity Trading Fund, Initial Issues, in compliance with Sharia regulations. 4. Al Malga Hills community Residential Fund. 5. Osool and Bakheet Fund for Trading in Parallel Market Shares.	Non-independent member
3	Hisham Tuffahah	None	-
4	Adeeb Muhammad Abanmi	None	-
5	AbdulRahman Ibrahim Al-Modaimegh	None	Board Member of the HSBC Saudi Funds

N.5 The decision-making mechanism in the Board:

1. The fund's board of directors meets at invitation of the chairman of the board of directors, the chairman has the authority to call for board meeting any time on extraordinary cases, or upon requested by two board directors.
2. The board of directors is obligated to document its meetings minutes of discussions and deliberations and the voting operations that have been exercised. Board of directors must ensure record kept in retrievable formats.
3. A meeting of the board of directors is valid if it is attended by at least half number of the members, including chairman or member act on his behalf. or whoever acts on his behalf. In the event that a board member delegates another member to attend board meetings, the delegation shall be subject to the following controls:
 - A. The delegation must be confirmed in writing, whether by e-mail or by letter sent to the fund manager.
 - B. A member of the Board of Directors may not represent more than one member in attending the same meeting.
 - C. Board decisions are issued by the majority of opinions of the attending members, whether by voting as principal or by proxy.
4. The decisions of the Board are issued by an absolute majority, and if the votes are equal, the side with which the Chairman of the board or whoever represents him will be the winner.
5. The Board of Directors may issue its decisions on urgent matters by passing the members to vote on them by fax or e-mail, provided that these decisions to be documented in the minutes of the next Board meeting.
6. A member of the board of directors may attend the meeting of the board of directors through conference phone calls / video meetings with most of the members gathered at the meeting venue, and meetings may also be held through various ways remotely using new technology in order to ensure ease participation of all attending members, provided that this will be recorded in the minutes.

O. Fund Manager:

O.1 Name and address of the Fund Manager

Name: Osool & Bakheet Investment Company (OBIC)
Address: King Fahd Road, Bahrain Tower, Mezzanine Floor
 PO Box 63762, Postal Code 11526
 Riyadh, Saudi Arabia
 Tel. no.: 00966114191797
 Fax no.: 00966114191899

Website: www.obic.com.sa

O.2 Fund Manager License:

Osool & Bakheet Investment Company (OBIC) is a closed joint stock company registered in the Kingdom of Saudi Arabia under Trade Registration No. 1010219805 dated 02/05/1427 AH (corresponding to 29/05/2006 AD). It is licensed as an "authorized person" under the license of the Capital Market Authority. No. 08126-07 dated

19/11/2005 A.D corresponding to 18/10/1426 A.H to carry out the activity of dealing as principal and agent of management and trust in the securities business.

O.3 Fund Manager Services:

The Fund manager will provide the following administrative services and other services to the Fund, including - without limitation - the following:

1. Managing the real estate assets in the Fund and other assets for the benefit of the unit owners in accordance with these terms and conditions.
2. Executing the investment strategies described in these terms and conditions, and monitoring the Fund's compliance with all applicable laws and regulations, and for these terms and conditions.
3. Determining the procedures for taking decisions related to the Fund's business.
4. Keeping a register of unit owners in the Fund.
5. Appointing a chartered accountant and other professional service providers to the Fund, including legal consultant.
6. Arranging and negotiating with all parties related to the Fund's real estate activities, including property managers, contractors, consultants, and other engineering, marketing and operational bodies. It also follows up on their performance of their work.
7. Supervising the performance of the property manager.
8. Arranging the liquidation of the Fund at the end of the Fund's term.
9. Informing the unit owners of any material facts or developments that may affect the Fund's business.
10. Consultation with members of the Fund's board of directors from time to time to ensure compliance with the Saudi Capital Market Authority regulations, terms and conditions.

O.4 Potential Conflict of Interest:

With the exception of what was disclosed in Article "O 4" and Article T of these terms and conditions, and until the date of publishing these terms and conditions, the Fund manager acknowledges that there is no potential conflict of interest between the interests of the Fund and the Fund manager or the interests of its board members that may affect fulfilling the obligations arising from the Fund. In the event that any conflict of interest occurs or is expected to occur during the Fund term, the Fund manager will seek to resolve this conflict on a fair and equitable basis for all parties. It will be disclosed to the Fund's board of directors in due course.

O.5 A description of any Fundamental conflict of interest:

There is no Fundamental conflict of interest on the part of the Fund manager that may affect the performance of its obligations towards the Fund.

O.6 Assignment of third parties:

The Fund manager can appoint, change and reassign the service providers, including, for example: the property manager, the contractor, the consultants, the custodian and the chartered accountants of the Fund, in a manner that serves the interest of the unit owners.

O.7 Participation / Investment of the Fund Manager in the Fund:

At the commencement of the Fund and during the initial offering period, the Fund manager intends to participate in the Fund as an investor, taking into account the minimum percentage of public ownership in units, i.e. 30% of the total Fund units as per the instructions of traded real estate investment Funds. The Fund manager reserves the right to reduce its participation in whole or in part, whenever it deems it appropriate, through sale/ purchase of the Fund units from the market. The Fund manager will disclose at the end of each year any investment he has in the Fund in a summary of financial disclosure.

P. Custodian:

Name: Al-Bilad Capital
Address: Kingdom of Saudi Arabia
Albilad Capital, Head Office, King Fahd Road
Box PO.140 Riyadh 11411

Tel. no. 920003636
Fax: 0112906299
Website: www.albilad-capital.com

P.1 Responsibilities of the Trustee

The trustee maintains records and accounts of real estate assets and documents related to the Fund - including but not limited to Real estate instruments owned by the Fund. A special purpose company (SPV) will be established to own the assets of the Fund and owned by Albilad Financial Company. In the event of obtaining financing, the transfer of instruments will be arranged with the Funder. The trustee will also separate the assets of the Fund from any other assets independently, and the creditors of the Fund manager or the trustee have no right to the sums / assets of the Fund.

Q. Property Manager (Developer):

Name: Medad El khair Real Estate Corporation
Address: Kingdom of Saudi Arabia
Box PO 300 Riyadh 11411
Abdullah Al-Khuraiji Street - Al-Aqiq District

The Fund manager has the right to change the property manager of the Fund when he deems it appropriate, based on the approval of the Fund's board of directors. Units' owners and the Capital Market Authority are notified of the change.

R. Chartered accountant:

Name: Allied Accountants RSM
Address: The Kingdom of Saudi Arabia
Box PO: 1233 Riyadh 11473
Riyadh-Olaya District-Al Oruba Street
Website: <http://www.rsm.global/saudi-arabia>

The Fund manager has the right to change the Fund accountant when he deems it appropriate, based on the approval of the Fund's board of directors. Units' owners and the Capital Market Authority are notified of the change.

S. Financial Statements:

The financial year starts from January 1 to December 31 of each year, with the exception of the first year of the Fund's establishment, in which the financial year will begin on the end date of the initial offering period and end on December 31, 2017 A.F corresponding to 13/03/1439 A.H

The Fund manager prepares the Fund's financial statements. They will be reviewed semi-annually and audited annually in accordance with the accounting standards issued by the Saudi Organization for Certified Public Accountants. The financial statements are audited by the Fund's chartered accountant. The Fund's financial statements will be submitted to the Fund's board of directors, and they will be made available to the Capital Market Authority as soon as they are approved and announced to unit owners (without any fees) within a period not exceeding (25) days from the end of the period included by the initial audited financial statements and within (40) days the end of the period included the annual audited financial , by publishing them on the Fund manager's website and the Saudi Stock Exchange website (Tadawul).

T. Conflict of interest:

The Fund manager, its affiliated companies, its directors, officers, employees, clients, managers, officials, workers, agents and members of the Fund's board of directors may participate in financial investments or other professional activities that may sometimes lead to a conflict of interest with the Fund. If the Fund manager or any member of the Fund's board of directors encounters a Fundamental conflict of interest with the Fund, the Fund manager will disclose this appropriately as soon as possible. The Fund manager will seek to resolve any such conflict by applying the procedures followed by

the Fund manager fairly. This shall include the commitment of the Fund board members who are related to the conflict to abstain from voting on any issue that includes a conflict of interest. Until the date of publishing these terms and conditions, the Fund manager acknowledges that there is no Fundamental conflict when preparing this prospectus between the interests of the Fund and the interests of the Fund manager, the interests of its board members, or the interests of the tenants of real estate assets that may affect the performance of the obligations arising from the Fund.

Initially, the Fund manager identified the following conflict of interest points:

T.1 Projects similar to those of the Fund Manager:

Osool & Bakheet Investment Company (OBIC) manages its own accounts as well as investments and accounts with similar objectives to the Fund and is expected to continue to manage them. Among these investments are other Collective Investment programs that Osool & Bakheet Investment Company (OBIC) can manage or sponsor, and in which Osool & Bakheet Investment Company (OBIC) or one of its subsidiaries may own a share of the capital.

In addition, according to the restrictions set forth in these terms and conditions, Osool & Bakheet Investment Company (OBIC) and its subsidiaries in the future may play the role of Fund manager, investment manager or general partner in other investment Funds. It is permissible to invest one or more of the projects similar to those being developed by the Fund.

T.2 Conflict of interest in relation to transactions with the Fund manager and its subsidiaries:

The Fund may enter into transactions with the Fund manager, its subsidiaries, or companies that were previously affiliated with it, or with other entities in which Osool & Bakheet Investment Company (OBIC) has direct or indirect rights. FOR example, Osool & Bakheet Investment Company (OBIC) or some of its subsidiaries may provide specific services to the Fund. In particular, the investment banking team at Osool & Bakheet Investment Company (OBIC) (if any) may provide advisory services on arranging financing for the Fund. It will receive fees owed to the Fund upon executing any financing transaction. All transactions between the Fund and the Fund manager, its subsidiaries and entities in which Osool & Bakheet Investment Company (OBIC) owns direct or indirect rights will be disclosed to the Fund's board of directors.

T.3 Board of Directors of the Fund:

The fund's board of directors will supervise the resolution and settlement of any conflict of interest by any of the fund's board members where any of the members of the fund's board of directors may have interests related to a wide range of real estate and other commercial activities. These activities may conflict from time to time with the interests of the fund.

The members of the fund's board of directors bear credit duties towards investors in accordance with the responsibilities mentioned in these terms and conditions. They will make all efforts to resolve and settle all conflicts of interest cases by valuating matters in good faith.

T.4 Related Party Transactions:

The fund may - from time to time - enter into deals with related parties, provided that those deals are disclosed to the fund's board of directors, the Capital Market Authority, and unit owners in accordance with the instructions for traded real estate investment funds. They shall also take place according to the prevailing market conditions. If one of the related parties, including any fund established by the fund manager, wishes to enter into a deal with the fund, then the fund manager will obtain the approval of the fund's board of directors. The purchase price paid or received must be consistent with independent valuations.

U. Disclosure to unit owners:

U.1 The fund manager is obligated to disclose the following to the Capital Market Authority and unit owners:

U.1.1 Any fundamental developments that fall within the framework of its activities not available to the general public, and may affect the fund's assets and liabilities, its financial position, the general course of its business, or any change that has an impact on the fund's position or leads to the voluntary withdrawal of the fund manager from his position and may lead to a change in the listed unit price, or has a significant impact on the fund's ability to fulfill its obligations in debt instruments (if any).

U.1.2 Any transaction to buy, sell, mortgage or lease assets at a price equal to or greater than 10% of the total value of the fund's assets according to the most recent examined initial financial statements or audited annual financial statements, whichever is more recent.

U.1.3 Any losses equal to or greater than 10% of the fund's net assets according to the most recent examined interim financial statements or audited annual financial statements, whichever is more recent.

U.1.4 Any change in the composition of the fund's board members or fund committees (if any).

U.1.5 Any dispute, including a lawsuit, arbitration, or mediation if the amount of the dispute or claim is equal to or more than 5% of the fund's net assets according to the most recent examined initial financial statements or audited annual financial statements, whichever is more recent.

U.1.6 The increase and decrease in the net assets of the fund equal to or more than 10% according to the most recent examined initial financial statements or audited annual financial statements, whichever is more recent.

U.1.7 The increase and decrease in the total profits of the fund equal to or more than 10% according to the last audited annual financial statements.

U.1.8 Any transaction between the fund and a related party or arrangement whereby each of the fund and a related party invests in any project or asset or provides financing for it if this transaction or arrangement is equal to or more than 1% of the fund's total revenues according to the latest annual audited financial statements.

U.1.9 Any interruption in any of the fund's main activities equals or exceeds 5% of the fund's total revenues according to the last audited annual financial statements.

U.1.10 Any change of chartered accountant.

U.1.11 Appointment of a replacement trustee.

U.1.12 The issuance of a judgment, decision, declaration, or order from a court or judicial body, whether at the First Instance or appeals, could negatively affect the fund's exploitation of any part of its assets whose value exceeds 5% of the fund's net assets according to the last examined initial financial statements or annual audited financial statements, whichever is most recent.

U.1.13 Any proposed change in the fund's capital.

U.2 The fund manager is obligated to prepare and submit annual reports to unit owners that include the following information:

U.2.1 The assets in which the fund invests.

U.2.2 The assets in which the fund aims to invest.

U.2.3 Identification of the ratio of leased real estate and the ratio of non-leased real estate to the total owned real estate assets.

U.2.4 A comparison table covering the performance of the fund during the last three financial years (or since the fund was established, showing:

- 1) The fund's net asset value at the end of each financial year.
- 2) The fund's net asset value per unit at the end of each financial year.
- 3) The highest and lowest net asset value of the fund per unit for each financial year.
- 4) The number of issued units at the end of each financial year.
- 5) Income distribution per unit.
- 6) The proportion of expenses incurred by the fund.

U.2.5 Performance record covers the following:

- 1) Total return for one year, three years, and five years (or since incorporation).
- 2) Annual total return for each of the past ten financial years (or since incorporation).

U.2.6 A table showing the fees for services, commissions and fees that the fund paid to external parties throughout the year, including disclosure of whether there are any circumstances that the fund manager decides to exempt from any fees or reduce.

U.2.7 If material changes occurred during the period that affected the performance of the fund, they shall be clearly disclosed.

U.2.8 Annual Report of the Fund Board of Directors.

U.2.9 A statement of the special commissions obtained by the fund manager during the period, clearly showing what they are and how to benefit from them.

V. Other Information:

V.1 Rights and meetings of unit owners:

V.1.1 Rights of unit owners:

- a) Approval of the proposed fundamental changes.
- b) Notification of the proposed fundamental changes.
- c) Exercising all rights associated with the units, including - but not limited to - the right to vote in meetings of unit owners.
- d) Obtaining the fund's annual reports.

V. 1.2 Circumstances under which a meeting of the unit owners is called:

- a) The fund manager calls for a meeting of unit owners within (10) days from:
- b) The fund manager receives a written request for that from the trustee.
- c) The fund manager receives a written request for that from one or more of the unit owners who collectively or separately own at least 25% of the value of the fund's units.
- d) Or whenever the fund manager deems it necessary to hold a meeting of unit owners on his initiative.

V.1.3 Procedures for calling a meeting for unit owners:

- a) The meeting is called for unit owners by announcing this on the fund manager's website and the Saudi Stock Exchange website (Tadawul). By sending a written notice to all unit owners and the trustee at least 10 days before the meeting and not exceeding 21 days before the meeting, the announcement and notice will specify the date, place and time of the meeting and the proposed decisions, and a copy of the notice will be sent to the Capital Market Authority.
- b) The meeting of unit owners shall not be valid unless attended by a number of unit owners who collectively own at least 25% of the value of the fund's units.
- c) If the quorum indicated in paragraph (b) above is not met, the fund manager must call for a second meeting by announcing this on the fund manager's website, and by sending a written notice to all unit owners and the trustee at least 5 days before. The second meeting is considered true regardless of the percentage of ownership of the units represented in the meeting.

V.1.4 Method of voting by unit holders and voting rights in unit owners' meetings:

- a) Each unit owner may appoint a legitimate agent to represent at the unit owners' meeting.
- b) Each unit owner may have one vote in the unit owners' meeting for each unit he owns at the time of the meeting.
- c) It is permissible to hold meetings of unit owners, participate in their deliberations and vote on their decisions by means of modern technology according to the controls set by the Capital Market Authority.
- d) The decision shall be enforceable with the approval of unit owners representing more than 50% of the total units present as owners at the meeting of unit owners, either personally, by proxy, or by means of modern technology.

V.1.5 Property Manager:

Medad El khair Real Estate Corporation is one of the institutions with experience and know-how in operating and managing property in the Saudi market, through its implementation of a number of previous contracts. It is also the property manager and former operator of most of the real estate assets mentioned in the introductory summary of real estate assets from these terms and conditions.

V.2 Complaints Handling Procedures:

V.2.1 When there are any complaints related to the fund, the unit owner with the complaint should send them to the Compliance Department of the fund manager according to the fund manager's address indicated in these terms and conditions. The fund manager will provide complete procedures for handling complaints for unit owners upon request.

V.2.2 If a settlement cannot be reached or a response is not made within (30) working days, the unit owner has the right to file his complaint with the Capital Market Authority - Investor Complaints Department. The unit owner has the right to file his complaint with the Committee for Resolution of Securities Disputes after a period of (90) calendar days from the date of filing the complaint with the

Financial Market Authority. This shall apply unless the Financial Market Authority notifies the complainant that it is permissible to deposit it with the Committee before the expiration of the period.

V.3 Zakat:

V.3.1 Due to the difference in investment periods in the fund from one owner to another, determining the capital of the year in which the zakat is due from each owner varies accordingly, and accordingly, the fund management will not pay the legal zakat on the funds contributed to the fund. Rather, it leaves it to every investor to extract his zakat himself.

V.3.2 The fund manager undertakes to register the fund in ZATCA during the statutory period, as well as submit the declaration of information and data required by the ZATCA to examine and review declarations during the statutory period and to provide zakat payers of units' owners with dispatchable and necessary information in order to examine the zakat base. The fund manager shall notify ZATCA of the expiration of the fund during the statutory period. Regulations and rules associated with investment funds issued by ZATCA can be found on the website

<http://www.zatca.gov.sa>.

*Based on the decision of His Excellency the Minister of Finance No. 29791 dated 09/05/1444H regarding the rules for collecting Zakat from investors in investment funds

W. Amendment of Terms and Conditions:

The fund manager may amend these terms and conditions after obtaining the approval of the unit owners on any proposed basic change to the terms and conditions. After obtaining the approval of the unit owners, the fund manager obtains the approval of the Capital Market Authority on the basic change. Any of the following changes is considered a fundamental change:

- a) A significant change in the fund's objectives or nature.
- b) A change that may have a negative and fundamental impact on unit owners or their rights in relation to the fund.
- c) A change that has an impact on the risk position of the fund.
- d) Increase of the capital of the fund.

The fund manager will submit an updated copy of the fund's terms and conditions to the Capital Market Authority and the trustee within ten (10) days of making any change to them.

The fund manager must publish the updated version of the terms and conditions on his website and the Saudi Stock Exchange (Tadawul) website within (10) days of any update thereof, including the annual update of the fund's performance.

The fund manager is obligated to announce on his website and the Saudi Stock Exchange website (Tadawul) the details of any material changes in the terms and conditions of the fund before the tenth day (10) from the date of the change taking effect.

X. The Jurisdiction Applied:

These terms and conditions are governed by and interpreted according to the laws and regulations in force in the Kingdom of Saudi Arabia.

The fund manager and each investor will seek an amicable solution to any dispute arising out of or in connection with these terms and conditions. In the event of a dispute in which an amicable solution has not been reached within 30 days from the date of its notification, then any party may refer this dispute to the Capital Market Authority and the Committees of Resolution of Securities Disputes for settlement.

Y. Acknowledgment by the Unit Owner:

I/we have read the terms and conditions of the fund, and have agreed to the properties of the units in which I/ we have subscribed.

Name:

Signature:

Date:

God is the Arbiter of Success and prayer and peace be upon Muhammad, the Messenger of God,
and upon his family and companions

Appendix no. (1)
Financial Disclosure

Total expenses deducted from fund assets during 2022		
Expenses	The actual expense amount (Saudi Riyals)	** The percentage of the fund's net asset value (%)
Management fee Annual fees equal to 0.50% calculated on a daily basis from the Gross asset under management of the Fund after deducting the accrued expenses (total assets value after deducting accrued expenses x percentage)	3,884,311.00	0.78%
Dealing Expenses The Fund manager obtains 1% of the purchase or sale price of every real estate asset bought or sold by the Fund in exchange for the Fund manager conducting the necessary investigation, negotiating the terms of the purchase or sale, and completing the process. Dealing fees are payable after completion of the purchase or sale of each real estate asset.	1,027,904.00	0.21%
Custody fees <ul style="list-style-type: none"> - A percentage of 0.05% annually from the value of assets according to the last valuation, if their value is between 0 and 500 million. - A percentage of 0.04% annually from the value of assets according to the last valuation, if their value is between 500 million and 1 billion. - A percentage of 0.025% annually from the value of assets according to the last valuation, if their value is 1 billion and more. - Provided that Custody fees are not less than 150,000 Saudi riyals annually. - A percentage of 60,000 Saudi riyals for the establishment fees, paid once. - A percentage of 25,000 Saudi riyals for the establishment of an additional company with a special purpose. 	285,074.00	0.06%
Board members' fees <ul style="list-style-type: none"> - The Fund bears all the actual travel and accommodation costs that each member incurs in order to attend the meetings, in addition to the attendance allowance of 3,000 Saudi riyals for the meeting provided that the total of these costs and allowances for members collectively does not exceed 100,000 riyals annually. - The fund manager also bears the remuneration of the independent members of the board of directors (collectively) at an amount of 200,000 Saudi riyals annually. 	36,000.00	0.01%
Listing and registration fees	569,701.00	0.11%

<p>The Fund will bear fees for the services provided by the Saudi Stock Exchange (Tadawul). Fees are as follows:</p> <p>C) Registration fees:</p> <ul style="list-style-type: none"> ▪ A service for establishing a register for unit owners: an amount of 50,000 Saudi riyals in addition to 2 Saudi riyals for each investor, with a maximum amount of 500,000 Saudi riyals. ▪ Annual fee for unit owners' registry management service: an amount of 400,000 Saudi riyals annually. These fees may change from time to time according to the Fund's capital value. <p>D) Listing fees:</p> <ul style="list-style-type: none"> ▪ Initial listing service for Fund units: an amount of 50,000 SAR. ▪ Annual fee for listing the Fund units: an amount of 0.03% of the market value of the Fund, with a minimum of 50,000 Saudi riyals and a maximum of 300,000 Saudi riyals. 		
<p>Regulatory fees paid to the Capital Market Authority</p> <p>Payment of a lump sum of 7,500 Saudi riyals annually. The fees will be divided proportionally into the number of days of the year, and the due fees will be paid every 12 months.</p>	7,500	0.002%
<p>Fees for publishing information on the Tadawul website</p> <p>Paying a lump sum of 5,000 Saudi riyals annually in exchange for publishing information on Tadawul website. The fees will be divided proportionally over the number of days of the year, and the fees due are paid every 12 months.</p>	5,000	0.001%
<p>Auditor Fees</p> <p>An annual amount of 88,300 Saudi riyals</p>	88,300.00	0.02%
<p>Valuator Fees</p> <p>The fund shall bear the costs of the real estate valuers of the existing properties according to the prevailing market price. In all cases, the actual expenses and fees will only be deducted.</p>	208,750.00	0.04%
<p>Other expenses</p> <p>The fund bears all fees, expenses and expenditures related to the activities and investments of the fund. It also bears the expenses and fees resulting from transactions and services provided by third parties or from related parties such as legal and advisory services, real estate consultants, related insurance costs, and any other professional or technical services, including expenses related to transfer fees between bank or investment accounts, in addition to any taxes or fees if</p>	668,571.00	0.13%

any. It is expected that these costs will not exceed 1% of the total value of the Fund's assets annually. In all cases, the actual expenses and fees will only be deducted.		
Financing Expenses The Fund bears all financing costs, fees and expenses related to arranging and structuring the financing of the Fund, if any, and according to the prevailing market price, provided that the Fund financing does not exceed 50% of the total value of the Fund's assets, according to the latest audited financial statements.	6,168,286.00	1.24%
Zakat Expenses	623,269.00	0.12%
Total annual expenses paid by the fund	13,572,666.00	2.72%
Total Real estate depreciation expenses, amortization of Leasehold contracts paid by the fund.	17,555,127.00	3.52%
Leasehold rental expenses	937,077.00	0.19%
Property manager Fees Annual fees equal to 5% of the total revenue that is actually collected from real estate assets, to be paid on a semi-annual basis.	2,097,363.00	0.42%
Operation expenses	3,606,192.00	0.72%
non-Performing Rent Provision	0	0.00%
Total annual expenses	37,768,425.00	7.57%
Subscription fees The subscription fee is deducted from the total subscription amount and after the allocation of units, at a value of 2% of the total subscription amount. The Fund manager will waive / deduct the full subscription fee of the sellers of real estate assets (in-kind subscription) whose data are mentioned in Article "D" of these terms and conditions.	-	-
Total annual expenses in addition to subscription fees	37,768,425.00	7.57%
Development fees In the event that the Fund invests in real estate development projects, the developer will receive his fees for supervising / working on developing the project in the form of a percentage of the project construction costs, according to the prevailing market price and with a maximum of 15% of the project construction costs.	-	-
<p>*Full details of revenues and expenses are available in the audited financial statements of the fund. ** Percentage of average net asset value of 2022 A.D. Note: - There is impairment reverse in the value of real estate investments equal to 4,098,869, that was not included in the expenses The table above does not include exceptional expenses or non-recurring.</p>		

Fund manager investments as in 31/12/2022

The fund manager's investments in the fund amounted to 350,819 units as of December 31, 2022 A.D.

Appendix no. (2)
Information of current leases*

Genx Al Ma'ather				
Terminal general provisions	Current Rent (Annually - SAR)	Contract Expiration date	Contract Commencement date	Tenant
Showrooms				
<p>The lessor has the right, according to his discretion, to terminate the contract without any compensation for the tenant and with full preservation of the rights of the lessor in the specified rent and compensation for damages when required in any of the following cases:</p> <ul style="list-style-type: none"> - After the lapse of the specified period for paying the rent for one month or any dues owed by the tenant . - If the tenant violates any of the Fundamental conditions of the contract and does not comply with them during the period specified in writing by the lessor to remedy the violation. - If it is proven that the tenant has used the property, subject matter of the contract or allowed its use in a manner that is uncomfortable, disturbing to others, harmful to the safety of the building or public health, distorts the public view, or for purposes contrary to public morals in the Kingdom, or contrary to Islamic law. - If it is proven that the tenant has waived the contract without the express written permission of the lessor. Accordingly, any obligations and legal effects arising from this agreement are not binding on the first party and may not be claimed by any party, regardless of his capacity. 	1,157,400	30/07/1446 A.H Corresponding to 29/01/2025 A.D	01/08/1436 A.H Corresponding to 19/05/2015 A.D	Tenant 1
	431,250	20/03/1442 A.H Corresponding to 05/11/2020 A.D	21/03/1437 A.H Corresponding to 01/01/2016 A.D	Tenant 2
	442,500	04/09/1441 A.H Corresponding to 26/04/2020 A.D	05/09/1436 A.H Corresponding to 21/06/2017 A.D	Tenant 3
	448,500	19/03/1442 A.H Corresponding to 04/11/2020 A.D	20/03/1437 A.H Corresponding to 31/12/2015 A.D	Tenant 4
	411,000	30/12/1442 A.H Corresponding to 08/08/2021 A.D	01/01/1438 A.H Corresponding to 02/10/2016 A.D	Tenant 5
	435,000	14/03/1442 A.H Corresponding to 30/10/2020 A.D	15/03/1437 A.H Corresponding to 26/12/2015 A.D	Tenant 6
	436,500	04/09/1441 A.H Corresponding to 26/04/2020 A.D	05/09/1436 A.H Corresponding to 21/06/2015 A.D	Tenant 7
	873,000	06/04/1442 A.H Corresponding to 21/11/2020 A.D	07/04/1437 A.H Corresponding to 17/01/2016 A.D	Tenant 8
	126,168	25/02/1443 A.H Corresponding to 02/10/2021 A.D	26/02/1437 A.H Corresponding to 08/12/2015 A.D	Tenant 9
Offices				
<p>The lessor has the right, according to his discretion, to terminate the contract without any compensation for the tenant and with full preservation of the rights of the lessor in the specified rent and compensation for damages when required in any of the following cases:</p> <ul style="list-style-type: none"> - After the lapse of the specified period for paying the rent for one month or any dues owed by the tenant . - If the tenant violates any of the Fundamental conditions of the contract and does not comply with them during the period specified in writing by the lessor to remedy the violation. - If it is proven that the tenant has used the property, subject matter of the contract or allowed its use in a manner that is uncomfortable, disturbing to others, harmful to the safety of the building or public health, distorts the public view, or for purposes contrary to public morals in the Kingdom, or contrary to Islamic law. - If it is proven that the tenant has waived the contract without the express written permission of the lessor. Accordingly, any obligations and legal effects arising from this agreement are not binding on the first party and may not be claimed by any party, regardless of his capacity. 	497,000	30/07/1446 A.H Corresponding to 29/01/2025 A.D	01/08/1436 A.H Corresponding to 19/05/2015 A.D	Tenant 1
	172,000	18/04/1442 A.H Corresponding to 03/12/2020 A.D	19/04/1437 A.H Corresponding to 29/01/2016 A.D	Tenant 2
	168,000	24/03/1441 A.H Corresponding to 21/11/2019 A.D	25/03/1437 A.H Corresponding to 05/01/2016 A.D	Tenant 3
	693,000	04/10/1440 A.H Corresponding to 07/06/2019 A.D	05/10/1436 A.H Corresponding to 21/07/2015 A.D	Tenant 4
	191,000	22/07/1442 A.H Corresponding to 05/03/2021 A.D	23/07/1437 A.H Corresponding to 30/04/2016 A.D	Tenant 5
	188,000	05/04/1442 A.H Corresponding to 20/11/2020 A.D	06/04/1437 A.H Corresponding to 16/01/2016 A.D	Tenant 6
	151,000	13/06/1442 A.H Corresponding to 26/01/2021 A.D	14/06/1437 A.H Corresponding to 23/03/2016 A.D	Tenant 7
	188,000	26/01/1442 A.H Corresponding to 13/09/2020 A.D	27/01/1437 A.H Corresponding to 09/11/2015 A.D	Tenant 8
Residential units **				
<ul style="list-style-type: none"> - If the tenant violates any of the terms of the contract - If it is proven that the tenant has used the property, subject matter of the contract or allowed its use in a manner that is uncomfortable, disturbing to others, harmful to the safety of the building or public health, distorts the public view, or for purposes contrary to public morals in the Kingdom, or contrary to Islamic law. Or in case of congestion by the tenant or his guests, whether in public places or car parks, according to the discretion of the lessor. - Not receiving visitors of the opposite gender inside the unit, subject of the contract. - Visitors to the tenant are not entitled to enter public 	1,017,000	From one month to 3 months of the contract period		21 tenants
	1,155,700	From 4 months to 6 months of the contract period		15 tenants

places unless accompanied by the tenant after coordination with the complex management with adherence to the specified visit dates. - The tenant's violation of the regulations and instructions regulating the building and public places. - In the event that someone else uses the unit, unit card, or rents a car.	6,563,500	From 7 months to 12 months of the contract period	81 tenants
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**The above summary of the nature of the hotel units and the continuous change of the tenants of the hotel units and the rental value have been submitted. These values represent the current contracts as on 05/08/1438 A.H corresponding to 01/05/2017 for the hotel units, but the target rent for the year 2017 is 10,644,532 Saudi riyals. .

Genx Al Rabie				
Terminal general provisions	Current Rent (Annually - SAR)	Contract Expiration date	Contract Commencement date	Tenant
<p>The lessor has the right, according to his discretion, to terminate the contract without any compensation for the tenant and with full preservation of the rights of the lessor in the specified rent and compensation for damages when required in any of the following cases:</p> <ul style="list-style-type: none"> - After the lapse of the specified period for paying the rent for one month or any dues owed by the tenant . - If the tenant violates any of the Fundamental conditions of the contract and does not comply with them during the period specified in writing by the lessor to remedy the violation. - If it is proven that the tenant has used the property, subject matter of the contract or allowed its use in a manner that is uncomfortable, disturbing to others, harmful to the safety of the building or public health, distorts the public view, or for purposes contrary to public morals in the Kingdom, or contrary to Islamic law. <ul style="list-style-type: none"> - If it is proven that the tenant has waived the contract without the express written permission of the lessor. Accordingly, any obligations and legal effects arising from this agreement are not binding on the first party and may not be claimed by any party, regardless of his capacity. 	3,000,000	30/06/1447 A.H Corresponding to 20/12/2025 A.D	01/09/1437 A.H Corresponding to 06/06/2016 A.D	Tenant 1
	261,040	25/02/1447 A.H Corresponding to 19/08/2025 A.D	26/02/1437 A.H Corresponding to 08/12/2015 A.D	Tenant 2
	146,000	20/07/1441 A.H Corresponding to 14/03/2020 A.D	21/07/1437 A.H Corresponding to 28/04/2016 A.D	Tenant 3

Al Mohammadia Tower				
Terminal general provisions	Current Rent (Annually - SAR)	Contract Expiration date	Contract Commencement date	Tenant
<p>The lessor has the right, according to his discretion, to terminate the contract without any compensation for the tenant and with full preservation of the rights of the lessor in the specified rent and compensation for damages when required in any of the following cases:</p> <ul style="list-style-type: none"> - After the lapse of the specified period for paying the rent for one month or any dues owed by the tenant . - If the tenant violates any of the Fundamental conditions of the contract and does not comply with them during the period specified in writing by the lessor to remedy the violation. <ul style="list-style-type: none"> - If it is proven that the tenant has used the property, subject matter of the contract or allowed its use in a manner that is uncomfortable, disturbing to others, harmful to the safety of the building or public health, distorts the public view, or for purposes contrary to public morals in the Kingdom, or contrary to Islamic law. - If it is proven that the tenant has waived the contract without the express written permission of the lessor. Accordingly, any obligations and legal effects arising from this agreement are not binding on the first party and may not be claimed by any party, regardless of his capacity. 	7,206,300	13/09/1446 A.H Corresponding to 12/03/2025 A.D	14/09/1436 A.H Corresponding to 30/06/2015 A.D	Tenant 1
	1,000,000	26/01/1446 A.H Corresponding to 01/08/2024 A.D	27/01/1438 A.H Corresponding to 28/10/2016 A.D	Tenant 2

Al Tkahassusi Showrooms				
Terminal general provisions	Current Rent (Annually - SAR)	Contract Expiration date	Contract Commencement date	Tenant

<p>The lessor has the right, according to his discretion, to terminate the contract without any compensation for the tenant and with full preservation of the rights of the lessor in the specified rent and compensation for damages when required in any of the following cases:</p> <ul style="list-style-type: none"> - After the lapse of the specified period for paying the rent for one month or any dues owed by the tenant . - If the tenant violates any of the Fundamental conditions of the contract and does not comply with them during the period specified in writing by the lessor to remedy the violation. - If it is proven that the tenant has used the property, subject matter of the contract or allowed its use in a manner that is uncomfortable, disturbing to others, harmful to the safety of the building or public health, distorts the public view, or for purposes contrary to public morals in the Kingdom, or contrary to Islamic law. - If it is proven that the tenant has waived the contract without the express written permission of the lessor. Accordingly, any obligations and legal effects arising from this agreement are not binding on the first party and may not be claimed by any party, regardless of his capacity. 	3,338,820	21/10/2037 A.D Corresponding to 12/09/1459 A.H	22/10/2015 A.D Corresponding to 09/01/1437 A.H	Tenant 1
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Al Sahafa Tower 1

Terminal general provisions	Current Rent (Annually - SAR)	Contract Expiration date	Contract Commencement date	Tenant
Termination provisions are subject to the state's rental and eviction system for real estate issued by Royal Decree No. M / 61 dated 18/09/1427 A.H and its executive regulations	4,312,660	21/01/1439 A.H Corresponding to 11/10/2017	22/01/1436 A.H Corresponding to 14/11/2014	Tenant 1

Al Sahafa Tower 2

Terminal general provisions	Current Rent (Annually - SAR)	Contract Expiration date	Contract Commencement date	Tenant
Termination provisions are subject to the state's rental and eviction system for real estate issued by Royal Decree No. M / 61 dated 18/09/1427 A.H and its executive regulations	4,670,000	08/09/1440 A.H Corresponding to 12/05/2019 A.D	09/09/1437 A.H Corresponding to 14/06/2016 A.D	Tenant 1

Hair Warehouse

Terminal general provisions	Current Rent (Annually - SAR)	Contract Expiration date	Contract Commencement date	Tenant
<p>If the second party delays payment on the agreed dates for a period of more than one week, the first party has the right to cancel the lease contract and close the warehouse. If the delay exceeds two (2) weeks, the first party has the right to close the water meter from the warehouse without incurring any responsibility.</p> <p>Either party has the right to terminate the contract by notifying the other party in writing at least one (1) month before the expiration of the contract. The second party is not entitled to claim any upon leaving the place before the end of the period while obligating him to pay the full fee.</p>	63,00	30/12/1435 A.H Corresponding to 24/10/2014 A.D	01/01/1435 A.H Corresponding to 04/11/2013 A.D	Tenant 1
	59,00	19/02/1436 A.H Corresponding to 11/12/2014 A.D	20/02/1435 A.H Corresponding to 23/12/2013 A.D	Tenant 2
	62,000	19/02/1435 A.H Corresponding to 22/12/2013 A.D	20/02/1434 A.H Corresponding to 02/01/2013 A.D	Tenant 3
	62,000	25/03/1435 A.H Corresponding to 26/01/2014 A.D	26/03/1434 A.H Corresponding to 16/01/2015 A.D	Tenant 4
	62,000	06/06/1435 A.H Corresponding to 06/04/2014 A.D	07/06/1434 A.H Corresponding to 17/04/2013 A.D	Tenant 5
	65,000	14/01/1439 A.H Corresponding to 04/10/2017 A.D	15/01/1438 A.H Corresponding to 16/10/2016 A.D	Tenant 6
	60,000	30/02/1437 A.H Corresponding to 12/12/2015 A.D	01/03/1436 A.H Corresponding to 22/12/2014 A.D	Tenant 7
	64,000	24/01/1436 A.H Corresponding to 16/11/2014 A.D	25/01/1435 A.H Corresponding to 28/11/2013 A.D	Tenant 8
	60,000	19/04/1438 A.H Corresponding to 17/01/2017 A.D	20/04/1437 A.H Corresponding to 30/01/2016 A.D	Tenant 9
	60,000	30/09/1435 A.H Corresponding to 27/07/2014 A.D	01/10/1432 A.H Corresponding to 30/08/2011 A.D	Tenant 10
	65,000	08/01/1438 A.H Corresponding to 09/10/2016 A.D	09/01/1437 A.H Corresponding to 22/10/2015 A.D	Tenant 11
	62,000	08/01/1435 A.H Corresponding to 11/10/2013 A.D	09/01/1434 A.H Corresponding to 22/11/2012 A.D	Tenant 12

65,000	30/12/1436 A.H Corresponding to 13/10/2015 A.D	01/01/1436 A.H Corresponding to 24/10/2014 A.D	Tenant 13
67,000	11/01/1439 A.H Corresponding to 01/10/2017 A.D	12/01/1438 A.H Corresponding to 13/10/2016 A.D	Tenant 14
62,000	11/06/1435 A.H Corresponding to 11/04/2014 A.D	12/06/1434 A.H Corresponding to 22/04/2013 A.D	Tenant 15
62,000	30/01/1435 A.H Corresponding to 03/12/2013 A.D	01/02/1434 A.H Corresponding to 14/12/2012 A.D	Tenant 16
62,000	30/12/1434 A.H Corresponding to 03/11/2013 A.D	01/01/1434 A.H Corresponding to 14/11/2012 A.D	Tenant 17
60,000	30/06/1435 A.H Corresponding to 30/04/2014 A.D	01/07/1434 A.H Corresponding to 10/05/2013 A.D	Tenant 18
62,000	30/02/1436 A.H Corresponding to 22/12/2014 A.D	01/03/1435 A.H Corresponding to 02/01/2014 A.D	Tenant 19
60,000	16/03/1435 A.H Corresponding to 17/01/2014 A.D	17/03/1434 A.H Corresponding to 28/01/2013 A.D	Tenant 20
65,000	08/07/1438 A.H Corresponding to 04/04/2017 A.D	09/07/1437 A.H Corresponding to 16/04/2016 A.D	Tenant 21
62,000	30/12/1434 A.H Corresponding to 03/11/2013 A.D	01/01/1434 A.H Corresponding to 14/11/2012 A.D	Tenant 22
62,000	30/01/1435 A.H Corresponding to 03/12/2013 A.D	01/02/1434 A.H Corresponding to 14/12/2012 A.D	Tenant 23
62,000	14/07/1435 A.H Corresponding to 12/05/2014 A.D	15/07/1434 A.H Corresponding to 24/05/2013 A.D	Tenant 24
65,000	30/07/1438 A.H Corresponding to 26/04/2017 A.D	01/08/1437 A.H Corresponding to 08/05/2016 A.D	Tenant 25
65,000	19/08/1438 A.H Corresponding to 15/05/2017 A.D	20/08/1437 A.H Corresponding to 27/05/2016 A.D	Tenant 26
62,000	30/02/1439 A.H Corresponding to 19/11/2017 A.D	01/03/1438 A.H Corresponding to 30/11/2016 A.D	Tenant 27
60,000	30/01/1435 A.H Corresponding to 03/12/2013 A.D	01/02/1434 A.H Corresponding to 14/12/2012 A.D	Tenant 28

Sulai Warehouse

Terminal general provisions	Current Rent (Annually - SAR)	Contract Expiration date	Contract Commencement date	Tenant
<p>If the tenant delays paying the whole or part of the rent or any amounts required within thirty days of its entitlement, the lessor has the right to disconnect the services on the property. If the tenant does not pay within twenty (20) days after that, the contract is considered terminated and without the need for a notice or warning. The lessor may vacate the property if it is proven that the tenant has used the property or allowed it to be used in a way that is uncomfortable, disturbing to others, or harmful to the safety of the building or public health or for purposes contrary to public morals or forbidden under the laws in force in the Kingdom. Or if it is proved that the tenant has waived the property or sublet it without the express written permission of the lessor. Or if the tenant violates any of the terms of the contract, was notified in writing and did not comply with them within two weeks from the date of that notification. Or in the event of the tenant's insolvency or bankruptcy unless he submits, in a suitable time, insurance or guarantees to ensure that he will be able to pay the rent that has not yet become due.</p>	616,000	09/03/1434 A.H Corresponding to 20/01/2013 A.D	09/03/1429 A.H Corresponding to 16/03/2008 A.D	Tenant 1
	330,000	30/12/1438 A.H Corresponding to 21/09/2017 A.D	01/01/1438 A.H Corresponding to 02/10/2016 A.D	Tenant 2
	330,000	30/12/1438 A.H Corresponding to 21/09/2017 A.D	01/01/1438 A.H Corresponding to 02/10/2016 A.D	Tenant 3
	150,000	30/12/1437 A.H Corresponding to 13/10/2015 A.D	01/01/1436 A.H Corresponding to 24/10/2014 A.D	Tenant 4
	81,000	29/06/1434 A.H Corresponding to 09/05/2013 A.D	01/07/1429 A.H Corresponding to 04/07/2008 A.D	Tenant 5
	135,000	30/04/1440 A.H Corresponding to 07/01/2019 A.D	01/05/1437 A.H Corresponding to 09/02/2016 A.D	Tenant 6
	135,000	30/12/1435 A.H Corresponding to 24/10/2014 A.D	01/01/1435 A.H Corresponding to 04/11/2013 A.D	Tenant 7
	81,000	09/02/1434 A.H Corresponding to 22/12/2012 A.D	10/02/1429 A.H Corresponding to 17/02/2008 A.D	Tenant 8

	195,000	09/05/1430 A.H Corresponding to 03/05/2009 A.D	10/05/1429 A.H Corresponding to 15/05/2008 A.D	Tenant 9
	546,000	30/12/1435 A.H Corresponding to 24/10/2014 A.D	01/01/1435 A.H Corresponding to 04/11/2013 A.D	Tenant 10
	70,000	30/12/1435 A.H Corresponding to 24/10/2014 A.D	01/01/1435 A.H Corresponding to 04/11/2013 A.D	Tenant 11
	45,000	30/05/1437 A.H Corresponding to 09/03/2016 A.D	01/06/1436 A.H Corresponding to 21/03/2015 A.D	Tenant 12
	187,200	30/04/1439 A.H Corresponding to 17/01/2018 A.D	01/05/1438 A.H Corresponding to 28/01/2017 A.D	Tenant 13
	181,350	30/03/1437 A.H Corresponding to 10/01/2016 A.D	01/04/1436 A.H Corresponding to 21/01/2015 A.D	Tenant 14
	163,800	30/12/1435 A.H Corresponding to 24/10/2014 A.D	01/01/1435 A.H Corresponding to 04/11/2013 A.D	Tenant 15
	174,150	30/03/1439 A.H Corresponding to 18/12/2017 A.D	01/04/1438 A.H Corresponding to 30/12/2016 A.D	Tenant 16
	267,000	30/12/1435 A.H Corresponding to 24/10/2014 A.D	01/01/1435 A.H Corresponding to 04/11/2013 A.D	Tenant 17
	174,150	15/01/1438 A.H Corresponding to 16/10/2016 A.D	16/01/1437 A.H Corresponding to 29/10/2015 A.D	Tenant 18
	224,000	30/12/1435 A.H Corresponding to 24/10/2014 A.D	01/01/1435 A.H Corresponding to 04/11/2013 A.D	Tenant 19
	175,500	30/12/1437 A.H Corresponding to 13/10/2015 A.D	01/01/1436 A.H Corresponding to 24/10/2014 A.D	Tenant 20
	317,250	30/06/1438 A.H Corresponding to 28/03/2017 A.D	01/07/1433 A.H Corresponding to 21/05/2012 A.D	Tenant 21
	141,750	30/12/1436 A.H Corresponding to 13/10/2015 A.D	01/01/1436 A.H Corresponding to 24/10/2014 A.D	Tenant 22
	100,950	30/12/1438 A.H Corresponding to 21/09/2017 A.D	01/01/1438 A.H Corresponding to 02/10/2016 A.D	Tenant 23
	141,750	30/08/1432 A.H Corresponding to 31/07/2011 A.D	01/09/1429 A.H Corresponding to 01/09/2008 A.D	Tenant 24
	141,750	30/12/1438 A.H Corresponding to 21/09/2017 A.D	01/01/1438 A.H Corresponding to 02/10/2016 A.D	Tenant 25
	283,500	30/09/1437 A.H Corresponding to 05/07/2016 A.D	01/10/1436 A.H Corresponding to 17/07/2015 A.D	Tenant 26
	135,450	30/02/1438 A.H Corresponding to 30/11/2016 A.D	01/03/1435 A.H Corresponding to 02/01/2014 A.D	Tenant 27

Rabie Leasehold				
Terminal general provisions	Current Rent (Annually - SAR)	Contract Expiration date	Contract Commencement date	Tenant
<p>If the second party delays payment for a period of two weeks, he shall be notified of the payment. After 30 days, the First Party is entitled to terminate the Contract. If one of the parties wishes not to renew the contract, he must notify the other party in writing, at least two months before the end of the contract, otherwise the contract is automatically renewed.</p> <p>If the second party delays payment for a period of two weeks of the due date he shall be notified of the payment. After 30 days, the First Party is entitled to terminate the Contract.</p>	160,000	30/03/1442 A.H Corresponding to 15/11/2020 A.D	01/04/1432 A.H Corresponding to 06/03/2011 A.D	Tenant 1
	370,700	01/08/2021 A.D Corresponding to 23/12/1442 A.H	01/08/2011 A.D Corresponding to 02/09/1432 A.H	Tenant 2
	165,000	01/09/1442 A.H Corresponding to 12/04/2021 A.D	01/09/1432 A.H Corresponding to 31/07/2011 A.D	Tenant 3
	25,000	01/04/1442 A.H Corresponding to 16/11/2020 A.D	01/04/1434 A.H Corresponding to 11/02/2013 A.D	Tenant 4
	158,000	01/01/1444 A.H Corresponding to 29/07/2022 A.D	01/01/1438 A.H Corresponding to 02/10/2016 A.D	Tenant 5
	220,000	16/07/1440 A.H Corresponding to 22/03/2019 A.D (not subject to automatic renewal)	17/07/1435 A.H Corresponding to 16/05/2014 A.D	Tenant 6

Qudus Leasehold				
Terminal general provisions	Current Rent (Annually - SAR)	Contract Expiration date	Contract Commencement date	Tenant
<p>If the second party delays payment for a period of two weeks of the due date , he shall be notified of the payment. After 30 days from the due date, the first party has the right to cancel the contract</p>	150,000	30/04/1445 A.H Corresponding to 13/11/2023 A.D	01/05/1435 A.H Corresponding to 02/03/2014 A.D	Tenant 1
	120,000	30/11/1440 A.H Corresponding to 01/08/2019 A.D	01/12/1435 A.H Corresponding to 25/09/2014 A.D	Tenant 2
	120,000	30/06/1441 A.H Corresponding to 24/02/2020 A.D	01/07/1436 A.H Corresponding to 19/04/2015 A.D	Tenant 3
	100,000	21/10/1441 A.H Corresponding to 21/06/2020 A.D	22/10/1436 A.H Corresponding to 07/08/2015 A.D	Tenant 4
	150,000	30/12/1442 A.H Corresponding to 08/08/2021 A.D	01/01/1438 A.H Corresponding to 02/10/2016 A.D	Tenant 5

Wadi Laban Leasehold				
Terminal general provisions	Current Rent (Annually - SAR)	Contract Expiration date	Contract Commencement date	Tenant
<p>If the second party delays payment for a period of two weeks, he shall be notified of the payment. After 30 days, the First Party is entitled to terminate the Contract. If one of the parties wishes not to renew the contract, he must notify the other party in writing, at least two months before the end of the contract, otherwise the contract is automatically renewed.</p>	90,000	14/12/1440 A.H Corresponding to 15/08/2019 A.D	15/12/1435 A.H Corresponding to 09/10/2014 A.D	Tenant 1
	180,000	30/11/1445 A.H Corresponding to 06/06/2024 A.D	01/12/1435 A.H Corresponding to 25/09/2014 A.D	Tenant 2
<p>In the event that the second party delays payment for 30 days, the first party shall terminate the contract.</p>	180,000	30/08/1446 A.H Corresponding to 28/02/2025 A.D	01/09/1436 A.H Corresponding to 17/07/2015 A.D	Tenant 3
<p>If the second party delays payment for a period of 30 days, the first party will terminate the contract after notifying the second party of payment after two weeks from the due date.</p>	120,000	14/03/1448 A.H Corresponding to 27/08/2026 A.D	15/03/1438 A.H Corresponding to 14/12/2016 A.D	Tenant 4

Dabbab Leasehold				
Terminal general provisions	Current Rent (Annually - SAR)	Contract Expiration date	Contract Commencement date	Tenant
<p>If the second party delays payment after 30 days, the first party has the right to terminate the contract.</p>	1,050,000	1/11/1445 A.H Corresponding to 08/05/2024 A.D	1/11/1435 A.H Corresponding to 26/08/2014 A.D	Tenant 1

* All the above information was according to the latest updated data on 05/08/1438 A.H corresponding to 01/05/2017 A.D.

Appendix no. (3)

Articles of Association
For Al-Maather REIT Fund
(Special Purpose Entity)



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M.C.



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للترجمة المعتمدة
ترخيص رقم ٤٢٠ عضوية رقم ٩٥٨٦٣
٠٥٣٧٥٦٨٣٣٥

4. Purpose and activity

4.1 The purpose of the establishment is to issue investment units.

4.2 The establishment shall not engage in any activities other than the following:

- Issuance of investment units.
- Supporting activities necessary to achieve the objectives of the Entity.
- The activities stipulated in the terms and conditions of the Special Purpose Entity Fund, and this Articles of Association.

5. The Owners

5.1 The owners of the investment units issued by the establishment shall be the owners of the special purposes entity, according to the unit owners register.

5.2 All the securities and other assets of the fund shall be registered in the name of the establishment, and the ownership of such securities and other assets in common shall be owned by the owners of the investment units issued by the Entity.

5.3 Except for the unit owner's loss of his investment in the establishment or part thereof, the unit owner shall not be liable for the debts and obligations of the establishment.

6. Capital

The capital of the establishment shall be (SAR 613,700,000), six hundred thirteen million seven hundred thousand Saudi riyals, divided into (61,370,000) sixty-one million three hundred seventy thousand units, and the nominal value of each unit is (SAR 10) ten Saudi riyals.

7. Fund Manager

7.1 The fund manager shall manage the business and daily affairs of the establishment and shall have all the powers and authorities, except for what is stipulated in the rules governing special purposes entities and the Real Estate Investment Funds Regulations, or this Articles of Association as being within the competence of others, including (without limitation):

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مشاري للترجمة
ترخيص رقم ٤٢٠
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4. Purpose and activity

- 4.1 The purpose of the establishment is to issue investment units.
- 4.2 The establishment shall not engage in any activities other than the following:
 - a. Issuance of investment units.
 - b. Supporting activities necessary to achieve the objectives of the Entity.
 - c. The activities stipulated in the terms and conditions of the Special Purpose Entity Fund, and this Articles of Association.

5. The Owners

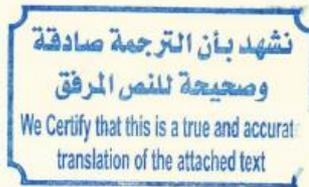
- 5.1 The owners of the investment units issued by the establishment shall be the owners of the special purposes entity, according to the unit owners register.
- 5.2 All the securities and other assets of the fund shall be registered in the name of the establishment, and the ownership of such securities and other assets in common shall be owned by the owners of the investment units issued by the Entity.
- 5.3 Except for the unit owner's loss of his investment in the establishment or part thereof, the unit owner shall not be liable for the debts and obligations of the establishment.

6. Capital

The capital of the establishment shall be (SAR 613,700,000), six hundred thirteen million seven hundred thousand Saudi riyals, divided into (61,370,000) sixty-one million three hundred seventy thousand units, and the nominal value of each unit is (SAR 10) ten Saudi riyals.

7. Fund Manager

- 7.1 The fund manager shall manage the business and daily affairs of the establishment and shall have all the powers and authorities, except for what is stipulated in the rules governing special purposes entities and the Real Estate Investment Funds Regulations, or this Articles of Association as being within the competence of others, including (without limitation):



- 7.1.1 Representing the establishment before the authority, all notaries, judicial authorities, government and private agencies, and others.
- 7.1.2 Negotiate any contracts or other documents to which the establishment is a party, and implement the provisions of such contracts and documents on behalf of the entity; to obligate the establishment with the provisions of those contracts and documents.
- 7.1.3 Appointing or dismissing the establishment's agents or legal advisors.
- 2.7 The fund manager may delegate any of his powers to any person, including (without limitation) any of the powers mentioned in item (7-1) above or those mentioned in the rules governing special purposes establishments and the Real Estate Investment Funds Regulations, while bearing the responsibility for such delegation.
- 2.8 The fund manager shall enable all concerned parties to perform their duties towards the fund that takes the form of a special purpose establishment, to abide by all the provisions that apply to the same in accordance with the rules governing special purposes establishments and the Real Estate Investment Funds Regulations, including but not limited to: the custodian, the fund operator and the auditor.
- 8. Board members**
- 8.1 The members of the board of directors of the establishment are the members of the board of directors of the fund.
- 8.2 The provisions of the Real Estate Investment Funds Regulations shall apply to the members of the Board of Directors.
- 9. Register of Board Members**
- 9.1 The establishment shall maintain a register of the members of the board of directors in which the following information about each member of the board of directors shall be recorded:
- Name and address.

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- National ID No., Residence Permit (Iqama) No., or passport No. (as the case may be).
- Nationality.
- Job (if any).
- Date of appointment.
- Residence.
- Date of dismissal or resignation (where applicable).

9.2 The record of the members of the Board of Directors is sequentially numbered, and it is not permissible to delete any page thereof or delete or modify any data contained therein.

10. Decisions Making

This section shall include how to make decisions related to a special purpose entity that is not provided for in this articles of association, the rules regulating special purposes entities, or the real estate investment fund regulations, provided that such decisions are taken by the fund manager without prejudice to the provisions contained in the regulating rules. For Special Purpose Entities and Real Estate Investment Funds Regulations.

11. Books and Records

11.1 The fund manager shall be responsible for ensuring that books and records are properly maintained and in a manner that does not conflict with the provisions contained in the Real Estate Investment Funds Regulations.

11.2 The books and records shall be kept at the registered premises of the establishment (or any other place determined by the fund manager in the Kingdom of Saudi Arabia), and shall be continuously available for inspection.

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12. Settlement and Bankruptcy

Subject to the provisions contained in the rules regulating special purposes establishments, the special purposes establishment shall be subject to the bankruptcy law and its implementing regulations.

13. Termination of the Special Purpose Entity

A special purpose establishment shall terminate upon the expiry of the purpose for which it was established in accordance with the provisions of Article fifty-four of the rules governing special purposes.

14. Applicable Laws and Arbitration

14.1 This Articles of Association is subject to the laws and regulations in the Kingdom of Saudi Arabia, specifically the rules governing special purpose entities and the Real Estate Investment Funds Regulations.

14.2 Unless otherwise agreed, any dispute, controversy or claim arising out of or related to this Articles of Association shall be amicably settled. In the event that it is not possible to resolve the dispute amicably, and unless otherwise agreed, any party may refer the dispute to the Committee for the Resolution of Securities Disputes to issue a decision in accordance with the relevant procedures. This shall not prejudice the right of the parties to the dispute to resort to arbitration upon mutual agreement.

15. General provisions

15.1 Unless otherwise is provided in this Articles of Association, all notices given pursuant to this Articles of Association shall be in the form of letters, e-mails, or delivered by hand upon written acknowledgment of receipt to the registered main office of the establishment.

15.2 This Articles of Association was prepared and executed in the Arabic language and the English language. In the event of any conflict between the English version and the Arabic version, the Arabic version shall prevail.

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15.3 This Articles of Association was executed in two (2) counterparts in both Arabic and English.

15.4 Reference to years or months in This Articles of Association shall be to Gregorian years and months.

In wetness thereof, the fund manager or his authorized representatives executed this Articles of Association, on the day and date recorded at the beginning of the Articles of Association.

Osool and Bakheet Investment Company - Al-Maather REIT Fund Manager

On his behalf:

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