

ARTICLES OF ASSOCIATION

إمّان AMAN



Aman Real Estate Investment Fund

This Fund is established as a closed end public real estate investment fund in the Sultanate of Oman in accordance with the Capital Market Law No. 80/98 and its amendments, the Capital Market Law Executive Regulations issued pursuant to Capital Market Authority Resolution 1/2009, the Issuing Regulation for Real Estate Investment Trusts issued by Administrative Decision No. E/2/2018, and these Articles:

Definitions and interpretation

The following definitions apply in these Articles:

Administrator	means Sohar International Bank SAOG, or such other person as is appointed as administrator to the Fund from time to time;
Articles	means these Articles of Association of the Fund;
Assets	means the total assets in the Fund, including all of its authorised investments (as permitted under the REITS Regulation) and other assets to be in the nature of assets in accordance with the applicable approved accounting standards in the Sultanate of Oman, being held and/or deemed to be held under trust under these Articles;
Capital Market Authority	means the authority set up pursuant to Royal Decree 80/98;
Chairman	means the chairman of the Fund Management Body;
CMA Executive Regulation	means the Executive Regulation of the Capital Market Law issued by Capital Market Authority Decision 1/2019;
CMA Law	means the Capital Market Law (Royal Decree 80/98);

Custodian	means Sohar International Bank SAOG, or such other person as is appointed as custodian to the Fund from time to time;
Fund	means the Aman Real Estate Investment Fund established by these Articles;
Fund Management Body	means the fund management body in respect of the Fund established by Chapter Four of these Articles;
Government	means the Government of the Sultanate of Oman or any agency, authority, department, minister, ministry or other element thereof;
Initial Unitholder	means Sandan Development LLC, incorporated in the Sultanate of Oman with commercial registration number 1240805;
Initial Units	means the Units issued to Sandan Development LLC in consideration for the transfer into the Fund of the 708 property units located at Halban, Al Batinah South, as more particularly described in the Prospectus;
Investment Manager	means Thara Global Business LLC, or such other person as is appointed as investment manager to the Fund from time to time;
Issue Manager	means Sohar International Bank SAOG, or such other person as is appointed as the issue manager to the Fund from time to time;
NAV	has the meaning given to it in the REITS Regulation;
NAV/Unit	has the meaning given to it in the REITS Regulation;
Persons	means: (a) any natural or legal person or any other entity licenced or recognised under the laws of any country or territory; (b) the government of a country or territory, any public, local or municipal authority thereof, any international organisation or body,

whether or not its members include the Government and whether or not having legal personality; (c) the Government and any agency, authority, department, minister, ministry or other element thereof established pursuant to Royal Decree 26/75 and shall include any privatised agency thereof; and (d) any persons who, under the laws of any country or territory, together hold a fiduciary, representative or official position shall be treated as a single person;

Prospectus

means the prospectus submitted by the Issue Manager to the Capital Market Authority in respect of the initial public offering of the Fund;

REITS Regulation

means the Issuing Regulation of Real Estate Investment Trusts issued by Administrative Decision No E/2/2018 (as may be amended from time to time);

RO

means Rials Omani;

Service Provider

means the juristic person that provides services to the Fund or Unitholders in consideration of fees under a contract with the Fund;

Shariah Supervisory Board

means Shariah supervisory board of the Fund;

Unitholders

means any person holding Units in the Fund from time to time; and

Units

means an ordinary issued unit of the Fund with a value of 100 Baisas each.

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CHAPTER ONE

THE FUND

Article (1)

Name of the Fund

The Fund shall be established as a closed end public real estate investment fund in the Sultanate of Oman and the name of the Fund shall be "AMAN REIF". The registered office of the Fund shall be situated in the Governorate of Muscat, Sultanate of Oman and whose current address is PO Box 255, PC 100 Muscat, Sultanate of Oman.

Article (2)

Term of the Fund

The duration of the Fund is from the date of the Fund's registration in the funds register of the Capital Market Authority for ninety-nine (99) years or until the date the Fund is liquidated or dissolved pursuant to Chapter Thirteen (13) of these Articles.

Article (3)

Currency

The official currency of the Fund shall be Omani Rials (RO) and the value of all Units will be quoted in Omani Rials.

Article (4)

Legal form of the Fund

The Fund is a closed end public real estate investment fund.

Article (5)

Capital of the Fund

The Fund shall have initial issued capital of RO 20,000,000 (twenty million Omani Rials) divided into 200,000,000 (two hundred million) Units of 100 Baisas (one hundred Baisas) each.

Other than the real estate consideration for the Initial Units, all capital commitments to the Fund shall be in cash.

Article (6)

Increase of the Fund's capital

The Extraordinary General Meeting may at any time resolve to increase the capital of the Fund.

CHAPTER TWO

SUBSCRIPTION OF THE FUND

Article (7)

Type of Subscription

Subscription for Units in the Fund shall be conducted by offering investment units through public subscription.

Article (8)

Minimum and maximum Commitment

Except in the case of the Initial Unitholder in respect of any Units issued to the Initial Unitholder as expressly contemplated in the Prospectus, no one Unitholder, whether a corporate or individual, may (together with any associated company or family member) own more than ten percent (10%) of the Units in issue at any given time.

The minimum capital participation to the Fund will be not less than 1,000 Units and thereafter in multiples of 100 Units at a value of one hundred Baisas for each Unit.

The Fund Management Body may reduce the minimum capital participation from time to time.

Article (9)

Indivisible Units

All Units shall not be divisible and may not be jointly owned.

It is not permissible to divide a single Unit of the Fund except in the case of inheritance, and in such circumstances the name of the Unitholder's account will be changed to the name of the heirs' account in accordance with the procedures established by Muscat Clearing and Depository SAOC in this regard. The Unitholders (heirs) shall be considered jointly and severally liable for the obligations arising from such ownership.

Article (10)

Other rights relating to Units

All Units shall have equal rights, including the right to:

- one (1) vote for each Unit;

- receive dividends as set from time to time by the Fund Management Body and approved by the Annual General Meeting;
- share in the distribution of the Fund's assets at the time of liquidation;
- inspect the Fund's balance sheet, profit and loss account, cash flow statement and the Unitholders' register; and
- receive notification of and to participate and vote in General Meetings of the Fund by person or by proxy.

Article (11)

Liability of Unitholders

Unitholders will be liable for obligations of the Fund only to the extent of their commitments. No Unitholder will be obligated to make any payment in excess of its commitment for any liability or for the discharge of the obligations of the Fund.

Article (12)

Register and transfer of units

The ownership of Units shall be deemed to be transferred to each Unitholder once the transaction is entered in the register of Unitholders (in book-entry form) maintained by Muscat Clearing and Depository SAOC, entry upon which shall be conclusive evidence of the holding by any Unitholder.

The Unitholders' register shall include the name of each Unitholder, his/her nationality, the address to which notices should be sent, the number of his/her Units and their serial number.

Listing and trading of the Fund's Units on the Muscat Securities Market shall be in accordance with the listing and trading rules in the Capital Market Law and the CMA Executive Regulation.

CHAPTER THREE

OBJECTIVES

Article (13)

Objectives

The objectives of the Fund are to generate recurring income through rental income and capital growth from investment in:

- real estate and real estate related assets;
- special purpose companies holding or owning real estate and real estate related assets;
- non real estate related assets that are compliant with the principles of Shariah and Article 119 of the REITS Regulation; and
- cash, deposits and money market instruments that are compliant with the principles of Shariah and Article 119 of the REITS Regulation.

Article (14)

The Fund must not:

- provide loans or financial facilities;
- develop properties unless the objective of such development is to perform renewal, restoration, supply, or expansion of the existing properties within its investment portfolio;
- purchase a vacant area of land; or
- invest outside the Sultanate of Oman with more than twenty-five percent (25%) of the value of its total assets without the approval of the Capital Market Authority.

CHAPTER FOUR

MANAGEMENT OF THE FUND

Article (15)

The Fund Management Body

The Fund Management Body shall consist of three (3) to five (5) members, provided that at least two (2) of them are independent members and provided that at least two-thirds (2/3) of the members are independent.

All members of the Fund Management Body shall be elected by secret ballot in an ordinary General Meeting of the Unitholders for a maximum period of five (5) years. Each member may be re-elected for another term.

When voting for the appointment of members of the Fund Management Body, each Unitholder shall vote in person or by way of proxy, and they shall have one (1) vote for each Unit that they hold. A proxy may be one of the other Unitholders or a third party. A proxy also may also be authorised to represent one or more Unitholders, if a proxy is granted to represent more than one (1) Unitholder.

The Fund Management Body shall supervise and monitor the activities of the Fund and the Service Providers. The Fund Management Body shall ensure that the Fund is managed according to the following:

- Its investment objectives;
- These Articles;
- The Prospectus; and
- All provisions and rules stipulated in the relevant laws, regulations and related resolutions, including, but not limited to, the Capital Market Law, the CMA Executive Regulation, and the REITS Regulation.

A member of the Fund Management Body shall not be:

- A member of the management of another real estate fund managed by another fund manager;
- A member of the board of directors or a partner of another fund, or the fund manager of another fund;
- A member of the Shariah Supervisory Board; or
- An employee of any third party entrusted by the Investment Manager to perform any of the tasks assigned to it.

Article (16)

Election of the chairman and vice-chairman of the Fund

Immediately after its election at the first General Meeting of the Fund, the Fund Management Body shall elect from among its members a chairman and a vice-chairman and appoint a secretary, and shall file with the Capital Market Authority a copy of the resolution of the constitution and the minutes of the meeting of the Fund Management Body within seven (7) days from the date of issuance of such resolution.

Article (17)

Membership of the Fund Management Body

The members of the Fund Management Body shall be required to:

- Be of good conduct and reputation;
- Have the qualifications and experience required to carry out their functions;
- Have regard to the values of integrity and fairness in the performance of their functions and responsibilities;
- Act with skill and caution in the performance of their functions and responsibilities in accordance with all applicable laws, regulations and systems;
- Not have been convicted of a crime involving moral turpitude or mistrust unless rehabilitated; and
- Not be the subject of a lawsuit under insolvency or bankruptcy laws or declared insolvent or bankrupt unless the case of insolvency or bankruptcy ends in accordance with the provisions of the law.

If the seat of a member of the Fund Management Body becomes vacant before the end of the term of office, another member shall be chosen in their place to complete this period in accordance with the procedures stipulated in the REITS Regulation.

Article (18)

Functions and responsibilities of the Fund Management Body

Subject to the restrictions imposed on the duties and authority of the Fund Management Body set forth in these Articles and the applicable laws or by a decision of the General Meeting, the Fund Management Body shall have the final and ultimate authority to manage the business and affairs of the Fund in accordance with its objectives, and all powers and authority to act for or on behalf of the Fund shall be derived from the Fund Management Body.

The Fund Management Body has the authority to engage external consultants to assist the Fund Management Body in the performance of its duties. The fees and costs of the external consultants will be determined by the Fund Management Body from time to time.

The functions and responsibilities of the Fund Management Body include, in particular:

- Selecting the appropriate strategy to achieve the proper performance of the Fund in accordance with its investment policy;
- Ensuring that the investment strategy followed is appropriate and is effectively implemented by the Investment Manager or the delegated entity (if any);
- Undertaking effective follow-up, measurement and evaluation of the performance of the Investment Manager or delegated entity (if any);
- Appointing, dismissing and determining the remuneration of the Service Providers, except the Investment Manager, whose appointment, dismissal and remuneration shall be determined by the Extraordinary General Meeting of the Unitholders with reference to the recommendation of the Fund Management Body;
- Ensuring the investment objectives and policy of the Fund are defined; and
- All other functions and responsibilities stipulated in the relevant laws, regulations and decisions.

Article (19)

Proceedings of Meetings of the Fund Management Body

The Chairman may convene a meeting of the Fund Management Body at any time, provided that these meetings are held at least four (4) times a year with a maximum gap of four (4) months between any two (2) consecutive meetings.

The Chairman must also call the Fund Management Body for a meeting at the request of one (1) or more members. If the Chairman is unable or unwilling to convene a meeting when so requested, the meeting may be convened pursuant to a notice sent by the members who requested convening of the meeting.

The quorum for a meeting of the Fund Management Body shall be not less than two-thirds (2/3) of the members or their representatives, of which a majority must always be independent.

Members may participate in a meeting through use of a conference telephone or similar communication equipment, so long as all those participating in the meeting can hear each other.

A member of the Fund Management Body (or their representative) may authorise another member to act as their representative and represent them to attend any meeting or vote on their behalf, by the giving of notification in writing addressed to the secretary of the Fund Management Body.

Except where otherwise specified in applicable law, questions arising at any meetings shall be decided by a majority of votes of those members of the Fund Management Body present. In the event of an equality of votes the Chairman, or in his absence the Vice Chairman, shall have a casting vote. All such decisions will be minuted and take the form of resolutions. Resolutions of the Fund Management Body shall bind the Fund. The Fund Management Body can take decisions by written circulation signed by all members if deemed fit and necessary.

A member can resign from the Fund Management Body with a written notice to the chairman of the Fund, and the chairman can resign by a written notice to the secretary of the Fund Management Body. The membership expires on the date specified in the notice.

The full Fund Management Body can resign, by giving a notice to the Annual General Meeting, and the membership expires in this case on the election of a new Fund Management Body.

A member of the Fund Management Body may appoint in writing another member of the Fund Management Body to represent them in attending one (1) or more meetings of the Fund Management Body; however, a member shall not represent more than one (1) member, or appoint another member to represent them more than two (2) consecutive times.

Article (20)

Remuneration of the Fund Management Body

Members of the Fund Management Body shall be entitled to the reimbursement of expenses properly and reasonably incurred by them in the execution of their duties subject to the approval of the Fund Management Body.

Members of the Fund Management Body may be entitled to fees in compensation for their services, and sitting fees for their attendance at meetings of the Fund Management Body, as will be determined by the Fund Management Body and approved by the Annual General Meeting of Unitholders from time to time.

Article (21)

Disqualification of Members

The office of a member of the Fund Management Body shall be vacated if:

- he or she resigns his or her office by written notice signed by him or her;
- he or she is no longer qualified for the position;
- he or she becomes of unsound mind or incapable;
- he or she becomes bankrupt or insolvent, suspends payment or compounds with his or her creditors;

- he or she is convicted in any criminal offence;
- he or she is requested to resign by a resolution of the Unitholders at a General Meeting;
- he or she loses any of the conditions required for membership; or
- he or she is in breach of the provision of any law, royal decree or regulation (including, without limitation, the REITS Regulation) or otherwise will be in breach.

Any member of the Fund Management Body must resign immediately if they become ineligible for office.

Article (22)

Removal of Members of the Fund Management Body

The Board of the Capital Market Authority, for investor's protection, may at any time take a resolution to remove any or all members of the Fund Management Body.

The Unitholders may remove any or all members of the Fund Management Body, by ordinary resolution in a General Meeting of the Fund. However, the election for vacancies shall not be valid unless the election has been included as an item on the agenda for the General Meeting.

Article (23)

Conflict of Interest

A member shall not take part in the final discussion on any matter, or vote on, a contract or other transaction, unless he or she or his or her spouse or relatives, up to a second degree, have no interest in connection with the matter in discussion, contract or other transaction, with the exception of discussion and votes on nomination and appointment of members.

Article (24)

Transactions with Related Parties

If the Investment Manager manages more than one fund, and a transaction involves two or more of the funds it manages, the transactions between these funds are considered as related party transactions for each fund involved in the transaction.

All related party transactions should be executed as follows:

- On a purely commercial basis;
- To be in the interests of the Unitholders; and
- At a price equal to the value estimated in the valuation report for real estate transactions.

Article (25)

Prior approval of the Unitholders shall be obtained by a decision in an Extraordinary General Meeting if the value of the real estate transactions with the related parties is equal to or exceeds five percent (5%) of the total value of the Fund's assets (after purchase).

The Fund Management Body shall ensure that a real estate transaction with related parties is carried out on a purely commercial basis and on an equal basis, and does not harm the interests of the Unitholders, if the value of the real estate transaction with related parties is less than five percent (5%) of the total value of the assets of the Fund (after the purchase).

Article (26)

For the purposes of Article 25 of these Articles:

- The transaction should be executed according to the total asset value of the Fund as disclosed in the latest published financial statements of the Fund and any subsequent transaction since the publication of such financial statements should take into account any changes to the total asset value of the Fund; and
- The aggregate value of related party transactions of the Fund within each twelve (12) month period shall not exceed five percent (5%) of the total NAV of the Fund.

Article (27)

Shariah Supervisory Board

In accordance with the REITS Regulation, the Investment Manager shall either form a Shariah Supervisory Board or rely on the Shariah Supervisory Board of a third party as the Fund is a Shariah compliant real estate investment fund.

The Shariah Supervisory Board must comprise of at least three (3) members and its members must be independent from the Investment Manager. The members shall not be members in the Fund Management Body.

Article (28)

Role of the Shariah Supervisory Board

The Shariah Supervisory Board's responsibilities include:

- To examine and verify all relevant documents and agreements entered into by the Fund as well as data, statistics and financial information of the Fund to ensure that they are compliant with Shariah principles, including these Articles and the Prospectus;

- To ensure that actual site visits to all the properties owned by the Fund are made by the Shariah Supervisory Board to verify and confirm that the activities at such properties do not contravene Shariah principles;
- To monitor the operations of the Fund periodically and on an ad hoc basis with a view to ensuring Shariah compliance;
- To advise on all aspects of real estate investment and fund management business in accordance with Shariah principles;
- To provide Shariah expertise and guidance in all matters, particularly on these Articles and the Prospectus, the Fund structure, investments, and other operational matters;
- To ensure that the Fund is operated and managed in accordance with Shariah principles, relevant Capital Market Authority regulations and/or standards, including resolutions issued by professional bodies in Shariah regulatory matters;
- To advise on and institute procedures for the cleansing of revenue or income that is deemed to be Shariah non-compliant and advising and guiding the Investment Manager on all Shariah matters in relation to the Fund;
- To conduct an annual Shariah audit and compliance review on, among others, the Fund's physical properties;
- To review the Investment Manager's compliance report and investment transaction report to ensure that the Fund's investments are in line with Shariah principles; and
- To draft a report to be included in the annual or progress report of the Fund that includes its opinion on the extent of Shariah compliance of the Fund for the concerned financial period.

If any position on the Shariah Supervisory Board becomes vacant before the end of the term of office, another member shall be selected to complete the term according to the procedures stipulated in these Articles and the applicable law.

Any person appointed as a member in more than one Shariah supervisory board in funds run by the same Investment Manager shall act independently for each fund.

Article (29)

Commitment of members of the Shariah Supervisory Board

Members of the Shariah Supervisory Board shall abide by the following:

- Observance of standards of integrity and fairness in the performance of their duties and responsibilities; and
- Acting with skill, prudence and caution in the performance of their duties and responsibilities in accordance with applicable laws, regulations and systems.

Article (30)

Membership of the Shariah Supervisory Board shall be prohibited for those who are:

- The subject of a lawsuit under bankruptcy laws or a bankruptcy judgment unless rehabilitated; and
- The subject of a judicial conviction for a crime involving moral turpitude or dishonesty unless rehabilitated.

Article (31)

Any member of the Shariah Supervisory Board must resign immediately if they become ineligible for office.

CHAPTER FIVE

LISTING AND TRADING OF INVESTMENT UNITS

Article (32)

The Units shall be listed and traded on the Muscat Securities Market in accordance with the provisions and procedures of listing and trading provided for in the Capital Market Law and the CMA Executive Regulation.

When offering the Units of the Fund to the public, the Investment Manager shall ensure that the Units taken up by the public at all times after listing constitute at least twenty-five percent (25%) of the Fund's capital. In case of any decrease in this percentage, the Investment Manager shall restore it within a period not exceeding three (3) months from the date of the decrease, by issuing additional Units or by major Unitholders selling a portion of their Units to the public or any other appropriate action. An additional period of time may be granted with the approval of the Capital Market Authority.

CHAPTER SIX

MEETINGS AND PROCEEDINGS

Article (33)

Constitutive General Meeting

The Fund Management Body will convene a constitutive General Meeting within thirty (30) days from closing of the initial public offering of the Fund. The constitutive General Meeting will consider:

- reviewing the audited reports of the founders and the initial management of the Fund;
- approving related party transactions which require approval in accordance with applicable laws;
- electing a new Fund Management Body;
- approving the appointment of the Investment Manager;
- approving the appointed external auditor;
- approving remuneration of the Fund Management Body; and
- approving these Articles.

The Fund Management Body shall apply for registration in the funds register at the Capital Market Authority within thirty (30) days of the date of the constitutive General Meeting.

Article (34)

General Meetings

The General Meeting is the highest authority of the Fund and consists of all Unitholders.

Every Unitholder or their proxy shall have the right to attend the General Meeting and they shall have one (1) vote for each Unit owned by them.

The Ordinary General Meeting shall have the authority to consider and decide on all matters which are not, by law or by these Articles, reserved for the decision by the Fund Management Body or the Extraordinary General Meeting.

Article (35)

The Annual General Meeting shall be held once each year within three (3) months of the end of the financial year of the Fund. Other ordinary General Meetings shall be convened when required by law, by these Articles or when the need arises to hold such meetings.

The Extraordinary General Meeting shall be convened to consider and decide on all matters which are reserved for decision by the Extraordinary General Meeting, in accordance with the law or these Articles or the REITS Regulation or otherwise.

In all cases, the Extraordinary General Meeting shall be convened to consider the following matters:

- Changing the Fund's main investment objectives;
- Changing the status of the Fund by merger, separation, transformation or otherwise;
- Amendment of these Articles; and
- Dissolution and liquidation of the Fund.

The Investment Manager or the Custodian may convene a General Meeting at any time.

The Unitholders, jointly or via their proxies, may convene a General Meeting without taking into account the provisions prescribed for its convening and the General Meeting may issue any decisions that are within its authority.

The Investment Manager shall call the General Meeting to convene if the Fund Management Body fails to convene it.

The Fund Management Body must convene a General Meeting when requested in writing by Unitholders holding severally or collectively not less than five percent (5%) of the total issued capital of the Fund. The request shall be submitted at the headquarters of the Investment Manager.

When convening a General Meeting, the Fund Management Body shall comply with the following:

- Send a notice to the Unitholders not less than fourteen (14) days before the meeting date;
- Specify in the notice the date, place and time of the meeting and the proposed agenda; and
- Publish the notice on the Muscat Securities Market website within two (2) days from the date of serving the notice on the Unitholders.

The Fund Management Body or the Investment Manager, as the case may be, where the General Meeting is requested by the Unitholders or the Custodian, shall abide by the following:

- Call the meeting to convene at least twenty-one (21) days from the date of receiving the request to hold a General Meeting;
- Send the notice to the Unitholders, according to the following:
 - Notice to be sent at least ten (10) days before the proposed date of the meeting;

- Publish the notice on the Muscat Securities Market's website and in two (2) daily newspapers, one in Arabic and the other in English, within two (2) days before serving the notice on the Unitholders;
- To specify in the notice the date, place and time of the meeting and the proposed agenda; and
- Provide a copy of the invitation to the Custodian.

Article (36)

The General Meeting shall be chaired in accordance with the following:

- The chairman of the Fund Management Body or their deputy, if the General Meeting was convened by the Fund Management Body in accordance with regulatory requirements, and if the chairman or their deputy cannot be present, the Fund Management Body shall nominate one (1) of its members to chair the meeting; and
- A person appointed by the Unitholders or the Custodian, if the meeting was convened by their request.

Article (37)

The General Meeting shall be valid if at least fifty percent (50%) of the Unitholders are present in the case of the Ordinary General Meeting and at least sixty percent (60%) in the case of the Extraordinary General Meeting, whether in person or by proxy.

In the event that the quorum of the General Meeting is not present half an hour after the beginning of the meeting, the following measures shall be applied:

- If the meeting is at the request of the Unitholders or the Custodian, the General Meeting shall not convene nor shall it be postponed to another date;
- If the meeting is at the request by other than the categories mentioned above, the General Meeting shall be postponed to another date within a period not exceeding one (1) month from the date fixed for the first meeting. The notice shall be published on the Muscat Securities Market's website and in two (2) daily newspapers, one in Arabic and one in English, at least one (1) week in advance of the prescribed date.

The second Ordinary General Meeting shall be valid regardless of the attendance percentage. For a second Extraordinary General Meeting to be valid, at least fifty percent (50%) of the Unitholders or their proxies shall be present.

Article (38)

The decision of the General Meeting shall be disclosed immediately on the Muscat Securities Market's website, before the commencement of the trading session on the first working day following the date of the General Meeting.

Article (39)

The Investment Manager and the related parties (as defined in the REITS Regulation) shall not be allowed to vote at any General Meeting if they have an interest in the outcome of the transaction submitted for approval.

Article (40)

Voting in any resolution before the General Meeting shall be by secret ballot. The result of the voting can be announced by any of the following:

- The chairman;
- The Custodian;
- The Investment Manager; or
- Unitholders or their proxies who own at least ten percent (10%) of the total issued capital of the Fund.

Article (41)

The Investment Manager shall ensure the minutes include all the resolutions and procedures taken in the General Meeting of the Unitholders and shall file the minutes with the Capital Market Authority, signed by the secretary of the Fund Management Body, and approved by the chairman, the auditor and the legal advisor within fifteen (15) days of the date of the General Meeting.

CHAPTER SEVEN

ACCOUNTS, AUDITORS, DISTRIBUTION OF PROFITS

Article (42)

Accounts

The Fund shall cause to be kept such proper books of account and records as are necessary to reflect the financial position of the Fund in accordance with the law and International Financial Reporting Standards. These books shall be kept at such place as the Fund Management Body shall consider fit.

Within two (2) months of the end of the financial period covered by the relevant report, the Investment Manager shall:

- draft and publish the annual and progress reports of the Fund on the website of the Muscat Securities Market; and
- send the annual and progress reports to the Unitholders free of charge via courier within two (2) days of receiving the request of a Unitholder to do so.

The Investment Manager and the Custodian shall ensure that the financial statements of the Fund are audited annually by an auditor independent of the Investment Manager and the Custodian from among the audit firms accredited by the Capital Market Authority.

Article (43)

The annual report of the Fund should contain at least the following:

- Fund information;
- Report on Fund performance;
- Investment Manager's report;
- Custodian's report;
- Shariah Supervisory Board's report (where available);
- Audited financial statements for the accounting period;
- Auditor's report; and
- Fund Management Body's report.

Article (44)

The progress reports of the Fund should contain at least the following:

- Fund information;

- Report on Fund performance;
- Investment Manager's report;
- Custodian's report;
- Shariah Supervisory Board's interim review report (where available);
- Financial statements for the interim accounting period; and
- Fund Management Body's report.

Article (45)

External auditor

The Annual General Meeting of Unitholders shall appoint the auditor. The auditor shall not be appointed for more than four (4) consecutive financial years except after two (2) consecutive years.

The auditor shall be licensed to practice accounting and auditing in accordance with Omani law and shall have sufficient experience in auditing the accounts of investment funds.

The General Meeting shall specify the remuneration of the auditor, to serve until the conclusion of the next Annual General Meeting.

The auditor shall be independent from the Investment Manager and the Custodian of the Fund.

Article (46)

Rights and obligations of external auditor

The auditor shall at all times have the right to examine the Fund's books, records and documents and to obtain such information which it believes to be necessary for the proper performance of its duties.

The auditor shall ensure that the budget and the profit and loss account are in conformity with the books and records of the Fund and that these books and records are kept in accordance with the law and generally accepted accounting principles.

The auditor must attend the General Meetings, and express its opinion on its duties.

The auditor shall observe while preparing the reports any changes in the international financial reporting standards needed to be followed in preparation of the financial reports, where such standards are not inconsistent with the laws and regulations of the Ministry of Commerce and Industry and the Capital Market Authority.

Article (47)

Financial year

The first financial year of the Fund shall commence on the date of registration of the Fund in the Capital Market Authority register and shall end on 31 December 2020. Subsequent financial years shall start on 1 January and end on 31 December of the same calendar year.

Article (48)

Dividends

A minimum of ninety percent (90%) of the Fund's net annual profit must be distributed to the Unitholders.

Dividends shall be paid to the Unitholders whose names are recorded in the register held by Muscat Clearing and Depository SAOC at the time of holding the Annual General Meeting which resolved to declare the dividends.

CHAPTER EIGHT

SERVICE PROVIDERS

Article (49)

"**Service Provider**" means the juristic person that provides services to the Fund or Unitholders in consideration of fees under a contract with the Fund. Service Providers include the Investment Manager and the Custodian.

Article (50)

Each Service Provider shall be a person licenced by the Capital Market Authority and shall have adequate human and financial resources to carry out its obligations. A Service Provider may outsource its functions to third parties subject to the Capital Market Authority's approval.

Article (51)

A Service Provider shall carry on and conduct its business in a proper, diligent and efficient manner in accordance with these Articles, the Prospectus, the REITS Regulation, the Capital Market Law, the securities laws in the countries where the Fund invests, and international business practices of the fund industry.

Article (52)

Each Service Provider should, while exercising its powers, provide the services in accordance with the REITS Regulation, including to:

- exercise the degree of care and diligence that a reasonable person would exercise;
- act in the best interests of the Unitholders and, if there is a conflict between the Unitholders' interests and its own interests, give priority to the Unitholders' interests;
- observe high standards of integrity and fair dealing in handling the affairs of the Fund to the best and exclusive interest of the Unitholders;
- not improperly make use of information acquired through being a Service Provider to gain an advantage for itself or another person or to cause detriment to the Unitholders;
- ensure that the Fund's property is clearly identified as the Fund's property and held separately from its assets and the assets of any other fund managed by the Service Provider; and
- comply with any other duty assigned to it under the Capital Market Law, the REITS Regulation, and these Articles.

Article (53)

The service agreement between the Service Provider and any third party shall include at least the following details:

- Service provided;
- Fees and remuneration of the delegate;
- Restrictions or prohibitions imposed on the delegated tasks; and
- Reporting requirements, including clarity of reports between the Investment Manager and the Custodian, and ways to assess the performance of the delegate.

Article (54)

The employees of any Service Provider or other entity authorised by the Investment Manager to provide services in relation to the Fund shall not serve as a member of the Fund Management Body.

CHAPTER NINE

INVESTMENT RULES

Article (55)

The Fund is permitted to obtain third party leverage in order to acquire assets and special purpose companies, and to meet its capital expenditure, by leveraging from the authorised financial institutions only or by issuing Sukuk.

The leverage (including the issuance of Sukuk) shall be restricted to a maximum of sixty percent (60%) of the value of the Assets at the time of the leveraging. This sixty percent (60%) leverage cap can be exceeded with the approval of the Extraordinary General Meeting.

Subject to the foregoing, the Investment Manager may, with the approval of the Fund Management Body and the Custodian, pledge any of the Assets as collateral for a debt.

Save for matters reserved for the Extraordinary General Meeting, the Capital Market Authority may allow the Fund to exceed the above percentage imposed in this Article by an increase or decrease of not more than five percent (5%) of the total value of the Assets.

Financing must be Shariah compliant and must be approved by the Shariah Supervisory Board and the Fund's auditor.

The Fund is also permitted to obtain insurance for its assets, provided that such insurance is Shariah compliant.

Article (56)

The Fund's property should be relevant and consistent with the investment objectives and policies of the Fund. The Investment Manager should ensure that the Fund's portfolio provides a reasonable and appropriate spread of risk.

Article (57)

The Fund may only invest in the following:

- Real estate;
- Special purpose companies;
- Real estate related and non-real estate related assets; and
- Cash, deposits, and money market instruments.

Article (58)

At least fifty percent (50%) of the Fund's total asset value must be invested in income generating real estate and/or special purpose companies at all times.

Article (59)

The Fund's investment in non-real estate related assets and/or cash, deposits and money market instruments must not exceed twenty-five percent (25%) of the Fund's total asset value.

CHAPTER TEN

VALUATION

Article (60)

The Investment Manager must ensure that a fair and accurate valuation of all assets and liabilities of the Fund takes place.

A valuation should be carried out on all real estate to be purchased or sold, including real estate held by special purpose companies.

A revaluation of all the real estate in the Fund's investment portfolio should be carried out at least once every three (3) years.

All valuations and revaluations of real estate should be conducted by an independent valuer duly appointed by the Fund Management Body with reference to the recommendation of the Investment Manager.

The Custodian may, at any time and on its own accord, appoint an independent valuer to conduct a valuation of the real estate owned by the Fund if it has sufficient justification for such action, at the expense of the Fund.

Article (61)

A valuer may only conduct up to two (2) consecutive valuations of any particular real estate of the Fund. Such valuer may be reappointed after the same real estate has been valued by another valuer.

For each valuation of real estate, the valuer appointed by the Fund Management Body should prepare a detailed valuation report and submit the same to the Fund Management Body and the Custodian.

The valuation report should be prepared in accordance with internationally recognised valuation standards.

Valuation reports used in relation to the sale and purchase of real estate or in relation to the preparation of financial reports should be prepared for a date of valuation that must not be more than six (6) months before the date of the sale, purchase or financial report (as the case may be).

Where circumstances arise that substantially affect the real estate of the Fund, the Custodian should ensure that the appointed valuer considers these circumstances in drafting the valuation report.

Article (62)

The valuation of all types of real estate related assets and non-real estate related assets should be based on a process which is continuous and consistently applied to lead to an objective, independent and verifiable valuation.

Upon completion of a valuation process referred to in the previous paragraph, the Fund Management Body shall notify the Custodian immediately of the NAV/Unit.

Article (63)

If the Fund Management Body finds that any valuation occurs that was invalid, it shall promptly:

- Notify the Capital Market Authority and the Custodian; and
- Take immediate remedial action to rectify the consequences of any invalid valuation. The rectification process may include reimbursement of financial or non-financial compensation.

Article (64)

The Fund Management Body should announce the NAV/Unit through the Muscat Securities Market on a quarterly basis within not more than fifteen (15) days from the end of the relevant quarter. The NAV/Unit should be rounded to three (3) decimal places.

CHAPTER ELEVEN

NET ASSET VALUE

Article (65)

Calculation of NAV

The Administrator will calculate the NAV of the Fund and the NAV/Unit at the times specified by the Fund Management Body.

The NAV will be calculated by the Administrator (after consulting the appropriate experts) as the value of the assets attributable to the Fund (including accrued income) less the liabilities attributable (including accrued charges and expenses and provisions for contingent liabilities as appropriate).

CHAPTER TWELVE

FEES AND EXPENSES

Article (66)

Service Providers Fees and Expenses

The fees and charges payable to Service Providers by the Fund shall be determined based on the contract concluded with the Fund. In all cases, they shall be commensurate with the following:

- The duties and responsibilities of each of them;
- The nature, type and amount of services provided by each of them;
- The size and nature of the Fund's assets;
- Their success in achieving the Fund's investment objectives;
- The role of the Fund in maximising the returns for the Unitholders; and
- Any maximum specified in these Articles.

Fees should be clearly disclosed in the Prospectus and in the reports of the Fund.

The Fund shall only pay the amounts related to its activities necessary for the operation, management and maintenance of its property, in particular the following:

- Maintenance of properties belonging to the Fund;
- Taxes and fees levied on the Fund by the concerned bodies and authorities;
- Fees and other expenses incurred by the auditor appointed to audit the Fund's accounts;
- Fees relating to the valuation of any investments of the Fund by an independent valuer for the Fund;
- Fees and costs paid to any Service Providers, property management company and others;
- Costs incurred to amend these Articles;
- Muscat Securities Market trading fees; and
- Expenses of holding General Meetings.

The Custodian shall ensure that the expenses charged to the Fund are lawful and shall ensure that the expenses charged to the Fund are not exaggerated or exceed the normal commercial rates. If the Custodian finds otherwise, it may assess the appropriateness of approving the expenses to be borne, or not to be borne, by the Fund.

CHAPTER THIRTEEN

LIQUIDATION AND DISSOLUTION OF THE FUND

Article (67)

The Fund Management Body shall recommend to the Extraordinary General Meeting to dissolve and liquidate the Fund for any reason it deems appropriate including:

- Expiration of the term of the Fund;
- The Fund stops carrying out its business without legitimate reason;
- Reduction of the NAV of the Fund to a level where the expenses incurred by Unitholders are unjustifiably high;
- On the recommendation of the Investment Manager;
- On issuance of a judgment by a competent court ordering the same; or
- On request by the Capital Market Authority.

The Extraordinary General Meeting shall issue the resolution to dissolve and liquidate the Fund including the appointment of a liquidator, specifying its fees and the liquidation process. The powers of the Fund Management Body and the Service Providers shall end immediately upon the appointment of the liquidator.

The proceeds of the liquidation shall be used to discharge the due and payable liabilities of the Fund, after payment of dissolution and liquidation expenses. The balance shall be distributed to Unitholders on a pro rata basis according to their Unit holdings.

CHAPTER FOURTEEN

FINAL PROVISIONS

Article (68)

Governing Law

These Articles will be governed by the laws of the Sultanate of Oman, and in particular, the REITS Regulation (with any amendments from time to time).

Article (69)

Filing of these Articles

These Articles and all amendments will be filed with the Capital Market Authority in accordance with applicable law.

Article (70)

Availability at principal office

The Fund will make these Articles available to all Unitholders and prospective investors for public inspection at its principal office.

Article (71)

Discounts

The Service Providers or their delegates shall not receive any discount or share a commission with any intermediary in return for directing the transactions in the Fund properties to it. Any discount or share in the commission shall be deposited in the account of the Fund.

Article (72)








The transactions, tradings, investments and appointments of the related parties to the Fund shall be in accordance with the most favourable conditions to the Fund, and not less beneficial to the Fund in comparison with purely business transactions conducted between independent parties.

Article (73)

Amendments to these Articles

The provisions of the Capital Market Law, the CMA Executive Regulation, the REITS Regulation and any future amendments thereto shall apply in respect of what is not mentioned in these Articles and are considered an integral part of these Articles and are complementary to its provisions. Any other amendments, at any time, to the Capital Market Law, the CMA Executive Regulation, and the REITS Regulation, shall apply to these Articles, and these Articles shall be read and interpreted based on those amendments without any need to any changes to these Articles unless required by law.

References to all laws, regulations, Royal Decrees, ministerial decisions, and orders shall be construed as being references to those laws, regulations, Royal Decrees, ministerial decisions, and orders as amended or re-enacted or as their application is modified by other provisions from time to time and shall include references to any provisions of which they are re-enactments (whether with or without modification).

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