

NEW GLOSSARY DEFINITIONS FOR INVESTMENT FUNDS REGULATIONS

Unless the contrary intention appears, the words and expressions in this Glossary shall have the meaning herein specified.

dealing day: any day on which the units of an investment fund are sold and redeemed.

foreign fund manager: the manager of any fund established and operating outside the Kingdom and the securities of which form part of the assets of an approved international fund.

terms and conditions: the contract containing those disclosures and provisions required by Article 15 of the Investment Fund Regulations and signed between the fund manager and the unit holder.

fund board: the fund directors appointed by the fund manager according to the Investment Funds Regulations to oversee a fund manager's conduct of the management of an investment fund.

fund director: an individual appointed as a member of a fund board of an investment fund in accordance with the Investment Funds Regulations.

fund management fee: the remuneration, expenses and fees in relation to advisory services paid to the fund manager.

fund manager: an authorised person that is authorised to carry on managing activities under the Authorised Persons Regulations and is contractually responsible for the administration, custody and management of the assets of an investment fund.

fund sub-manager: a third party contracted by a fund manager according to the Investment Funds Regulations and responsible on the fund manager's behalf for investment decisions for all or a portion of an investment fund managed by the fund manager.

fund of funds: an investment fund that invests substantially all of its assets in other investment funds in accordance with the Investment Funds Regulations.

illiquid fund investments: a security, or an investment in property, or any other form of investment for which there is not a reasonable expectation that the investment could be sold under normal market conditions within one calendar week at its valuation price.

independent fund director: a fund director who; is not an employee of, or a director of the fund manager or any of its affiliates, or any sub-manager or custodian for a fund on whose fund board the director serves; and does not have a material business, or contractual relationship with the fund manager or any sub-manager or custodian for such fund.

international fund: an investment fund approved by the Authority to maintain substantially all of its assets in the securities of an investment fund or funds established and operating outside the Kingdom.

investment fund: a collective investment scheme aimed at providing investors therein with an opportunity to participate collectively in the profits of the scheme which is managed by a fund manager for specified fees.

money market fund: an investment fund the sole objective of which is to invest in short-term deposits, securities and trade finance contracts in accordance with the Investment Funds Regulations.

net asset value: in the investment Fund Regulations, means the monetary value of a single unit based on the value of the underlying assets of the investment fund minus its liabilities and divided by the number of units outstanding.

open-ended investment fund: an investment fund with changing capital, the units of which would increase with the introduction of new units, and decrease with redemption by unitholders of some or all of their units. Unitholders are entitled to redeem their units at their net asset value on redemption dates set in the terms and conditions in accordance with the Investment Fund Regulations.

unit: in the Investment Fund Regulations, means the interest of the holders in an investment fund consisting of units (including fractions of a unit), and each unit shall be treated as representing one undivided interest in the assets of an investment fund.

unitholder: a person who owns units in an investment fund.