



22-11-2023

Dear Unitholder,

Al Mada Investment Fund – Changes to sub-section headed “General Restrictions” in Section IV (Investment Policy) and sub-section headed “Issue of Units” in Section VI (Subscriptions and Redemptions)

This is in reference to your unitholdings in the Al Mada Investment Fund (“Fund”), an open-ended Shariah compliant retail collective investment scheme established pursuant to the Collective Investment Undertakings Regulations contained in the CBB Rulebook, Volume 7 created by an Instrument issued by the National Investments Fund Company BSC(c) (“Fund Company”).

The Board of Directors of the Fund Company have on 30 Oct 2023 approved certain changes to the sub-section headed “General Restrictions” under Section IV (Investment Policy” and sub-section headed Issue of Units” under Section VI (Subscriptions and Redemptions”) of the prospectus of the Fund dated 29 July 2020 (the amended and restated prospectus was dated April 2020), as amended by First Addendum dated January 2021, Second Addendum dated November 2021 and Third Addendum dated April 2022 (together the “Prospectus”) and resolved to approve the changes/additions set out below:

- (a) Sub-section headed “General Restrictions” in the Section IV headed “Investment Policy” of the Prospectus:
Sub-clauses (c) and (d) are deleted and sub-clause (h) is amended to replace “10%” with “15%” and “20%” with “30%”. Accordingly, the existing sub-section headed “General Restrictions” will be replaced with the following:

“General Restrictions

In attempting to achieve the objective of the Fund, the Fund Manager would be required to adhere to the following restrictions:

- (a) *The Fund shall not undertake the following activities:*
- Lending
 - Short selling
 - Giving of securities or guarantees
 - Under-writing issues as main under-writer.
 - Trading in commodities
 - Dealing in real estate
 - Borrowing for the benefit of the Fund, except for the cases mentioned herein below.
 - invest in the Fund Manager or any subsidiary or affiliate thereof.

شركة صندوق الاستثمارات الوطنية ش.م.ب.م
National Investments Fund Company BSC (C)

- (b) *The Fund shall invest a minimum of 60% of its NAV in Shariah compliant equity securities listed on stock markets of the GCC region.*
- (c) *The Fund may borrow up to 20% of its NAV to cover the subscription operations or for managing liquidity issues but not for leveraging purposes;*
- (d) *The Fund shall not invest in securities not listed on recognized stock exchanges;*
- (e) *The Fund shall not hold more than 20% of its NAV in cash or cash equivalent securities with a single party;*
- (f) *The maximum investment in any single listed equity will not exceed 15% of the Fund's NAV and the maximum investment in any listed equity of a related group will not exceed 30% of the Fund's NAV;*
- (g) *The Fund shall not invest more than 20% of its NAV in third party Shariah compliant collective investment schemes that are open-ended, regulated and principally invest in equity securities in the GCC Region; Subject to the aforesaid, the Fund shall not invest more than 10% of its NAV in a single third party collective investment scheme;*
- (h) *The Fund shall not make any investments that would expose it to unlimited liability;*
- (i) *The Fund shall not enter into any transaction where the counter party is the Fund's operator or the Fund Manager and its affiliates or other parties that are involved in the operations of the Fund.*
- (j) *The Fund shall not make any investment which is not approved by the Shariah Advisor as being Shariah compliant. The Shariah Advisor shall determine suitable Shariah criteria for the selection of companies in whose securities the Fund may invest. Such criteria shall mostly be based on company's total assets, and include:*
- financial parameters pertaining to the interest based debt.*
 - financial parameters regarding the income generated from prohibited activity.*
 - measures taken to ensure that income, assets and liabilities reflect the latest verified financial statements.*

Investments which will not be permitted include:

- i. banking or finance where profits are made through the payment or receiving of interest;*
- ii. insurance business which is not Shariah compliant;*
- iii. gambling or speculation (including casinos, certain money market institutions etc);*

شركة صندوق الاستثمارات الوطنية ش.م.ب.م
National Investments Fund Company BSC (C)

- iv. *alcohol or tobacco related products (including hotels or retail outlets where alcohol or tobacco is sold);*
- v. *products containing or derived from pork;*
- vi. *arms or other weapons; and*
- vii. *pornography or any related industry involved in pornographic material (e.g. certain publishing or film companies)."*

(b) Sub-section headed "Issue of Unikts" in the Section VI headed "Subscriptions and Redemptions" of the Prospectus:

The following sentence shall be deleted:

"No single investor shall be allotted more than 50% of the Units in the Fund".

Accordingly, please find attached the fourth addendum dated 21 November 2023 ("**Fourth Addendum**") to the Prospectus reflecting the above changes. Note that the changes proposed in the Fourth Addendum shall take effect 30 days from the date of this letter.

As required by the Collective Investment Undertaking Regulations contained in CBB Rulebook, Volume 7, the CBB has been duly notified of the proposed changes. A copy of the Fourth Addendum has also been duly filed with the CBB.

Please ensure that the Fourth Addendum is read in conjunction with the Prospectus. Should you require further information please do not hesitate to contact the Fund Manager on:

Name: Mr. Salah S. Kittaneh

Address: National Investments Company, PO Box 25667, Safat 13117, Kuwait

Tel: +965 222 66650

Email: salahk@nic.com.kw

Yours sincerely,



Ghassan Alwoqayan
Authorized Signatories

شركة صندوق الاستثمارات الوطنية ش.م.ب.م
National Investments Fund Company B.S.C.(C)
رقم المسجل التجاري (67559) Commercial Registration No.

