



هيئة قطر للأسواق المالية
Qatar Financial Markets Authority

Governance Code for Listed Funds

*In the Name of Allah,
the Most Gracious, the Most Merciful*

Governance Code for Listed Funds

*This is a translation of the Official Arabic version. In case of any
discrepancies, the Arabic version shall prevail.*

The QFMA's Board Decision No. (02) Of 2019

Concerning the Issuance of Governance Code for Listed Funds

The Board of Directors,

Having considered Law No. (8) Of 2012 of Qatar Financial Markets Authority; as amended by Decree-Law No. (22) Of 2018,

Law of Qatar Central Bank and the Regulation of Financial Institutions, issued by virtue of Law No. (13) Of 2012;

Law No. (11) Of 2015 Promulgating the Commercial Companies Law;

Decision No. (3) Of 2010 Concerning the issuance of Offering & Listing of Securities Rulebook at QFMA and its amendments;

QFMA's Board Decision No. (7) Of 2014 Concerning the issuance of Rules for External Auditors and Financial Evaluators of Listed Entities & Entities Subject to the Authority's Jurisdiction;

QFMA's Board Decision No. (9) Of 2016 Concerning the issuance of Governance Code for Companies & Legal Entities Listed on the Main Market;

QFMA's Board Decision No. (1) Of 2019 Concerning the issuance of Listing Rules for Funds' Units;

Qatar Stock Exchange Rulebook;

Proposal of the QFMA's Chief Executive Officer;

QFMA's Board Decision at its 1st meeting on 18th of March 2019 Concerning the issuance of Governance Code for Listed Funds;

And as required by the public interest;

We have decided the following:

Article (1)

The Governance Code for Listed Funds annexed to this decision shall come into full force and effect.

Article (2)

All addressees of the provisions of the attached Code shall reconcile their positions to conform with its provisions within six (6) months of this Code coming into effect.

The QFMA's Board Chairman may extend this period for another similar period.

Article (3)

All competent authorities, each within its jurisdiction, shall implement this decision. The decision shall be effective from the day following the date of its publication in the Official Gazette.

Mohammed Bin Hamad Bin Qassim Al-Thani
Chairman of the Board of Directors

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Chapter I

DEFINITIONS

Article (1)

In the application of these rules, the following words and phrases shall have the meaning given to them hereunder, unless the context requires otherwise:

- State** : State of Qatar.
- Authority** : Qatar Financial Markets Authority (QFMA).
- Law** : Legislations regulating the provisions and procedures related to the establishment of the Fund, its operational activities and the rules regulating the provisions and procedures for offering and listing its units on the Market.
- Market** : Market whereby the fund's units are listed in the Qatar Stock Exchange (QSE).
- Foreign Market** : The regulated market established outside the State licensed to deal in securities in accordance with the provisions of foreign laws.
- Fund's Trustees and Contracted Parties** : Founder of the Fund or the Board of the Fund or whoever acts as the Board as the case may be, and any person who is contracted to manage the investment or be the custodian thereof or to provide liquidity or assessment or conduct any other operational activity.
- Depository** : The company licensed by the Authority to carry out the functions of deposit and registration for everything related to securities traded on the financial markets (QCSD).
- Governance** : System by which a fund is directed and controlled. The governance specifies the foundations and principles of the distribution of rights and responsibilities among the different Stakeholders in the Fund – such as the Board members, custodian, managers, investors and other Stakeholders – and spells out the rules and procedures for making decisions of the Fund's affairs.

- Governance Report** : An independent annual report that includes the Fund's disclosure on its compliance with implementation this code principles and provisions signed by the chairman and submitted to the Authority attached to its annual report.
- Fund(s)** : The legal entity listed on the Market, regardless of its legal form, activity or type.
- The Board** : Subject to the Law, the independent Fund Board or whoever acts as such with appropriate legal conditions and autonomy to exercise their powers and functions without constraints or interferences from the Fund's Trustees and Contracted Parties or its Related Parties, and allow adequate and objective oversight of the Fund and the Fund's Trustees and Contracted Parties, with the objective of protecting the Fund's Investors and their assets.
- Board Charter** : A charter prepared by the Board to determine its functions, responsibilities and duties of the chairman and members.
- Internal Control** : Undertaking of financial audit, performance assessment and Fund's risks management.
- External Auditor(s)** : Person licensed pursuant to provisions of the Law, who is registered in the Authority external auditors' list to carry out the works of revision and audit of financial statements and reports, to express an opinion in accordance with the rules and principles of the profession and the International Standards on Auditing (ISA) or auditing standards relating to Islamic financial institutions; and to confirm whether those financial statements are free of material mistakes; as well as the liquidations.
- Cumulative Voting** : A method of voting for electing the Board members, which gives each investor voting rights equivalent to the number of owned Fund's units. The investor has the right to use the said votes for a single candidate or divide them among selected candidates without any duplication.

- Information** : Information, data and documents associated with the Fund's establishment, its activities, reports and other Information that the Fund must disclose and made it available to investors and enable them to access and obtain such Information according to the Law, provisions of this code and other Authority's Legislations.
- Insider(s)** : Any person, due to the position, became acquainted with Information not available to the public. Such Information could affect attraction or reluctance of dealers in Fund's units or other securities of which the Fund or the investors have interest, or could affect the Fund's ability to meet its obligations. This could include the Board members, the Fund's Trustees and Contracted Parties or any entity that may obtain similar information as a result of contractual, professional or other types of relations.
- Stakeholders** : Any person who has an interest in the Fund based on a right or a legal position, such as investors, employees, creditors, customers, suppliers, and others.
- Related Party** : A person is considered a Related Party if that person is a Fund's Trustee, Contracted Party, Board member of the Fund or a member of the founder's Board or of any company of its group; a Member of the Senior Executive Management of the founder or any company of its group; or if owns at least (5%) of the Fund's units or any of its group; or is a relative of any of the former mentioned to the second degree. It also includes the legal persons controlled by a member of the Board of the Fund or the founder or any company of its group or of Senior Executive Management and their relatives to the second degree, or that participated in a project or a partnership of any kind with the Fund or any company of its group.
- Minority** : Investors who represent a class that does not control the Fund so that they are unable to influence the Fund.
- Year** : The financial year of the Fund.

Chapter II

SCOPE OF IMPLEMENTATION OF THE GOVERNANCE & COMPLIANCE WITH ITS PRINCIPLES

Article (2)

Scope of Implementation

The principles and provisions of this code shall apply to Funds offering their investment units on the market for trade, regardless of its legal type or form unless governed by another text within the Law.

Article (3)

Compliance with Governance Principles

The Fund shall commit to implement Governance principles set out in this code, which are: Justice, Equality among Stakeholders without discrimination among them on basis of race, gender, and religion; and transparency, disclosure and providing Information to the Authority and Stakeholders at the right time and in the manner that enables them to make decisions and undertake their duties properly. The principles also include upholding the values of corporate social responsibility and providing the public interest of the Fund and Stakeholders over the personal interest as well as performing duties, tasks and functions in good faith, integrity, honor and sincerity and taking the responsibility arising therefrom to the Stakeholders and society.

The Board shall constantly and regularly review and update Governance applications, and apply the highest principles of Governance when listing or trading its units in any Foreign Market, and uphold fair-trading principle among investors.

Article (4)

Governance Report

The Governance Report is an integral part of the Fund's annual report and shall be attached with it and signed by the Fund's legal representative and the External Auditor.

The Governance Report must include Fund's disclosure on its compliance with the provisions of this code. It must also include all the information regarding the implementation of its principles and provisions, which include, but not limited to:

1. The procedures followed by the Fund in implementing the provisions of this code.
2. The Fund's commitment to implementing its investment policies as in the articles of association, and the violations thereto, the constraints therein if any, and the reasons thereof.
3. Conflict of interest cases, and the violations committed during the Year including violations and sanctions imposed by the Fund any of the Fund Trustees or Contracted Parties, because of non-compliance with implementation of any of principles or provisions of this code, or any other legislation applicable to the Fund, their reasons, the remedial measures taken and measures to avoid the same in the future;
4. The information pertaining to the Founder, Trustees and Contracted Parties, as well as the tasks, prerogatives, responsibilities, and duties incumbent thereto throughout the Year, as well as their remunerations, commissions and other benefits and compare the same with the ones they obtained in the previous year.;
5. The procedures taken by the Fund in terms of the risk and Internal Control including the supervision of the financial affairs, investments, and any relevant information;
6. The committees' works -if any- including number of meetings and their final recommendations.
7. The performance assessment of the Fund and Fund's Trustees and Contracted Parties;
8. The Internal Controls failures, wholly or partly, or weaknesses in its implementation, contingencies that have affected or may affect the Fund's financial performance, and the procedures followed by the Fund in addressing Internal Controls failures;
9. The extent to which the Fund is committed to the rules and regulations governing disclosure and market listing;
10. Conflicts or disputes involving the Fund including arbitration and legal proceedings;
11. The operations and transactions made in between the Fund and any Related Party.

Chapter III MANAGEMENT

Article (5)

The Board

Without prejudice to any legal provision in this regard, the Fund shall have an independent Board based on its legal form. The Fund's articles of association shall specify the Board's election or appointment modes, its meetings, the number of members and the term of membership. The Board shall not be less than three members and its membership shall not exceed three years. The Board composition shall ensure that one member or more do not dominate issuing the Board decisions.

The Board shall, by secret ballot, elect a chairman and a deputy chairman for a period of three years. The deputy chairman shall supplant the chairman during the latter's absence.

Article (6)

Key Functions and Tasks of the Board

Without prejudice to the commitments or responsibilities of the Founder, the Board shall, upon its establishment, prepare a Charter called "Board Charter" detailing the Board's functions, rights, duties and responsibilities of the chairman and members, according to the articles of association and the principals and provisions of this code, and shall be published at the Fund's website.

The Board Charter shall include the Board's key functions and responsibilities including, at least the following:

1. Regarding the investment policy and main objectives of the Fund and supervising their implementation, including:
 - 1.1 Setting a mechanism for following up implementation of the comprehensive strategy of the Fund and key business plans including the investment policies and risk management policies as well as reviewing them.
 - 1.2 Determining the most appropriate capital structure of the Fund, its strategy and financial objectives and approving its annual budgets.
 - 1.3 Supervising the main capital expenses of the Fund and acquisition/disposal of assets.
 - 1.4 Setting the objectives and monitoring the implementation

- thereof and the overall performance of the Fund.
- 1.5 Reviewing the organizational structure of the Fund on periodic basis to ensure distinct distribution for the functions, tasks and responsibilities including Internal Control.
 - 1.6 Determining ways and means of the quick contact with the Authority and other regulatory authorities as well as all parties concerned to governance, including the appointment of a communication officer.
2. Regarding the rules and procedures for Internal Control and supervising them, that includes:
 - 2.1 Developing a written policy that would regulate conflict of interest and remedy any possible cases of conflict by the Founder, the Fund's Trustees and Contracted Parties and the investors. This includes misuse of the Fund's assets and facilities and the mismanagement resulting from transactions with Related Parties.
 - 2.2 Developing full disclosure system as to achieve justice and transparency and to prevent conflicts of interest and exploiting the insider Information. Such system shall include procedures followed when dealing in Fund's units or assets and components by Insiders, and identify prohibited periods of their trading in Fund's units, as well as preparing and updating a list of Insiders to provide a copy to the Authority and the Market upon adoption or update.
 - 2.3 Ensuring the integrity of the financial and accounting rules, including rules related to assessment and the preparation of financial reports.
 - 2.4 Ensuring the implementation of control systems appropriate for risk management by generally forecasting the risks that the Fund may encounter and disclosing them transparently.
 - 2.5 Reviewing annually the effectiveness of the Fund's Internal Control procedures.
 3. Drafting a Governance code for the Fund that does not contradict the provisions of this code, supervising and monitoring in general its effectiveness and amending it whenever necessary.
 4. Setting forth specific and explicit policies, standards and procedures for the Board membership ensuring the competences of the chairman and members.
 5. Developing a written policy that regulates the relationship among the

Stakeholders in order to protect them and their respective rights; in particular, such policy must cover the following:

- 5.1 Indemnifying mechanism of the Stakeholders in case of contravening their rights pursuant to the regulations and their respective contracts.
 - 5.2 Mechanisms of complaints or disputes that might arise between the Fund and the Stakeholders.
 - 5.3 Suitable mechanisms for maintaining good relationships that ensure continuous communication with investors and ease of reaching them
 - 5.4 A code of conduct for the Fund's Trustees and Contracted Parties and its employees compatible with the proper professional and ethical standards, and regulate their relationship with the Stakeholders and mechanisms for supervising this code and ensuring compliance there with.
 - 5.5 Mechanism for verifying compliance with the prohibition from obtaining any benefit, gain or advantage from the operations carried out by the Fund's Trustees and Contracted Parties, other than the bonuses, incentives, fees or commissions specified in the agreements and contracts concluded with each of them or set out in accordance with the Fund's articles of Association.
 - 5.6 The Fund's social contribution.
6. Setting policies and procedures to ensure the Fund's compliance with the Law and the Fund's obligation to disclose Information to investors, creditors and other Stakeholders.
 7. Inviting all investors to attend the general assembly Meeting in the way charted by Law. The invitation and the announcement shall include a thorough summary of the general assembly agenda, including the item of discussing and approving the Governance Report.
 8. Developing a mechanism for dealing and cooperation with providers of financial services, financial analysis, credit rating and other service providers as well as the entities that identify standards and indices of financial markets in order to provide their services for all investors in a quick manner with integrity and transparency.
 9. Setting a clear and written policy that defines the basis and method of granting remuneration, incentives and rewards as per the articles of association for the Board members, Fund's Trustees and Contracted Parties, and the Fund's employees in accordance with the principles of this code without any discrimination, and submitting the same to

- the General Assembly.
10. Developing a clear policy for contracting with the Related Parties.
 11. Setting foundations and standards for evaluating the performance of the Fund, the Board and Fund's Trustees and Contracted Parties including their compliance with the requirements of license and approval from the Authority and the other regulators.
 12. Preparing a proper mechanism for providing the information and data that enables the Board members to conduct their tasks and duties efficiently.
 13. Setting foundations and standards for evaluating the Fund units and the method of calculating the assets value

Article (7)

Board Responsibilities

The Board represents all investors; therefore, the Board must exert more due diligence and care in conducting its duties and responsibilities in an effective and productive manner to achieve the interest of the Fund, investors and Stakeholders, and to achieve the public interest and investment development in the State as well as community development. The Board shall also bear the responsibility to protect investors from illegal or abusive practices and business, or any acts or decisions that may be harmful to them, discriminate among them, or let a group dominate another.

The responsibilities of the Board must be clearly stated in the Fund's articles of association.

Without violating the provisions of the Law, the Board must carry out its functions and duties, and bear responsibility according to the following:

1. The Board must carry out its duties in a responsible manner, in good faith and with due diligence. Its decisions should be based on sufficient information from any reliable source.
2. A Board member represents all investors; shall undertake to carry out whatever might be in the interest of the Fund and the investors.
3. The Board shall determine the powers to be delegated to the contracted parties or the others and the procedures for taking any action and the validity of such delegation. It shall also determine matters reserved for decision by the Board. The annual reports shall include the exercise of the delegated powers during the Year.
4. The Board shall ensure preparing manual describing the Fund, its

activities, investment policies and risk management along with the policies on calculating and distributing the investment profit and loss as well as the return of investment.

5. The Board members are prohibited from obtaining any benefit, profit or privilege arising from his/her membership except for those that are specified in this matter in the articles of association and according to the provisions of the Law for.

The Board shall be liable, before the Authority and any other regulatory authority to which it is subject, of Fund performance, financial status, the rights of the investors as per the provisions of the Law, the Fund's articles of association and the prospectus which should include texts and provisions that ensure the separation between the Fund's assets and obligations and those of its Trustees and Contracted Parties.

Article (8)

The Manager

The manager shall be appointed as per the Law and the provisions of the Fund's articles of association in coordination with the Authority and without prejudice with the Authority's legislations issued on the licensing of the investment management activity.

The manager shall, in the management of the Fund's monies, abide by the provisions of the Law and the legislations of any regulatory authority it is subject to, the investment management agreement and the controls thereof without prejudice to the investment and risk management policies as established in the Fund's articles of association and prospectus.

The manager's commitments and responsibilities shall be clearly specified in the agreement and shall provide at least for the following:

1. Preparing financial reports on the Fund's investment activity and its results in the manner and dates specified in the Fund's articles of association and the Prospectus. Such reports shall include a statement of the extent of the Fund's compliance with implementation of its investment policies specified in the articles of association and the violations thereto, the constraints therein if any, and the reasons thereof. As well as preparing reports determined or requested by the legislation of regulatory authorities.
2. Keeping accounting books and records as per the Law and customs applicable to record and control the Fund's transactions, retain supporting documents and develop accounting policies and procedures consistent with International Accounting Standards

3. Meeting its duties and obligations towards the Fund, Trustees and Contracted Parties as specified in the Fund's articles of association and the relevant agreement.

Article (9)

Actions Forbidden for the Manager

It is forbidden that the manager

1. uses the Fund's monies in any activity that is contrary to the Fund's operations;
2. obtains for himself or for any person working for him any benefit, advantage or interest from the operations he/she conducts for the Fund, other than the fees or commissions specified in the agreement made with him/her as per the Fund's articles of association;
3. gets involved directly or indirectly or enables any of his/her subordinates to invest in the Fund for more than the authorized share which is specified in the Fund's articles of association and without prejudice to the relevant legislative provisions;
4. borrows from third parties for the interests of the Fund unless the Fund's articles of association permit;
5. invests the Fund's monies in other investment funds under his management or investment trusteeship.
6. invests the Fund's monies in contributing to the capital of the Fund's Trustees and Contracted Parties or any of their subsidiaries, except in cases determined by the Fund's articles of association;
7. discloses any incorrect, or incomplete data or information or conceals any important information or data on the Fund's activities.

In all cases, the manager shall be held liable for any damage incurred by the Fund or the investors resulting from any neglect in the undertaking of his/her tasks or duties as specified in the agreement made with him; and for any violation to the Fund's articles of association or the provisions of the Law.

Article (10)

The Custodian

The custodian shall be appointed as per the Law and the provisions of

the Fund's articles of association in coordination with the Authority and without prejudice with the Authority's legislations issued on performing the licensed activity.

The custodian shall, in performing his functions and duties, abide by the provisions of the Law and the legislations of any regulatory authority is subject to, the contract provisions and controls thereof without prejudice to the investment and risk management policies as established in the Fund's articles of association.

The custodian's commitments and responsibilities shall be clearly specified in the signed contract and shall provide at least for the following:

1. Safekeeping and supervising the Fund's monies and assets, as well as opening accounts with keeping relevant appropriate records.
2. Settling the transactions and obligations arising from the management and investment of the Fund's monies and assets.
3. Reviewing periodically of all transactions conducted by the Fund, changes in the investors' rights and the investors' register as per the provisions of the Fund's articles of Association.
4. Informing the Board and the Authority of the violations revealed to him during the performance of his functions and duties.

Article (11)

Actions Forbidden for the Custodian

It is forbidden that the custodian:

1. performs any of the functions and duties of the manager
2. owns, directly or indirectly, any of the units of the Fund where he is a custodian
3. has any common interests with the manager, unless disclosed to the Board, and shall not affect the neutrality and independence in performing the assigned duties.
4. obtains for himself or for any person working for him any benefit, advantage or interest from performing the assigned duties, other than the fees or commissions specified in the contract concluded with him/her or determined as per the Fund's articles of association;
5. discloses any data or information about the Fund's activity and its operations results and about the investors' rights, other than those required by the nature of its work and duties specified in the contract concluded in as per the Fund's articles of association, without prejudice to the provisions of the Law.

In all cases, the custodian shall be held liable for any damage incurred by the Fund or the investors resulting from any neglect in the undertaking of his/her tasks or duties as specified in the contract concluded with him/her; and for any violation to the Fund's articles of association or the provisions of the Law.

Chapter VI

THE FUND'S CONTROL SYSTEM

Article (12)

Internal Control

The Board shall adopt Internal Control system according to the Fund's organizational structure to ensure the sound distribution of tasks, functions and duties.

Article (13)

Internal Control Reports

Every three months, the person in charge of Internal Control shall submit to the Board a report on the Internal Control achievements in the Fund. Based on the recommendation of that person in charge, the Board shall determine the data that the report should include, which are at least the following:

1. Procedures of control and supervision in respect of financial affairs, investments, and risk management.
2. Review of the development of risk factors in the Fund and the appropriateness and effectiveness of the systems in the Fund to face the drastic or unexpected changes in the Market.
3. Comprehensive assessment of the Fund's performance regarding its implementation of the Internal Control system in compliance with provisions of this code.
4. The Fund's compliance with applicable market listing and disclosure rules and requirements.
5. The Fund's compliance with Internal Control systems when determining and managing risks.
6. The risks faced the Fund, their types, causes and the actions taken in this regard.
7. The suggestions for addressing the violations and mitigating the risks.

Article (14)

External Control

The Fund shall appoint an External Auditor or more as per the articles

of association among the persons registered on the Authority's External Auditors list, for one Year, renewable for a similar period or other similar periods up to a maximum of five consecutive Years. The External Auditor shall only be reappointed after two consecutive years have lapsed and shall not be secluded or changed during the agreed upon working period unless the reasons for seclusion or change are determined and upon the Authority's approval.

The External Auditor and its employees are prohibited neither to reveal the Fund secrets, nor to combine between its assigned business, functions and duties and any other business in the Fund, nor to work at the Fund before at least one Year from the date of relations end with such Fund. As well, shall not have been involved in any way in the establishment of the Fund, the offering of its investment units and shall not be a partner, agent or employee at the Founder, Fund's Trustees or Contracted Parties.

The External Auditor shall be liable for compensating any damage, incurred by the Fund, the investors, or third parties, resulting from any professional omission or neglect or any act of fraud committed by him/her or resulting from the breach of the provisions of the Law including provisions of the State law regulating control of accounts.

Article (15)

Functions and Responsibilities of the External Auditor

The External Auditor shall inform the Board - in writing – about any risk to which the Fund exposed or expected to be exposed, and about all of the violations immediately upon identification, as well as send a copy of that notice to the Authority and the Market. In this case, the External Auditor shall have the right to invite the general assembly of investors to convene pursuant to the Law provisions in this regard, provided that informing the Authority thereof.

The External Auditor – even if they are more - shall submit one report to the general assembly and read it, as well as shall send a copy to the Authority with responsibility for the validity of data contained therein. Each member of the general assembly has the right to discuss with the External Auditor and seek clarification in any matter of the report.

The External Auditor's report must include all matters related to the control works and performance assessment in the Fund, especially relating to the following:

1. Revision for the Fund's offering operation and the extent to which they are in compliance with the provisions of the Law and the Fund's articles of association;

2. Revision of the financial periodic reports prepared by the Fund during the financial year and any other financial reports required by the Authority or any other regulatory authority to which the Fund is subject, as well as issuing the relevant decisions based on the International Accounting Standards;
3. Auditing the work conducted by the Fund's Trustees and Contracted Parties in addition to the Fund's accounts, financial and closing data and verifying the extent to which the applicable internal control systems are in harmony with the ISA, the profession's requirements and the IAS;
4. The Fund's ability in continuous of engaging activities and implementation of its obligations; that is evaluated independently of what shown by the Board, Fund manager or investment trusteeship.
5. The Fund's compliance to develop all types of internal policies and procedures, and the appropriateness of them with the Fund's type, as well as its compliance with their implementation.
6. The Fund's compliance and Fund's Trustees and Contracted Parties with provision of the Law and the Fund's articles of association.
7. The Fund's compliance as well the person in charge of the Fund's internal control with the implementation of the best international standards in auditing and the preparation of financial reports as well as its compliance with international audit and accounting standards (IFRS / IAS) and (ISA) and their requirements.
8. The cooperation of the Fund and Fund's Trustees and Contracted Parties with the External Auditor in providing access to the necessary Information to complete its duties.
9. The extent to which the fees, commissions, incentives, and bonuses specified by the Fund comply with the estimation policy referred to in Article 6/9 herein and the accuracy of its calculation.

The External Auditor, in the fulfillment of its tasks, shall examine all the reports, books, documents and papers related to the Fund's activity, the rights of the investors as kept by the Trustees and Contracted Parties. Where the External Auditor is incapable of pursuing its work for any reason, it shall submit a written report to the Board and a copy thereof to the Authority explaining the hurdles and constraints for the fulfillment of its duties. The Board shall remove obstacles and inform the Authority with the same. Where it is impossible for the Board to remove these problems, the External Auditor may be excused from its work, after the Authority's approval, without prejudice to the rights of the investors, the work of the Fund or to the terms of the contract concluded with it.

Chapter V

DISCLOSURE & TRANSPARENCY

Article (16)

Disclosure

The Fund must comply with information disclosure requirements, including the annual report, periodic financial reports, material events that have an impact on the price of the Fund's units and the Fund prospectus that should be updated at least once a year as well as the number of units owned by each of the chairman and the Board members, Fund's Trustees and Contracted Parties, and major investors. The Fund must also comply with disclosure about information related to the chairman, members, and committees of the Board –if any- as well as their scientific and practical experiences as in the Curriculum Vitae, and to understand whether one of them is a Board member of another Fund or has a relation with its management, or a member of any of their Board committees, and to disclose information related to the senior staff of the Fund trustees and contracted parties as well as any violations or provisions issued against any of the Fund's Trustees or Contracted Parties..

The Fund must determine its policy on dealing with rumors by denying or proving, and on how to disclose clearly in writing without inconsistency with the Authority's relevant legislations. The Board must ensure the accuracy and truth of the Fund's disclosure and its compliance with all disclosure rules.

In all cases, the disclosure shall be pursuant to the rules and provisions of disclosure as specified in the Authority's legislations.

Article (17)

Conflicts of Interest

Without prejudice to the provisions of the Law in this regard, the Board shall comply with the principles of this code and with the disclosure for dealings and transactions, which the Fund enters into with any Related Party and in which such Related Party has an interest that may conflict with the Fund's interest.

Prior at least two weeks from the end of financial year, the Board must disclose in details for the investors about the abovementioned dealings and transactions, and must disclose them in the Fund's annual report.

Article (18)

Transparency and Upholding the Fund's Interest

Any Related Party, which is a party, has a relation with a business dealing, or has a relation with or a transaction entered into by the Fund, shall not attend the Board meeting while discussing that dealing, relationship or transaction. Such Related Party shall not be entitled to vote on what issued by the Board regarding these relationships or transactions.

In all cases, all relationships held by the Fund with others must serve the investors' interest, as well as all transactions shall be made according to market prices and on an arm's length basis and shall not involve terms that are contrary to the Fund's interest.

Article (19)

Disclosure of Trading

The Board members, Fund's Trustees and Contracted Parties, Insiders, their spouses and minor children must disclose any trading and transaction they carry out involving the Fund's units within the limits permitted by the articles of association, and the Board shall adopt clear rules and procedures regulating trading of the Insiders in Fund's units.

Chapter VI

STAKEHOLDERS RIGHTS

Article (20)

Investors Equality in Rights and Obligations

All investors are equal and have all the rights and obligation arising from ownership of the Fund's units in accordance with the provisions of the Law.

The Fund's articles of association and the prospectus shall include procedures and guarantees needed for all investors to exercise their rights. The rights, in particular, rights to dispose of Fund's units, to calculate, distribute and share dividends or capital losses and investment returns and obtain a percentage of the net assets of the Fund according to the percentage of the units' ownership, to attend the general assembly and participate in its deliberations and voting on decisions, as well as the right to access to Information and request it with no harm to the Fund's interests.

Article (21)

Access to Investors' Register

The Fund shall submit, on a monthly basis, an application to the Depository to get an updated copy of investors' register and keep it.

Article (22)

Investor's Right to Access to Information

The Fund's articles of association and by-laws shall include procedures of access to Information that enable the investor to exercise full rights without prejudice to other investors' rights or harm the Fund's interest.

The Fund shall comply to check and update the Information regularly, and to provide the investors with all Information they deemed important and enable them to exercise their rights fully, using new and modern technologies.

Article (23)

Investors' Rights Related to Meet

Without prejudice to the legal provisions of the Fund's legal form, the latter shall have a general assembly consisting of all units holders within the investors' register.

The provisions of the general assembly in the public shareholding companies in terms of their composition, meeting and voting on their decisions shall apply to the general assembly of the Fund, unless otherwise provided for in the article of association.

The Fund's articles of association shall include the general assembly's competences, procedures of its annual meetings, and investors' rights related to general assembly, including:

1. The investor(s) who owns at least (10%) of the Fund's capital shall, for serious grounds, be entitled to request an invitation to convene general assembly. The investors representing at least (25%) of the Fund's capital shall be entitled to invite extraordinary general assembly for investors to convene pursuant to the procedures prescribed by the Law and the regulations in this regard.
2. The right to request including certain issues in the general assembly's agenda to be discussed in the meeting if the Board do not include such issues and the assembly decided that.
3. The right to attend meetings of the general assembly, and to allow the opportunity to effectively participate in them and in its deliberations as well as discuss matters listed in the agenda, and to facilitate knowing date and place of the assembly and the issues listed in the agenda as well as the rules governing the discussions and asking questions.
4. An investor shall – in writing and upon a power of attorney- be entitled to appoint another investor who is not a Board member to attend the general assembly on his behalf; provided that investor by proxy shall not own more than (5%) of the Fund's units.
5. The right of minors and investors restricted to attend the general assembly meeting, to be represented by their legal attorneys.
6. The investor shall be entitled to ask questions to the Board members, Fund's Trustees and Contracted Parties and External Auditors; and they shall be answered in a manner that does not prejudice the Fund's interests and shall be entitled to appeal to the general assembly if the answer considered as not sufficient.
7. The right to vote on general assembly decisions, and to facilitate

all information about the rules and procedures governing the voting process.

8. The investor shall have be entitled to object to any decision deemed for the interest or harm of a certain group of investor; or brings a special benefit for Board members or others without regard to the Fund's interests; and shall be entitled to demonstrate this in the meeting minutes and to invalidate the objection according to the provisions of the Law in this regard.

Article (24)

Facilitating Effective Participation in General Assembly

The Fund shall choose the most appropriate place and time of the general assembly, and shall use new and modern technologies in communicating with investor in order to facilitate the effective participation of the greatest number of them in the general assembly.

The Fund shall enable investors to know the matters listed on the agenda and any new matters accompanied by sufficient Information that enable them to make their decisions and shall also enable them to pursue the general assembly minutes. The Fund shall disclose the results of the general assembly immediately upon finishing and send a copy of such minutes to the Authority immediately upon approval of the competent entities.

Article (25)

Investors' Rights Related to Voting

Voting is an investor's right - can be exercised in person or by a legal representative – which shall not be waived or denied.

The Fund is prohibited to put any limitations or take any action might hamper the use of the investor's voting right. The investors shall be afforded all possible assistance as may facilitate to exercise of the right to vote, using the new and modern technologies.

Article (26)

Investors' Rights Related to Board Members Election

The Fund shall comply with disclosure requirements relating to Board members' candidates and shall inform in sufficient time the investors all the information of all candidates and their knowledge and

practical experiences as in their curriculum vitae at least two weeks prior to the date determined for convening the general assembly. The general assembly shall elect the Board members by secret ballot in accordance with the Cumulative Voting method.

In all cases, all data and information pertaining to the Board members must be disclosed immediately upon formation of the Board.

Article (27)

Investors' Rights Regarding Dividends Distribution & Sharing Losses

The Fund's articles of association shall determine - without prejudice to the Fund's ability to fulfill its obligations to third parties - a clear policy to calculate and distribute dividends or bear capital losses and returns on investment and reserve in a way that serves the best interests of the Fund and the investors. Investors shall be informed of that policy during the general assembly and reference thereto shall be made in the Fund's annual report.

Article (28)

Investors' Rights Regarding to Fund's Transactions

The Fund's articles of association shall include a specific mechanism for the protection of investors' rights in general and Minorities in particular in the event that the Fund conducted any transactions that might harm their interests or prejudice the ownership of the Fund's capital.

In all cases, the Fund must disclose its capital structure, any agreement concluded thereto, and the investors who own, directly or indirectly, (5%) or more of the Fund's units.

Article (29)

The Stakeholders' Rights (non-investors)

The Fund shall maintain and respect the Stakeholders' rights. Each Stakeholder in the Fund may request the Information related to his interest with attaching a proof of capacity, and the Fund shall provide the requested Information in a timely manner and in a way that does not threaten the others' interests or prejudice the Fund's interests.

A mechanism shall be established, in writing, defines procedures of the Stakeholders' appeals against the decisions and actions of the Fund's

Trustees and Contracted Parties, and other procedures to receive and consider their complaints, proposals and notifications regarding all aspects affecting the Fund's interests and monies. The mechanism shall state the confidentiality of content of such complaint, proposal or notification, and shall protect the applicant, and deadlines to decide on appeals and response to complaints and proposals.

Article (30)

The Community's Right

The Fund, regardless of its legal form, activity or type, shall do its part in community development and promotion, and the environment preservation through effective and meaningful participation system of corporate social responsibility.

Chapter VII

GENERAL PROVISIONS

Article (31)

The Authority shall monitor the Fund's compliance with implementation of this code principles and provisions, which are considered as minimum of Governance principals if the Fund is subject to other Governance rules, code, instructions or principals according to its legal form, activity or its jurisdiction.

The principles and provisions of this code is considered supplement to principals and provisions of Governance Code for Companies & Entities Listed on the Main Market and is considered an integral part thereof.

Article (32)

The Market shall include its issued rules (QSE Rulebook) with principles and provisions relating to trading, disclosure, and their relevant Information set forth in this code, and shall notify the Authority of any violations of those principles and provisions.

The Market shall publish this code on its website.

Article (33)

In the case of any violation of the principles and provisions of this code, the Authority may take any of the actions mentioned in Article (35) of law No. (8) Of 2012 concerning the Qatar Financial Markets Authority.