

IN THE NAME OF ALLAH, THE MOST
BENEFICIENT, THE MOST MERCIFUL,

SWIP ISLAMIC SICAV

SOCIÉTÉ D'INVESTISSEMENT À CAPITAL
VARIABLE

LUXEMBOURG

DECEMBER 2008

In the Name of Allah, the Most Beneficent, the Most Merciful,

SWIP ISLAMIC SICAV

SWIP Islamic SICAV has been designed for investors seeking returns that comply with Shariah law and Islamic Investment Guidelines. However, the Company is open to Islamic and non-Islamic investors alike. Investors should be aware that investments will be managed in accordance with the advice of the Shariah Advisory Board for compliance with the Islamic Investment Guidelines as set out herein. Where a cash dividend, that has an interest element, is received by the Company from a company invested in, such cash dividend will be cleansed pursuant to the procedure as set out herein.

Each Investor shall be responsible for the payment of their own Zakat.

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PRELIMINARY

SWIP Islamic Sicav may offer Shares of several separate Sub-Funds on the basis of the information contained in the Prospectus and in the documents referred to herein.

The distribution of the Prospectus is valid only if it is accompanied by a copy of the latest annual report containing the audited accounts and by the latest semi-annual report if such report is published after the latest annual report. These reports form an integral part of the Prospectus.

No person is authorised to give any information or to make any representation other than those contained in the Prospectus or in the documents referred to in the Prospectus. Such documents are available to the public at the registered office of the Company.

The Board of Directors of the Company has taken all reasonable care to ensure that the information contained herein is accurate and complete in all material respects. The Board of Directors accepts responsibility accordingly.

Any information given by any person not mentioned in the Prospectus should be regarded as unauthorised. The information contained in the Prospectus is considered to be accurate at the date of its publication. To reflect material changes, this document may be updated from time to time and potential subscribers should enquire of the Company as to the issue of any later Prospectus.

The distribution of this Prospectus and the offering of the Shares may be restricted in certain jurisdictions. The Prospectus does not constitute an offer or solicitation to subscribe to the Shares by any person in any jurisdiction in which such offer or solicitation is unlawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of the Prospectus and any persons wishing to make application for Shares pursuant to this Prospectus to inform themselves of and to observe all applicable laws and regulations of relevant jurisdictions.

Luxembourg – The Company is an investment company governed by the laws of the Grand Duchy of Luxembourg and is subject to Part I of the Law of 2002. The above registration does however not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of the Prospectus or the assets held in the various Sub-Funds. Any representations to the contrary are unauthorised and unlawful.

The Articles give powers to the Board of Directors to impose such restrictions as they may deem necessary for the purpose of ensuring that no Shares in the Company are acquired or held by any person in breach of the law or the requirements of any country or governmental authority or by any person in circumstances which in the opinion of the Board of Directors might result in the Company incurring any liability or taxation or suffering any other disadvantage which the Company may not otherwise have incurred or suffered (such persons being referred to as the "Prohibited Persons").

Investors should inform themselves and should take appropriate advice as to possible tax consequences, foreign exchange restrictions or exchange control requirements which they might encounter under the laws of the countries of their citizenship, residence, domicile or

other eligible laws and which might be relevant to the subscription, purchase, holding, redemption or disposal of the Shares in the Company.

United States – The Shares have not been and will not be registered under the United States Securities Act of 1933 for offer or sale as part of their distribution and the Company has not been and will not be registered under the United States Investment Company Act of 1940. However, in compliance with the National Securities Markets Improvement Act of 1996, the Company may privately place its Shares in the United States with an unlimited number of US qualified purchasers, provided that such offer or sale is exempt from registration under the United States Securities Act of 1933 and provided that the Company qualifies for an exemption from the requirement to register under the United States Investment Company Act of 1940.

DIRECTORY

Board of Directors of the Company

Virginie Raux
Country Manager
Lloyds TSB Bank plc
40 Avenue Monterey
L-2163
Luxembourg

Andrew November
Chief Investment Officer – Institutional
Scottish Widows Investment Partnership Limited
10 Fleet Place
UK London EC4M 7RH

Roger Barker
14 Rue Belle-Vue
L-4974 Dippach
Luxembourg

Shariah Advisory Board

Sheikh Nizam Yaquby
P.O. Box 1522
Manama
Bahrain

Dr Muhammed Imran Ashraf Usmani
Meezan Bank Limite
3rd Floor, PNSC Building
M.T. Khan Road
Karachi
Pakistan

Mufti Abdul Kadir Barkatullah
685 Hight Road
London
N12 0DA

Mufti Muhammad Nurullah Shikder
P.O. Box 12988
Dubai
United Arab Emirates

Registered Office	49 avenue J.F. Kennedy L - 1855 Luxembourg
Promoter, Investment Manager and Distributor	Scottish Widows Investment Partnership Limited 10 Fleet Place UK - London EC4M 7RH
Custodian	State Street Bank Luxembourg S.A. 49 avenue J.F. Kennedy L - 1855 Luxembourg
Management Company	MDO Services S.A. 19, Rue de Bitbourg L - 1273 Luxembourg
Board of Directors of the Management Company	Mr. Nicolaus Bocklandt, Chairman Mr. Michael Lange, Managing Director Mr. Michel E. Raffoul, Director
Administrative Agent, Registrar and Transfer Agent, Paying Agent, Domiciliary Agent and Corporate Agent	State Street Bank Luxembourg S.A. 49 avenue J.F. Kennedy L - 1855 Luxembourg
Independent Auditors	PricewaterhouseCoopers 400 route d'Esch L - 1014 Luxembourg
Legal Advisors	(under Luxembourg law) Arendt & Medernach 14 rue Erasme B.P. 39 L - 2010 Luxembourg

Copies of the Prospectus and any information relating thereto may be obtained from the registered office of the Company at 49, avenue J.F. Kennedy, L - 1855 Luxembourg.

For further information, please contact: State Street Bank Luxembourg S.A., 49, avenue J.F. Kennedy, L-1855 Luxembourg, Shareholder Administration Department, Phone: (+352) 46 40 10-1 or Fax: (+352) 46 36 31.

GLOSSARY OF TERMS

Administration Agreement	agreement dated 6 August 2007, by which the Management Company appoints the Administrative Agent, Domiciliary, Corporate and Paying Agent, Registrar and Transfer Agent, as amended or supplemented from time to time
Administrative Agent	State Street Bank Luxembourg S.A.
Articles	the articles of incorporation of the Company dated 24 October 2005, and as may be supplemented or amended from time to time
Auditors	PricewaterhouseCoopers
Board of Directors/Directors	the board of directors of the Company
Business Day	any day on which banks are open for business in Luxembourg City
Class	each class of Shares within a Sub-Fund
Company	SWIP Islamic SICAV, which term shall include any Sub-Fund from time to time thereof
Corporate Agent	State Street Bank Luxembourg S.A.
Custodian	State Street Bank Luxembourg S.A.
Custodian Agreement	agreement dated 6 August 2007 by which the Company appoints the Custodian, as amended or supplemented from time to time
Directive 85/611	the Council Directive 85/611/EEC of 20 December 1985 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities, as amended
Distribution Agreement	agreement dated 6 August 2007 by which the Management Company appoints the Distributor, as amended or supplemented from time to time
Distribution Shares	Shares in Sub-Funds that intend that substantially all of the net investment income of the Sub-Fund attributable to the Shares will be declared as a dividend and paid at least annually to the holders of the Shares
Distributor	Scottish Widows Investment Partnership Limited
Domiciliary Agent	State Street Bank Luxembourg S.A.
Eligible Assets Directive	Commission Directive 2007/16/EC of 19 March 2007 implementing the Directive 85/611 as regards the clarification of certain definitions
EU	European Union
Euro or €	the legal currency of the European Monetary Union

Group of Companies	companies belonging to the same body of undertakings and which must draw up consolidated accounts in accordance with Council Directive 83/349/EEC of 13 June 1983 on consolidated accounts and according to recognized international accounting rules
Institutional Investor	institutional investors, as referred to in Article 129 (2) d of the Law of 2002 and defined by guidelines or recommendations issued by the Regulatory Authority from time to time
Instruction Deadline	Time at which subscription, redemption and conversion orders must be received being 13.00 Central European Time
Investment Management Agreement	agreement dated 6 August 2007 by which the Management Company appoints the Investment Manager, as amended or supplemented from time to time
Investment Manager	Scottish Widows Investment Partnership Limited
Law of 2002	the Luxembourg law of 20 December 2002 on undertakings for collective investment, as may be amended from time to time
Legal Advisor (under Luxembourg law)	Arendt & Medernach
Management Company	MDO Services S.A. as designated Management Company
Management Company Services Agreement	Agreement dated 6 August 2007 by which the Company appoints the Management Company as its designated Management Company within the meaning of the Law of 2002, as amended or supplemented from time to time
Member State	a member state of the European Union
Mémorial	the Mémorial C, Recueil des Sociétés et Associations
Money Market Instruments	instruments normally dealt in on the money market which are liquid, and have a value which can be accurately determined at any time, within the meaning of Directive 85/611 EEC as amended
Net Asset Value	has the meaning ascribed to that term under section "Net Asset Value"
Other Regulated Market	market which is regulated, operates regularly and is recognized and open to the public, namely a market: <ul style="list-style-type: none"> (i) that meets the following cumulative criteria: liquidity, multilateral order matching (general matching of bid and ask prices in order to establish a single price) and transparency (the circulation of complete information in order to give clients the possibility of tracking trades, thereby ensuring that their orders are executed on current conditions); (ii) on which the securities are dealt in at a certain fixed frequency; (iii) which is recognized by a state or by a public authority

	which has been delegated by that state or by another entity which is recognized by that state or by that public authority such as a professional association; and
	(iv) on which the securities dealt are accessible to the public
Other State	any state of Europe which is not a Member State, and any State of North or South America, Africa, Asia, Australia and Oceania
OTC	Over-the-Counter
Paying Agent	State Street Bank Luxembourg S.A.
Prohibited Persons	has the meaning ascribed to that term under section "Preliminary"
Prospectus	the Prospectus dated December 2008, as may be supplemented or amended from time to time
Qualifying Distribution Shares	Distribution Shares in respect of which the Company intends to apply annually for certification as a "distributing fund" within the meaning of Schedule 27 of the UK Income and Corporation Taxes Act 1988
Redemption Price	has the meaning ascribed to that term under the section "Redemption of Shares"
Reference Currency	currency of denomination of the relevant Class or Sub-Fund
Registrar and Transfer Agent	State Street Bank Luxembourg S.A.
Regulated Market	<p>a multilateral system operated and/or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments:</p> <p>(i) in the system and in accordance with its non-discretionary rules;</p> <p>(ii) in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems;</p> <p>and which is authorised and functions regularly and in accordance with the provisions of Title III of Directive 2004/39/EC</p> <p>An updated list of Regulated Markets is published at least once a year in the Official Journal of the European Union, and is available on the European Commission official website.</p>
Regulatory Authority	the Luxembourg authority in charge of the supervision of the undertakings for collective investment in the Grand Duchy of Luxembourg
Share	each share within any Class of a Sub-Fund
Shareholder	a person recorded as a holder of Shares in the register of shareholders maintained by the Registrar and Transfer Agent
Shariah	In general, non codified principles of Islam derived from (1) the

	Holy Quran; (2) Sunna/Hadiths, the examples and sayings of the Holy Prophet; (3) Qiyas, an analytical comparison; (4) Ijtihad reasoning and logic applied by the Scholars; and (5) Ijma, a consensus or issues requiring Ijtihad;
Shariah Advisory Board	is appointed by the Company to monitor investments made by the Company and to ensure the Company's ongoing adherence to the Islamic Investment Guidelines
Shariah Advisory Board Agreement	The agreement dated 21 November 2005 by which the Company appoints the Shariah Advisory Board, as amended or supplemented from time to time
Shariah Stock Screening Service Provider	Fyshe Crestar, 5 St John's Lane, London, EC1M 4BH
Shariah Stock Screening Service Provider Agreement	The agreement dated 11 November 2005 by which the Company appoints the Shariah Stock Screening Service Provider, as amended or supplemented from time to time
SICAV	a Société d'Investissement à Capital Variable
Simplified Prospectus	The Simplified Prospectus dated November 2008, as may be supplemented or amended from time to time.
Sterling or £	the legal currency of the United Kingdom of Great Britain and Northern Ireland;
Sub-Fund	each sub-fund of the Company
Subscription Price	has the meaning ascribed to that term under section "Issue and Sale of Shares"
Supplements	supplements to the Prospectus
Transferable Securities	shares and other securities equivalent to shares ("shares") bonds and other debt instruments ("debt securities") any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange, with the exclusion of techniques and instruments
UCI(s)	undertaking(s) for collective investment
UCITS	an undertaking for collective investment in transferable securities governed by the Directive 85/611
U.S.	United States of America
U.S. Person	the term "U.S. Person" is defined in Regulation S adopted under the U.S. Securities Act ("U.S. Person") and includes a natural person resident in the U.S.; any partnership or corporation organized or incorporated in the U.S.; any estate of which any executor or administrator is a U.S. Person; any trust of which any trustee is a U.S. Person; any agency or branch of a non-U.S. entity located in the U.S.; any non-discretionary account or similar

account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated or (if an individual) resident in the U.S.; and any partnership or corporation if organized or incorporated under the laws of any non-U.S. jurisdiction and formed by a U.S. Person principally for the purpose of investing in securities not registered under the U.S. Securities Act unless organized and owned by accredited investors (as defined in the U.S. Securities Act) who are not natural persons, estates or trusts.

A U.S. Person does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organized, incorporated or (if an individual) resident in the U.S.; (ii) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person, if (A) any executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate, and (B) the estate is governed by non-U.S. law; (iii) any trust of which any professional fiduciary acting as trustee is a U.S. Person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settler if the trust is revocable) is a U.S. Person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the U.S. and customary practices and documentation of such country; (v) any agency or branch of a U.S. Person located outside the U.S. if (A) the agency or branch operates for valid business reasons, and (B) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) certain international organizations as specified in Regulation S under the U.S. Securities Act

Valuation Day	the Business Day on which the Net Asset Value of a Sub-Fund is calculated, as determined in the relevant Supplement
Zakat	Islamic charity or alms tax

THE COMPANY

The Company is an open-ended investment company incorporated under the laws of the Grand Duchy of Luxembourg as a SICAV. The Company is governed by the law of the Grand Duchy of Luxembourg of 10 August 1915 on commercial companies, as amended, and by Part I of the Law of 2002.

The Company has been incorporated under the name of SWIP Islamic Sicav on 24 October 2005, for an unlimited period. The registered office is established at 49 avenue J.F. Kennedy, L 1855 Luxembourg.

The Articles were published in the Mémorial on 21 November 2005 and have been filed with the Trade and Companies Register of Luxembourg.

Any interested person may inspect these documents at the Trade and Companies Register of Luxembourg; copies are available on request at the registered office of the Company.

The Shares to be issued hereunder may be issued in several separate Sub-Funds of the Company. A separate portfolio of assets is maintained for each Sub-Fund and is invested in accordance with the investment objective, as described for each Sub-Fund in the Supplements. As a result, the Company is commonly known as an "umbrella fund" enabling investors to choose between one or more investment objectives by investing in one or more Sub-Funds. Investors may choose which one or more Sub-Fund(s) may be most appropriate for their specific risk and return expectations as well as their diversification needs.

Furthermore, in accordance with the Articles, the Board of Directors may issue Shares of different Classes in each Sub-Fund. Each Class may, as more fully described in the relevant Supplement for each Sub-Fund, (i) have a different currency of denomination, (ii) be targeted to different types of investors, (iii) have different minimum investment and holding requirements, (iv) have a different fee structure, (v) have a different distribution policy or (vi) have a different distribution channel.

Shares of the different Classes if any, within the different Sub-Funds, may be issued, redeemed and converted at prices computed on the basis of the Net Asset Value per Share of the relevant Class within the relevant Sub-Fund, as defined in the Articles.

The Board of Directors shall maintain for each Sub-Fund a separate portfolio of assets. As between Shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund.

The net proceeds from the subscriptions are invested in the specific portfolio of assets constituting the relevant Sub-Fund.

The Company is however, prohibited from issuing preference shares and may only issue ordinary shares.

The Company shall be considered as one single legal entity. With regard to third parties, in particular towards the Company's creditors, each Sub-Fund shall however be exclusively responsible for all liabilities attributable to it.

The Sub-Funds which are operational are those which are listed in the Supplements. Supplements will be added to or removed from the Prospectus from time to time as Sub-Funds are added to the Company or closed, as the case may be.

INVESTMENT OBJECTIVE AND POLICIES

The objective of the Company is to provide investors with an opportunity for investment in a professionally managed investment fund in order to achieve, within each Sub-Fund, an optimum return from the capital invested.

The assets of each Sub-Fund will be invested separately in accordance with the investment objectives and policies of that Sub-Fund which are set out in the relevant Supplement.

Each Sub-Fund is managed in accordance with the Investment Objective and Policy and specific Investment Restrictions set out in the relevant Supplement. In addition, the Sub-Funds will be subject to the following "Islamic Investment Guidelines" and "Investment Restrictions". In the event that there is any discrepancy or conflict between the relevant Supplement and the "Islamic Investment Guidelines" and "Investment Restrictions" the wording of the relevant Supplement will take precedence.

ISLAMIC INVESTMENT GUIDELINES

General

Islamic investment refers to a range of contractual arrangements and investment guidelines that are in compliance with Shariah (as such guidelines shall be determined by the Shariah Advisory Board).

Subject to the Investment Objective and Policy of each Sub-Fund, no Sub-Fund of the Company shall make investments in companies whose activities would be considered contrary to the Islamic Investment Guidelines. A list of such contradictory activities which companies undertake is more particularly set out under "Islamic Investment Guidelines and Other Non-Islamic Income" below.

Cleansing of Cash Dividends

Pursuant to the Shariah Stock Screening Service Provider's recommendations, in the event that a Sub-Fund receives cash dividends which require cleansing, the Management Company on behalf of such Sub-Fund shall, under the overall supervision of the Board of Directors, endeavour to distribute such returns to charities as are deemed appropriate under Shariah principles.

Warning on the effect of the Islamic Investment Guidelines

It is possible that the restrictions placed on investment as set out under "Islamic Investment Guidelines and Other Non-Islamic Income" (for example the inability to invest in interest bearing investment securities) and the amount of any donations to charities made up of cash dividends which have been cleansed (as further set out under "Islamic Investment Guidelines and Other Non-Islamic Income") may result in any Sub-Fund performing less well than collective investments schemes with a similar investment objective but which are not subject to the Islamic Investment Guidelines.

In particular, the Investment Manager will receive the Shariah Advisory Board's instructions through the Company and/or the Management Company, as set out in the Investment

Management Agreement executed between the Company, the Management Company and the Investment Manager and the Shariah Advisory Board Agreement entered into between the Company and the Shariah Advisory Board. Pursuant to such instructions by the Shariah Advisory Board, the Investment Manager will, for instance, not be allowed to invest in, securities and other financial instruments which, in the opinion of the Shariah Advisory Board, are not or are no longer, in compliance with the Islamic Investment Guidelines. Likewise, cash balances held by the Company from time to time may be deposited on terms which shall grant no return on the sum deposited to the benefit of either Sub-Fund of the Company.

Islamic Investment Guidelines and Other Non-Islamic Income

No Sub-Fund of the Company shall invest in companies whose activities would be considered contrary to the Islamic Investment Guidelines (as advised upon by the Shariah Advisory Board from time to time). A list of such harmful activities, that companies undertake and which would preclude any Sub-Fund of the Company from investing in them, is set out below:

- entertainment;
- tobacco;
- pork-related products;
- alcohol;
- conventional financial services;
- weapons and defence; and
- • sectors/ companies significantly affected by the above.

The Prospectus shall be updated, in accordance with Luxembourg Law, where additional activities which companies may undertake are deemed to be harmful by the Shariah Advisory Board or where such activities which companies may undertake are deemed not to be harmful (Haram) by the Shariah Advisory Board.

Where the Shariah Advisory Board request a change to the Islamic Investment Guidelines, the Company, the Promoter, the Management Company and the Investment Manager shall be given a reasonable period of time to effect such change in accordance with applicable regulation.

Specific Islamic Investment Guidelines

In addition to the above for a company to be eligible for investment each of the following ratios must be below 33%:

- i. total debt divided by trailing 12 month average market capitalization;
- ii. the sum of a company's cash and interest bearing securities divided by trailing 12 month average market capitalization;
- iii. accounts receivables divided by trailing 12 month average market capitalization.

Where an investment is made in a listed or non listed equity or equity-related transferable security which initially complies with the above guidelines but subsequently ceases to be in compliance with any of the above guidelines, then, pursuant to the terms of the Investment Management Agreement, the Investment Manager shall take all reasonable steps to sell such

investment as soon as reasonably practicable but, always in the best interests of the Shareholders of the Company.

Any Sub-Fund of the Company may:

- not invest its net assets in any interest bearing assets, in any interest bearing debt instruments and/or Money Market Instruments;
- acquire foreign currency by way of spot currency contracts for the purpose of purchasing listed transferable equity and equity-related transferable securities as well as non-listed securities, for the day-to-day operations of each Sub-Fund of the Company (subject always to the further restrictions as set out herein i.e. not for the purposes of hedging or entering into short positions) and may sell such foreign currencies by way of spot currency contracts where such foreign currencies are the proceeds of sale of listed or non listed transferable equity and equity-related transferable securities;
- purchase units or shares of one or several UCITS under the restrictions specified under "Investment Restrictions" herein, provided that such UCITS be (an) Islamic one(s); and
- not enter into futures or forward contracts, options or swaps on foreign currencies, financial instruments, indices or securities and will not sell securities short;
- not deposit money with credit institutions;
- not enter into repurchase agreement transactions;
- not enter into financial derivative instruments.

Subject always to Luxembourg law, the above Islamic Investment Guidelines shall take precedence over any other criteria including those criteria as set out under "Investment Restrictions" and may be modified from time to time by the Shariah Advisory Board as deemed appropriate only to the extent they are more restrictive than the criteria set out under "Investment Restrictions".

Cleansing of Cash or Dividends Receipts

Where the Company wishes to invest in a company which satisfies the relevant Sub-Fund's Investment Objective and Policy but derives a portion of its revenue from non-Islamically compatible debt, or its operations are partly financed by non-Islamically compatible debt, then it must cleanse, where appropriate, all cash or dividends receipts from such company by allocating a certain portion of such cash or dividends receipts to charities.

The Investment Manager in conjunction with the Shariah Stock Screening Service Provider, shall provide a schedule on a quarterly basis showing the calculation of the amount to be paid to charities in respect of each investment made by each Sub-Fund and the total sum to be paid to charities in accordance with the Islamic Investment Guidelines (such amount shall be deducted from the Net Asset Value of the aforementioned Sub-Fund). The Shariah Advisory Board shall determine which charities shall benefit (with no direct or indirect benefit accruing to the Shariah Advisory Board, the Management Company, the Company, its Sub-Funds or any of its investors) and the Management Company, upon instructions from the Board of Directors following the direction of the Shariah Advisory Board, shall make any donations to such charities within a reasonable time after such determination in good faith. Such donations will be deducted directly from the assets of the relevant Sub-Fund by the Company.

Charitable organizations which the Shariah Advisory Board have selected to benefit from such donations are the International Islamic Charitable Organization, Muslim Aid, Muslim

Hands and Islamic Relief although further similar organizations may be selected by the Shariah Advisory Board and with the express approval of the Board of Directors, to receive any such donations once a year.

A provision shall be made in the annual accounts of the Company (adjusted as appropriate to take into account any changes in the investments of each Sub-Fund of the Company) on each Valuation Day on the calculation of the Net Asset Value per Share of the relevant Class of the relevant Sub-Fund of the Company by the Administrative Agent to take into account the estimated portion of cash dividends on the investments of each Sub-Fund of the Company to be received (whether or not paid) and which will be cleansed pursuant to the above procedure. Information as to the rates of such provision may be obtained from the Company. At the end of each quarter an adjustment shall be made to the Net Asset Value per Share of the relevant Class of the relevant Sub-Fund of the Company to reflect the true position in relation to the amount of cash dividend income which will require cleansing, based on the schedule prepared by the Investment Manager in conjunction with the Shariah Stock Screening Service Provider.

INVESTMENT RESTRICTIONS

The assets of each Sub-Fund are managed in accordance with the following investment restrictions.

However, the Board of Directors of the Company, the Management Company and the Investment Manager have determined that additional investment restrictions will apply at all times to each Sub-Fund of the Company, as set out in the relevant Supplement, and as advised by the Shariah Advisory Board from time to time.

The following restrictions, as qualified by those set out under "Islamic Investment Guidelines" have been adopted by the Board of Directors and are in compliance with Luxembourg Law although they may be amended by the Board of Directors within the limits set forth by Luxembourg Law.

- I. Investments in the Sub-Funds shall consist solely of:
 1. Transferable Securities and Money Market Instruments listed or dealt in on a Regulated Market;
 2. Transferable Securities and Money Market Instruments dealt in on an Other Regulated Market in a Member State;
 3. Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange in an Other State or dealt in on an Other Regulated Market in an Other State;
 4. recently issued Transferable Securities and Money Market Instruments, provided that:
 - the terms of issue include an undertaking that application will be made for admission to official listing on a Regulated Market, a stock exchange in an Other State or on an Other Regulated Market as described under (1)-(3) above;
 - such admission is secured within one year of issue;
 5. units of UCITS and/or other UCIs within the meaning of the first and second indent of Article 1 (2) of Directive 85/611, whether situated in a Member State or in an Other State, provided that:
 - such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Regulatory Authority to be equivalent to that laid down in Community law, and that cooperation between authorities is sufficiently ensured (currently any Member State, the United States of America, Canada, Switzerland, Hong Kong and Japan);
 - the level of protection for unitholders in such other UCIs is equivalent to that provided for unitholders in a UCITS, and in particular that the rules on assets segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of Directive 85/611;

- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment of the assets and liabilities, income and operations over the reporting period;
 - no more than 10% of the assets of the UCITS or of the other UCIs, whose acquisition is contemplated, can, according to their constitutional documents, in aggregate be invested in units of other UCITS or other UCIs;
6. deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or, if the registered office of the credit institution is situated in an Other State, provided that it is subject to prudential rules considered by the Regulatory Authority as equivalent to those laid down in Community law;
7. financial derivative instruments, i.e. in particular options, futures, including equivalent cash-settled instruments, dealt in on a Regulated Market or on an Other Regulated Market referred to in (1), (2) and (3) above, and/or financial derivative instruments dealt in over-the-counter (“OTC derivatives”), provided that:
- the underlying consists of instruments covered by this section I, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund may invest according to its investment objectives;
 - the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Regulatory Authority, and
 - the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company’s initiative;
8. Money Market Instruments other than those dealt in on a Regulated Market or on an Other Regulated Market, to the extent that the issue or the issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that such instruments are:
- issued or guaranteed by a central, regional or local authority or by a central bank of a Member State, the European Central Bank, the EU or the European Investment Bank, an Other State or, in case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong, or
 - issued by an undertaking any securities of which are dealt in on Regulated Markets or on Other Regulated Markets referred to in (1), (2) or (3) above, or
 - issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the Regulatory Authority to be at least as stringent as those laid down by EU law; or
 - issued by other bodies belonging to the categories approved by the Regulatory Authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the

second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least ten million Euro (€ 10,000,000) and which presents and publishes its annual accounts in accordance with directive 78/660/EEC, is an entity which, within a Group of Companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

II. Each Sub-Fund may however:

1. Invest up to 10% of its net assets in Transferable Securities and Money Market Instruments other than those referred to above under I (1) through (4) and (8).
2. Hold cash and cash equivalents on an ancillary basis; such restriction may exceptionally and temporarily be exceeded if the Board of Directors considers this to be in the best interest of the Shareholders.
3. Borrow up to 10% of its net assets, provided that such borrowings are made only on a temporary basis. Collateral arrangements with respect to the writing of options or the purchase or sale of forward or futures contracts are not deemed to constitute "borrowings" for the purpose of this restriction.
4. Acquire foreign currency by means of a back-to-back loan.

III. In addition, the Company shall comply in respect of the net assets of each Sub-Fund with the following investment restrictions per issuer:

III.1. Risk Diversification rules

For the purpose of calculating the restrictions described in (1) to (5) and (8) hereunder, companies which are included in the same Group of Companies are regarded as a single issuer.

To the extent an issuer is a legal entity with multiple sub-funds where the assets of a sub-fund are exclusively reserved to the investors in such sub-fund and to those creditors whose claim has arisen in connection with the creation, operation and liquidation of that sub-fund, each sub-fund is to be considered as a separate issuer for the purpose of the application of the risk spreading rules described under items (1) to (5), (7) to (9) and (12) to (14) hereunder.

A. Transferable Securities and Money Market Instruments

1. No Sub-Fund may purchase additional Transferable Securities and Money Market Instruments of any single issuer if:
 - (i) upon such purchase more than 10% of its net assets would consist of Transferable Securities and Money Market Instruments of one single issuer; or
 - (ii) the total value of all Transferable Securities and Money Market Instruments of issuers in which it invests more than 5% of its net assets would exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision.

2. A Sub-Fund may invest on a cumulative basis up to 20% of its net assets in Transferable Securities and Money Market Instruments issued by the same Group of Companies.
3. The limit of 10% set forth above under (1) (i) is increased to 35% in respect of Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any Other State or by a public international body of which one or more Member State(s) are member(s).
4. The limit of 10% set forth above under (1) (i) is increased up to 25% in respect of qualifying debt securities issued by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public control in order to protect the holders of such qualifying debt securities. For the purposes hereof, "qualifying debt securities" are securities the proceeds of which are invested in accordance with applicable law in assets providing a return which will cover the debt service through to the maturity date of the securities and which will be applied on a priority basis to the payment of principal and interest in the event of a default by the issuer. To the extent that a relevant Sub-Fund invests more than 5% of its net assets in debt securities issued by such an issuer, the total value of such investments may not exceed 80% of the net assets of such Sub-Fund.
5. The securities specified above under (3) and (4) are not to be included for purposes of computing the ceiling of 40% set forth above under (1) (ii).
6. **Notwithstanding the ceilings set forth above, each Sub-Fund is authorized to invest, in accordance with the principle of risk spreading, up to 100% of its net assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, by its local authorities, by any other Member State of the Organization for Economic Cooperation and Development ("OECD") such as the U.S. or by a public international body of which one or more Member State(s) are member(s), provided that (i) such securities are part of at least six different issues and (ii) the securities from any such issue do not account for more than 30% of the net assets of such Sub-Fund.**
7. Without prejudice to the limits set forth hereunder under III.2., the limits set forth in (1) are raised to a maximum of 20% for investments in shares and/or bonds issued by the same body when the aim of the Sub-Fund's investment policy is to replicate the composition of a certain stock or bond index which is recognised by the Regulatory Authority, on the following basis:
 - the composition of the index is sufficiently diversified,
 - the index represents an adequate benchmark for the market to which it refers,
 - it is published in an appropriate manner.

The limit of 20% is raised to 35% where that proves to be justified by exceptional market conditions in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

B. Bank Deposits

8. A Sub-Fund may not invest more than 20% of its net assets in deposits made with the same body.

C. Derivative Instruments

9. (9)The risk exposure to a counterparty in an OTC derivative transaction may not exceed 10% of the Sub-Fund's net assets when the counterparty is a credit institution referred to in I (6) above or 5% of its net assets in other cases.
10. Investment in financial derivative instruments shall only be made provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set forth in (1) to (5), (8), (9), (13) and (14). When the Sub-Fund invests in index-based financial derivative instruments, these investments do not have to be combined to the limits set forth in (1) to (5), (8), (9), (13) and (14).
11. When a Transferable Security or Money Market Instrument embeds a derivative, the latter must be taken into account when complying with the requirements of I (7) (ii) and III (1) above as well as with the risk exposure and information requirements laid down in the Prospectus.

D. Units of Open-Ended Funds

12. No Sub-Fund may invest more than 20% of its net assets in the units of a single UCITS or other UCI.

E. Combined limits

13. Notwithstanding the individual limits laid down in (1), (8) and (9) above, a Sub-Fund may not combine:
- investments in Transferable Securities or Money Market Instruments issued by,
 - deposits made with, and/or
 - exposures arising from OTC derivative transactions undertaken with
14. The limits set out in (1), (3), (4), (8), (9) and (13) above may not be combined, and thus investments in Transferable Securities or Money Market Instruments issued by the same body, in deposits or derivative instruments made with this body carried out in accordance with (1), (3), (4), (8), (9) and (13) above may not exceed a total of 35 % of the net assets of the Sub-Fund.

III.2. Limitations on Control

15. No Sub-Fund may acquire such amount of shares carrying voting rights which would enable the Company to exercise a significant influence over the management of the issuer.
16. Neither any Sub-Fund nor the Company as a whole may acquire (i) more than 10% of the outstanding non-voting shares of any one issuer; (ii) more than 10% of the outstanding debt securities of any one issuer; (iii) more than 10% of the Money Market Instruments of any one issuer; or (iv) more than 25% of the outstanding

shares or units of any one UCI.

The limits set forth in (ii) to (iv) may be disregarded at the time of acquisition if at that time the gross amount of bonds or of the Money Market Instruments or the net amount of the instruments in issue cannot be calculated.

17. The ceilings set forth above under (15) and (16) do not apply in respect of:

- Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or by its local authorities;
- Transferable Securities and Money Market Instruments issued or guaranteed by any Other State;
- Transferable Securities and Money Market Instruments issued by a public international body of which one or more Member State(s) are member(s); and
- shares in the capital of a company which is incorporated under or organized pursuant to the laws of an Other State provided that (i) such company invests its assets principally in securities issued by issuers of that State, (ii) pursuant to the laws of that State a participation by the relevant Sub-Fund in the equity of such company constitutes the only possible way to purchase securities of issuers of that State, and (iii) such company observes in its investments policy the restrictions set forth under C, items (1) to (5), (8), (9) and (12) to (16).
- shares in the capital of subsidiary companies which, exclusively on its or their behalf carry on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the redemption of shares at the request of shareholders.

III.3. In addition, the Company shall comply in respect of its net assets with the following investment restrictions per instrument:

1. Each Sub-Fund shall ensure that its global exposure relating to derivative instruments does not exceed the total net value of its portfolio.

The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, foreseeable market movements and the time available to liquidate the positions.

2. Investments made in units of UCIs other than UCITS may not in aggregate exceed 30% of the net assets of a Sub-Fund.

III.4. Finally, the Company shall comply in respect of the assets of each Sub-Fund with the following investment restrictions:

1. No Sub-Fund may acquire commodities or precious metals or certificates representative thereof.
2. No Sub-Fund may invest in real estate provided that investments may be made in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

3. No Sub-Fund may use its assets to underwrite any securities.
4. No Sub-Fund may issue warrants or other rights to subscribe for Shares in such Sub-Fund.
5. A Sub-Fund may not grant loans or guarantees in favour of a third party, provided that such restriction shall not prevent each Sub-Fund from investing in non fully paid-up Transferable Securities, Money Market Instruments or other financial instruments, as mentioned under I, (5), (7) and (8).
6. The Company may not enter into uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments as listed under I, (5), (7) and (8).

III.5. Notwithstanding anything to the contrary herein contained:

1. The ceilings set forth above may be disregarded by each Sub-Fund when exercising subscription rights attaching to securities in such Sub-Fund's portfolio.
2. If such ceilings are exceeded for reasons beyond the control of a Sub-Fund or as a result of the exercise of subscription rights, such Sub-Fund must adopt as its priority objective in its sale transactions the remedying of such situation, taking due account of the interests of its Shareholders.

The Board of Directors has the right to determine additional investment restrictions to the extent that those restrictions are necessary to comply with the laws and regulations of countries where Shares of the Company are offered or sold.

TECHNIQUES AND INSTRUMENTS

1. General

The Company may employ techniques and instruments relating to Transferable Securities and Money Market Instruments under the conditions and within the limits laid down in this Prospectus and provided that such techniques and instruments are used for efficient portfolio management and hedging purposes.

When these operations concern the use of derivative instruments, the conditions and limits shall conform to the provisions laid down in section "Investment Restrictions".

Under no circumstances shall these operations cause a Sub-Fund to diverge from its investment objectives as laid down under section "Investment Objectives and Policies" and in the relevant Supplement.

2. Securities lending and borrowing

The Company may enter into securities lending and borrowing transactions provided that it complies with the following regulations:

- (i) The Company may only lend or borrow securities through a standardised system organised by a recognised clearing institution or through a first class financial institution specializing in this type of transaction.
- (ii) As part of lending transactions, the Company must in principle receive a guarantee, the value of which at the conclusion of the contract must be at least equal to the global valuation of the securities lent.

This guarantee must be given in the form of:

- liquid assets and/or
- securities issued or guaranteed by a Member State of the OECD or by their local authorities or by supranational institutions and undertakings of a community, regional or worldwide nature or by an on demand guarantee furnished by a first class financial institution, and blocked in the name of the Company until the expiry of the loan contract and/or
- shares listed on an EU stock exchange and enjoying the highest rating entered in an escrow account in the name of the Company until the expiry date of the loan contract and/or
- a guarantee of a highly rated financial institution blocked in favour of the Company until the expiry date of the loan contract.

Such a guarantee shall not be required if the securities lending is made through recognised clearing institutions or through any other organisation assuring to the lender a reimbursement of the value of the securities lent, by way of a guarantee or otherwise.

- (iii) Securities lending transactions may not exceed 50% of the global valuation of the securities portfolio of each Sub-Fund. Securities lending and borrowing transactions may not extend beyond a period of 30 days. These limitations do not apply where the

Company is entitled at all times to the cancellation of the contract and the restitution of the securities lent.

- (iv) The securities borrowed by the Company may not be disposed of during the time they are held by the Company, unless they are covered by sufficient financial instruments which enable the Company to return the borrowed securities at the close of the transaction.
- (v) Borrowing transactions may not exceed 50% of the global valuation of the securities portfolio of each Sub-Fund.
- (vi) The Company may borrow securities under the following circumstances in connection with the settlement of a sale transaction: (a) during a period the securities have been sent out for re-registration; (b) when the securities have been loaned and not returned in time; (c) to cover for failed settlement of portfolio securities; and (d) as a technique to meet its obligation to deliver the securities being the object of a repurchase agreement when the counterparty to such agreement exercises its right to repurchase these securities, to the extent such securities have been previously sold by the Company.

3. Repurchase Agreement Transactions

The Company may on an ancillary basis enter into repurchase agreement transactions which consist of the purchase and sale of securities with a clause reserving the seller the right or the obligation to repurchase from the acquirer the securities sold at a price and a time agreed by the two parties in their contractual arrangement.

The Company may act as either purchaser or seller in repurchase agreement transactions or a series of continuing repurchase transactions. However, its involvement in such transactions is subject to the following regulations:

- (i) The Company may not buy or sell securities using a repurchase agreement transaction unless the counterparty in such transactions is a first-class financial institution specialising in this type of transaction.
- (ii) During the term of a repurchase agreement contract, the Company cannot sell the securities which are the object of the contract, either before the right to repurchase these securities has been exercised by the counterparty, or the repurchase term has expired, except to the extent it has borrowed similar securities in compliance with the provisions set forth hereabove in respect of securities borrowing transactions.
- (iii) As the Company is exposed to redemptions of its own Shares, it must take care to ensure that the level of its exposure to repurchase agreement transactions is such that it is able, at all times, to meet its redemption obligations.

POOLING TECHNIQUES

For the purpose of efficient management of the Sub-Funds, the Management Company upon advice of the Board of Directors may manage all or part of the assets in two or more Sub-Funds on the basis of pooling, in compliance with the investment policy of each participating Sub-Fund. Each Sub-Fund may in this way participate in pools in proportion to the assets which it contributes to them.

Such pools may not, under any circumstances, be considered as separate legal entities and any notional units of account of a pool are not to be considered as Shares. Shares in the Company are not issued in relation to such pools but solely in relation to each Sub-Fund concerned which may participate in that pool with certain of its assets, for the purpose referred to above.

Pooling may have the effect of reducing as well as increasing the net asset value of a Sub-Fund which participates in a pool: losses as well as gains attributable to a pool will be attributed proportionally to Sub-Funds holding notional units of account in that pool, thereby altering the net asset value of a participating Sub-Fund even if the value of the assets contributed by that Sub-Fund to the pool has not fluctuated.

Pools will be created by the transfer from time to time of securities, liquid assets and other permitted assets from participating Sub-Funds to such pools (subject to such assets being suitable in terms of the objectives and investment policies of the participating Sub-Funds). The Management Company or the Investment Manager, upon advice of the Board of Directors, may then make additional transfers to each pool from time to time. Assets may also be withdrawn from a pool and transferred back to a participating Sub-Fund to the extent of its participation in the pool. Such participation will be calculated with reference to notional units of account in the pool or pools.

Upon the creation of a pool these notional units of account will be currently expressed in Euro or such other currency as the Board of Directors shall consider appropriate in the future and shall be attributed to each Sub-Fund participating in the pool, to a value equal to that of the securities, liquid assets and/or other permitted assets contributed to it. The value of the notional units of account of a pool will be calculated each Valuation Day (as defined for each Sub-Fund in the relevant Supplement) by dividing its net assets by the number of notional units of account issued and/or outstanding.

When additional liquid assets or other assets are transferred to or withdrawn from a pool, the allocation of units made to the participating Sub-Fund in question will be increased or decreased, as the case may be, by a proportionate number of units which is calculated by dividing the amount of the liquid assets or the value of the assets transferred or withdrawn by the current value of one unit. A contribution in kind will be treated for the purposes of these calculations as being reduced by such amount as the Board of Directors considers appropriate to reflect the tax liabilities or transaction and investment costs likely to be incurred on the investment of those liquid or other assets. When liquid or other assets are withdrawn, the withdrawal will also include any amounts corresponding to the costs likely to be incurred on the realisation of such liquid and other assets in the pool. The entitlements of each Sub-Fund participating in the pool apply to each and every line of the investments of the pool.

Dividends, interest and other distributions of an income nature received in relation to the assets in a pool shall be credited to the Sub-Funds participating in that pool in proportion to their respective interests in the pool at the time they are credited. Upon dissolution of the Company, assets in a pool will (subject to the rights of creditors) be attributed to the participating Sub-Funds in proportion to their respective interests in the pool.

RISK MANAGEMENT PROCESS

The Management Company has established compliance and risk management procedures to ensure compliance with applicable laws and the investment policies and strategies of each Sub-Fund:

- The Management Company and/or the Investment Manager will comply with the Sub-Fund's investment policies and investment strategies as well as monitor return and risk profiles.
- The risk and performance dimensions of each Sub-Fund are reviewed weekly.
- The performance of each Sub-Fund which is subject to monitoring, risk management and compliance procedures ensure compliance with appropriate laws and guidelines.

The auditor of the Company and the Management Company will verify the aforesaid procedures and the management control framework.

RISK FACTORS

Certain Sub-Funds may be subject to specific risks which are more fully described in the Supplements.

General

Investments in a Sub-Fund are subject to market fluctuations and investors may not necessarily recoup the full amount of their investment.

Investing in securities may offer a higher rate of return than those in short term and longer term debt securities. However, the risks associated with investments in equity securities may also be higher, because the investment performance of equity securities depends upon prolonged market falls and risks associated with individual companies. The fundamental risks associated with any equity portfolio is the risk that the value of the investments it holds might decrease in value. Equity securities value may fluctuate in response to the activities of an individual company or in response to general market and/or economic conditions. Historically, equity securities have provided greater long-term results and entailed greater risks than other investment choices.

General risks

Investment in securities of issuers from different countries and denominated in different currencies offer potential benefits not available from investments solely in securities of issuers from a single country, but also involve certain significant risks that are not typically associated with investing in the securities of issuers located in a single country. Among the risks involved are fluctuations in currency exchange rates and the possible imposition of exchange control regulations or other laws or restrictions applicable to such investments. A decline in the value of a particular currency in comparison to the Reference Currency of a Sub-Fund would reduce the value of certain portfolio securities that are denominated in the former currency.

Issuers are generally subject to different accounting, auditing and financial reporting standards in different countries throughout the world. The volume of trading, the volatility of prices and the liquidity of issuers may vary in the markets of different countries. In addition, the level of government supervision and regulation of securities exchanges, securities dealers and listed and unlisted companies is different throughout the world. The laws of some countries may limit a Sub-Fund's ability to invest in securities of certain issuers located in those countries.

Different markets also have different clearance and settlement procedures. Delays in settlement could result in temporary periods when a portion of the assets of a Sub-Fund is uninvested and no return is earned thereon. The inability of a Sub-Fund to make intended security purchases due to settlement problems could cause the Sub-Fund to miss attractive investment opportunities. Inability to dispose of portfolio securities due to settlement problems could result either in losses to the Sub-Fund due to subsequent declines in value of the portfolio security or, if the Sub-Fund has entered into a contract to sell the security, could result in possible liability to the purchaser. Certain markets may require payment for securities to be made before delivery with the accompanying credit risk for the Sub-Fund concerned.

With respect to certain countries, there is a possibility of expropriation or confiscatory taxation, imposition of withholding taxes on dividend or interest payments, limitations on the removal of funds or other assets of a Sub-Fund, political or social instability or diplomatic developments that could affect investments in those countries. An issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, are expected to change independently of each other.

With respect to the European single currency, the Euro, there is a possibility that political, economic or other factors relating to the European Monetary Union, could cause market disruption and adversely affect the value of securities held by the Sub-Funds.

Currency and Concentration Risks

Because investment in multinational issuers will usually involve currencies of various countries, the value of the assets of a Sub-Fund as measured in the Sub-Fund's Reference Currency will be affected by changes in currency exchange rates, which may affect a Sub-Fund's performance independent of the performance of its securities investments. A Sub-Fund may concentrate its investments in any currency, currencies or currency basket selected by the Investment Manager in accordance with the Sub-Fund's investment objective and policies. Concentration in a particular currency will increase a Sub-Fund's exposure to adverse developments affecting the value of such currency.

Currency exchange rates may fluctuate significantly over short periods of time causing, along with other factors, a Sub-Fund's net asset value to fluctuate as well. Currency exchange rates generally are determined by the forces of supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or anticipated changes in interest rates and other complex factors, as seen from an international perspective. Currency exchange rates also can be affected unpredictably by intervention or failure to intervene by governments or central banks or by currency controls or political developments throughout the world. To the extent that a substantial portion of a Sub-Fund's total assets, adjusted to reflect the Sub-Fund's net position after giving effect to currency

transactions, is denominated in the currencies of particular countries, the Sub-Fund will be more susceptible to the risk of adverse economic and political developments within those countries.

Additional Risk Factors

Due to the investment objective and policy of the Company, the Sub-Funds will not be invested in interest bearing securities, warrants or options, futures and swaps. Consequently the Company's opportunity to make returns that might otherwise have been available to the Company is reduced.

In the event that a Sub-Fund is issued with warrants as a result of its holding equity securities, such Sub-Fund will dispose of such warrants as soon as practical which may lead to the Sub-Fund obtaining a disadvantageous price on disposal of such warrants.

No Sub-Fund will be able to hedge against foreign exchange risk and consequently this increases the currency risk to the relevant Sub-Fund.

The investment objective and policy of certain Sub-Funds limit the investments of such Sub-Funds to investment that are listed within one specific index. Consequently, there are a limited number of equity securities that are available to such Sub-Funds and therefore the Sub-Funds' investments may be concentrated in a lesser number of stocks than a comparable Sub-Fund of the same size.

While a Sub-Fund invests within the parameters as set down by the Shariah Advisory Board and invests in equity securities listed in an index, no warranty is given as to the Sub-Fund's compliance with Shariah Law. Investors are responsible for their own due diligence on Shariah compliance.

The cleansing process will lead to the returns being available to investors being reduced. (Please see under "Islamic Investment Guidelines" for more information).

MANAGEMENT OF THE COMPANY

Board of Directors

The Board of Directors shall have the broadest powers to act in any circumstances on behalf of the Company, subject to the powers expressly assigned by law to the general meetings of Shareholders.

The Board of Directors is responsible for the investment objectives and policies of each Sub-Fund and for overall the investment management and administration of the Company.

In particular, the Board of Directors is responsible for the monitoring and the overall supervision and control performed by the Management Company. To this effect, the Board of Directors may give recommendations to the Management Company in relation to, without limitation, the structure, promotion, administration, investment management and distribution of the Company and the contents of any documentation relating to the Company (including, but not limited to, the Prospectuses and any marketing material).

The Board of Directors has delegated the following functions to the parties specified below:

Shariah Advisory Board

The Company has appointed the Shariah Advisory Board pursuant to the Shariah Advisory Board Agreement.

To that effect, the Shariah Advisory Board shall in particular be responsible for:

- providing advice to the Company with regard to the structuring and determination of the characteristics of the Company and its Sub-Fund(s) (in particular with regard to the investment policy) in relation to compliance with the Islamic Investment Guidelines and the appointment by the Company of any Shariah stock screening service provider;
- approving the Islamic Investment Guidelines defined for each Sub-Fund and checking that their implementation in the course of investments effected for each Sub-Fund, complies, with such guidelines;
- approving, the equity securities of companies not being contained within the Dow Jones Islamic Market Index or screening universe, for investment by the Company;
- issuing decisions, as to whether the Investment Product and/or transactions of the Company comply with the Islamic Investment Guidelines, it being understood that the Company shall decide whether or not to render such decision public to potential investors, potential clients or other third parties;
- receiving the quarterly reports of the Investment Manager concerning the investments which have been made in relation to a Sub-Fund and reviewing these in order to monitor the Company's and the Sub-Funds' ongoing adherence to the Islamic Investment Guidelines;
- promptly informing the Company as soon as the Shariah Advisory Board discovers a breach of the Company's and Sub-Funds' Islamic Investment Guidelines. In the event such information is delivered orally, it will have to be confirmed in writing as soon as possible;
- promptly informing the Company of any amendment regarding the Islamic Investment Guidelines to be complied with (subject to obtaining any necessary regulatory approvals) in the course of the investment management of each Sub-Fund;
- verifying that the performance of investments in the name and on behalf of each Sub-Fund of the Company, complies, at all times, with the Islamic Investment Guidelines";
- advising on an appropriate methodology for the purification/cleansing of haram (or Islamically non-permissible) income of the Company and the allocation of the cleansing proceeds amongst charities selected by the Shariah Advisory Board and approved by the Company;
- participating in any meeting(s) convened by the Company (whether in person or by telephone conference call) with regard to the Company's investment management.

Moreover, the Shariah Advisory Board will be responsible (subject to the Company's compliance) for issuing an annual, compliance report regarding each Sub-Fund of the Company's adherence to the Islamic Investment Guidelines which will be incorporated in the Company's annual report published at the end of the Company's financial year.

The Shariah Advisory Board currently comprises the following members:

- **Sheikh Nizam Yaquby** is a member of the Shariah Committee for several Islamic financial institutions. He has received an MSc in Finance (Canada) and is based in Bahrain. He has been a Professor of Tafsir, Hadith and Fiqh in Bahrain since 1976 and is the author of several articles and publications on Islamic finance in English and Arabic;
- **Dr Muhammed Imran Ashraf Usmani** holds a PhD in Islamic Finance. He has also obtained degrees in Islamic Jurisprudence from Karachi. Dr. Usmani is a faculty member of the Jamia Darul Uloom, Karachi and Institute of Business Administration (IBA), Karachi as well as the author of various books on Shariah;
- **Mufti Abdul Kadir Barkatullah** is the Imam at the North London Finchley Mosque. He acquired a Mufti (diploma) in Islamic law and Fazil (Bachelor of Islamic studies) from the Islamic University, India. He also works as a supervisor at the Islamic helpline for Fatwa and as a presenter at Vectone Urdu;
- **Mufti Muhammad Nurullah Shikder** is a Barrister-at-Law. He received a LLB (Hons.) degree from London Guildhall University. He deals with reviewing and drafting Shariah documents and advises individuals and businesses on general Islamic finance.

The Shariah Advisory Board has been appointed for an initial period of one year and subject to annual renewal as provided for in the Shariah Advisory Board Agreement, to advise the Company on matters of Shariah law for the purposes of the investment management of the Company and of its Sub-Funds. To that effect, the Shariah Advisory Board will monitor the compliance of the Company with the Islamic Investment Guidelines as referred to under "Islamic Investment Guidelines". The Company may convene meetings with the Shariah Advisory Board, the Management Company and the Investment Manager at least once a semester (whether in person or by telephone conference call) in particular in order to discuss the Company's investment management and confirm and/or modify the Company's characteristics (including its investment objectives) and the Islamic Investment Guidelines applicable to the Company.

Members of the Shariah Advisory Board may hold, to a limited extent, Shares in the Company.

To the extent that any terms of this Prospectus permit investment in a manner inconsistent with the Islamic Investment Guidelines applicable to a Sub-Fund, such manner of investment will not be permitted in relation to the aforementioned Sub-Fund.

Management Company

- **Appointment of the Management Company**

The Board of Directors has designated MDO Services S.A. to be the Management Company of the Company under the terms of the Management Company Services Agreement dated 6 August 2007, as may be amended from time to time.

The Management Company has its registered office at 19, Rue de Bitbourg, L1273 Luxembourg, and was incorporated in the form of a société anonyme on January 12, 2006 for an unlimited duration. The Management Company is approved as management company under chapter 13 of the Law of 2002.

As of the date of the present Prospectus, MDO Services S.A. has also been appointed to act as management company for other investment funds and can be appointed in the future to act as management company for other investment funds, in which case such funds will be mentioned in the financial reports of the Management Company.

Under the terms of this agreement, the Management Company shall act as the Company's management company in the best interest of the Shareholders and according to the provisions set forth by applicable law, the Prospectus, the Articles of Incorporation and the instructions of the Board of Directors, and shall, in particular, be in charge of the day-to-day management of the Company under the overall supervision, instruction, control and ultimate liability of the Board of Directors. In particular, while managing the SICAV, the Management Company shall act in accordance with the Islamic Investment Guidelines, the Shariah Advisory Board's instructions communicated to it by the Board of Directors, as well as the recommendations communicated to it by the Board of Directors. As such, the Management Company shall be responsible for the investment management of the assets of the Company, the administration of the Company and the implementation of the Company's distribution and marketing policy.

- **Delegated functions**

Subject to the conditions set forth by the Law of 2002 and the Management Company Services Agreement, the Management Company is authorized, in order to conduct its business efficiently, to delegate, under its responsibility and control, and with the consent of the Company and the Regulatory Authority, part or all of its functions and duties to any third party. The Management Company's liability shall not be affected by the fact that it has delegated its functions and duties to third parties.

The Management Company has delegated the investment management, the administration and the distribution activities of the Company.

Investment Manager

The Management Company has appointed as investment manager Scottish Widows Investment Partnership Limited who may, under its responsibility and control, delegate its powers, in which case the Prospectus will be updated or supplemented accordingly.

Save as particularly specified in the Supplement relating to a particular Sub-Fund, the Investment Manager will provide the Management Company with advice, reports and recommendations in connection with the management of the assets of the Sub-Funds and the investments of the Sub-Funds and, pursuant to the relevant agreement(s), will have discretion, on a day-to-day basis and subject to the overall control and responsibility of the Management Company and the Company, to purchase and sell such assets and otherwise to manage the Sub-Funds' portfolios.

Scottish Widows Investment Partnership Limited is the Investment Manager of the Company, providing investment management and advice to the Company. The registered office of Scottish Widows Investment Partnership Limited is 10 Fleet Place, London EC4M 7RH and its business address is Edinburgh One, 60 Morrison Street, Edinburgh, EH3 8BE. Its principal business activity is providing investment management and advice. The Investment Manager is authorised and regulated by the FSA. As of 31 March 2008 the Investment Manager acted as investment manager for approximately 116.1 billion in assets.

The appointment of Scottish Widows Investment Partnership Limited was made under the Investment Management Agreement dated 6 August 2007, which provides for the appointment to continue for an unlimited period of time from the date of its signature.

The Investment Manager is obliged to observe all decisions taken by the Shariah Advisory Board pursuant to the Shariah Advisory Board Agreement in relation to the Islamic Investment Guidelines as set out under "Islamic Investment Guidelines" (which shall be promptly communicated to the Investment Manager in writing pursuant to the Shariah Advisory Board Agreement from time to time) so as to ensure as far as possible continuous compliance with the Islamic Investment Guidelines.

CUSTODIAN

The Company has appointed State Street Bank Luxembourg S.A. to act as custodian of its assets.

The Custodian carries out the usual duties regarding custody, cash and securities deposits, without any restriction.

The Custodian will further, in accordance with the Law of 2002:

- (a) ensure that the sale, issue, redemption and cancellation of Shares effected by the Company or on its behalf are carried out in accordance with the Law of 2002 and the Articles;
- (b) ensure that in transactions involving the assets of the Company, any consideration is remitted to it within the customary settlement dates;
- (c) ensure that the income of the Company is applied in accordance with the Articles.

The Custodian may entrust all or part of the assets of the Company, in particular securities traded abroad or listed on a foreign stock exchange or admitted to a clearing system, to such correspondent banks as may be determined by the Custodian from time to time. The Custodian's liability shall not be affected by the fact that it has entrusted all or part of the assets in its care to a third party.

The rights and duties of the Custodian are governed by a Custodian Agreement entered into on 4 June 2007 for an unlimited period of time from the date of their signature.

Such agreement may be terminated by each party by notice in writing, delivered by registered mail to the other party, not less than 90 days prior to the date upon which such termination becomes effective. The Custodian shall continue to act as Custodian pending replacement and until all assets of the Company have been transferred to the successor custodian.

ADMINISTRATIVE AGENT, REGISTRAR AND TRANSFER AGENT, PAYING AGENT, DOMICILIARY AGENT AND CORPORATE AGENT

The Management Company has appointed State Street Bank Luxembourg S.A. as its paying agent responsible for the payment of distributions, if any, and for the payment of the redemption price by the Company.

The Management Company has also appointed State Street Bank Luxembourg S.A. as its registrar and transfer agent and as its administrative agent. In such capacities, it will be responsible for the safe keeping of the register of Shareholders of the Company and for all administrative duties required by Luxembourg law, in particular for the book-keeping and calculation of the Net Asset Value of the Shares, for handling the processing of subscriptions for Shares, dealing with requests for redemption and conversion and accepting transfers of funds.

The rights and duties of the Administrative Agent, Registrar and Transfer Agent and Paying Agent are governed by an Administration Agreement entered into on 6 August 2007 for an unlimited period of time from the date of the signature.

State Street Bank Luxembourg S.A. is a bank incorporated as a société anonyme under the laws of Luxembourg, with its registered office at 49, avenue J.F. Kennedy, L-1855 Luxembourg. The total subscribed and paid-in capital of State Street Bank Luxembourg S.A. amounts to EUR 65.000.000,00 as of January 2007.May2008

State Street Bank Luxembourg S.A. is empowered to delegate, under its full responsibility, all or part of its duties as Administrative Agent to a third-party Luxembourg entity, with prior consent of the Company and the Management Company.

DISTRIBUTOR

The Management Company has appointed Scottish Widows Investment Partnership Limited as distributor. The role of the Distributor is to market and promote the Company's Shares in each Sub-Fund.

The appointment of the Distributor was made pursuant to a Distribution Agreement with effect as of 6 August 2007 between the Company, the Management Company and the Distributor, concluded for an unlimited period.

The Distributor may conclude contractual arrangements with dealers as its agents for the distribution of Shares.

The Distributor or any of its agents may be involved in the collection of subscription, conversion and redemption orders on behalf of the Company and any of the Sub-Funds and may, in that case, provide a nominee service for investors purchasing Shares through it. Investors may elect to make use of such nominee service pursuant to which the nominee will hold the Shares in its name for and on behalf of the investors who shall be entitled at any time to claim direct title to the Shares and who, in order to empower the nominee to vote at any general meeting of Shareholders, shall provide the nominee with specific or general voting instructions to that effect.

The Management Company and the Distributor (and any of its agents) will at all times comply with any obligations imposed by any applicable laws, rules and regulations with respect to money laundering and, in particular, pursuant to all relevant circulars of the Regulatory Authority as they may be amended or revised from time to time, and will furthermore adopt procedures designed to ensure, to the extent applicable, that they shall comply with the foregoing undertaking.

SHARIAH STOCK SCREENING SERVICE PROVIDER

Fyshe Crestar Islamic Asset Management having its registered office at 5 St John's Lane, London, EC1M 4BH has been appointed by the Company by virtue of the Shariah Stock Screening Service Provider Agreement which took effect on 11 November 2005 to provide the Company with a screening service to identify stocks that comply with the Islamic Investment Guidelines and the amount of cleansing required in respect of securities held by the Sub-Funds

THE SHARES

The Company issues Shares in each Class of the separate Sub-Funds.

The Board of Directors will have ultimate responsibility for advising the Management Company in relation to any decision to accept or reject any application for the subscription of or other dealing in shares.

The net proceeds from the subscriptions to the Class or Classes of the separate Sub-Funds are invested in the specific portfolio of assets constituting the relevant Sub-Fund.

The Board of Directors shall maintain for each Sub-Fund a separate portfolio of assets. As between Shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Sub-Fund.

Within each Sub-Fund, the Board of Directors is authorised to issue Classes of Shares. Each Class may, as more fully described for each Sub-Fund in the relevant Supplement, (i) have a different currency of denomination, (ii) be targeted to different types of investors, i.e. retail investors and Institutional Investors, (iii) have different minimum investment and holding requirements, (iv) have a different fee structure, (v) have a different distribution policy or (vi) have a different distribution channel or such other features as the Board of Directors may determine from time to time.

The Board of Directors may, at any time, create additional Classes of Shares within each Sub-Fund, whose characteristics may differ from those then existing. Upon creation of new Classes of Shares, the Prospectus will be updated or supplemented accordingly.

The Supplements indicate, for each Sub-Fund, which Classes of Shares are available and their characteristics.

The Company shall not issue preference shares.

The Company shall be considered as one single legal entity. With regard to third parties, in particular towards the Company's creditors, each Sub-Fund shall however be exclusively responsible for all liabilities attributable to it.

The Shares are issued under registered form only. No Share certificates shall be issued.

The registered Shares are recorded in the Shareholders' register kept by the Company or by one or several persons appointed to that effect by the Company; the inscription shall indicate the name of each holder of registered Shares, his nationality, residence, legal address or registered office, tax jurisdiction, tax ID and occupation, as communicated to the Company and the number of registered Shares held. The inscription of the Shareholder's name in the register evidences his right of ownership on such registered Shares. Shares will only be issued to Shareholders who have provided adequate identification documentation and information as required by the Registrar and Transfer Agent from time to time.

All Shares must be fully paid up. They are of no par value and carry no preferential or pre-emption rights. Each Share of whatever Class in whatever Sub-Fund of the Company is entitled to one vote at the general meeting of Shareholders in accordance with the law and the Articles.

Forms for the transfer of Shares are available at the registered office of the Company. Shares are freely transferable except to Prohibited Persons.

Fractional registered Shares will be issued to the nearest one-thousandth (1/1,000) of a Share, and such fractional Shares shall not be entitled to vote but shall be entitled to a participation in the net results and in the proceeds of liquidation attributable to the relevant Class of Shares in the relevant Sub-Fund on a pro rata basis.

ISSUE AND SALE OF SHARES

The Subscription Price per Share will be the total of (i) the Net Asset Value per Share of each Class of the relevant Sub-Fund plus (ii) the sales charge as stated for each Class of Shares in the relevant Supplement.

The minimum initial investment requirements as well as minimum holding are set out for each Sub-Fund or Class of Shares in the relevant Supplement.

Subsequent subscriptions, other than through reinvestment of dividends, must ordinarily equal or exceed the minimum initial investment amount of the relevant Sub-Fund or Class of Shares. Minimum subsequent investment requirements may be set out for each Sub-Fund or Class of Shares in the relevant Supplement.

The Management Company reserves the right to accept or reject subscriptions in any amount, whole or part, to suspend at any time and without prior notice the issue of Shares of a Sub-Fund or Class of Shares, to modify the minimum initial or subsequent investment requirements and minimum holding, and the manner in which Shares are offered and to change or eliminate the sales charge applicable to the purchase of Shares.

Investors whose applications are accepted will be allotted Shares issued on the basis of the Net Asset Value per Share determined as of the Valuation Day (as defined for each Sub-Fund in the relevant Supplement) following receipt of the written subscription request provided that such application is received at the registered office of the Registrar and Transfer Agent by the Instruction Deadline on such Valuation Day, subject to receipt by the Custodian of the corresponding subscription price. Applications received after the Instruction Deadline will, if accepted, be dealt with at the price calculated on the next Valuation Day.

Different subscription procedures and time limits may apply if applications for Shares are made through a Distributor. In such instances, each investor should obtain from the Distributor information about the subscription procedure relevant to their application together with any time limit by which the subscription must be received. Investors should note that they may be unable to subscribe for Shares through a Distributor on days that such Distributor is not open for business.

Investors shall be required to complete a subscription form as may be prescribed from time to time or other documentation satisfactory to the Management Company.

The sales charge is indicated for each Class of Shares or Sub-Fund in the relevant Supplement.

Payments for Shares will be required to be made in the Reference Currency of the relevant Sub-Fund, within the timeframe specified for each Sub-Fund in the relevant Supplement. Any applications made in currencies other than the Reference Currency of the relevant Sub-Fund will be converted into that currency at prevailing exchange rates. This foreign exchange transaction will be at the cost and risk of the relevant investor.

Payments for Shares should be made to the order of the Custodian by electronic bank transfer net of all bank charges (except where local banking practices do not allow electronic bank transfers) prior to 18.00 CET on the Business Day preceding the relevant Valuation Day. Any payment received after the time aforesaid shall be deemed to be made in respect of the Valuation Day next following such relevant Valuation Day.

Other methods of payment are subject to the prior approval of the Registrar and Transfer Agent and of the Management Company. Where payments do not result in the immediate receipt of cleared funds, processing of the subscription will be deferred until cleared monies are received, unless otherwise agreed with the Management Company or its duly appointed agents. If payment is not received within the timeframe specified for each Sub-Fund in the relevant Supplement, then the Management Company reserves the right to cancel any allotment of the relevant Shares without prejudice to the right of the Management Company to obtain compensation for any loss directly or indirectly resulting from the failure of an applicant to effect settlement.

The Company may agree to issue Shares as consideration for a contribution in kind of securities, provided that such securities comply with the investment objectives and policies of the relevant Sub-Fund and in compliance with the conditions set forth by Luxembourg law, in particular the obligation to deliver a valuation report from the Auditors which shall be available for inspection. Any costs incurred in connection with a contribution in kind of securities shall be borne by the relevant Shareholders.

No Shares of any Sub-Fund will be issued during any period when the calculation of the Net Asset Value per Share in such Sub-Fund is suspended by the Management Company.

In the case of suspension of dealings in Shares the application will be dealt with on the first Valuation Day following the end of such suspension period.

In the event of the transfer of Shares to a third party, the Management Company shall be authorised to require from the transferor all of the information deemed necessary to identify the proposed transferee and to subject such a transfer to its express and prior agreement.

In the event that the proposed transferee is not approved by the Management Company, the transferor shall have the right to request the Company to proceed itself with the redemption of all or part of its Shares.

The sale of Shares of certain Classes may be restricted to Institutional Investors the securities of which are not intended to be placed with the public and the Management Company will not accept the subscription or give effect to any transfer of Shares of such Classes to any investor who may not be considered an Institutional Investor. The Management Company may, at its discretion, delay the acceptance of any subscription for Shares of a Class restricted to Institutional Investors until such date as it has received sufficient evidence on the qualification of the investor as an Institutional Investor. If it appears at any time that a holder of Shares of a Class restricted to Institutional Investors is not an Institutional Investor, the Management Company will, at its discretion, either redeem the relevant Shares in accordance with the provisions under the section "Redemption of Shares" below or convert such Shares into Shares of a Class which is not restricted to Institutional Investors (provided there exists such a Class with similar characteristics) and notify the relevant Shareholder of such conversion.

Subscriptions and conversions of Shares should be made for investment purposes only. The Company does not permit market-timing or other excessive trading practices. Excessive, short-term (market-timing) trading practices may disrupt portfolio management strategies and harm fund performance. To minimise harm to the Company and the Shareholders, the Board of Directors or the Administrative Agent on its behalf have the right to reject any purchase or exchange order, or levy a fee of up to 2% of the value of the purchase, redemption or exchange order for the benefit of the Company from any investor who is engaging in

excessive trading or market timing or has a history of excessive trading or market timing or if an investor's trading, in the opinion of the Board of Directors, has been or may be disruptive to the Company or any of the Sub-Funds. In making this judgment, the Board of Directors may consider trading done in multiple accounts under common ownership or control. The Board of Directors also have the power to redeem all Shares held by a Shareholder who is or has been engaged in excessive trading or market timing. The Board of Directors will not be held liable for any loss resulting from rejected orders or mandatory redemptions.

Subscription Fee on large transactions

In order to protect the interests of existing shareholders in the Company, the Board of Directors may, in its discretion, levy a fee on cash subscriptions of the value of that cash subscription, as disclosed in the relevant Supplement.

The subscription fee (the "Subscription Fee") represents an estimate of the fiscal and purchase charges and related market impact that would be incurred if the Company were to increase its underlying investments pro rata to allow for the subscription.

Subject to the Management Company's control and supervision, the Investment Manager will make all decisions regarding the levying of a Subscription Fee in accordance with its internal policy which may be obtained from the Investment Manager.

REDEMPTION OF SHARES

Each Shareholder of the Company may at any time request the Management Company to redeem on any Valuation Day all or any of the Shares held by such Shareholder in any Class of Shares in any Sub-Funds.

Shareholders desiring to have all or any of their Shares redeemed should apply in writing to the registered office of the Registrar and Transfer Agent.

Redemption requests should contain the following information (if applicable): the identity, address and signature of the Shareholder requesting the redemption, the number of Shares to be redeemed, the relevant Sub-Fund and Class of Shares and details as to where payment should be made. Failure to provide required documentation or information may result in the withholding of redemption proceeds. No interest will be payable in respect of sums held pending receipt of required documentation or information.

Shareholders whose applications for redemption are accepted will have their Shares redeemed on any Valuation Day provided that the written applications have been received in Luxembourg by the Instruction Deadline on such Valuation Day. Redemption requests received after the Instruction Deadline will, if accepted, be dealt with at the price calculated on the next Valuation Day.

Shares will be redeemed at a price based on the Net Asset Value per Share of the relevant Class of Shares within the relevant Sub-Fund, less any redemption charge (the "Redemption Price"). The redemption charge, if any, is indicated for each Class of Shares or Sub-Fund in the relevant Supplement.

The Redemption Price shall be paid within the timeframe specified for each Class of Shares or Sub-Fund in the relevant Supplement.

Payment will be made by cheque mailed to the Shareholder at the address of record in the register of Shareholders maintained by the Registrar and Transfer Agent or by wire to an account indicated by the Shareholder, in the Shareholder's name, at such Shareholder's expense and at the Shareholder's risk. No third party payments will be made.

The Redemption Price will be paid in the Reference Currency of the relevant Class of Shares or Sub-Fund or in any other freely convertible currency specified by the Shareholder and deemed acceptable by the Management Company. In the latter case, any currency conversion costs and risk shall be borne by the Shareholder. The Redemption Price may be higher or lower than the price paid at the time of subscription or purchase.

Shares in any Sub-Fund will not be redeemed if the calculation of the Net Asset Value per Share in such Sub-Fund is suspended by the Management Company.

If, as a result of any request for redemption, the aggregate Net Asset Value of the Shares held by any Shareholder in a Class of Shares would fall below the minimum amount indicated in the Supplement of certain Sub-Funds, the Management Company may treat such request as a request to redeem the entire shareholding of such Shareholder in such Class of Shares.

On any Valuation Day, redemption requests or conversion requests may be deferred until the Management Company or its delegate are in receipt of redemption proceeds from the realisation of assets within the relevant Sub-Fund.

The Articles enable the Management Company to compulsorily redeem Shares held by Prohibited Persons. Additionally, the Management Company may redeem Shares of any Shareholder if it determines that any of the representations given by the Shareholder were not true and accurate or have ceased to be true and accurate or that the continuing ownership of Shares by the Shareholder would cause an undue risk of adverse tax consequences to the Company or any of its Shareholders. The Management Company may also redeem Shares of a Shareholder if it determines that the continuing ownership of Shares by such Shareholder may be prejudicial to the Company or any of its Shareholders.

The Management Company shall have the right to satisfy payment of the Redemption Price to any Shareholder who agrees, in specie by allocating to the holder investments from the portfolio of assets set up in connection with such Sub-Fund equal in value (calculated in the manner described in the Articles) as of the Valuation Day on which the Redemption Price is calculated, to the value of the Shares to be redeemed. The nature and type of assets to be transferred in such case shall be determined on a fair and reasonable basis and without prejudicing the interests of the other holders of Shares and the valuation used shall be confirmed by a special report of the Auditors of the Company. The costs of any such redemption in kind shall be borne by the shareholder.

Redemption Fee on large transactions

In order to protect the interests of existing shareholders in the Company, the Board of Directors may, in its discretion, levy a fee on cash redemptions of the value of that cash redemption, as disclosed in the relevant Supplement.

The redemption fee (the "Redemption Fee") represents an estimate of the fiscal and purchase charges and related market impact that would be incurred if the Company were to decrease its underlying investments pro rata to allow for the redemption.

Subject to the Management Company's control and supervision, the Investment Manager of the Company will make all decisions regarding the levying of a Redemption Fee in accordance with its internal policy which may be obtained from the Investment Manager.

CONVERSION OF SHARES

Shareholders have the right, subject to the provisions hereinafter specified, to convert Shares from one Sub-Fund for Shares of another Sub-Fund within the same Class of Shares. If appropriate and as disclosed for each Sub-Fund in the Supplements, Shareholders may also have the right to convert their Shares from one Class to Shares of another Class within the same or another Sub-Fund.

The rate at which Shares of any Class in any Sub-Fund shall be converted will be determined by reference to the respective Net Asset Values of the relevant Shares, calculated as of the same Valuation Day following receipt of the documents referred to below.

The conversion charge, if any, is indicated for each Class of Shares or Sub-Fund in the relevant Supplement.

If Shares are converted for Shares of another Sub-Fund or Class of Shares having a higher sales charge, the Management Company retains the right to charge, in addition to the conversion fee which is described for each Sub-Fund or Class of Shares in the Supplements, a fee equal to the difference in percentage of the sales charges of the relevant Shares.

A conversion of Shares of one Sub-Fund for Shares of another Sub-Fund, including conversions between Classes of Shares, will be treated as a redemption of Shares and a simultaneous purchase of Shares. A converting Shareholder may, therefore, realise a taxable gain or loss in connection with the conversion under the laws of the country of the Shareholder's citizenship, residence or domicile.

Shares may be tendered for conversion on any Valuation Day. The conversion of Shares between Sub-Funds and/or Classes of Shares having different calculation frequencies of the Net Asset Value may only be effected on a common Valuation Day.

Written conversion requests must be received in good order by the Registrar and Transfer Agent on any Valuation Day. Conversion requests received by the Instruction Deadline on a Valuation Day will, if accepted by the Registrar and Transfer Agent, be dealt with at the price calculated on the same Valuation Day. Conversion requests received after the Instruction Deadline will, if accepted, be dealt with at the price calculated on the next Valuation Day.

All terms and notices regarding the redemption of Shares shall equally apply to the conversion of Shares.

No conversion of Shares will be effected until the following documents have been received at the registered office of the Company:

- a duly completed conversion request form or other written notification acceptable to the Registrar and Transfer Agent;
- the transfer form duly completed together with any other documentation that may be requested by the Management Company from time to time (including the same identification documentation and information required of new Shareholders as noted above).

Upon conversion fraction of Shares will be issued to one-thousandth (1/1,000) of a Share.

In converting Shares of a Sub-Fund for Shares of another Sub-Fund or Class of Shares, a Shareholder must meet the applicable minimum initial investment requirements indicated for certain Sub-Funds or Classes of Shares in the relevant Supplement.

If, as a result of any request for conversion, the aggregate Net Asset Value of the Shares held by the converting Shareholder in a Class of Shares of a Sub-Fund falls below the minimum holding requirement indicated in the relevant Supplement, the Management Company may treat such request as a request to convert the entire shareholding of such Shareholder in such Class.

Shares of any Class in any Sub-Fund will not be converted in circumstances where the calculation of the Net Asset Value per Share of such Sub-Fund is suspended by the Management Company.

Conversion will be carried out using the following formula:

$$A = \frac{(B \times C \times D) - E}{F}$$

- A being the number of Shares to be allotted in the new Sub-Fund or Class of Shares;
- B being the number of Shares to be converted in the initial Sub-Fund or Class of Shares;
- C being the Net Asset Value, on the applicable Valuation Day, of the Shares to be converted in the initial Sub-Fund or Class of Shares;
- D being the exchange rate applicable on the Valuation Day for the currencies of the two Sub-Funds or Classes of Shares;
- E being the conversion fees applicable (as indicated for each Sub-Fund or Class of Shares in the relevant Appendix);
- F being the Net Asset Value, on the applicable Valuation Day, of the Shares to be allotted in the new Sub-Fund or Class of Shares.

DETERMINATION OF THE NET ASSET VALUE

1. Calculation

The Net Asset Value per Share of each Sub-Fund shall be expressed in the Reference Currency of the relevant Sub-Fund as determined in the Supplements and shall be calculated for each Sub-Fund by dividing the assets of such Sub-Fund less its liabilities (to include a provision for duties and charges) by the number of Shares in issue in respect of such Sub-Fund. The Net Asset Value per Share of each Class of Shares in a Sub-Fund shall be determined by calculating that portion of the Net Asset Value attributable to each Class by reference to the number of Shares in issue or deemed to be in issue in each Class on the relevant Valuation Day subject to adjustment to take account of assets and/or liabilities attributable to each Class.

The Net Asset Value per Share may be rounded up or down to the nearest unit of the relevant currency as the Management Company shall determine. If calculated in Euro, the Net Asset Value per Share may be rounded up or down to the nearest sub-unit, i.e. to the nearest cent. If since the time of determination of the Net Asset Value there has been a material change in the quotations in the markets on which a substantial portion of the investments attributable to the relevant Sub-Fund are dealt in or quoted, the Management Company may, in order to

safeguard the interests of the Shareholders and the Company, instruct the Administrative Agent to cancel the first valuation and carry out a second valuation for all applications received on the relevant Valuation Day.

The value of such assets shall be determined as follows::

- (a) The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends (provided that the cleansing procedure is complied with) and interest declared or accrued as aforesaid and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.
- (b) The value of Transferable Securities, Money Market Instruments and any financial assets listed or dealt in on a Regulated Market, a stock exchange in an Other State or on any Other Regulated Market is based on the last available price on the relevant market which is normally the principal market for such assets.
- (c) In the event that any assets are not listed or dealt in on any Regulated Market, any stock exchange in an Other State or on any Other Regulated Market, or if, with respect to assets listed or dealt in on any such markets, the price as determined pursuant to sub-paragraph (b) is not representative of the fair market value of the relevant assets, the value of such assets will be based on reasonably foreseeable sales prices determined prudently and in good faith.
- (d) The amortised cost method of valuation may be used for short-term transferable debt securities in certain Sub-Funds of the Company. This method involves valuing a security at its cost and thereafter assuming a constant amortization to maturity of any discount or premium regardless of the impact of fluctuating interest rates on the market value of the security or other instrument. While this method provides certainty in valuation, it may result in periods during which value as determined by amortised cost, is higher or lower than the price the Sub-Fund would receive if it sold the securities. For certain short term transferable debt securities, the yield to a Shareholder may differ somewhat from that which could be obtained from a similar sub-fund which marks its portfolio securities to market each day.
- (e) The liquidating value of futures, forward and options contracts, if any, not traded on Regulated Markets, stock exchanges in Other States or on Other Regulated Markets shall mean their net liquidating value determined on a basis consistently applied for each different variety of contracts. The liquidating value of futures, forward or options contracts traded on Regulated Markets, stock exchanges in Other States or on Other Regulated Markets shall be based upon the last available settlement prices of these contracts on Regulated Markets, stock exchanges in Other States or Other Regulated Markets on which the particular futures, forward or options contracts are traded by the Company; provided that if a futures, forward or option contract could not be liquidated on the day with respect to which net assets are being determined, the basis for determining the liquidating value of such contract shall be determined on a fair and reasonable basis.
- (f) Interest rate swaps will be valued at their market value established by reference to the applicable interest rates curve. Index and financial instruments related swaps will

be valued at their market value established by reference to the applicable index or financial instrument. The valuation of the index or financial instrument relating swap agreement shall be based upon the market value of such swap transaction established in good faith. Total return swaps will be valued on a consistent basis.

- (g) Spot currency contracts are valued at their respective fair market values determined on the basis of prices supplied by independence sources.
- (h) Units or Shares of open-ended UCITS or/and UCIs will be valued at their last determined and available net asset value or, if such price is not representative of the fair market value of such assets, then the price shall be determined on a fair and equitable basis. Units or Shares of a closed-ended UCITS or/and UCIs will be valued at the last available stock market value.
- (i) All other securities and other assets will be valued at fair market value as determined in good faith.

The value of all assets and liabilities not expressed in the Reference Currency of a Sub-Fund will be converted into the Reference Currency of such Sub-Fund at rates last quoted by any major bank. If such quotations are not available, the rate of exchange will be determined in good faith by or under procedures established by the Board of Directors.

The Management Company or the Board of Directors, in their discretion, may permit some other method of valuation to be used if they consider that such valuation better reflects the fair value of any asset of the Company.

In the event that the quotations of certain assets held by the Company should not be available for calculation of the Net Asset Value per Share in a Class of Shares, each one of these quotations might be replaced by its last known quotation (provided this last known quotation is also representative) preceding the last quotation of the relevant month or by the last appraisal of the last quotation of such month on the relevant Valuation Day.

The Net Asset Value per Share and the issue, redemption and conversion prices per Share of each Class within each Sub-Fund may be obtained during business hours at the registered office of the Company.

2. Temporary suspension of the calculation

The Management Company may temporarily suspend the determination of the Net Asset Value per Share of any Sub-Fund and the issue, redemption and conversion of its Shares from its Shareholders:

- (a) during any period when any Regulated Market, stock exchange in an Other State or any Other Regulated Market on which any substantial portion of the investments of the Company attributable to such Sub-Fund from time to time is quoted or dealt in is closed otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended, provided that such restriction or suspension affects the valuation on the investments of the Company attributable to a Sub-Fund quoted or dealt thereon; or
- (b) during the existence of any state of affairs which constitutes an emergency in the opinion of the Board of Directors as a result of which disposal or valuation of assets owned by the Company attributable to such Sub-Fund would be impracticable; or

- (c) during any breakdown in the means of communication normally employed in determining the price or value of any of the investments of such Sub-Fund or the current price or values on any stock exchange or other market in respect of the assets attributable to such Sub-Fund; or
- (d) when for any other reason the prices of any investments owned by the Company attributable to any Sub-Fund cannot promptly or accurately be ascertained; or
- (e) during any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of the Shares of such Sub-Fund or during which any transfer of Sub-Funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot in the opinion of the Board of Directors be effected at normal rates of exchange; or
- (f) upon the publication of a notice convening a general meeting of Shareholders for the purpose of resolving the winding-up of the Company, any Sub-Funds or Classes of Shares, or merging the Company or any Sub-Funds, or informing the Shareholders of the decision of the Board of Directors to terminate Sub-Funds or Classes of Shares or to merge Sub-Funds

Any such suspension shall be published, if appropriate, by the Management Company and shall be notified to Shareholders having made an application for subscription, redemption or conversion of Shares for which the calculation of the Net Asset Value has been suspended.

Such suspension as to any Sub-Fund shall have no effect on the calculation of the Net Asset Value per Share, the issue, redemption and conversion of Shares of any other Sub-Fund.

Any request for subscription, redemption or conversion may be revocable (i) with the approval of the Management Company or (ii) in the event of a suspension of the calculation of the Net Asset Value, in which case Shareholders may give notice that they wish to withdraw their application. If no such notice is received by the Management Company, such application will be dealt with on the first Valuation Day, as determined for each relevant Sub-Fund, following the end of the period of suspension.

DISTRIBUTION POLICY

The amount of dividend income attributed to interest income and leverage, for the purposes of complying with Islamic Investment Guidelines, will be distributed once a year to charities at the absolute discretion of the Board of Directors and pursuant to Section "Islamic Investment Guidelines". In the event that distributions are made, no dividend will be paid out of the Company's capital, or realized and unrealized capital gains and losses. No income shall be distributed where the Company's net assets would fall below EUR 1,250,000.- following the distribution. In the event that the Company issued bonus shares, such issue would be subject to the aforementioned limitations.

The dividends and allotments not collected within five years from their due date will lapse and the corresponding proceeds will revert to the benefit of the relevant Sub-Fund within the Company.

The annual general meeting shall decide, on recommendation of the Board of Directors, what share of the Company's profits shall be distributed from each relevant Class of Shares. Distribution of a dividend may be decided independently of all capital gains or losses, realised or unrealised. Moreover, dividends may include a distribution of capital up to the minimum legal capital foreseen in the Law of 2002.

Consequently, the annual general meeting may approve, for each Sub-Fund or Class of Shares, the distribution of the net income and capital gains, realised or unrealised, after deduction of capital losses, realised or unrealised. The amounts corresponding to income attributable to the Shares of a Class which decided not to pay a dividend will be capitalised in the assets of the Class concerned.

The type of distribution (net investment income or capital) will be specified in the Company's financial statements. Every resolution of the annual general meeting deciding the distribution of a dividend in a Sub-Fund must be approved by the Shareholders of the said Sub-Fund by a simple majority vote of the Shareholders present or represented.

For each Sub-Fund, the Board of Directors may decide on the payment of interim dividends in compliance with legal requirements.

The distribution policy of each Class of Shares within each Sub-Fund is set out in the relevant Supplement.

CHARGES AND EXPENSES

General

The Company pays out of the relevant assets of the relevant Sub-Fund all expenses payable by the Company which shall include but not be limited to fees (management company fees, investment management fees and performance fees, if any) payable to its Management Company and Investment Manager, the fees payable to the Shariah Advisory Board, the Shariah Stock Screening Service Provider, fees and expenses payable to its Auditors and accountants, Custodian and its correspondents, Administrative Agent, Registrar and Transfer Agent, any Paying Agent, Domiciliary Agent, the Corporate Agent, the Distributor, any permanent representatives in places of registration, as well as any other agent employed by the Company, the remuneration of the Board of Directors and officers and their reasonable out-of-pocket expenses, insurance coverage, and reasonable travelling costs in connection with board meetings, fees and expenses for legal and auditing services, fees and expenses

involved in relation to the cleansing procedure and index services, any fees and expenses involved in registering and maintaining the registration of the Company with any governmental agencies, stock exchanges or other markets in the Grand Duchy of Luxembourg and in any other country (including but not restricted to the fees of legal and tax advisors and translation costs), reporting and publishing expenses including the costs of preparing, printing, translating, advertising and distributing prospectuses, explanatory memoranda, periodical reports or registration statements and the costs of any reports to Shareholders, all taxes, duties, governmental and similar charges, and all other operating expenses, the costs for the publication of the Subscription and Redemption Prices in any jurisdiction, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telex. The Company may accrue administrative and other expenses of a regular or recurring nature, based on an estimated amount payable for yearly or other periods.

Launching expenses

Expenses incurred in connection with the creation of any additional Sub-Fund shall be borne by the relevant Sub-Fund. Hence, the additional Sub-Funds shall not bear a pro rata of the costs and expenses incurred in connection with the creation of the Company and the initial issue of Shares.

Fees of the Shariah Advisory Board

The Shariah Advisory Board is entitled to an annual advisory fee of up to USD 50,000 (currently USD 25,000), to be paid out of the assets of the Company.

Fees of the Management Company

In consideration for its services, the Management Company is entitled to receive out of the assets of each Sub-Fund a monthly fee, payable monthly in arrears not exceeding 0.03% per annum, calculated on the basis of the average Net Asset Value of the Sub-Fund determined at the end of each month.

Fees of the Investment Manager

The Investment Manager is entitled to receive from each Class, if any, within each Sub-Fund an annual management fee payable monthly, as disclosed for each Class of Shares or Sub-Fund in the relevant Supplement, payable out of the assets attributable to the relevant Class of Shares or Sub-Fund as a percentage of the Net Asset Value per Share.

Fees of the Custodian, Paying Agent, Registrar and Transfer Agent, Administrative Agent, Domiciliary Agent and Corporate Agent

The Custodian is entitled to receive out of the assets of each Sub-Fund a fee calculated in accordance with customary banking practice in Luxembourg subject to an agreement with the Company. In addition, the Custodian is entitled to be reimbursed by the Company for its reasonable out-of-pocket expenses and disbursements and for the charges of any correspondents.

The fees payable to the Custodian and to the Administrative Agent, Registrar and Transfer Agent, Paying Agent, Domiciliary Agent and Corporate Agent are at such rates and/or amounts as may be agreed from time to time with the Company in accordance with customary banking practice in Luxembourg. The maximum fee payable to the Custodian is 0.50% per annum and to the Administrative Agent, Registrar and Transfer Agent, Paying

Agent, Domiciliary Agent and Corporate Agent 0.10% per annum (exclusive specific fees payable for the processing of multiple Share Classes), in each case based on the Net Asset Value of the relevant Sub-Fund, unless the Net Asset Value of the Sub-Fund falls below certain levels in which case agreed minimums which are not higher than €5,000.- per month (applicable to the accounting services) will apply. In addition, the Custodian and the Administrative Agent, Paying Agent, Registrar and Transfer Agent, Domiciliary Agent and Corporate Agent are entitled, as the case may be, to a charge per transaction, a flat fee for certain services or products, reimbursements by the Company for out-of-pocket expenses and disbursements and for charges of any correspondents.

Commission Sharing Arrangements

The Investment Manager is authorised to enter into commission sharing arrangements with third parties regarding the use of dealing commission to purchase/receive goods and/or services that relate to the execution of trades or the provision of research. The current version of the Investment Manager's disclosure code, outlining its dealing policies will be made available to the Board of Directors and the Management Company.

The Investment Manager's duty to comply with the United Kingdom Financial Services Authority rules regarding best execution shall not be effected by such arrangements. The Investment Manager will provide the Board of Directors and the Management Company with a commission statement on a six monthly basis as at June and December.

Furthermore, the Investment Manager shall comply with the following conditions when entering into such arrangements:

- (a) The Investment Manager shall act in the best interests of the shareholders;
- (b) The services provided shall be in direct relationship with the activities of the Investment Manager for the Company;
- (c) Brokerage commissions on portfolio transactions for the Company shall be directed by the Investment Manager to broker dealers that are legal entities;
- (d) The Investment Manager shall provide reports to the Company and the Management Company describing the arrangements, including the different kinds of services the Company receives.

TAXATION

The following is based on the Company's understanding of, and advice received on, certain aspects of the law and practice currently in force in Luxembourg. It does not purport to be a complete analysis of all possible tax situations that may be relevant to an investment decision. This summary does not allow any conclusions to be drawn with respect to issues not specifically addressed. The following description of Luxembourg tax law is based upon the Luxembourg law and regulations as in effect and as interpreted by the Luxembourg tax authorities on the date of this Prospectus and is subject to any amendments in law (or in interpretation) later introduced, whether or not on a retroactive basis.

The residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, a reference to Luxembourg income tax encompasses corporate income tax (impôt sur le revenu des collectivités), municipal business tax (impôt commercial

communal), a solidarity surcharge (contribution au fonds de chômage), as well as personal income tax (impôt sur le revenu) generally. Investors may further be subject to net wealth tax (impôt sur la fortune) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual tax payers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

A. Luxembourg withholding tax

Under current Luxembourg tax law and subject to the application of the laws dated 21 June 2005 (the "Laws") implementing Council Directive 2003/48/EC on the taxation of savings income (the "Directive"), there is no withholding tax on any distribution made by the Company or its paying agent to the Shareholders.

Under the Laws, a Luxembourg based Paying Agent (within the meaning of the Directive) is required since 1 July 2005 to withhold tax on interest and other similar income as defined hereafter paid by it to (or under certain circumstances, to the benefit of) an individual resident in another Member State or a residual entity in the sense of Article 4.2. of the Directive ("Residual Entities"), established in another Member State of the European Union, unless the beneficiary of the interest payments elects for an exchange of information. Interest as defined by the Laws encompasses income realised upon the sale, refund, redemption of shares or units held in a Luxembourg UCITS such as the Company, if it invests directly or indirectly more than 40 % of its assets in debt claims within the meaning of the Directive, as well as any income otherwise distributed by a UCITS where the investment in debt claims of such a UCITS exceeds 15 % of its assets. The same regime applies to payments to individuals or Residual Entities resident in any of the following territories: Netherlands Antilles, Aruba, Guernsey, Jersey, the Isle of Man, Montserrat and the British Virgin Islands. The withholding tax rate is initially 15% until 30 June 2008, 20% until 30 June 2011, 35% as from 1 July 2011.

Pursuant to the Law dated 23 December 2005 (the "Law"), a 10% withholding tax is levied on interest payments made by Luxembourg paying agents to Luxembourg individual residents. This withholding tax also applies on accrued interest. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth.

B. Taxation of the Company in Luxembourg

Capital Duty

The Company is liable to an initial capital duty of € 1,250. - which was paid upon incorporation.

Income taxation

The Company is currently not liable to any Luxembourg tax on profits or income, nor are distributions paid by the Company liable to any Luxembourg withholding tax.

Dividends and interest received by the Company on its investments may be subject to non-recoverable withholding or other taxes in the countries of origin.

No Luxembourg tax is payable on the realised capital appreciation of the assets of the Company.

Subscription tax

The Company is, liable in Luxembourg to an annual subscription tax of in principle 0.05% per annum of its Net Asset Value, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Sub-Funds at the end of the relevant calendar quarter. However such rate may be decreased to 0.01% per annum of their Net Asset Value for where the Sub-fund invests exclusively in money market instruments or deposits or where the relevant Classes of Shares are restricted exclusively to one or more institutional investors. Furthermore, if some Sub-Funds invest in other Luxembourg UCIs which in turn are subject to the annual subscription tax, no annual subscription tax is due from the Company on the portion of assets invested therein.

Net Wealth Tax

The Company is not subject to Net Wealth Tax.

C. Luxembourg taxation of Shareholders

General

The receipt of dividends (if any) by Shareholders, the redemption or transfer of Shares and any distribution on a winding-up of the Company may result in a tax liability for the Shareholders according to the tax regime applicable in their various countries of residence, citizenship or domicile. Shareholders resident in or citizens of certain countries which have anti-offshore fund legislation may have a current liability to tax on the undistributed income and gains of the Company.

Income taxation of the Shareholders

Luxembourg non-residents

Shareholders, who are non-residents of Luxembourg and who have neither a permanent establishment nor a permanent representative in Luxembourg to which or whom the Shares are attributable, are generally not liable to any Luxembourg income tax. As an exception, a non-resident shareholder may be liable to Luxembourg income tax on capital gains realised on the Shares if he has held, either alone or together with his spouse and/or his minor children, directly or indirectly, at any time within the five years preceding the disposal of the Shares, more than 10% of the Shares of the Company and he has either (i) held the shares for less than 6 months or (ii) he has been a Luxembourg resident taxpayer for more than 15 years and has become a non-resident less than 5 years before the realization of the capital gains on the Shares.

Non-resident corporate Shareholders which have a permanent establishment or a permanent representative in Luxembourg, to which the Shares are attributable, must include any income received, as well as any gain realized on the sale, disposal or redemption of Shares, in their taxable income for Luxembourg tax assessment purposes. The same inclusion applies to individuals, acting in the course of the management of a professional or business undertaking, who have a permanent establishment or a permanent representative in Luxembourg, to which the Shares are attributable. Taxable gains are determined as being the

difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

Luxembourg residents

Luxembourg resident Shareholders are not liable to any Luxembourg income tax on reimbursement of share capital previously contributed to the Company.

Luxembourg resident individuals

Any dividends derived from the Shares received by resident individuals, who act in the course of either their private wealth or their professional / business activity, are subject to income tax at the progressive ordinary rate (with a top marginal rate of 38.95%).

Capital gains realised on the disposal of the Shares by resident individual Shareholders, who act in the course of the management of their private wealth, are not subject to income tax, unless said capital gains qualify either as speculative gains or as gains on a substantial participation. Capital gains are deemed to be speculative gains and are subject to income tax at ordinary rates if the Shares are disposed of within 6 months after their acquisition or if their disposal precedes their acquisition. A participation is deemed to be substantial where a resident individual Shareholder holds, either alone or together with his spouse and/or minor children, directly or indirectly at any time within the 5 years preceding the disposal, more than 10% of the share capital of the Company. Capital gains realised on a substantial participation more than 6 months after the acquisition thereof are subject to income tax at the half-global rate method, (i.e. the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realised on the substantial participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the Shares.

Luxembourg resident companies

Luxembourg resident corporate (sociétés de capitaux) holders of Shares must include any income received, as well as any gain realized on the sale, disposal or redemption of Shares, in their taxable income for Luxembourg income tax assessment purposes. The same inclusion applies to individual holders of Shares, acting in the course of the management of a professional or business undertaking, who are Luxembourg residents for tax purposes. Taxable gains are determined as being the difference between the sale, repurchase or redemption price and the lower of the cost or book value of the Shares sold or redeemed.

Luxembourg resident companies benefiting from a special tax regime

Luxembourg resident corporate Shareholders which are companies benefiting from a special tax regime (such as holding companies subject to the amended law of 31 July 1929 and undertakings for collective investment subject to the amended law of 20 December 2002) are tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg income tax.

Net wealth tax

Net wealth tax has been abolished since 1 January 2006 for resident and non-resident individual taxpayers.

Luxembourg resident Shareholders and Shareholders who have a permanent establishment or a permanent representative in Luxembourg to which the Shares are attributable, are subject to Luxembourg net wealth tax on such Shares, except if such Shareholder is (i) a

resident or non-resident individual taxpayer, (ii) a holding company subject to the amended law of 31 July 1929, (iii) an undertaking for collective investment subject to the amended law of 20 December 2002, (iv) a securitisation company governed by the law of 22 March 2004 on securitisation or (v) a company governed by the law of 15 June 2004 on venture capital vehicles.

Other taxes

No estate or inheritance tax is levied on the transfer of the Shares upon death of a Shareholder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes.

Luxembourg gift tax may be levied on a gift or donation of the Shares if embodied in a Luxembourg notarial deed or otherwise registered in Luxembourg.

Investors should inform themselves of, and when appropriate consult their professional advisers on, the possible tax consequences of subscribing for, buying, holding, converting (if any), redeeming or otherwise disposing of Shares under the laws of their country of citizenship, residence, or domicile or incorporation.

United Kingdom

The Company intends to conduct its affairs in such a manner that it will not become tax resident in the United Kingdom and, with the exception of UK sourced income, will not be liable to UK taxation on its income or capital.

The Company intends to apply annually for certification as a “distributing fund” within the meaning of Schedule 27 of the UK Income and Corporation Taxes Act 1988 in respect of all active distribution share classes (“Qualifying Distribution Shares”) offered by the Company. Provided such certification is obtained, gains arising from the sale, redemption or disposal of Qualifying Distribution Shares, will in general be treated as a capital gain for the purpose of UK taxation.

However, special provisions apply to corporate Shareholders within the charge to UK corporation tax if the investments of the Sub-Fund (in which they are invested) consist of more than 60% (by market value) of qualifying investments, at any time in an accounting period of the Shareholder. Qualifying investments are broadly those which yield a return directly or indirectly in the form of interest. Where this is the case, the corporate Shareholder’s Shares in the Sub-Fund are treated for tax purposes as rights under a creditor loan relationship. This means that the increase or decrease in value of the Shares during each accounting period of the corporate Shareholder is treated as a loan relationship credit or debit, as appropriate, and constitutes income (as opposed to a capital gain) for tax purposes and, as such, is taxed in the year that it arises.

The foregoing is only a summary of the anticipated tax treatment in the UK, is based on current law enacted at the date of the Prospectus, is not exhaustive and is subject to changes therein. This summary applies only to investors who are resident or ordinarily resident in the UK for tax purposes and, if you are in any doubt as to your tax position, you should consult your professional adviser.

DATA PROTECTION

The Company collects, stores and processes by electronic or other means the data supplied by Shareholders at the time of their subscription for the purpose of fulfilling the services required by the Shareholders and complying with its legal obligations.

The data processed includes the name, address and invested amount of each Shareholder (the "Personal Data").

The investor may, at his/her/its discretion, refuse to communicate the Personal Data to the Company. In this case however the Company may reject his/her/its request for subscription of Shares in the Company.

In particular, the data supplied by Shareholders is processed for the purpose of (i) maintaining the register of Shareholders, (ii) processing subscriptions, redemptions and conversions of Shares and payments of dividends to Shareholders, (iii) performing controls on late trading and market timing practices, (iv) complying with applicable anti-money laundering rules.

The Company can delegate to another entity (the "Processors") (the Administrative Agent, the Registrar and Transfer Agent and the Management Company) the processing of the Personal Data, in compliance and within the limits of the applicable laws and regulations.

The Company undertakes not to transfer the Personal Data to any third parties other than the Processors, except if required by law or on the basis of a prior consent of the Shareholder.

Each Shareholder has a right to access his/her/its Personal Data and may ask for a rectification thereof in cases where such data is inaccurate and incomplete. In relation thereto, the Shareholder can ask for a rectification by letter addressed to the Company.

The Shareholder has a right of opposition regarding the use of its Personal Data for marketing purposes. This opposition can be made by letter addressed to the Company.

The Shareholder's personal data shall not be held for longer than necessary with regard to the purpose of data processing observing legal periods of limitations.

GENERAL INFORMATION

Corporate information

The Company was incorporated on 24 October 2005 for an unlimited period of time and is governed by the law of 10 August 1915 on commercial companies, as amended, and by the Law of 2002. The initial capital of the Company at incorporation was USD 38.000,-. At the date of its inscription of the official list as per Article 94(1) of the Law of 2002 on 21 November 2005, its capital reached the equivalent of EUR 300.000,-.

The registered office is established at 49 avenue J.F. Kennedy, L 1855 Luxembourg. The Company is recorded at the "Registre de Commerce et des Sociétés" with the Trade and Companies Register of Luxembourg under the number B 111425.

The Articles were published in the Mémorial on 21 November 2005 and filed with the Trade and Companies Register of Luxembourg.

Any interested person may inspect these documents at the Trade and Companies Register of Luxembourg; copies are available on request at the registered office of the Company.

The minimum capital of the Company, as provided by law, which must be achieved within 6 months after the date on which the Company has been authorised as an UCI under Luxembourg law, shall be the equivalent in US\$ of € 1,250,000.-. The capital of the Company is represented by fully paid-up Shares of no par value.

The Company is open-ended which means that it may, at any time on the request of the Shareholders, redeem its Shares at prices based on the applicable Net Asset Value per Share.

The share capital of the Company will be equal, at any time, to the total value of the net assets of all the Sub-Funds.

Meetings

Notice of any general meeting of Shareholders (including those considering amendments to the Articles or the dissolution and liquidation of the Company or of any Sub-Fund) shall be mailed to each registered Shareholder at least eight days prior to the meeting and shall be published to the extent required by Luxembourg law in the Mémorial and in any Luxembourg and other newspaper(s) that the Board of Directors may determine.

If the Articles are amended, such amendments shall be filed with the Trade and Companies Register of Luxembourg and published in the Mémorial.

The annual general meeting of Shareholders takes place in the City of Luxembourg at a place specified in the notice of meeting, each year on the second Friday in the month of March and for the first time in 2007. If such day is not a Business Day then the meeting will be held on the next Business Day.

The Shareholders of any Sub-Fund may hold, at any time, general meetings to decide on any matters which relate exclusively to such Sub-Fund.

The Shareholders of any Class of Shares of any Sub-Fund may hold, at any time, general meetings to decide on any matters which relate exclusively to such Class of Shares.

Reports

The Company publishes annually a detailed audited report on its activities and on the management of its assets; such report shall include, inter alia, the combined accounts relating to all the Sub-Funds, a detailed description of the assets of each Sub-Fund and a report from the Auditors.

The Company shall further publish semi-annual unaudited reports, including, inter alia, a description of the investments underlying the portfolio of each Sub-Fund and the number of Shares issued and redeemed since the last publication.

The aforementioned documents will be sent to registered Shareholders within four months for the annual reports and two months for the semi-annual reports of the date thereof and copies may be obtained free of charge by any person at the registered office of the Company.

The combined accounts of the Company shall be maintained in USD being the currency of the share capital. The financial statements relating to the various separate Sub-Funds shall also be expressed in the Reference Currency of the Sub-Funds.

Accounting year

The accounting year of the Company shall commence on the 1st December of each year and shall terminate on the 30 November of the following year.

Dissolution and liquidation of the Company

The Company may at any time be dissolved by a resolution of the general meeting of Shareholders subject to the quorum and majority requirements applicable for amendments to the Articles.

Whenever the share capital falls below two-thirds of the minimum capital of the Company, the question of the dissolution of the Company shall be referred to a general meeting of Shareholders by the Board of Directors. The general meeting, for which no quorum shall be required, shall decide by the simple majority of the Shares represented at the meeting.

The question of the dissolution of the Company shall also be referred to a general meeting of Shareholders whenever the share capital falls below one-fourth of the minimum capital of the Company; in such event, the general meeting shall be held without any quorum requirement and the dissolution may be decided by Shareholders holding one-fourth of the Shares represented at the meeting.

The meeting must be convened so that it is held within a period of forty days as from ascertainment that the net assets have fallen below two-thirds or one-fourth of the legal minimum, as the case may be.

Liquidation shall be carried out by one or several liquidators, who may be physical persons or legal entities, duly approved by the regulatory authority and appointed by the general meeting of Shareholders which shall determine their powers and their compensation.

The net proceeds of liquidation corresponding to each Class of Shares within each Sub-Fund shall be distributed by the liquidators to the holders of Shares of the relevant Class in the relevant Sub-Fund in proportion to their holding of such Shares in such Class.

Should the Company be voluntarily or compulsorily liquidated, its liquidation will be carried out in accordance with the provisions of the Law of 2002. Such Law specifies the steps to be

taken to enable Shareholders to participate in the distribution(s) of the liquidation proceeds and provides for a deposit in escrow at the "Caisse de Consignations" at the time of the close of liquidation. Amounts not claimed from escrow within the statute of limitation period shall be liable to be forfeited in accordance with the provisions of Luxembourg law.

Termination and amalgamation of Sub-Funds

If the net assets of a Sub-Fund fall below the equivalent of €20,000,000.- which is the minimum level for a Sub-Fund to be operated in an economically efficient manner or in case of a substantial modification in the political, economic or monetary situation or as a matter of economic rationalization, the Board of Directors may decide on a forced redemption of the remaining Shares in the Sub-Fund concerned without the Shareholders' approval being necessary. In this case, a notice relating to the closing of the Sub-Fund will be sent to all the Shareholders of this Sub-Fund. The said redemption will be effected on the basis of the Net Asset Value per Share calculated after all the assets attributable to this Sub-Fund have been sold.

The amounts not claimed by the Shareholders at the time of the closure of the Sub-Fund's liquidation will be deposited with the Caisse de Consignations in Luxembourg where they will be available to them for the period established by law. At the end of such period any unclaimed amounts will be returned to the Luxembourg State.

Under the same circumstances as provided by the first paragraph hereabove, the Board of Directors may propose to the Shareholders the merger of one of the Sub-Funds with another Sub-Fund or with another UCI organised under the provisions of Part I of the Law of 2002 by sending them, at least one month prior to the effective merger date, a letter containing all the details of the proposed merger as well as information on the new Sub-Fund or UCI. During this month, the Shareholders of the Sub-Fund concerned have the right to request that their Shares be redeemed or converted into those of another Sub-Fund without incurring any costs. After this period has expired, Shares held by those Shareholders who have not requested redemption shall be automatically converted into Shares of the absorbing Sub-Fund. As soon as the decision to merge one Sub-Fund with another is taken, the issue of Shares in such Sub-Fund shall be prohibited unless there is no doubt that new subscribers are fully aware of the proposed merger and provided that the issue of Shares during this period in no way prejudices current Sub-Fund's Shareholders.

Notwithstanding the powers conferred to the Board of Directors by the preceding paragraph, a meeting of the Shareholders of a Sub-Fund can in any circumstances decide to contribute the assets (and liabilities) of that Sub-Fund to another Sub-Fund or UCI organised under the provisions of Part I of the Law of 2002 in exchange for the issue of shares in this new Sub-Fund or UCI to the Shareholders of such Sub-Fund. The decisions of a meeting of the Shareholders of a Sub-Fund regarding the contribution of assets and liabilities to another Sub-Fund or UCI are subject to a resolution of the general meeting of Shareholders of the Company. Such general meeting of Shareholders shall not validly deliberate unless at least one half of the capital is present or represented and the resolution shall only be passed by a majority of two thirds of the Shareholders present or represented. These decisions will be published. The publication shall contain information on the new Sub-Fund or UCI concerned and shall be released one month before the merger so as to give Shareholders the time to request redemption without charge prior to the effective transaction date. In the case of a

merger with a mutual fund or a foreign UCI, the decisions of the Shareholders' meeting are only binding on those Shareholders who voted in favour of such a merger.

Documents available for inspection

Copies of the following documents may be obtained for inspection during usual business hours on any Business Day at the registered office of the Company:

- (i) the Articles;
- (ii) the Custodian Agreement;
- (iii) the Administration Agreement;
- (iv) the Investment Management Agreement;
- (v) the Distribution Agreement;
- (vi) the Shariah Advisory Board Agreement;
- (viii) the Shariah Stock Screening Service Provider Agreement.
- (ix) the Management Company Services Agreement
- (x) the Company's Policy on Subscription and Redemption Fees on large transactions

Furthermore, the latest reports and accounts referred to under the heading "Reports" of the present section may be obtained free of charge.

Complaints

In the event of a complaint concerning the operation, marketing or administration of the Company or any Sub-Fund, please write to the registered office of the Company:-

49, avenue J.F. Kennedy
L-1855 Luxembourg

All complaints will be investigated in accordance with the Company's complaints handling procedure and in adherence to applicable regulation.

Information for Investors in the United Kingdom

The Prospectus is issued in the United Kingdom by Scottish Widows Investment Partnership Limited, which is authorized and regulated in the conduct of its investment business by the Financial Services Authority Limited under number 193707 (www.fsa.gov.uk/register). The Company is recognized for distribution in the United Kingdom for the purpose of Section 264 of the Financial Services and Markets Act 2000 of the United Kingdom ("Act").

In connection with the Company's recognition under section 264 of the Act, the Company will maintain the facilities required of a recognised scheme by the rules contained in the FSA Collective Investment Schemes Sourcebook at the offices of:

C/o Scottish Widows Investment Partnership Limited

10 Fleet Place,
London, EC4M 7RH
England

Such facilities include, among other things:

- (a) a Shareholder may redeem his Shares and from which payment of the price on redemption may be obtained;
- (b) information can be obtained orally and in writing about the Company's most recently published Share prices; and
- (c) any person who has a complaint to make about the operation of the Company can submit his complaint in writing for transmission to the Company.

The latest Prospectus and the Simplified Prospectus, the Application Form (if available), the Articles of Incorporation as well as the latest audited annual reports and the unaudited semi-annual reports, are available and obtainable free of charge from the above address.

SUPPLEMENT

SWIP ISLAMIC SICAV – ISLAMIC GLOBAL EQUITY FUND

The information contained in this Supplement must be read in conjunction with the complete text of the Prospectus.

1. Profile of the typical investors

The Sub-Fund is suitable for investors who (i) seek returns from capital appreciation and (ii) have a moderate risk tolerance.

The Sub-Fund is also suitable for more experienced investors wishing to seek exposure to a global equity fund, which is conducted in a manner that complies with the Sub-Fund's Investment Objective and Policy.

Investors should be aware of the risks involved with the equity investments. Investment in the Sub-Fund should be viewed as a long-term investment.

2. Investment Objective and Policy

The investment objective of the Sub-Fund is to provide investors with long-term capital growth primarily through direct and indirect investment in a portfolio of equity securities issued by companies from around the world.

Investment is permitted in companies that are listed within the Dow Jones Islamic Market Index or such other appropriate index as the Board of Directors may determine at their absolute discretion. Equity securities of companies other than those listed in the Dow Jones Islamic Market Index are also permitted where such securities have been approved by the Shariah Advisory Board, subject to the limits laid down under "Islamic Investment Guidelines" and "Investment Restrictions".

Where the Shariah Advisory Board approves investment in the equity securities of companies that are not listed in the Dow Jones Islamic Market Index, such investment shall not be permitted if the equity security fails a screening process based on Shariah criteria. A Shariah Stock Screening Provider has been appointed to provide this screening service to the Sub-Fund.

The Sub-Fund will at all times invest at least two-thirds of its assets in equity and other participation rights issued by companies from around the world.

Investors should note that as long as investment is made in companies listed within the Dow Jones Islamic Market Index or in companies that are approved by the Shariah Advisory Board, neither the Company nor the Promoter, the Management Company or the Investment Manager have any additional duty to ensure compliance with the Islamic Investment Guidelines.

The Sub-Fund will predominantly invest in equities traded on stock exchanges around the world.

In compliance with the investment restrictions set forth under section "Investment Restrictions", the Sub-Fund may also invest in new issues for which application for listing on a stock exchange will be sought, in other equities and in convertibles, Islamic deposits and in collective investment schemes, provided that the guidance of the Shariah Advisory Board is followed.

3. Specific Investment Restrictions

The Sub-Fund will not invest in fixed income instruments/securities and moneys received will not be held in interest bearing bank and other accounts.

The Sub-Fund is not permitted to borrow and will not be leveraged.

Stock lending/borrowing and trading/dealing in derivative instruments, as well as investing in preference Shares by the Sub-Fund is prohibited under Shariah principles.

The Sub-Fund will not be permitted to enter into repurchase agreement transactions.

The Sub-Fund will not invest in interest bearing securities, warrants, options, futures or swaps.

While the Sub-Fund shall not actively seek to acquire warrants, the Sub-Fund may acquire warrants as a result of holding equity securities, in the event of such occurrence, the Sub-Fund may only dispose of such warrants as part of a transaction which includes the disposal of the equity security to which the warrant relates.

The Sub-Fund will not be able to hedge against foreign exchange risk.

Where there is any discrepancy between this Supplement, the Islamic Investment Guidelines, and the Investment restrictions the terms of this Supplement shall prevail.

4. Classes of Shares

Shares of the following Classes are currently available for subscription:

Class A denominated in £ ("Class A £");

Class A denominated in EUR ("Class A EUR");

Class A denominated in USD ("Class A USD");

Class B denominated in £ ("Class B £");

Class B denominated in EUR ("Class B EUR");

Class B denominated in USD ("Class B USD");

Class C denominated in £ ("Class C £");

Class C denominated in EUR ("Class C EUR");

Class C denominated in USD ("Class C USD").

Class B shares are restricted to Institutional Investors.

With respect to Class A Shares, the Promoter has agreed to bear the expenses attributable to such Class of Shares such that the total expense ratio of this Class does not exceed 1.5 % of

the NAV of the relevant Class. Class B and C Shares do not benefit from such total expense ratio cap.

5. Reference Currency

The Reference Currency of the Sub-Fund is the USD.

6. Minimum Initial Investment, Minimum Subsequent Investment and Minimum Holding

Share Class	Minimum initial investment	Minimum subsequent investment	Minimum Holding
Class A £	£40,000	£1,000	£40,000
Class B £	£5,000,000	£10,000	£5,000,000
Class C £	£1,000	£1,000	£1,000
Class A €	€40,000	€1,000	€40,000
Class B €	€5,000,000	€10,000	€5,000,000
Class C €	€1,500	€1,500	€1,500
Class A USD	\$40,000	\$1,000	\$40,000
Class B USD	\$5,000,000	\$10,000	\$5,000,000
Class C USD	\$1,500	\$1,500	\$1,500

7. ZAKAT

Each Investor shall be responsible for the payment of their own Zakat.

8. Frequency of the Net Asset Value calculation and Valuation Day

The Net Asset Value per Share of each Class of the Sub-Fund is calculated on each Business Day, being a Valuation Day, at 13.00 Central European Time.

9. Sales charge

The Subscription Price per Share of the Sub-Fund is the Net Asset Value per Share. A sales charge of a maximum of 3.75% of the Net Asset Value per Share reverting to the Distributor will be charged for A and B Class Shares. The sales charge will be of 5% for the Class C Shares.

10. Subscription Fee on large transaction

In order to protect the interests of existing shareholders in the Company, the Board of Directors may, in its discretion, levy up to 0.75% fee on cash subscriptions of the value of that cash subscription in addition to the sales charge mentioned above.

11. Redemption fee on large transaction

In order to protect the interests of existing shareholders in the Company, the Board of Directors may, in its discretion, levy up to 0.75% fee on cash redemptions of the value of that cash redemption.

12. Conversions

If as a result of a subsequent subscription a Shareholder holding Class A or C Shares reaches the minimum amount required for subscription in Class B Shares, such Shareholder may apply for Class B Shares to be allotted in respect of such subsequent subscription and convert his existing Class A or C Shares into Class B Shares, provided that the application for subsequent subscription contains a relevant specification to this effect.

Conversions from one Class into the other Class within the Sub-Fund are prohibited except in the above-mentioned circumstances.

13. EU Savings Directive

The Investment policy of the Sub-Fund does not provide for direct or indirect investment of more than 15 % in bonds or debt claims as defined under the EU Savings Directive. As a consequence, distribution and redemption proceeds from the Sub-Fund will not fall within the scope of the EU Savings Directive.

14. Investment Manager

The Investment Manager is entitled to receive out of the assets of the Sub-Fund an annual management fee at the following rates:

Class	Annual management fee
Class A £	0.5% p.a.
Class B £	0.75% p.a.
Class C £	1.5% p.a.
Class A €	0.5% p.a.
Class B €	0.75% p.a.
Class C €	1.5% p.a.
Class A USD	0.5% p.a.
Class B USD	0.75% p.a.
Class C USD	1.5% p.a.

The annual management fee is accrued daily and payable monthly.

15. Distribution policy

It is not the intention of the Company to pay out dividends on any Class of Shares. However, the general meeting of Shareholders of the Sub-Fund or as the case may be any Class in the Sub-Fund may decide each year on proposal of the Board of Directors in this matter.

16. Listing on the Luxembourg Stock Exchange

The Shares of the Sub-Fund are not listed on the Luxembourg Stock Exchange.

17. Publication of the Net Asset Value

The Net Asset Value per Share will normally be available at the registered office of the Company on the relevant Valuation Day.

18. Performance

Annual Total Return

	12.12.05 to 11.12.06	12.12.06 to 11.12.07
Class A £	13.55%	16.65%
	28.08.06 to 27.08.07	n/a
Class C £	15.74%	n/a
	21.11.05 to 20.11.06	21.11.06 to 20.11.07
Class B USD	9.00%	12.84%

19. Disclaimer

Dow Jones" and "Dow Jones Islamic Market Index (SM)" are service marks of Dow Jones & Company, Inc. and have been licensed for use for certain purposes by SWIP. The Sub-Fund is based on the Dow Jones Islamic Market Index (SM), but is not sponsored, endorsed, sold or promoted by Dow Jones, and Dow Jones makes no representation regarding the advisability of investing in such product(s).

Dow Jones will not have any liability in connection with the Sub-Fund specifically,

- **Dow Jones does not make any warranty, express or implied, and Dow Jones disclaims any warranty about:**
 - **The results to be obtained by the Sub-Fund, the owner of the Sub-Fund or any other person in connection with the use of the Dow Jones Islamic Market Index and the data included in the Dow Jones Islamic Market Index;**
 - **The accuracy or completeness of the Dow Jones Islamic Market Index and its data;**

- **The merchantability and the fitness for a particular purpose or use of the Dow Jones Islamic Market Index and its data, compliance with Shariah law or other Islamic principles;**
- **Dow Jones will have no liability for any errors, omissions or interruptions in the Dow Jones Islamic Market Index or its data;**
- **Under no circumstances will Dow Jones be liable for any lost profits or indirect, punitive, special or consequential damages or losses, even if Dow Jones knows that they might occur.**

The licensing agreement between SWIP and Dow Jones is solely for their benefit and not for the benefit of the owners of the Sub-Fund or any other third parties.