1. **By-laws of**
2. **[name of the Special Purposes Entity]**
3. **(A Special Purposes Entity)**

These By-Laws are approved on [weekday], [Hejri date] (corresponding to [Gregorian date]) in respect of the Special Purposes Entity (**the Entity**) established and licenced under the Rules for Special Purposes Entities issued by the Board of the Saudi Capital Market Authority **(the** **Authority**) pursuant to its Resolution Number [⚫] dated [⚫] (the **Rules for Special Purposes Entities**), by [name of the Fund Manager], a [the legal form of the Fund Manager], with its registered office at [address of the Fund Manager]; having as its business activity [business activity of the Fund Manager], in its capacity as the fund manager of [the name of the investment fund or real estate investment fund (with the same name as the Special Purposes Entity)], which takes the form of the special purposes entity (the **Fund** ).

**WHEREAS**, [the Fund Manager] has decided to establish the Entity as follows.

1. Name
   1. The name of the Entity is [insert name].
2. Custodian1-2.
   1. [Name of the Custodian], [the legal form of the Custodian], and having its registered office at [the address of the Custodian], and its business activity is [business activity of the Custodian].
3. REGISTERED Office
   1. The Registered Office of the Entity is at [insert address in Kingdom of Saudi Arabia]. The Registered Office of the Entity may not be transferred to any other place except with the approval of the Authority.
4. Purpose and activity

The purpose of the Entity is to issue investment units.

The Entity shall not engage in any activity other than the following:

* + 1. issuing of investment units.

(b) ancillary activities necessary to achieve its purposes.

(c) The activities stipulated in the terms and conditions of the fund that takes the form of the special purposes entity, and these By-laws.

1. shareholders

The holders of the investment units issued by the Special Purposes Entity shall be the Shareholders of the Special Purposes Entity, according to the register of unitholders.

All the securities and other assets of the Fund shall be registered in the name of the Entity, these securities and other assets are jointly owned by the holders of the investment units issued by the Entity.

Other than losing his\her investment in the Entity or part of it, the unitholder shall not be liable for the debts and obligations of the Entity.

1. CAPITAL
   1. The capital of the Entity is [insert the capital of the Entity in numerals and words], divided into [insert the number of investment units in numerals and words], each having a nominal value of [insert the nominal value of the investment unit in numerals and words]. [Or if it is an open-ended investment fund] The capital of the Entity is variable and is based on the subscriptions and redemptions of the investors in the investment units issued by the Entity.
2. FUND MANAGER
   1. The Fund Manager shall manage the business of the Entity and carry out its day-to-day affairs, and shall have all powers and authorities, except where stipulated in the Rules for Special Purposes Entities and the [Investment Funds Regulations or the Real Estate Investment Funds Regulations (as applicable)] or in these By-Laws that it shall be for others, including (without limitation):
      1. to represent the Entity before the Authority, all notary publics, judicial authorities, Government and private entities and others;
      2. to negotiate any contracts or other documents to be entered into by the Entity, and executing such contracts and documents in the name of the Entity, in order to obligate the Entity to the terms of such contracts and documents;
      3. to appoint and remove the Entity's agents or legal advisors.
   2. The Fund Manager may delegate any of his/her authorities to any person, including (without limitation) any of the authorities specified in Article 7.1 above or the authorities stipulated in the Rules for Special Purposes Entities and the [Investment Funds Regulations or the Real Estate Investment Funds Regulations (as applicable)], and shall bear the responsibility for such delegation.
   3. The fund manager must enable all concerned parties to perform their duties towards the fund that takes the form of the special purposes entity, in order to comply with all provisions that apply to them in accordance with the Rules for Special Purposes Entities and the [Investment Funds Regulations or Real Estate Investment Funds Regulations (as applicable).], For example, but not limited to: the Custodian, the Fund Operator (where applicable), and the Auditor.
3. DIRECTORS [This clause is mandatory in the case of Public Funds and Private Real Estate Funds, and optional in the case of Private Non-Real Estate Funds]
   1. Directors of the Entity are the Directors of the Fund.
   2. The provisions stated in the [Investment Funds Regulations or the Real Estate Investment Funds Regulations (as applicable)] shall apply to Directors.
4. register of Directors [This clause is mandatory in the case of Public Funds and Private Real Estate Funds, and optional in the case of Private Non-Real Estate Funds]

The Entity shall maintain a register of Directors in which it shall enter the following details in relation to each Director:

* + 1. name and address;
    2. national identification number, Iqama number or passport number, as appropriate;
    3. nationality;
    4. occupation (if any);
    5. date of appointment;
    6. location of residence; and
    7. date of removal or resignation (where applicable).

The pages of the Directors’ register shall be numbered sequentially. No page may be deleted nor any erasure or revision made to the information contained therein.

1. Decisions Making
   1. This section includes decisions–making process regarding the Special Purposes Entity that are not included in these By-laws, the Rules for Special Purposes Entities or the [Investment Funds Regulations or the Real Estate Investment Funds Regulations (as applicable)], such decision shall be made by the Fund Manager without prejudice to the provisions of the Rules for Special Purposes Entities and the [Investment Funds Regulations or the Real Estate Investment Funds Regulations (as applicable)].
2. books and records

The Fund Manager shall be responsible for ensuring that the books and records are maintained properly without prejudice to the provisions of the [Investment Funds Regulations or the Real Estate Investment Funds Regulations (as applicable)].

The books and records must be kept at the Registered Office of the Entity (or such other place in the Kingdom of Saudi Arabia as the Fund Manager may determine), and shall always be available for inspection.

1. settlement and INSOLVENCY
   1. Subject to the provisions of the Rules for Special Purposes Entities, the Special Purposes Entity is subject to the Bankruptcy Law and its Implementing Regulations.
2. TERMINATION OF A SPECIAL PURPOSES ENTITY
   1. The Special Purposes Entity shall cease to exist with the end of the purpose for which it was established for in accordance with Article 54 of the Rules for Special Purposes Entities.
3. Law and arbitration

These By-Laws are subject to the laws and regulations of the Kingdom of Saudi Arabia, in particular the Rules for Special Purposes Entities and the [Investment Funds Regulations or Real Estate Investment Funds Regulations (where applicable)].

Unless otherwise agreed upon, any dispute, controversy, or claim arising out of or in connection with these By-Laws shall be settled amicably. In the event that any such dispute cannot be resolved amicably and unless otherwise agreed upon, any party may submit the matter to the Committee for the Resolution of Securities Disputes for the issuance of a decision in accordance with the relevant procedures, with no prejudice to the parties of the dispute's right to arbitration as agreed upon.

1. Gernral provisions
   1. Unless otherwise specified in these By-Laws, all notices to be served pursuant to these By-Laws shall be in the form of letters, e-mails, or shall be delivered by hand against a written acknowledgement of receipt at the registered office of the Entity.
   2. These By-Laws has been drafted and signed in Arabic and English. In case of conflict between the two versions, the Arabic version shall prevail.
   3. These By-Laws have been signed in [insert number of copies in words] ([insert number of copies in numerals]) copies in Arabic and English.
   4. References in these By-Laws to years or months shall be made to Gregorian years or months.

**IN WITNESS WHEREOF**, these By-Laws were signed by the Fund Manager or by its duly authorised representatives on the day and year detailed above.

**[Insert the name of the Fund Manager]**

**By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**