



VISION

Emerging Oman Fund

PROSPECTUS

Issue of Units at a price of RO 1.020
with the nominal value of each Unit being RO 1
and issue expenses of 20 baisas

INITIAL SUBSCRIPTION PERIOD

20 May - 19 June 2007

ISSUE MANAGER

Vision Investment Services Co. SAOC
P.O. Box 712, Al Hamriya
Postal Code 131
Sultanate of Oman

COLLECTING BANKS

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Postal Code 112,
Sultanate of Oman
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Fax: 24793953

Bank Dhofar

P.O. Box 1507, Ruwi,
Postal Code 112,
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National Bank of Oman

P.O. Box 751, Ruwi,
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Sultanate of Oman
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This Prospectus contains information submitted in accordance with the requirements of the Fund Regulations issued by the Capital Market Authority, Sultanate of Oman.

This is an unofficial version of the original Prospectus prepared in Arabic and approved by the Capital Market Authority vide its Administrative Decision No.16/2007 dated 12/May/2007.

The Capital Market Authority will not be held liable for the accuracy and adequacy of the information provided in this Prospectus. It shall also not be liable for any liability arising from the reliance on this data and information or from their use by any person.

NOTICE

This Prospectus contains particulars of Vision Emerging Oman Fund (the “Fund”) and specifically the offering of Units in the Fund for giving information to potential investors. The Units of RO 1 each in the Fund are offered solely based on the information contained in this Prospectus.

The aim of this Prospectus is to present material information that may assist investors to make an appropriate decision as to whether or not to invest in the Units offered. The Prospectus includes all material information and does not contain any misleading information or omit any material information.

The Investment Manager, Investors’ Committee and Vision Investment Services Co. SAOC (“Vision”) are responsible for the provision of this material information and confirm that no material information has been omitted, the omission of which would render this Prospectus misleading.

Please note that investments in Vision Emerging Oman Fund are not guaranteed; the value of the investment-units changes frequently and past performances may or may not be repeated. All investors should examine and carefully review the Prospectus in order to decide whether it would be appropriate to invest in the Units offered by taking into consideration all the information contained in this Prospectus in the context.

The Fund shall be governed by the terms of this Prospectus, the Articles of Association of the Fund and the Regulations of the Capital Market Authority (“CMA”), Sultanate of Oman. Where the terms of this Prospectus and/or the Articles of Association of the Fund contradict the Regulations of CMA, the Regulations of CMA shall prevail.

CMA assumes no responsibility for the accuracy and adequacy of the statements and information included in this Prospectus nor shall it have any liability for any damage or loss resulting from relying upon or using any part of the same by any person.

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VISION

Emerging Oman Fund

INTRODUCTION

The Fund

Vision Emerging Oman Fund (the “Fund”) is an open-ended investment fund established in the Sultanate of Oman and constituted as a Joint Investment Account attached to Vision Investment Services Co. SAOC (“Vision”) as per the Regulations of the Capital Market Authority (“CMA”), Sultanate of Oman.

The primary objective of the Fund is to achieve growth through capital appreciation and dividends by investing in equities listed and/or to be listed on the Muscat Securities Market (“MSM”).

The affairs of the Fund will be supervised by the Investors’ Committee. The Investors’ Committee has appointed Vision as the Investment Manager to the Fund. Vision shall manage the assets of the Fund in accordance with the terms of the Investment Management Agreement, entered into between these two parties for the said purpose, and under the directives of the Investors’ Committee.

The Fund will be governed by the terms of this Prospectus, which will serve as the constitution of the Fund, as also the provisions of the Capital Market Law and Regulations and Directives issued by CMA.

TERMS & DEFINITIONS

Articles of Association	The Articles of Association of the Fund, which shall prescribe the functions and powers of the Unit-holders, Investors' Committee and other rules for the operations of the Fund
Benchmark Index	MSM 30 Index as calculated and published by MSM
Business day	Any day on which MSM is open for business
Capital Market Law	The law promulgated by Royal Decree 80/98 and its amendments by Royal Decree 18/2002
Closing date	The last date for submitting subscription applications for Units at the initial subscription price
CMA	Capital Market Authority
Commencement Date	The date, as notified by CMA, on which the Fund can commence investment as per the terms of this Prospectus.
Currency of the Fund	Rial Omani
Custodian	Company responsible for safekeeping the assets of the Fund in accordance with the contract for a fee
Governing law	Laws of Sultanate of Oman
Initial Subscription Period	The period during which Units of the Fund will be available for Subscription at the Initial Subscription Price
Investment Management Agreement	The agreement between the Investors' Committee and the Investment Manager concerning the management of the Fund
Investment Manager	Company responsible for managing the Fund's portfolio in accordance with the contract for a fee
Investors' Committee	The Committee initially comprising the persons whose details appear in Chapter 4 of this Prospectus, who will have overall responsibility for the affairs of the Fund.
MSM	Muscat Securities Market
Net Asset Value ("NAV")	The value of the Units calculated according to International Financial Reporting Standards, and stated as NAV in the audited financial statements of the Fund; or calculated according to the method used to calculate NAV in the audited financial statements of the Fund.

Net Realisable Value	The value of the investment Units of the Fund, calculated for setting a fair redemption price, in those cases where the redemption price may differ from the NAV. The Net Realisable Value will normally be lower than the NAV.
Redemption day	The Business day in which Units are redeemed from the Fund, upon a valid redemption request
Redemption Fees	Charges paid by Unit-holders at the time of redemption of their Units in the Fund and which will be retained by the Fund for benefit of the continuing Unit-holders
Regulations	The regulations issued by the Capital Markets Authority, Sultanate of Oman regulating Joint Investment Accounts.
Service Provider	Service Provider is a juristic person who provides services to the Fund or its investors or Unit-holders, by virtue of a contract with the Fund. The term service provider includes the Investment Manager, Custodian, Administrator, External Auditor, Distributors, sub-custodians, and brokers who execute orders for the Fund.
Subscription day	The Business day on which new Units are allotted to investors, upon a valid subscription request
Subscription Fees	Sales charges paid by investors at the time of purchase of Units issued by the Fund and calculated as a percentage of NAV. This is used to pay the cost of sales, marketing and distribution.
The Fund	Vision Emerging Oman Fund
Unit certificates	Certificates signifying the ownership of the Units in the Fund
Units	Each Unit represents one proportionate indivisible share in the Fund.

INVESTMENT SUMMARY

The following information is derived from the full text of this Prospectus. It should therefore be read in conjunction therewith.

Vision Emerging Oman Fund is an investment fund attached to Vision Investment Services Co. SAOC. It is constituted under the provisions of the Capital Market Law, Sultanate of Oman. The Fund will be managed by Vision Investment Services Co. SAOC under the overall guidance of the Investors' Committee of the Fund.

Name of the Fund	Vision Emerging Oman Fund
Address	Post Box 712, Al Hamriya, Postal Code 131 Sultanate of Oman
Fund Structure	Open Ended Fund with perpetual life
Fund Denomination	Rial Omani
Nominal Value of Unit	RO 1.000
Fund Size	Minimum size RO two million (as per CMA Regulations) Maximum size - Open
Promoters' Commitment	RO 100,000
Initial Subscription Period	20 May 2007 to 19 June 2007
Initial Subscription Price	Units are available for subscription during the Subscription period at a price of RO 1.020 per Unit (including an amount of RO 0.020 per Unit towards issue expenses).
Minimum Subscription	The minimum subscription in the Fund shall be 100 units. Further subscriptions may be made in multiples of 100 units.
Maximum Subscription	As per the current regulations of CMA, there is no maximum limit on the Unit holding by a single investor.
Commencement Date	15 July 2007. Subject to CMA approval or any other day as decided by the Investment Manager in consultation with CMA.

Subsequent Subscription	After the publication of first NAV, the Fund would commence issue of fresh Units to eligible investors on a daily basis on the Subscription day.
Redemption	After the publication of first NAV, the Fund will accept requests for redemption of Units of existing investors on a daily basis as per the terms of redemption provided under Chapter 7 of this Prospectus.
Subscription Fees	The Subscription Fee is up to 5% and is calculated as a percentage of NAV. This is used to pay the cost of sales, marketing and distribution expenses. The Investors' Committee has the discretion to waive completely or in part this fee to investors.
Redemption Fees	The Fund reserves the right to charge up to 1% Redemption Fee deductible from the Redemption price and will be retained by the Fund. The level of the fee may be amended at the meeting of the Unit holders.
Investment Objectives and Policy	The primary objective of the Fund is to achieve growth through capital appreciation and dividends by investing in equities listed and/or to be listed on the Muscat Securities Market.
Investment Manager	The Investors' Committee has entered into an Investment Management Agreement with Vision Investment Services Co. SAOC and appointed Vision Investment Services Co. SAOC as Investment Manager to the Fund. A copy of Investment Management Agreement is available for inspection at the office of the Investment Manager.
External Auditor of the Investment Manager	KPMG
Administrator/Registrar	Vision Investment Services Co. SAOC
Custodian	HSBC Bank Middle East, Muscat
Legal Adviser	Rajab Al-Khathiri & Associates (Lawyers & Legal Consultants)
Fund Auditor	PricewaterhouseCoopers LLP
Net Asset Value ("NAV")	The NAV of the Fund will be calculated daily.
Dividends	In consultation with the Investment Manager, the Investors' Committee may pay periodic cash/stock dividends, subject to the availability of sufficient distributable profits.

Risk Factors	An investment in the Fund involves risks. Investors should note that there is no assurance that the investment objectives of the Fund will be achieved nor is there any guarantee on the capital invested.
Management Fees	The Investment Manager will receive from the Fund an Investment Management Fee of 1.50% (one & half per cent) per annum of the NAV of the Fund, calculated before Investment Management and Performance Fees, on a daily basis and payable monthly in arrears.
Performance Fees	The Investment Manager shall be entitled to a Performance Fee of 10% of the returns in excess of the returns given by the benchmark with high watermark, payable at the end of each year. Performance Fees do not take place except on the new performance above the NAV (adjusted for dividends) on which any of the earlier payment of the Performance Fees took place and would be given only in case of positive returns. In case of negative returns where the Fund has out-performed, no Performance Fee will be charged; however, the high watermark will be reset to such new level. Performance Fees in respect of Units redeemed on any Redemption day will be calculated daily and payable monthly in arrears.

INVESTMENT POLICY

Investment Objective

The primary objective of the Fund will be to achieve growth through capital appreciation and dividends by investing in equities listed and/or to be listed on the Muscat Securities Market.

Investment Process

The proceeds from the issue of Units will be invested in equity investments listed and/or to be listed in Oman subject to the restrictions described under Investments and Borrowings Restrictions below. While the overall supervision of investments made by the Fund is to be the responsibility of the Investors' Committee, day-to-day investment management will be delegated to the Investment Manager.

Investment Strategy

The investment strategy aims to achieve returns that out-perform the benchmark index. The Investment Manager will approach investments with a distinct, well-developed philosophy, which relies on unconventional research and analysis.

Utilising a bottom-up strategy to identify investment opportunities, the Investment Manager will focus on investment opportunities expected to produce attractive returns over the medium to long term and could out-perform the index.

This proven strategy focuses on being over-weight in companies that have the following characteristics:

- ◆ strong business model and high competitive strength;
- ◆ strong leadership, managerial and execution skills;
- ◆ well defined and clear business strategy;
- ◆ strong risk management capabilities and ability for adaptation against sector and other changes;
- ◆ most of the company's profits are from core activities and not from non-core activities like investment income.

Besides these characteristics, the Investment Manager will focus on companies that are traded at prices equal to or lower than the intrinsic value and will under-weight or have no exposure to companies or sectors that are traded at high valuations. The Fund will be under-weighted in weak companies, which are traded at low valuations. In general, the Fund will look at the projected growth related to current valuation.

The Investment Manager believes that this approach leads to superior stock-selection and sector-allocation and consistent out-performance.

Dividend Policy

The Investors' Committee may in consultation with the Investment Manager, pay periodic cash/stock dividends, subject to the availability of sufficient distributable profits.

Performance Benchmark

MSM 30 index would be used as benchmark for comparing the performance of the Fund. However, should

MSM introduce any other index, which the Investment Manager believes, will better represent the market, the Investors' Committee in consultation with the Investment Manager may change the benchmark index.

MSM 30 is a Muscat Securities Market Index established in 1992 with June 1990 as the base period. The index is a market capitalisation weighted index.

To establish the index, a number of companies were included in the index sample over time to reach currently 30 companies from different sectors of the market. MSM 30 index consists of three sub-indices representing three sectors of the market: Banking & Investment, Industrial and Services. The current composite of the index with the respective weight is presented in the table below.

The main objective of the MSM 30 is to represent the price movement of the listed shares objectively and to be a benchmark for individual and institutional investors that guide them through their investment processes.

Particulars	Percentage of Index
Banking & Investment	
Bank Dhofar	4.96%
Bank Muscat	24.36%
National Bank of Oman	11.53%
Oman International Bank	4.64%
DIDIC	1.33%
OMINVEST	1.51%
Gulf Investment Services	0.31%
Oman & Emirates Investment (OM)	0.44%
Transgulf Ind. Investment Holding	0.17%
Oman National Insurance Holding Co.	1.65%
Sub Total	50.90%
Industrial	
Majan Glass Co.	0.45%
Al Hassan Engineering	0.69%
Al Anwar Ceramic Tiles	0.48%
Al Khaleej Polypropylene	0.19%
Oman Cement	4.52%
Oman Chlorine	0.37%
Oman Flour Mills	0.72%
Oman Textile	0.08%
Raysut Cement	6.30%
Oman Cables	2.70%
Sub Total	16.50%
Services	
Al Jazeera Services	0.36%
Dhofar Power	0.84%
Oman Telecommunications	19.16%
Majan College	0.18%
AES Barka	1.79%
Port Services	1.08%
Renaissance Services	3.15%
Oman Oil Marketing Co.	1.37%
Shell Oman	3.30%
Al Maha Petroleum Products	1.37%
Sub Total	32.60%
Total MSM Index	100.00%

Source: Muscat Securities Market
Data as of 3 May 2007

Investment & Borrowing Restrictions

Investments and Borrowings by the Fund will be subject to the restrictions as per Articles 32, 33 & 34 of the CMA Regulations. The Fund shall not:

1. purchase a security of an issuer, if, after the purchase, the Fund would hold more than 10% of the voting securities of that issuer;
2. purchase real estate or a mortgage;
3. purchase a security for exercising control or management of the issuer of the security;
4. purchase or sell derivatives, except in accordance with guidelines established by CMA;
5. purchase or sell a physical commodity, including precious metals;
6. invest in companies under bankruptcy or liquidation or subscribe to joint stock companies (under formation), or subscribe shares as a founder in a joint stock company (under formation) with the exception of privatisations;
7. engage in the business of underwriting or marketing securities of any other issuer;
8. purchase shares on margin or sell securities short;
9. lend money or securities;
10. guarantee securities or obligations of another person;
11. borrow money or provide for the encumbrance on its assets except in the two following situations:
 - 11.1. the transaction is a temporary measure to accommodate requests for the redemption of Units of the Fund while the Fund effects an orderly liquidation of its assets, and, after giving effect to the transaction, the outstanding amount of borrowing does not exceed 5 % of the net assets of the Fund taken at market value at the time of borrowing;
 - 11.2. the encumbrance secures a claim for the fees and expenses of any service providers for service rendered in that capacity.

INVESTMENT RATIONALE

Vision Emerging Oman Fund, offers investors an opportunity to participate in the economic growth of Oman, as the country capitalising on the high oil prices, positions itself as a broadly diversified investment destination. The increasing private sector investments and attractive valuation of the listed companies with high quality of earnings, makes Oman an interesting investment opportunity.

The investment objective of the Fund will be to achieve growth through capital appreciation and dividends by investing in equities listed and/or to be listed on the Muscat Securities Market.

Macro Economic Factors

Particulars	2002	2003	2004	2005
GDP (USD Billion)	20.3	21.7	24.8	30.7
Population (Million)	2.540	2.341	2.416	2.510
Population growth rate (%)	2.42	-7.76	3.20	3.85
GDP per Capita (USD)	7,998	7,928	9,753	13,500
Real GDP growth (%)	1.60	2.50	4.90	6.10
Imports of goods fob (USD Billion)	5.6	6.1	7.9	8.0
Exports of goods fob (USD Billion)	11.1	11.6	13.3	18.6
Trade Balance (USD Billion)	5.52	5.57	5.49	10.64
Current Account balance (USD Billion)	1.90	1.50	0.60	4.70
Current Account balance (GDP %)	9.55	6.83	2.42	15.31
Inflation (%)	0.20	-0.60	0.90	1.90
External Debt (USD Million)	1,340	1,280	NA	4,361
Foreign currency reserves (USD Million)	3,257	3,622	3,968	4,358
Exchange rate (1 RO = USD)	2.594	2.594	2.594	2.594

Source: CBO Annual Report 2005

The current phase of high oil prices and increased Government expenditure has led to a major growth in Oman's GDP. The nominal GDP has grown at an average rate of around 15% per annum over the last four years. Oman's GDP registered a growth of 24% in 2005 as against a growth of 14.2% in 2004.

As per data published by Ministry of National Economy, the nominal GDP of Oman in the first half of 2006 increased by 21.8%. A large part of this growth is attributed to the 26.8% increase in oil & natural gas revenue. However, the non-oil sector has also been a major contributor to the GDP as well as the GDP growth with an increase of 16.7% in its activities, thus highlighting the success of Oman Government's effort in diversifying the economy.

This strong growth in economy is being leveraged by Oman to further decouple its economy from crude oil dependence and position itself for prolonged economic buoyancy through diversification of the economy. The Oman government budget for 2007 assumes crude oil prices of USD 40/bbl and with the oil prices trading above the budgeted levels it is expected that there would not be any adverse impact on the growth prospects of Oman in the near future.

In continuing with the trend witnessed over the past five years of current account surplus, Oman is expected to have a record current account surplus of RO 2.4 billion in 2006. This is around 18% of the expected GDP of

2006. Further, the money supply, as represented by narrow money (M1) and broad money (M2), registered growth of 8.1% and 24.5%, respectively in 2006. Both these factors have enhanced the Government's capacity to pump in more money for the infrastructure and industrial projects and facilitate an easier diversification of economy.

Investments*

Oman is seeing huge investments in Oil & Gas, Petrochemicals, Aluminium, Real Estate, Hotels and Infrastructure. Sohar and the new port at Sohar are seeing investments of USD 12 billion and have been the key growth area with large projects coming in there. Government has plans to replicate this model in Duqm and other areas in Oman.

Some of the projects that are being implemented are:

- ◆ **Sohar Aluminium:** A USD 2.4 billion green field smelter with a capacity to produce 350,000 tonnes of aluminium ingots is being set up. The construction work has commenced and is likely to be completed by 2008. Along with the smelter, a 1000 MW power plant for dedicated supply of electricity to the smelter is also being set up. This would cost USD 500 million.
- ◆ **Sohar Refinery:** The USD 1.25 billion crude unit of Oman's second refinery with a capacity of 116,400 bpd began operations in second half of 2006. A residue fluid catalytic cracker with a capacity of 75,260 bpd is also set to move into production shortly to support a new polypropylene complex. The refinery will produce around 327,000 tonnes per day of propylene, which will be supplied as feedstock to Oman Polypropylene coming up near the refinery. The refinery will also supply naphtha and gasoline as feedstock to Oman Aromatics.
- ◆ **Oman Polypropylene:** A 340,000 tpa capacity polypropylene plant that is integrated with the refinery has begun its operations. This USD 313 million project will add value to Sohar Refinery's propylene to produce polypropylene that can be used in an array of downstream industries.
- ◆ **Aromatics' Oman Ltd:** This USD 1.1 billion petrochemical complex consists of an 810,000 tpy paraxylene plant & a 210,000 tpy benzene plant and is targeted for commissioning in 2008. This plant would be using naphtha and gasoline as feedstock from Sohar refinery.
- ◆ **Sohar International Urea and Chemical Industries (SIUCI):** This USD 650 million urea plant with a capacity to produce 1.2 million tpy of urea a year is expected to commence operations in 2007.
- ◆ **Oman Methanol:** This one million tpa methanol plant at Sohar is scheduled to launch production in 2007. A second plant, which would be similar in size to Oman Methanol's first plant and estimated to cost around USD 500 million, is also being set up. The Sohar Methanol plant is expected to be commissioned in mid-2008.
- ◆ **Shadeed Iron & Steel:** This steel plant in Sohar is expected to commence commercial production in the third quarter of 2008 and aims to target more than 50% of the region's seamless tubes market. The overall project is expected to produce one million tonnes of seamless tubes per annum. Jindal Saw International is investing over USD one billion in the first phase of the project and the total project size is expected to be USD four billion.

* Source - Media Publications

- ◆ **Oman Petrochemical Industries Corporation:** The estimated USD two billion project at Sohar consists of an ethane cracker with capacity of just less than one million tpa, three polyethylene and two polypropylene units, a gas treatment plant and a natural gas liquids (NGL) fractionation plant. This is expected to commence operations in 2008.
- ◆ **Sohar Power Project:** This independent water and power project when operational in 2007 would generate 585 MW of power and 33 million gallons of water.
- ◆ **Real Estate and Tourism Projects:** Oman is seeing lot of investments in real estate and tourism projects. The USD one billion Wave project is one of the prominent projects being undertaken. This Wave front project contains a marina, golf course, villas, and luxurious apartments and is expected to be completed by 2010. Some other projects that are being undertaken are the USD 15 billion Blue City project, Salam Resort & SPA -Yiti (first phase - USD 1.4 billion), Tourist Resort at Ras Al Hadd, etc.
- ◆ **Infrastructure Projects:** The USD 1.2 billion Southern Expressway project is being undertaken in two phases and would be completed in 2009.
- ◆ **Barka Power Plant Project:** A power plant at Barka with a capacity of 500-700 MW and 30 million gallons of desalinated water is expected to commence in 2008-09.

Corporate Performance

Public companies in Oman listed on the MSM have shown impressive growth in both revenues and profitability over the last four years. What sets them apart from their peers in the region is their quality of earnings. Operating earnings form a significant part of the profits and in most cases, 100% of the total earnings are from core operations.

Further, the growth in earnings in 2005 for the MSM 30 companies on an aggregate basis was 54% and the index grew by 44.45% during the same period. Similarly, for the year 2006, the earnings of MSM 30 companies have grown by 17.29% vis-à-vis the 14.49% growth shown by the MSM 30 index. As is evident, the earnings' growth is driving the stock prices and not P/E expansion, which seems to be the case in some of the regional markets. The table below gives the growth in aggregate revenue and earnings of the MSM 30 stocks.

	2003	2004	2005	2006
Revenue Growth	0.72%	7.90%	44.62%	24.71%
Earning Growth	-35.38%*	95.22%	53.95%	17.29%
Index Growth	41.78%	22.48%	44.45%	14.49%

* Excluding NBO the earnings grew by 14.7%

With increased economic activities and huge investments in mega projects, the earnings growth momentum is expected to continue in the coming years with the stock market keeping pace with this growth.

Equity Markets

Muscat Securities Market	2003	2004	2005	2006
Listed Companies	104	122	125	132
Market Capitalization (RO Million)	2,790	3,587	5,879	5,109
MSM Trading Turnover (RO Million)	593	759	1,407	893
MSM Trading Volume (Million)	329	382	443	928
Index Close	2,720	3,332	4,875	5,582
P/E of Index (x)	11	11	13	13
P/B of Index (x)	1.43	1.88	2.50	2.91
Growth in Index	41.78%	22.48%	46.32%	14.49%
Dividend Yield	6.28%	4.11%	4.68%	4.35%

MSM has one of the largest numbers of listed companies in the region with over 132 listed securities as at 31 December 2006. Though actively traded companies are around 40, the traded volumes and turnover value have seen good growth over the years. The MSM index has given a compounded return of 30.6% over the last four years.

Despite such high returns, the valuations have remained within a narrow range of 11-13x historical earnings. This again illustrates the fact that the earnings have been driving the growth in stock prices. The valuations are at an attractive and moderate levels compared to emerging markets and regional peers. The dividend yield in the range of 4-6% is considered attractive and for 2006, the dividend yield is expected to be at the higher end of the range considering the strong performance by listed companies.

The Price to Earnings (P/E) of MSM as compared to regional peers is reasonable and among the lowest, as can be seen below:

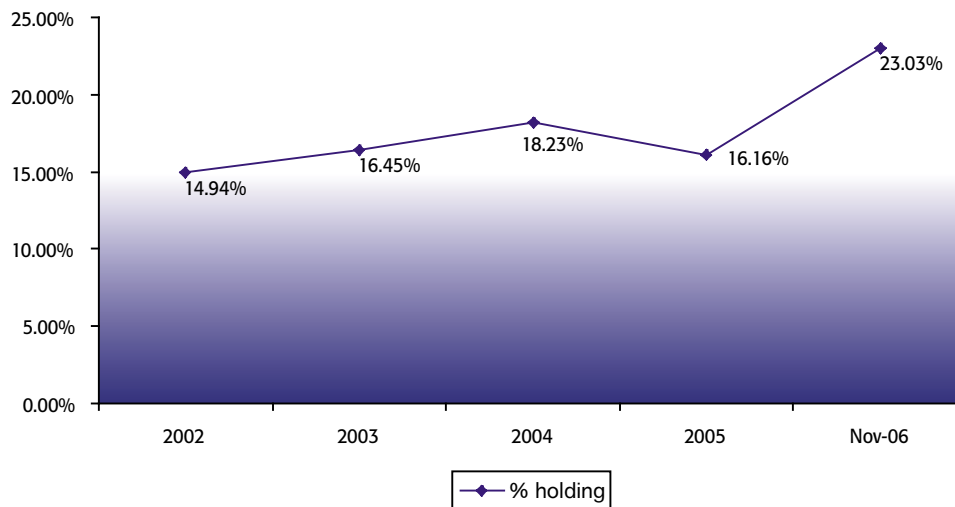
Country	Basket P/E	Basket P/B
Saudi Arabia	25.03	6.51
Kuwait	17.29	3.71
Dubai	14.54	2.86
Abu Dhabi	14.30	2.79
Qatar	12.88	3.49
Bahrain	12.78	2.02
Oman	12.57	3.08

Prices as on 3 March 2007, EPS are for the year ending 2006 except for some companies that did not declare their results.

Oman has very investor friendly regulations and allows the non-Omani holding in any Oman-based company to be as high as 100%. Oman has been successful in attracting foreign portfolio investors as these valuations have attracted a lot of GCC and foreign investors.

As can be seen in the chart below, barring a small dip in 2005, the non-Omani holding in Oman companies has been steadily increasing for the past five years with 2006 seeing a major increase, with the percentage going to 23%. This shows the attractiveness of Omani companies to GCC and foreign investors.

Non-Omani holding in Omani Companies (%)



In conclusion, we believe the valuation of MSM stocks are reasonable with high dividend yield and low P/B and PEG of less than one. The valuation is also one of the lowest in the region on an absolute as well as on a growth-adjusted basis making it very attractive to invest in short as well as long-term basis.

MANAGEMENT OF THE FUND

The management of the assets of the Fund will be the responsibility of the Investors' Committee, who will delegate day-to-day investment decisions to the Investment Manager, subject to the terms of the Investment Management Agreement. The Investors' Committee will be responsible for formulating investment strategy and the guidelines to be adopted by the Fund and will review the activities of the Investment Manager on an on-going basis.

The Investment Manager will manage the assets of the Fund by investing and trading in securities on behalf of the Fund in accordance with the terms of the Investment Management Agreement and in accordance with the rules and principles stated in this Prospectus. No other party will have the right to interfere in the management of the Fund or in any decision taken in relation thereto so long as the terms of this Prospectus are observed.

Investors' Committee

Investors' Committee Members

It is proposed that the Investors' Committee shall comprise the following members on being approved by the Unit-holders in the Constitutive General Meeting of the Fund:

Ahmed Saeed Al Mahrezi	Member	Omani
Hamed Musaed Bader Al Sayer	Member	Kuwaiti
Mahmoud Ashour Al-Jafar	Member	Kuwaiti
Sadiq Hassan Dawood Al Lawati	Member	Omani
Saleh Bin Nasser Al Riyami	Member	Omani
Saud Ahmed Abdul Kareem Al Nahari	Member	Omani

Mr. Ahmed Saeed Al Mahrezi

Mr. Ahmed is an Investors' Committee Member of Vision Emerging GCC Fund and a Director General of the Civil Services Employees Pension Fund, Board Member & Credit Committee Member of Bank Dhofar and Board Member of Hotel Management International. He also worked in Ministry of Civil Services as Acting Director General, Director General of Retirement, Director of Legal Department and Acting Director of Undersecretary's Office and Legal Researcher in the Legal Department.

Further, he was a Board Member & Credit Committee Member of National Bank of Oman, Board Member of National Investment Fund Co., Member and Chairman of Board of Directors of Al Batinah Hotel Co. SAOG and Board Member of Interior Hotel Co. SAOG.

Mr. Ahmed holds Master in Law (International Business Law) from University of Hull, UK and a Bachelor Degree in Law from Morocco.

Mr. Hamed Musaed Bader Al Sayer

Mr. Hamed is the Deputy General Manager for Development & Marketing and an Executive Committee member in Al-Dhow Investment Company. Prior to this, he has worked with NBK as a Credit Officer for 5 years. He holds various respectable positions as the Chairman of Kuwait National Lube Oil Manufacturing Company, the Vice Chairman of Jiblah Holding Company, the Managing Director of Caribou Gulf Coffee (KWT) and the Managing Director of Caribou Arabian Coffee (UAE).

Mr. Hamed currently serves as a board member of FIMBank (Malta) and United Financial Brokerage Company (Egypt). He is also an ex-board member of Gulf Employment Company KCSC. Further, Mr. Hamed holds position as Chairman of Investment Committee of Jiblah Holding Company and Investment Committee Member in Al-Dhow Investment Company.

Mr. Hamed holds a Master in General Management from Kuwait Maastricht business school and a Bachelor Degree from Seattle University, USA.

Mr. Mahmoud Ashour Al-Jafar

Mr. Mahmoud is the Chief Executive Officer of Jiblah Holding Company K.S.C.C. since 2005. Prior to this, he was working for Industrial & Financial Investments Co. (Kuwait) since 1991 where he started as an Accountant and went on to become the Assistant General Manager in 2001, after serving at various positions including Senior Accountant, Assistant Finance Manager and Finance Manager (Finance & Investments).

Mr. Mahmoud also serves as the Chairman on the Board of Pearl Glass Co. (Egypt) and as a Vice Chairman on the Board of Kuwait Slaughter House Co. (Kuwait) & Pearl Investment Co. (Egypt). Further, he is a member on the Board of Iraq Holding Co. (Kuwait), Pearl Investment Co. (Egypt) & Kuwait Commercial Market Complex Co. (Kuwait) and an Adviser to Industrial Environmental Protection Co. (Kuwait) & Industrial Rocks and Cement Co. (Kuwait). Earlier he has also served as a Chairman on the Board of Industrial Light Projects Co. (Kuwait) and as member on Boards of various companies like Kuwait Capital Group (Kuwait), Gulf Glass Manufacturing Co. K.S.C. (Kuwait) & Kuwait Salt Co. (Kuwait).

Mr. Mahmoud holds a Bachelor in Business with Accounts Major from Kuwait University, Kuwait.

Mr. Sadiq Hassan Dawood Al Lawati

Mr. Sadiq has an experience of over 11 years in managing legal, administration and human resources areas. He is currently working as an Administration & HR Manager with Al Osool Real Estate Co. LLC (ERA-Oman). Prior to this, he has also served as the Administration Manager with Mohammed Juma Sultan Co. LLC and with Elco Industrial & Trading Co. He has also worked with the Ministry of Commerce & Industry - Directorate General of Specification & Measurements. Currently he is also serving as the Acting Head of Microbiology Laboratory.

Mr. Sadiq is a Bachelor in Law from Beirut Arab University. He is currently pursuing Masters in Legal International Commercial Transactions and Logistics. He has undertaken various training courses including 'The legal aspects of human resources management', 'Workshop on Scientific Management in Labs', 'Implementation of Standards' and 'Managing & Operation Quality Control Labs'.

Mr. Saleh Bin Nasser Al Riyami

Mr. Saleh Bin Nasser Al Riyami, an Investment Director with the Diwan of Royal Court Pension Fund since 1999, has a wide experience in managing the investment portfolio of the Pension Fund by identifying various investment opportunities. He is involved in making recommendations to the Board and participating in formulation of short and long-term investment policies for the organisation.

Prior to this, he has worked as an Investment Director for the Public Authority for Social Insurance (PASI) heading the Actuarial Valuation team. He has also worked with the Ministry of Commerce & Industry where he started as an Assistant in the office of DG of Industry and went on to become a Director for Industrial Incentives Department with the Ministry. While doing his graduation, Mr. Saleh started working in 1988 as an Assistant to the Vice President - Marketing in Pain Webber Inc. Atlanta, GA, where his work involved assisting the Vice President of Marketing in administrative & secretarial issues.

Mr. Saleh is the Vice Chairman on the Board of Oman Ceramic. Currently he also serves as a Member on the Board of Nawras, Taageer and Al Madina Al Khaleejiya Insurance. In the past, he has been on the Board of Alliance Housing Bank and TransGulf Investment Holding.

Mr. Saleh is an Associate in Business Administration from Central Piedmont College, NC, USA and a Bachelor of Arts of Business Administration from American College, Atlanta, GA, USA. He has also taken various professional training courses and has attended workshops in Muscat and from Japan, Turkey, and other places.

Mr. Saud Ahmed Abdul Kareem Al Nahari

Mr. Saud joined Port Services Corporation SAOG ("the Corporation") in 1980 as a Deputy Human Resource Manager and gradually climbed the corporate ladder to take on his current role as the Executive President of the Corporation in 1996. During this journey, he functioned at various positions including the Deputy Operations Manager, Operations Manager and General Manager (Operations). Prior to joining the Corporation, he was working with the Central Bank of Oman.

Currently, Mr. Saud also serves as the Vice President of the Omanisation Committee for the transport and shipping sector. In the year 1994, he served as the Managing Director of Salalah Port for a period of one year. He has also been the Secretary to the Government Committee for establishment of the Sohar Port and development of the Salalah Port, for a five-year period from 1995 to 2000.

Mr. Saud is presently a member on the Board of Directors of various companies including Oman United Insurance Company, Oman Telecommunications Company (Omantel) and Al Hassan Engineering Company SAOG. He is also a member on the Board of Directors of the Public Authority for Social Insurance, Oman, the Port Marine Arabian Union and the International Authority for Ports & Harbours (IAPH). He is also an ex-board member of Oman United Holding Company, United Life Insurance and Al Hashar Group, Oman.

Mr. Saud holds a higher diploma in Ports & Shipping Management from Wales University, UK 1981 and a higher diploma in Ports Management from Hamberside University, UK.

Re-Election of Investors' Committee

The initial Investors' Committee will seek re-election by the Unit-holders in the Constitutive General Meeting of the Fund, as per the Regulations of CMA. The members of the Investors' Committee are acting in their individual capacity and do not represent any organisation, including any organisation for whom they work or to whom they provide services.

Remuneration of Members

Each member of the Investors' Committee will be entitled to a fee not exceeding RO 5,000/- per annum including the reimbursement of expenses properly and reasonably incurred by them in the execution of their duties.

Rules for the Investors' Committee

The Investors' Committee will conduct its business at all times in accordance with all applicable laws of Oman and the following rules:

1. Number of Members

The number of members of the Investors' Committee (the "Members") shall be no less than five (5). A majority of the members shall be independent members. All members shall be elected in the Constitutive or Annual General Meetings of Unit-holders. Elections shall be by confidential ballot. Each Unit-holder shall have a number of votes equivalent to the Units held. The Unit-holder may give all his votes to one candidate or distribute them among various candidates.

Any member appointed outside of an Annual General Meeting shall stand for election at the next Annual General Meeting.

2. Powers and Duties of the Investors' Committee

The Investors' Committee shall carry out their over-sight and supervision responsibilities. In this context, the Investors' Committee may assign or request the auditor, the compliance officer of the Investment Manager or other service provider, or any other sufficiently qualified professional, to assist them in carrying out their over-sight responsibilities over the following:

- 2.1. the investment performance of the Fund, in comparison with comparable funds or other benchmarks, and taking into consideration its investment objectives, strategies, outcomes and risks, as stated in the Prospectus;
- 2.2. the Investment Manager's policies for monitoring and controlling risks;
- 2.3. the compliance of the Fund with the terms of the Prospectus and Articles of Association;
- 2.4. the compliance of the Fund with other legal requirements;
- 2.5. the performance of the Investment Manager and other service providers;
- 2.6. whether the fees and other expenses charged to the Fund are reasonable and correct, and in accordance with the terms of the Prospectus and Articles of Association;
- 2.7. whether the charges to the Unit-holders and investors, including any front-end and back-end loads, are in accordance with the terms of the Prospectus and Articles of Association;
- 2.8. whether the guidelines used for calculation of NAV, and for calculation of Net Realisable Value are fair and reasonably correct;
- 2.9. the qualifications, functions and independence of the external auditor for the Fund;
- 2.10. the adequacy of the Fund's systems for safekeeping of assets and internal accounting controls;
- 2.11. the adequacy of the Investment Manager's systems and controls, for ensuring legal and ethical compliance, and ensuring the Investment Manager acts in the best interest of the Fund and its Unit-holders;
- 2.12. the qualifications and functions of the Compliance Officers of the Investment Manager and Custodian;
- 2.13. identification of conflicts of interest; the adequacy of measures taken to ensure that conflicts of interest are resolved in the best interest of the Fund and its Unit-holders; the adequacy of segregation of functions, where a single company acts as more than one service provider to the Fund;
- 2.14. review of the independence and fiduciary responsibilities of the members of the Investors' Committee; identification and review of all transactions by or involving the members of the Investors' Committee which involve a potential conflict of interest; ensuring the members of the Investors' Committee act properly and in the best interest of the Fund and its Unit-holders;
- 2.15. identification, review and disclosure of all material transactions with related parties, and transactions

required to be approved by the Investors' Committee and disclosed to Unit-holders as required by Article 79 of the CMA Regulation; observe whether these transactions are in the best interest of the Fund and its Unit-holders;

- 2.16. the annual report, financial statements, and all other disclosures to the public, Unit-holders, and prospective investors, to ensure that these disclosures are fair, not misleading and completed on time.

The Investor's Committee may terminate the services of any of the service providers of the Fund such as the Custodian, Administrator/Registrar, etc or appoint one or more service providers for the Fund.

3. Proceedings of Investors' Committee Meeting

The quorum for meetings shall be minimum 50% of the members of which majority must be independent members. The Investors' Committee may, from time-to-time, appoint one or more of its body to be a Chairman or Deputy Chairman for such period and upon such terms as the Investors' Committee may determine, and may revoke or terminate any such appointment.

The Investors' Committee may meet for the dispatch of business, adjourn and otherwise regulate its meetings as it thinks fit. Except where otherwise specified in these rules, questions arising at any meetings shall be decided by a majority of votes of those members present.

All such decisions will be recorded and will take the form of resolutions. Resolutions of the Investors' Committee shall bind the Fund. Minutes of the meetings will be available for inspection by any Unit-holder.

A member who is in any way directly or indirectly interested in a contract or arrangement or proposed contract or arrangement with the Fund shall disclose the nature of his/her interest at a meeting of the Investors' Committee. A member may not vote (nor be counted in the quorum) on any resolution in respect of any contract or arrangement in which he/she is materially interested.

An Investors' Committee member shall not take part in the final discussion, or vote on a contract or other transaction, unless he/she is disinterested with regard to the contract or other transaction, with the exception of discussion and votes on nomination and appointment of members.

Where a member of the Investors' Committee abstains from voting on any resolution and has objections, he/she shall record this objection in the minutes of the Investors' Committee meeting or in the minutes of the general meeting.

The Investors' Committee members hereby declare that where conflict of interest arises between the various functions of the member and the supervision of the Investment Manager and the assets of the Fund, the member undertakes to discharge his/her fiduciary responsibilities in good faith.

4. Appointment of Members

Each member of the Investors' Committee shall serve until his or her office is vacated. The remaining members shall have power at any time to appoint any person to be a member either to fill a casual vacancy or as an addition to the existing members but the total number of members shall not at any time exceed the maximum number fixed pursuant to the CMA rules in this regard. Any such appointment shall require the approval of the Unit-holders in the next general meeting of the Unit-holders.

5. Qualification of Members

There will be no Unit qualification for members of the Investors' Committee, but they shall meet the following conditions:

- 5.1. shall be of good conduct and sound reputation;
- 5.2. shall not be convicted of felony or misdemeanour in an offence involving indecency or dishonesty, or in an offence provided for in corporate or trade laws or declared bankrupt unless rehabilitated.

The candidate shall provide an affidavit stating the number of Units held, if a Unit-holder, and a curriculum vitae that describes his/her educational qualifications, work experience, and other qualifications which recommend him/her for election to the Investors' Committee, to be made available to Unit-holders before his/her election.

6. Alternate Members

Any member may, subject to the prior approval of the Investors' Committee, by notice in writing under his/her hand, served upon the Investors' Committee at the office of the Secretary, appoint any member of the Investors' Committee as his/her proxy to attend and vote in his/her place at any meeting of the members at which he/she is not personally present, or to undertake and perform such duties and functions and to exercise such rights as he/she could personally undertake and perform; such appointment may be general or specific for any particular business. Any such appointee will not act on behalf of more than two appointees in a meeting.

7. Vacation of Office

The office of a member shall be vacated if:

- 7.1. he/she resigns his/her office by written notice;
- 7.2. he/she has absented himself/herself (such absence not being absence with leave or by arrangement with the Investors' Committee) for meetings of the Investors' Committee for a consecutive period of twelve months and the Investors' Committee resolves that his/her office shall be vacated;
- 7.3. he/she becomes of unsound mind or incapable;
- 7.4. he/she is declared bankrupt or insolvent;
- 7.5. he/she is convicted in any criminal offence;

The Unit holders may remove any or all members of the Investors' Committee, by ordinary resolution in a general meeting.

8. Meetings

The Investors' Committee shall meet at least four times in a year with a maximum time gap of four months between any two consecutive meetings (unless exceptional circumstances prevail), to review the performance of the Fund and the performance of the service providers.

Meetings of the Investors' Committee shall be held at the request of any two Members of the Investors' Committee.

Service Providers

Custodian

HSBC Bank Middle East Limited, Muscat has been appointed as the Custodian of the Fund. A copy of the Custodian Agreement is available for inspection at the office of the Investment Manager. As per this agreement, fees amounting to 0.175% on the NAV shall be payable to the Custodian on an annual basis. The duties of the Custodian include the following:

1. Hold or arrange to hold in safe custody the assets and documents of title to or evidencing ownership of assets belonging to the Fund;
2. Open and maintain an account as advised by the Investment Manager with a licensed bank in Oman or outside Oman as required in the name of the Fund for purposes of holding cash belonging to the Fund;
3. In the absence of express instructions by the Fund to the contrary, perform certain duties which do not require explicit instructions, namely:
 - 3.1. receive all income and other payments & distributions in respect of the Fund property and in the absence of contrary instructions credit the same to the account of the Fund;
 - 3.2. receive and hold for the account of the Fund, any capital payments arising out of or in connection with the Fund property whether as a result of its being called or redeemed or otherwise becoming payable (other than at the option of the holder thereof) and in the absence of contrary instructions credit the same to the account of the fund;
 - 3.3. take necessary and proper action in connection with the receipt of any capital payments as is referred to in (3.1) above, including, without limitation, the presentation for payment of any Fund property which becomes payable as a result of its being called or redeemed or otherwise becoming payable (other than at the option of the holder thereof) and the endorsement for collection of cheques, drafts and other negotiable instruments;
 - 3.4. receive and hold for the account of the Fund all securities received by the Custodian as a result of a stock dividend, share sub-division or split, reorganisation, capitalisation of reserve or otherwise;
 - 3.5. deliver and/or fax to the Investment Manager transaction advice at the end of each day on which a transaction to which the Fund is party has occurred;
 - 3.6. notify the Investment Manager of all notices, reports and other financial information relating to the Fund property when only received by the Custodian, and to seek instructions as to any action to be taken in connection therewith;
 - 3.7. provide the Fund by fax, within two business days from the end of each day, with daily statements showing:
 - 3.7.1 for each investment in the custody of the Custodian on behalf of the Fund, the most recent closing price and the date thereof, quantity, market value and the currency and current exchange rate in relation to Rial Omani;
 - 3.7.2 cash balances by currency held by the Custodian on behalf of the Fund;
 - 3.7.3 the amounts of loans borrowed by the Fund (if any) and the currency of such loans; and
 - 3.7.4 any assets due to the Fund, and any liabilities and payments due from the Fund, which the Custodian is aware of, and the respective currencies of the liabilities and payments;
 - 3.8. provide the Auditor, upon receiving a written request from the Fund to that effect, and within a reasonable time from its receipt of such request but at all times no later than the date reasonably requested by the Fund to provide such information, with an audit confirmation with respect to the Fund;

- 3.9. provide the Investment Manager a confirmation of the year-end position;
4. The Custodian is authorised by the Fund to carry out the following duties relating to the Fund property only upon receipt of instructions from the Investment Manager:
 - 4.1. deliver Fund property sold by the Fund against payment or as may be specified by the Fund and/or the Investment Manager;
 - 4.2. make payment for and receive Fund property purchased by the Fund. Such payment to be made by the Custodian in accordance with the prevailing rules, operating procedures of any relevant stock exchange, clearance system, depository or market, where or through which such payment is to be made, or as may be specified by the Investment Manager in their instructions;
 - 4.3. deal with bonus or scrip issues, warrants and other similar interests offered to, or received by, the Custodian (or its nominee or other agent) or to handle proxy forms only as may be specified by the Investment Manager in their instructions;
 - 4.4. exercise any voting rights attributable to securities and to forward proxy forms signed in blank by the Custodian (or its nominee or other agent) or to destroy forms, only as may be specified by the Investment Manager in their instructions;
 - 4.5. except as otherwise provided herein, deliver or dispose off the Fund property only as may be specified by the Investment Manager in their instructions;
 - 4.6. insure the Fund property on the Fund's behalf provided that the Fund makes available to the Custodian the cost of such insurance in advance or authorises the Custodian to debit such cost to the account of the Fund with the Custodian;
 - 4.7. to the extent of the scope of the Custodian Agreement, sign any affidavits, investment confirmations or ownership instruments or other certificates relating to the Fund property which may be required under any laws or regulations made by any tax authority or any other regulatory authority in any relevant jurisdiction, whether governmental or otherwise and whether relating to ownership income tax or capital gains, or any other tax, duty or levy (and the Fund further agrees to ratify and to confirm or to do such things as necessary to validate or complete or evidence the Custodian's actions under this clause or otherwise under the terms of the Custodian Agreement);
 - 4.8. make cash disbursements for any expenses incurred in handling the Fund property and for similar items in connection with the Custodian's duties under the Custodian Agreement and in the absence of contrary instructions debit the same to the account of the Fund with the Custodian; and
 - 4.9. transmit electronically or in any other acceptable form to the Fund, as the Fund will require a list, as at the date of such list, of all Fund property, certificates of deposit, banker's acceptances and cash or other indebtedness obligations held by the Custodian on behalf of the Fund.

In fulfilling these duties, the Custodian will:

1. maintain cash accounts with a licensed bank and/or securities with sub-custodian, stock exchange or as appropriate in the relevant country, sufficiently segregated from other accounts of the Custodian or its third party clients, to which all income and proceeds derived from Fund property will be credited;
2. maintain records showing the cash accounts belonging to the Fund;
3. ensure that all of the Fund property held by the Custodian, its nominees or agents is clearly recorded in the books of the Custodian as belonging to the Fund and not to the Custodian or other customers, agents or nominees of the Custodian;
4. not part with possession of the Fund property except to the Fund or on the Fund's instructions;
5. maintain such records as are necessary to identify the location of each title document pertaining to the Fund property, including details and a sufficient description of:

- 5.1. the date at which each title document pertaining to the Fund came into or left the possession or control of the Custodian; and
 - 5.2. the nature of each title document and the nature, amount and nominal value of the investment to which such title document relates;
6. appoint, where it deems necessary, a sub-custodian to hold security documents on behalf of the Fund at its reasonable discretion, but subject to the Fund's Investors' Committee approval, if such sub-custodians are licensed or otherwise approved to provide the services for which they are being appointed by the Custodian to deliver. Where there is a delay or failure by a sub-custodian to deliver documentation or investments, the Custodian will take reasonable steps to recover the same but otherwise will not be liable to the Fund for the failure or delay to deliver or to account for any documentation or investments or the proceeds of any transaction unless such non-delivery of documentation or investments was caused by the negligence or wilful misconduct of the Custodian, an agent or a sub-custodian appointed by the Custodian.

The Custodian may take such steps, as it may consider expedient to enable it to provide the custodian services required in respect of the Fund and may, with the prior consent of the Investors' Committee appoint one or more third parties as sub-custodians.

Sub-custodians will only be appointed if the Investors' Committee is satisfied that the proposed sub-custodian has the appropriate expertise and experience to perform this role.

Administrator/Registrar

Vision Investment Services Co. SAOC, has been appointed as Administrator/Registrar of the Fund. A copy of the Administration Agreement is available for inspection at the office of the Investment Manager. As per this agreement, fees amounting to 0.175% of the NAV shall be payable to the Administrator/Registrar on an annual basis. The duties of the Administrator/Registrar include the following:

1. receive subscription requests from investors and redemption requests from Unit-holders and maintain records of the documents;
2. maintain a record of all Unit-holders of the Fund;
3. notify the Investment Manager, as per agreed schedule, of all subscription and redemption requests received by the Administrator;
4. maintain accounts of the Fund;
5. deliver and/or fax to the Investment Manager statements of account at the end of each day;
6. notify the Investment Manager of all notices, reports and other financial information relating to the Fund property when only received by the Administrator;
7. calculate the NAV of the Fund and provide the Fund with its daily NAV statement;
8. provide the Auditor, upon receiving a written request from the Fund to that effect and within a reasonable time from its receipt of such request but at all times no later than the date reasonably requested by the Fund to provide such information as requested, an audit confirmation with respect to the Fund;
9. provide the Investment Manager a confirmation of the year-end position;

10. transmit electronically or in any other acceptable form to the Fund, as the Fund will require a list, as at the date of such list, of all Outstanding Contributions in the Fund;
11. maintain accounts for different purposes as may be advised by the Investment Manager and a record of all transactions under such accounts to be presented to the Fund on its request;
12. send allotment/refund advices to Unit-holders;
13. send redemption advices to Unit-holders;
14. intimate the Investment Manager and Custodian of all subscription amounts to be received by the Fund;
15. intimate the Investment Manager and Custodian to remit the redemption proceeds to Unit-holders;
16. arrange for the publication of NAV on a daily basis;
17. arrange for the publication of accounts as per the regulations of CMA.

Distributor

Vision Investment Services Co. SAOC has been appointed as Distributor of the Fund. A copy of the Distribution Agreement is available for inspection at the office of the Investment Manager. As per this agreement, fees up to 1.25% of the Initial Subscription shall be payable to the Distributor. In case of subsequent subscriptions, 100% of the Subscription Fees collected from the investors, shall be payable to the Distributor, within 30 (thirty) Business days from the date of subscription. The Distributor shall be responsible for promotion of the Fund and duties of the Distributor include the following:

1. promote and introduce the sale of the Fund to investors, institutions and entities;
2. conduct such travelling as shall be reasonably necessary to promote the Fund, at its own expense, unless it has received prior written agreement from the Fund regarding specific expenses;
3. carry out its duties in good faith and in a proper and efficient manner;
4. observe and perform the requirements of the Fund issued from time to time in relation to presentation of the Fund;
5. not have an authority to bind the Fund in any way and shall not hold itself out either by words or by conduct as being the agent of the Fund;
6. not misrepresent the Fund to any person;
7. shall at all times comply with the laws, rules and regulations of any country in which it promotes and markets the Fund; and
8. shall seek sub-intermediaries who may not sign direct intermediary contracts with the Fund or its associated companies.

Auditor

PricewaterhouseCoopers LLP, Muscat, an international auditing and accounting firm, has been appointed as the independent auditor of the Fund.

Legal Adviser

Rajab Al-Khathiri and Associates (Lawyers & Legal Consultants), has been appointed as legal adviser to the Fund.

Banker

HSBC Bank Middle East Limited, Sultanate of Oman, will act as principal banker to the Fund. The Fund may also open bank accounts with other major banks, if required for the purpose of financial transactions of the Fund.

THE INVESTMENT MANAGER

The Investors' Committee has appointed Vision Investment Services Co. SAOC as the Investment Manager of the Fund; vide an Investment Management Agreement between the Investors' Committee and the Investment Manager.

Vision Investment Services Co. SAOC ("Vision") is a closed joint stock company incorporated in the Sultanate of Oman in 1998 and holds a valid license from the Capital Markets Authority, Sultanate of Oman to provide brokerage (through its subsidiary), advisory and discretionary investment management and corporate finance advisory services. Vision has a paid up capital of RO 10 million (approximately USD 26 million) and shareholders equity of over RO 16 million (approximately USD 42 million).

As of 30 April 2007, the assets under advisory and discretionary management of Vision were in excess of RO 54 million (approximately USD 140 million).

Investment Philosophy and Approach

Vision's stock-picking is based on a rigorous fundamental analysis and identification of companies in sound business, which can offer total returns from strong earnings growth and dividends.

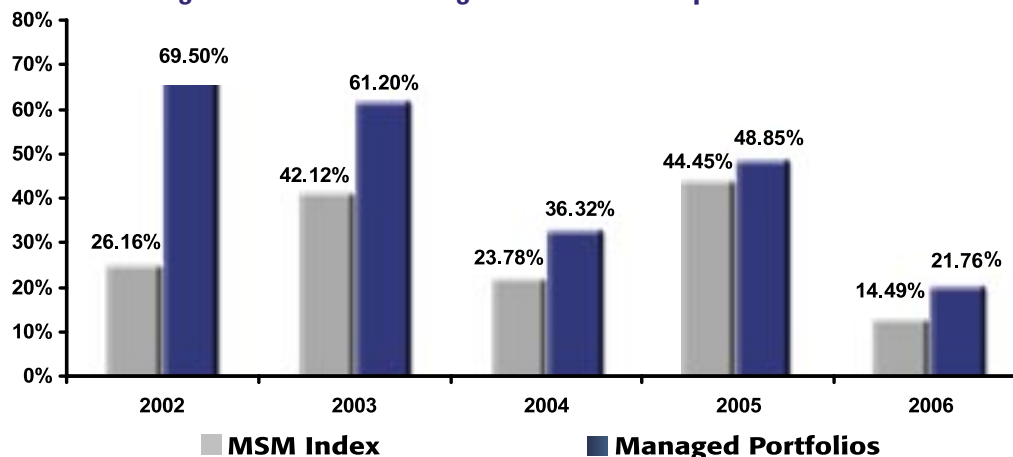
Vision follows a disciplined approach in the Buying and Selling process of investments. A Buy decision is typically based on the factors such as a stringent fundamental analysis of the investment, close management contact, emphasis on well-established and well-managed companies in good businesses, and emphasis on the valuation. Similarly, a Sell decision would typically take into consideration factors such as over-valuation, deteriorating fundamentals, stock volatility, market sentiments and macro economic events.

Performance Track Record

MSM Managed Portfolios

Since 2002, Vision has been consistently out-performing the MSM Index as indicated in the chart below.

Average Performance of Managed Accounts in Comparison With MSM Index



Historical Performance is not indicative of Future Performance

A copy of Auditor's Certificate for the above performance is available for inspection at the office of the Investment Manager.

Vision's discretionary portfolio clients include sophisticated institutions like Pension Funds, Insurance and Investment companies and High Net Worth individuals.

Vision Emerging GCC Fund

Vision Emerging GCC Fund ("VEGF") was launched in early 2005 with an overwhelming response from investors, collecting over USD 33 million. VEGF invests across GCC and MENA region. It can invest across all asset classes including equities, fixed income, real estate, commodities and private equity. It has a unique objective of maximising Sharpe Ratio and believes in risk-adjusted returns.

VEGF was launched at a time when the regional market valuations were perceived to be high and subsequent to the launch of VEGF, the regional markets witnessed a steep correction. Despite such market conditions, VEGF has been able to deliver superior performance with low volatility as measured by the standard deviation. This is also evident by the fact that within eight months of its inception, VEGF has distributed a dividend of 8% to its investors, for the year 2005.

VEGF was the only GCC fund to give positive returns last year until August 2006 as per a report published by Kuwait Financial Centre (Markaz). Further, VEGF ended the year 2006 as the best performing fund and has declared another 8 % dividend for FY 2006.

The table below gives performance of VEGF, since its inception:

	Sharpe Ratio	Standard Deviation	Returns since 02-Jun-05	Returns for FY 2006	Returns YTD*
VEGF	1.02	9.86%	31.34%	6.51%	11.71%
MSCI GCC	-0.58	28.97%	-26.60%	-45.91%	1.62%
MSCI GCC Ex Saudi	-0.26	19.94%	-4.36%	-30.55%	6.10%
MSCI KWT	0.69	21.25%	38.65%	-9.85%	17.94%
MSCI Oman	-0.71	19.18%	-18.24%	-8.44%	-4.14%
MSM 30	0.39	14.62%	19.53%	14.49%	4.78%
MSCI Qatar	-0.86	25.57%	-32.15%	-42.63%	-6.00%
MSCI UAE	-0.53	36.27%	-32.97%	-48.24%	-6.18%
MSCI Bahrain	-1.05	19.32%	-28.11%	3.41%	-12.61%
MSCI Saudi	-0.59	43.80%	-44.58%	-57.74%	-3.98%
MSCI Egypt	1.03	29.37%	78.76 %	14.29%	6.72%

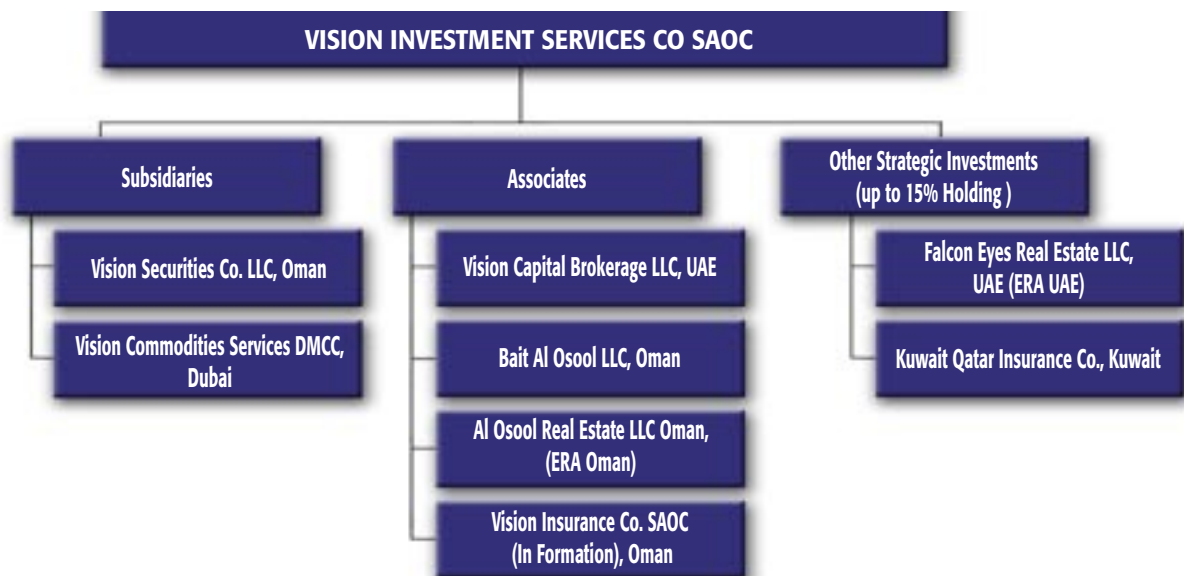
*As of 26 April 2007

Vision Investment Services Co. SAOC

Vision, a full-fledged financial services company, has experience and track record in:

- ◆ Brokerage and Investment Advisory (MSM and International)
- ◆ Asset Management
- ◆ Corporate Finance Transaction Services

Since its inception in 1998, Vision has continuously expanded its services in Oman and across the region. Today, Vision, through its subsidiaries and associates, offers a wide range of financial advisory services to institutions, High Net Worth individuals and retail clients across the region. The chart below gives an overview of Vision Group.



The Board of Directors

- ◆ Mr. Redha Mehdi Jawad – Chairman
- ◆ Mr. Ali Mohammed Juma
- ◆ Mr. Ali Moosa Yousf
- ◆ Mr. Dafer Al Ahbabi
- ◆ Mr. Mahmoud Ashour Al Jafar
- ◆ Mr. Mohammed Ahmed Saeed Al Qassimi
- ◆ Mr. Mustafa Ahmed Jaffer
- ◆ Mr. Rashid Darwish Ahmed Al Ketbi – Representing Darwish Ahmed & Sons Group
- ◆ Dr. Taleb Ahmed Ali

Asset Management Team

The asset management team of Vision comprises the following personnel:

Mr. Ali Mohammed Juma

Mr. Ali is the Chief Executive and a Board Member of Vision Investment Services Co. SAOC. Prior to joining Vision, he was working with National Bank of Oman's Investment Banking division. Mr. Ali has vast experience in capital markets as an Investment Manager and has managed substantial funds.

Mr. Ali also serves as the Chairman of MJS Group of Companies (group companies include Trading & Real Estate Company and Hospitality) and is an Adviser to several family owned businesses. He has also served as a Chairman on the board of Vision Emerging GCC Fund. Further, Capital Market Authority, Sultanate of Oman has appointed him on various committees looking after stressed companies that are listed on MSM.

Mr. Ali is a graduate in Mathematics and Computing from Sultan Qaboos University, Oman. He has completed several advanced courses in management and finance from leading universities.

Mr. Mustafa Ahmed Jaffer

Mr. Mustafa is the Executive Director and a Board Member of Vision Investment Services Co. SAOC. He has special responsibility over Vision's Asset Management division. He is highly regarded by Vision's clients and business partners.

Mr. Mustafa has over 18 years experience in asset management and financial services arena. Prior to joining Vision, he handled investments of one of the leading investment holding companies in Oman. Earlier, he was the Head of Financial Support for Government Gas projects in Petroleum Development Oman.

Mr. Mustafa also serves as an adviser to Vision Emerging GCC Fund.

Mr. Mustafa is a finance graduate from USA. He has completed several advanced courses in management and finance from leading universities.

Mr. T R Ramesh, ACA, CFA

Mr. Ramesh is working as the Executive Vice President with Vision Investment Services Co. SAOC. Having been associated with Vision since its inception in 1998, Mr. Ramesh's exposure in regional markets ranges from investment analysis and advisory to financial valuations and restructurings. Prior to joining Vision, he has worked with companies like Bank of India Mutual fund, having assets of over USD 250 million under management. He has over 16 years of experience in the investment and mutual fund industry.

Mr. Ramesh has done his graduation in Commerce. He is an Associate member of the Institute of Chartered Accountants of India and a CFA Charter holder from the CFA Institute, USA.

Mr. Sachin Sawrikar, CFA

Mr. Sachin is a Mechanical Engineering graduate from Osmania University, India and MBA from XLRI, Jamshedpur. He is also a CFA Charter holder and a regular member of the CFA Institute, USA.

Mr. Sachin has wide experience of over 11 years in the security analysis and fund management arena. Out of this, he has over nine years experience as a portfolio and fund manager in managing some of the major mutual funds in India. His last assignment was as Vice President & Fund Manager, SBI Funds Management Pvt. Ltd. India, a joint venture of SBI, India and Société Générale Asset Management, France. The total net assets of the funds under his management were Rs. 5,580 million (USD 125 million). He is currently managing Vision Emerging GCC Fund.

Mr. Hassan Ahmed Mohsin

Mr. Hassan has acquired his Bachelors Degree in Accounting & Finance from Al Yarmouk University, Jordan. He has over ten years experience as a Portfolio Manager. He previously worked as a Head of the Asset Management Division at Oman & Emirates Investment Company. He was responsible for the day-to-day management of Majan fund since 1997. Earlier, he worked with State General Reserve Fund as a Research Analyst.

Mr. Ammar Moosa Ibrahim

Mr. Ammar has over four years of experience in corporate finance and asset management. At Vision, he is involved in portfolio management and fund administration. He was a key member of the team that launched Vision Emerging GCC Fund.

Prior to joining Vision, Mr. Ammar worked as an Account Relationship Manager at National Bank of Oman (SAOG), where his main duties included handling corporate accounts and providing corporate credit facilities. He also played a role in developing the corporate banking system. Between 2002 and 2004, he worked at HSBC Middle East, Oman, where he was involved in the Corporate Finance Division and Credit Unit Division.

Mr. Ammar is an Affiliate of ACCA (Association of Chartered Certified Accountant), UK, and holds a High Diploma in Accounting from the University of Salford, UK.

Mr. Harikumar Varma

A Post Graduate in Finance (MS Finance) from ICFAI, India, and an MBA from the ICFAI Business School, Hyderabad, India, Mr. Harikumar has accumulated over seven years corporate research experience in the Indian, US as well as Middle-East equity markets. Before joining Vision, he was working with M/S. BOE Securities, Inc., a Philadelphia based Stock Broking concern, to set up their offshore equity research office in Mumbai. He has also worked with their Indian establishment as a Senior Analyst and Team Leader.

Mr. Shabbir Kagalwala

Mr. Shabbir is a Post Graduate in Finance (MS Finance) from ICFAI University, Hyderabad, India. He has worked as an Analyst with research houses in India such as Karvy Global Services Ltd., Hyderabad and Netscribes India Pvt. Ltd., Mumbai, with a primary focus on the US, Europe and the Middle-East equity markets. His expertise includes equity research, equity valuation and financial model-building.

Duties and Responsibilities of the Investment Manager

Under the Investment Management Agreement with the Fund, the Investment Manager has full discretion, subject to the control of and review by the Investors' Committee, to invest the assets of the Fund. The Investment Manager undertakes:

1. to comply with the investment policy of the Fund when executing or recommending investment decisions on behalf of the assets of the Fund;
2. to comply with the instructions of the Investors' Committee;
3. to adhere to the accounting policies of the Fund as described in the Prospectus;
4. to prepare annual accounts for the Fund for the approval of the Investors' Committee, to arrange for the audit of the annual accounts and distribute copies of the audited annual accounts to all Unit-holders by mail, at least 14 (fourteen) days before the Annual General Meeting;
5. to arrange for the quarterly financial statements of the Fund for the approval of the Investors' Committee and submit the quarterly financial statements to MSM within 30 (thirty) days of the end of the relevant quarter.

The Investment Management Agreement between the Investment Manager and the Investors' Committee may be terminated without penalty by either party upon not less than three months' notice in writing. The Investment Management Agreement may also be terminated with immediate effect by notice in writing by either party to the other if the Investment Manager breaches or fails to perform any of its obligations under the agreement and fails to remedy such breach within 30 (thirty) days of being required to do so by the Investors' Committee, or if the Investment Manager has commenced liquidation or if a receiver, administrator or similar officer is appointed. Any termination of the Investment Management Agreement will only take place if a successor Investment Manager has been appointed or otherwise with prior consent of the CMA.

The Investment Management Agreement contains provisions indemnifying the Investment Manager against loss arising from legal and other claims against the Investment Manager in respect of the Fund, save where such loss arises because of negligence, wilful default or fraud on the part of the Investment Manager. A copy of the Agreement is available for inspection in the office of the Investment Manager.

The Investment Manager has also been appointed by the Fund to solicit subscriptions for Units pursuant to a Distribution Agreement and to function as the Administrator/Registrar of the Fund pursuant to an Administrator Agreement. These agreements contain termination and indemnifying provisions similar to the Investment Management Agreement. Copies of these agreements are available for inspection at the office of the Investment Manager.

The Investment Manager hereby declares that where conflict of interest arises between the various functions of the Investment Manager and the management of assets of the Fund, the Investment Manager undertakes to discharge its fiduciary responsibilities in good faith.

TERMS OF THE OFFER AND SUBSCRIPTION

This Prospectus constitutes an invitation to investors to subscribe to Units in Vision Emerging Oman Fund. This Prospectus describes the terms and conditions governing the Issue and Subscription to Units in, and the subsequent management and operation of the Vision Emerging Oman Fund.

Eligibility for investment in the Fund

The Fund is open for subscription to both Omani and non-Omani investors including individuals, companies, institutions, Pension Funds, Government and semi-Government organisations, as on the date and/or during the Initial Subscription Period and subsequently on any Business days after the publication of the first NAV.

Prohibitions with regard to the applications for subscription

The subscribers to the Units issued as mentioned hereunder shall not be permitted to participate in the subscription:

- ◆ **Sole Proprietorship Establishments** - Whereas, owner of a Sole Proprietorship Establishment would be required to subscribe in his own name, if he so desires.
- ◆ **Trust accounts** - Whereas, the brokerage companies would be required to address their customers for the subscription in their personal names.
- ◆ **Multiple applications for the subscription** - Whereas, it is prohibited for any person to submit more than one application for subscription in his/her personal name.
- ◆ **Applications made under joint names, including the applications made in the name of legal heirs** - Whereas, they or their legal attorney would be required to apply in their personal names.

Subscription Forms

The Prospectus and Subscription Forms for initial subscription can be obtained from the branches of the collecting banks or from the office of the Issue Manager.

After the closure of the Initial Subscription Period, the Prospectus and Subscription Forms for subsequent subscription shall be available at the office of the Administrator.

Subscription Price

The Initial Subscription Price is Rial Omani 1.000 plus Subscription Fee of 20 Baisas per Unit.

In case of all subsequent subscriptions, the Units will be available for subscription at NAV per Unit on the Business day immediately preceding the relevant Subscription day, plus a Subscription Fee of 5%, which may be waived in whole or in part at the discretion of the Investors' Committee.

Subscription on behalf of minor children

- ◆ For the purpose of this initial subscription, any person born after 19 May 1989 shall be treated as minor.

- ◆ For subsequent subscription, any person of an age less than 18 years as on the date of such subscription shall be treated as minor.
- ◆ Only father may subscribe on behalf of his minor children.
- ◆ If the subscription is made on behalf of a minor by any person other than the father, he/she shall be required to attach a valid legal Power of Attorney issued by the competent authorities authorising him/her to deal in the funds of the minor through sale, purchase and investment.

Subscription Period

The Initial Subscription Period shall commence on Sunday 20 May 2007 at 8.00 am (GMT +04.00), and end on Tuesday 19 June 2007 at the closure of the bank's normal working hours.

The subsequent subscription shall commence after publication of the first NAV of the Fund. Units will be available for subscription on submission of the Subscription Form to the Administrator along with the payment, before 9.00 am (GMT +04.00) on any Business day prior to the Subscription day (except during any period when the calculation of the NAV is temporarily suspended).

Minimum size for initial subscription

The Fund will not be established and all applications received for initial subscription shall be refunded unless valid subscriptions are received for a minimum of 2,000,000 (two million) Units during the Initial Subscription Period.

Minimum Subscription

The minimum subscription into the Fund shall be 100 Units for each subscriber and in multiples of 100 Units thereafter.

Maximum Subscription

As per the current regulations of CMA, there is no maximum limit on the Unit-holding by a single investor.

Particulars of the Bank Account

1. Subscribers shall be required to furnish the particulars of their bank account (registered in the name of the applicant). The subscriber shall not use the bank account number of any other person except in case of minor children only.
2. If the bank account of the subscriber is registered with a bank other than the one receiving the subscription, the subscriber shall be required to submit a document in evidence of correctness of the bank account particulars as provided for in the application. This can be done by submitting any document from the bank of the subscriber furnishing therein account number and name of the account holder like the upper portion of the Account Statement issued by the bank containing these particulars only or a letter or any document issued by the said bank containing the said information. The subscriber shall ensure that the evidence submitted is clearly readable, contains account number and full name of the account holder.

As additional clarification, it is made known that subscribers are not obliged to submit the evidence with regard to correctness of their bank account if they are subscribing through the bank wherein they are maintaining their account. In this case, the bank shall be required to verify and confirm the correctness of the subscriber's account through its specific system and procedure or through the evidence submitted to it by the subscriber.

3. The application for subscription containing the bank account number of a person other than the Subscriber shall be rejected, with the exception of the applications made on behalf of minor children that contain bank accounts particulars of their father.

Documentation Required

- ◆ Submission of a document confirming correctness of the bank account number as provided for in the application for subscription in one case only, that being, subscription through a bank other than the one with whom the subscribers have their account
- ◆ Copy of a valid Power of Attorney duly endorsed by the competent legal authorities, in the event the subscription is on behalf of another person (except in case of the subscription made by a father on behalf of his minor children)

Refund of the sums pertaining to the rejected applications

In case of initial subscription, the Issue Manager undertakes to refund the sums covered under the applications for the subscription that are rejected, through the banks receiving the subscription by transferring them to the bank account numbers provided for in the Subscription Forms, within 15 (fifteen) Business days from the Closing date upon the allotment of Units. However, if the Issue Manager fails to refund the funds, he shall undertake to pay penalty in the form of interest as per the rates applicable to the Bank Deposits for the total period of delay until the date of transfer.

In case of subsequent subscription, the Administrator undertakes to refund the sums covered under the applications for the subscription that are rejected, within three (3) Business days from the relevant Subscription day. However, if the Administrator fails to refund the funds, he shall undertake to pay penalty in the form of interest as per the rates applicable to the Bank Deposits for the total period of delay until the date of transfer.

Mode of Subscription

- ◆ The subscribers shall be responsible for furnishing all their particulars, ensuring correctness and validity of the information provided for in the Subscription Forms. While emphasising on it, the banks receiving the initial subscriptions and the Administrator receiving the subsequent subscriptions have been instructed to accept the Subscription Forms that comply with all the requirements as provided for in the application form and in this Prospectus.
- ◆ The subscribers shall be required, before filling the Subscription Form, to peruse the Prospectus and read the conditions and procedures governing the subscription with total care and importance.

- ◆ The subscribers shall be required to fill in the complete Subscription Form and furnish all their particulars as required in the form, including the civil status number, date of birth in case of minor children, Commercial Registration number in case of companies, etc.
- ◆ The subscribers applying for Units during the Initial Subscription Period shall be required to submit the Subscription Forms for initial subscription to one of the banks receiving the subscriptions (as referred to in the Prospectus) and make payment towards the Units as specified in the Prospectus; ensuring that the documents in support of the information furnished referred to above are enclosed.
- ◆ The subscribers applying for Units subsequent to the Initial Subscription Period, shall be required to submit the Subscription Form for such subsequent subscription to the Administrator as referred to in the Prospectus and make payment towards the Units as advised by the Administrator (based on the NAV per Unit on the Business day preceding the relevant Subscription day); ensuring that the documents in support of the information furnished referred to above are enclosed.
- ◆ In case of payment of the value of the subscription by cheque/demand draft, it shall be in favour of **“Vision Emerging Oman Fund “**

Receiving Subscriptions

The Subscription Forms for the initial subscription shall be accepted by one of the following banks during their official working hours only:

1. Oman Arab Bank
2. Bank Dhofar
3. National Bank of Oman

The Subscription Forms for the subsequent subscriptions shall be accepted at the office of the Administrator.

The bank receiving the initial subscription and the Administrator in case of subsequent subscriptions, shall be required to accept the Subscription Forms after confirmation of compliance with the procedure and subject matter, in line with the requirements as provided for in the Prospectus. Hence, the bank/the Administrator, as the case may be, shall instruct the subscribers to comply and fulfil any requirement that may appear in the application submitted.

In case of initial subscription, the subscribers shall be responsible for submission of their Subscription Forms to one of the banks receiving the initial subscription before closing of the Initial Subscription Period. In this regard, the bank shall have the right not to accept any application for subscription that reaches after the official working hours on closing date of the Initial Subscription Period.

In case of subsequent subscriptions, the subscribers shall be responsible for submission of their Subscription Forms to the Administrator's office during its official working hours on Business days. In this regard, the Administrator shall have the right not to accept any application for subscription that reaches its office after the official working hours on any given Business day or at any time on a day, which is not Business day. The Administrator may also choose to accept such Subscription Form; however, the same shall be treated as officially received by the Administrator at the start of the official working hours on the following Business day.

Acceptance of the applications for subscription

The banks receiving the initial subscription and the Administrator receiving the subsequent subscriptions shall neither receive nor accept the applications for subscription under the following circumstances:

1. if the Subscription Form does not bear the signature of the subscriber;
2. in case of failure to pay the full value of the Units subscribed in accordance with the conditions provided for in the Prospectus;
3. if the value of the Units subscribed is paid through cheque and if the same is dishonoured for whatever be the reason;
4. if the Subscription Forms are submitted under joint names;
5. if the subscriber is a Sole Proprietorship Establishment or a Trust Account;
6. if the subscriber has subscribed through more than one Subscription Form in the same name;
7. if the supporting documents referred to in the Prospectus are not enclosed with the a Subscription Form;
8. if the application does not contain all the particulars of the bank account of the subscriber;
9. if any particulars of the bank account held by the subscriber as provided for in the Subscription Form are noted to be incorrect;
10. if the particulars of the bank account provided for in the application are found to be not relevant to the subscriber, with the exception of the applications submitted in the name of minor children, who are allowed to make use of the particulars of the bank accounts held by their father;
11. in case of failure to have the Power of Attorney attached with the application as provided for in this Prospectus in respect of the person who subscribes and signs on behalf of another person (with the exception of a father who subscribes on behalf of his minor children);
12. if the application has not complied with the legal and organisational requirements as provided for in the Prospectus

In case of initial subscription, if the subscription bank observes, after receipt of the application and before expiry of the time schedule prescribed for handing over of the applications in a final manner to the Issue Manager, that the application has not complied with the legal requirements as provided for in the Prospectus, due effort would be taken for contacting the Subscriber so as to correct the mistake detected. In case of failure to have the mistake corrected within the period referred to, the bank receiving the subscription shall be required to return the application for the subscription to the subscriber, together with the subscription value before expiry of the period specified for handing over of the applications to the Issue Manager.

Refusal of subscription applications

In case of initial subscriptions, the Issue Manager may reject the subscription applications under any of the conditions referred to above, after securing the approval of CMA and submission of a comprehensive report furnishing the details of the subscription applications that are required to be rejected and reasons behind such rejection.

If, in case of initial subscriptions, it is observed by the Issue Manager that there are subscription applications that bear the same civil status number or the same bank account number (with the exception of minor children) all such applications shall be rejected treating them as repeated and given back to same Unit-holder.

Enquiry & Complaints

In case of initial subscription, the subscribers who intend to seek clarification or file complaints with regard to the issues related to the allotment or rejected applications; may contact the branch of the bank where the subscription was made. In case of absence of any response from the branch, the subscriber may contact the person concerned as hereunder:

Name of the Bank	Details of Person In charge
Oman Arab Bank	Mr. Osama Qinna Tel: (968) 24790462 Fax: (968) 24793953 E-mail: corporatefinance@oabinvest.com
Bank Dhofar	Mr. Aadil Al Hindi Tel: (968) 24790466 Fax: (968) 24790311 E-mail: aarazaq@bankdhofar.com
National Bank of Oman	Mr. Gopalakrishnan Tel: (968) 24778610 Fax: (968) 24778944 E-mail: gopal@nbo.co.om

If the bank receiving the initial subscription fails to arrive at a solution or settlement with the person who has subscribed, it shall refer the subject matter to the Issue Manager, and keep the subscriber posted of the progress and development in respect of the subject matter of the dispute. The subscriber shall also keep in touch with the bank receiving the subscription to know the decisions arrived at.

In case of subsequent subscriptions, the subscribers who intend to seek clarification or file complaints with regard to the Units issued/rejected applications or redemption requests or refund of their funds, may contact the person named hereunder, at the office of the Administrator of the Fund:

Name: Mr. Moaaz Salahuldeen Abdultawab Rushdi

Tel: (968) 2470 8088 / (968) 9970 3699

Fax: (968) 2470 8099

E-mail: moaaz@investvis.com

Notice regarding Allotment

In case of initial subscriptions, the Issue Manager will issue allotment advice to the investors within 15 (fifteen) days from the Closing date upon the allotment of Units. The Issue Manager shall send notices with regard to the allotment and invitation for the Constitutive General Meeting to all the subscribers concerned, by post, as per the addresses specified in the Subscription Form, immediately on receipt of the approval of CMA concerning the allotment.

In case of subsequent subscriptions, the Administrator will issue allotment notification within two (2) Business days from the relevant Subscription day.

Expected time schedule for completion of the initial subscription procedures:

Procedure	Date
Commencement of subscription	20 May 2007
Closing of subscription	19 June 2007
Due date for the Issue Manager to receive the subscription applications from collecting banks	26 June 2007
Notifying CMA of the outcome of the subscription and proposal with regard to the allotment	30 June 2007
Approval of CMA with regard to the proposal for the allotment	02 July 2007
Completion of the allotment procedures and refund of the money received on applications rejected	05 July 2007
Despatch of the notices regarding allotment and invitation for Constitutive General Meeting	05 July 2007
Constitutive General Meeting	12 July 2007
Notifying CMA of the outcome of Constitutive General Meeting and seeking approval for launch of the Fund	14 July 2007
Incorporation of the fund	15 July (depending on receiving CMA approval)
Commencement of subsequent subscription and of units	One week after Incorporation of the Fund

Responsibilities & Obligations

The Issue Manager, the banks receiving the initial subscription and the Administrator, shall abide by the responsibilities and functions specified pursuant to the instructions and regulations laid down by CMA. The said bodies shall also abide by any other responsibilities that are provided for in the agreements entered into between them and the body issuing the Securities.

The parties concerned shall be required to take remedial measures with regard to the damages arising from any negligence committed in the performance of the functions and responsibilities assigned to them. The Issue Manager shall be the body responsible before the Surveillance Authorities in taking suitable steps and measures for repairing such damages.

REDEMPTION OF UNITS

Every Unit-holder has the right to require the Fund to redeem its Units on any Business day (save during any period when the calculation of the NAV is temporarily suspended). The maximum Redemption may be limited to 5% of the Fund (or such lesser amount as the Investment Manager may determine from time to time). The redemption price shall be ascertained by:

1. Determining the NAV calculated as at the Business day immediately preceding the relevant Redemption day;
2. Dividing the amount calculated as mentioned in point (1) above by the number of participating Units then in issue or deemed to be in issue at the relevant Business day.

General

Units may be redeemed for cash on each Redemption day. Redemption requests should be addressed to the Administrator. Redemption requests may be given in writing or by tele-fax (if the Fund has previously received a completed indemnity with respect to faxed instruction) at the Administrator's registered office. To be effective, the request must refer to the Fund and contain full registration details, the number of Units to be redeemed and bank details for the payment of the Redemption proceeds.

Redemption requests for any Redemption day must be received by the Administrator, at the latest, by 5:00 pm (GMT +04.00), three (3) Business days prior to the relevant Redemption day.

Redemption requests will not be revocable without the consent of the Fund and Units in respect of which Redemption requests have been received will not be transferable. Any requests received less than three (3) Business days before the requested Redemption day will be carried forward and treated as a Redemption request for the third Business day following the receipt of the Redemption request, unless revoked with the Fund's consent.

Limit on Redemption

Normally, no more than 5% of the Fund may be redeemed in a day. If the Fund receives Redemption requests for more than 5% of the Fund for any day, applications will be reduced and satisfied pro-rata amongst those requesting Redemption. Redemption requests not discharged, unless revoked by the Unit-holder with the consent of the Fund, will be carried forward to the next Business day, when they will take priority over later Redemption requests subject always to the overall limit for Redemptions in any day. This limit may be waived off by the Fund.

The Redemption price per Unit will be the NAV per Unit on the Business day preceding the Redemption day less, where applicable, a redemption fee as described below.

Redemption Fee

For the Units to be redeemed, the Fund reserves the right to charge up to 1% Redemption Fee deductible from the Redemption price and will be retained by the Fund. The level of the fee may be amended at Unit-holders meeting.

Redemption “in-specie”

Units may only be redeemed for cash and there will be no Redemption in exchange for the transfer of interests in the securities and other assets of the Fund.

Redemption on Termination

The Investor’s Committee may recommend to the General Meeting, that the Fund be dissolved or liquidated, for any reason, including the following:

1. reduction in the value of net assets to below RO 0.5 million;
2. reduction in the value of net assets to a level where expenses per Unit-holder are unduly high;
3. request by the Investment Manager.

The Fund may be terminated or any of the Units redeemed at any time by the Investment Manager on the instruction of the Investors’ Committee:

1. if the Fund becomes illegal, impracticable or inadvisable to continue, due to any changes in applicable law;
2. if it’s proven that there has been a serious breach of this Prospectus and the CMA directs the Fund to be terminated if the breach is not remedied within a reasonable period.

Following commencement of Redemption of the Fund, the Investment Manager shall make no further purchases on behalf of the Fund, shall sell/dispose off all securities and other assets held on behalf of the Fund, shall not receive further requests for redemption/subsorption of Units, shall pay all outstanding expenses of the Fund and shall arrange for preparation of a final set of audited accounts for the Fund.

Settlements

Settlements will normally be made by electronic bank transfer or by a cheque. Payment will normally be made within three (3) Business days of the relevant Redemption day. Settlement amounts may be subject to bank charges levied by the Unit-holders’ own (or a correspondent) bank.

UNIT-HOLDERS' RIGHTS

The Unit-holders jointly hold the assets of the Fund, each holding an indivisible proportionate share, the proportion being equal to the number of Units each holds to total number of Units in issue.

All Unit-holders shall have the following rights inherent in the ownership of the Units, namely:

1. the right to receive such profits after expenses as may be derived from the investment activities of the Fund and as may be, within discretion of the Investors' Committee, distributed to Unit-holders from time to time;
2. the right to share in the distribution of the Fund's assets upon liquidation of the Fund;
3. the right to inspect the annual balance sheet, profit and loss statement and cash flow statement and the other financial books of accounts and records relating to the Fund;
4. the right to receive notice of and the right to participate and vote in any meeting of the Unit-holders;
5. the right to apply for the annulment of any decision by a meeting of the Unit-holders or the Investors' Committee or the Investment Manager which is contrary to the law of the Sultanate of Oman or this Prospectus;
6. the right to institute actions against the Investors' Committee, the Investment Manager or the Auditors of the Fund on behalf of the Unit-holders; and
7. the right to request quarterly, half-yearly and yearly financial accounts of the Fund.

Transfer of Units

The Units will be transferable in accordance with the provisions of the Capital Market Law and the terms of this Prospectus. Transfer of Units can be affected by the Administrator only.

Units in respect of which a Redemption request has been received by the Administrator will not be transferable unless the Redemption request is revoked with the consent of the Fund.

General Meetings

The General Meeting is the higher authority of the Fund and comprises all Unit-holders of the Fund. The Unit-holders shall have the right to attend General Meetings and shall have one vote against each Unit held by them and may give a written proxy to another person to attend the meeting and vote on its resolutions. The Unit-holder may revoke such proxy at any time. The representative need not be a Unit-holder.

General Meetings of Unit-holders may be convened by the Investors' Committee at any time whenever required by the Capital Market Law & the regulations of CMA. A meeting may also be convened when a resolution is issued by the CMA in this regard or upon request of one or more Unit-holders who represent at least 10% of the Units in issue. If the Investors' Committee fails to convene the General Meeting, the external auditors will convene a Meeting. The call to attend the meeting shall not be valid unless it is accompanied by the agenda approved by the CMA.

The Unit-holders and their proxies representing all the Units of the Fund may hold a general meeting without regard to the rules stipulated for such meeting. The meeting so held may deliberate on all matters that are within the authority of the General Meeting.

The General Meetings of the Fund shall be chaired by the Chairman of the Investor's Committee or his deputy. If the general meeting was convened by the external auditors, they shall appoint the Chairman of the meeting; the general meeting shall appoint a secretary responsible for preparing the minutes of meeting indicating the proposed resolutions and the voting result during the meeting. Every Unit-holder shall have the right to inspect these minutes.

The Chairman of the General Meeting shall set the voting system, except in case where the Investors' Committee of the Fund will be elected, which shall be done through secret voting.

Any 5% of the Unit-holders have the right to contract with the transfer agent in order to contact other Unit-holders through a mailing to Unit-holders, carried out by the Registrar. Reasonable fees may be charged by the Registrar for providing such service.

The business at the meetings of Unit-holders may include the giving of consent to issues expressly referred to as requiring consent in this Prospectus and any proposal that the Fund terminate or that a named member of the Investors' Committee be requested to resign. The agenda for a general meeting shall be approved by the legal adviser prior to submitting it to the CMA.

Constitutive General Meeting

The Constitutive General Meeting shall be the first General Meeting of Unit-holders for constituting the Fund. The calling of the Constitutive General Meeting of the Subscribers shall be treated as one of the requirements for the incorporation of the Fund. This Constitutive General Meeting would look into all the measures that have been taken for incorporation of the Fund under convening of the meeting. The Promoter, within 30 (thirty) days from expiry of the Initial Subscription Period, invite the Subscribers to the Constitutive General Meeting. The invitation and calling of the Constitutive General Meeting shall be in accordance with the provisions as set out in the Fund Regulation and the Capital Market Law and the Articles of Association of the Fund governing the Extraordinary General Meetings.

The Promoter shall be required to submit to the Unit-holders during the Constitutive General Meeting, a report furnishing therein, comprehensive information about all the measures taken, expenses incurred for incorporation of the Fund, and on all the obligations committed by the Promoter on behalf of the Fund that is under formation, together with the supporting documents.

The Constitutive General Meeting shall have the authority to look into and pass resolutions in respect of the following matters:

1. to ratify the reports submitted by the Promoter and the Investor's Committee with regard to the process of incorporation of the Fund; the expenses incurred thereof and the Agreements entered into by the Fund;
2. to verify and confirm whether necessary conditions governing incorporation of the Fund have been complied with and notify the same;
3. to re-elect members of the Investors' Committee of the Fund and fix their remuneration;
4. to approve the appointment and fees for the first auditor of the Fund;
5. to approve of the Memorandum & Articles of Association of the Fund; the Constitutive General Meeting

may effect changes in it, if the matter warrants so and such amendment shall not become valid and operative unless Constitutive General Meeting accords its approval.

Annual General Meetings

The Annual General Meeting for the Fund shall be held each year within three (3) months of the end of the Fund's financial year. The agenda of the Fund's Annual General Meeting shall include:

1. election or removal of the members of the Investors' Committee of the Fund and specifying their remuneration;
2. appointment or removal of the external auditor and setting their fees;
3. review of the reports provided by the Investor's Committee, the Investment Manager and the external auditor regarding the Fund's management, new contracts entered into, and any related party transactions required to be disclosed in accordance with CMA regulation;
4. approval of any related party transactions required to be approved as per CMA regulation;
5. approval of the distribution of dividends.

Resolution of the Annual General Meetings shall not be valid unless the meeting is attended by Unit-holders or proxies representing at least 50% of the Units in issue of the Fund. The quorum at the Annual General Meetings of Unit-holders is one or more Unit-holders present in person or by proxy representing at least 50% of the Units for the time being in issue. Where such quorum is not established in any meeting, a second meeting shall be called to discuss the same agenda. Such second meeting shall be notified to Unit-holders in the same manner as the first meeting, at least one week prior to the date set for the second meeting. The resolutions of the second general meeting shall be valid if the meeting is convened within six weeks from the date of the first meeting.

Extraordinary General Meetings

The Extraordinary General Meeting shall be convened to consider and decide all matters, which such meeting is specifically authorised to settle in accordance with the CMA regulation or the Fund's Articles of Association. The extraordinary general meeting shall decide on the following:

1. a change in any contract or entering into any new contract as a result of which the basis of the calculation of the fees or expenses that are charged to the Fund is changed in a way that could result in:
 - 1.1. an increase in charges to the Fund, or
 - 1.2. an increase in charges charged to the Unit-holder at the time of redemption;
2. a change in the fundamental Investment Objectives of the Fund;
3. any change in the frequency of calculating Net Asset Value or Net Realisable Value;
4. any decrease in the frequency of regularly scheduled opportunities for redemption, or decrease in redemption limits;
5. any change, such as a merger, a division or a conversion, that results in the Unit-holders becoming the Unit-holders in another investment fund;
6. removal and appointment of the Investment Manager;
7. any amendment to the Articles of Association.

Resolution of the Extraordinary General Meeting shall not be valid unless the meeting is attended by Unit-holders or proxies representing at least 60% of the Units in issue of the Fund. The quorum at the Extraordinary General Meetings of Unit-holders is one or more Unit-holders present in person or by proxy representing at least 60% of the Units for the time being in issue. Where such quorum is not established in any meeting, a second meeting shall be called to discuss the same agenda. Such second meeting shall be notified to Unit-holders in the same manner as the first meeting, at least one week prior to the date set for the second meeting. The resolutions of the second general meeting shall be valid if Unit-holders or proxies who represent at least 50% of the Units in issue of the Fund attend the meeting and if the meeting is convened within six weeks from the date of the first meeting.

Voting Rights

Each Unit-holder has a right to exercise a vote at any meeting of Unit-holders. Each Unit will represent one vote.

Profits

The Unit-holders are entitled to the net returns (profits) realised by the Fund after deducting all liabilities, including fees, expenses and taxes. However, the Investment Manager has the discretion to distribute the profits as dividend in cash / Units or reinvest such profits without distributing them to the Unit-holders.

The Investors' Committee may declare dividends, in respect of any financial period, to be paid to Unit-holders out of the following:

1. dividends received by the Fund;
2. interest received by the Fund;
3. realised or unrealised profits derived from the purchase and sale of securities by the Fund.

Dividend distribution will be as approved by the Unit-holders in the Annual General Meeting and shall be within the Regulations of CMA.

Dividend Announcements and Payment

Dividend and distribution announcements will be published in two daily newspapers in Oman, one in English and one in Arabic. Holders of Units may elect in writing to receive a dividend or distribution by cheque or payment by electronic bank transfer, net of bank charges. Unless specified otherwise, payment will normally be made in Rial Omani. If requested, payment may be made in any other major currency freely convertible into Rial Omani at the prevailing rate of exchange net of any applicable charges.

Limit of Liability

Once the issue price has been paid in full, a Unit-holder has no further financial liability to any party in respect of the Units or the liabilities of the Fund.

Ownership of Assets

Unit-holders shall own the Fund jointly, each holding an indivisible proportionate share in the Fund, the proportion being equal to the number of Units each holds to total number of Units in issue. The assets of the Fund will be kept separate from the assets of the Investment Manager. The Unit-holders will jointly own the profits and (subject to the limit on liability described above) the losses of the Fund.

Register of Unit-holders

The Administrator of the Fund will maintain a register setting out the names and addresses of Unit-holders.

NET ASSET VALUE OF UNITS

The NAV is expressed in Rial Omani. The calculation of the NAV is the responsibility of the Administrator and is to be effected at the close of the business on all Business days and shall be calculated per Unit as defined below.

From the gross value of investments, all liabilities of the Fund shall be deducted including all accrued and actual expenses such as management & custody fees, administrative expenses etc., in order to arrive at the NAV of the Fund. The NAV per Unit will be calculated by dividing the NAV of the Fund by the total number of Units outstanding on the relevant Business day. The Fund has undertaken that the method of calculating the NAV and NAV per Unit will not be changed without the prior written consent of the Investors' Committee and the CMA.

The gross value of the assets will be calculated on the following basis by taking into account:

- ◆ Bank Deposits and other short-term placements at their principal amount plus accrued interest from the date of placement;
- ◆ All listed equities shall be taken at fair value. The fair values of listed equities are the latest closing prices as on the Business day;
- ◆ Other investments pending listing stated at reasonable estimate of the fair value as determined by reference to market values of a similar investment or based on the effective discounted cash flow, where if fair value cannot be reliably measured as above, the investments will be valued at cost;
- ◆ Cash held by the Fund shall be valued at its full nominal value.

Notwithstanding the foregoing, where, at the time as of which the assets of the Fund are being valued, any investment has been realised or contracted to be realised, there shall be included in the assets of the Fund in place of such investment the net amount receivable by the Fund in respect thereof provided that, if the net amount receivable is not payable until some future time as of which the assets are being valued, the Fund may make such allowance as it considers appropriate.

The liabilities of the Fund shall be deemed to include all of its liabilities of whatever kind and nature. In determining the amount of such liabilities, the Fund may calculate its liabilities on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any such period. Where applicable, liabilities shall be accrued on a daily basis.

If the Investment Manager considers that the above valuation is not appropriate or the valuation in the foregoing manner is not fair, it can make necessary changes in the valuation process with prior consent of the Capital Market Authority, which in the opinion of the latter would be a fair value thereof.

The Fund may with the consent of the Investors' Committee and the CMA, suspend the determination of NAV on any Business day for the whole or any part of a period during which:

- ◆ a breakdown occurs in any of the means normally employed by the Investment Manager in ascertaining the NAV; or
- ◆ circumstances exist because of which, in the opinion of the Fund, it is not reasonably practical for the

Fund to realise or to dispose off assets representing in excess of 25% of the assets of the Fund or to fairly determine the NAV.

Publication

NAV per Unit will be published, at the end of every day, in two daily newspaper, one Arabic and one English.

ACCOUNTS & ACCOUNTING POLICIES

General

- ◆ The Fund shall have a financial liability independent from the Investment Manager and the Investors' Committee. A separate Bank Account in the name of the Fund shall be maintained for the purpose of financial transactions on behalf of the Fund.
- ◆ An independent and separate bank account for the Fund shall be maintained by the Custodian in Oman and where necessary outside Oman, for making withdrawals and deposits on behalf of the Fund.
- ◆ The Fund shall be treated, in respect of all sales and purchases and other transactions, as an independent entity and shall be credited in case of sales and debited in case of purchases. All costs related to the Fund shall be directly paid from the assets of the Funds.
- ◆ Accounting records for the Fund shall be maintained independently from the records of the Investment Manager and shall be audited by independent auditors approved or nominated by the Investors' Committee. The Investors' Committee has the power to remove or change the Auditors of the Fund during the life of the Fund. The appointment of auditors will be notified to the CMA.
- ◆ The financial year of the Fund shall be from 1 January to 31 December except for the first financial period, which will start on the Closing date (pertaining to the initial Subscription) and end on 31 December 2007.

Accounting Policy

The books of account of the Fund shall comply with the International Financial Reporting Standards and as required by Omani law.

Revenue and Expenditure of the Fund

Revenue

Revenue of the Fund shall consist of:

1. profits earned as a result of dealing in securities held on behalf of the Fund;
2. income received from assets of the Fund;
3. interest credited to the account of the Fund;
4. any other revenue, directly linked to the Fund and resulting from the investment of the assets of the Fund.

Expenditure

Expenditure of the Fund shall consist of:

1. initial set up costs of the Fund;
2. fees of the Investment Manager;
3. fees paid to Custodian and sub-custodian if any;

4. fees of the CMA and any other regulatory, licensing or similar charges and expenses;
5. expenses in respect of maintaining accounting records and auditing fees;
6. customary brokerage commission and banking fees paid in connection with the sale and purchase of securities held on behalf of the Fund;
7. any expenditure related to the exercise of rights and duties in respect of the assets of the Fund;
8. cost of preparing, printing, publishing and distributing public notices, annual and interim reports, valuations, accounts and price lists and such other reports or documents as may be allowed or required under the applicable laws or regulations of Oman and any other communications to Unit-holders;
9. costs of printing any certificates or proxies;
10. any losses incurred as a result of dealing in securities held on behalf of the Fund;
11. cost of preparing and filing all official documents concerning the Fund, including registration statements and offering circulars with all authorities having jurisdiction over the Fund or the offering of Units;
12. cost of holding any meeting of Unit-holders;
13. legal fees;
14. fees of the Investors' Committee;
15. any other expenditure directly related to the Fund.

Reports and Books of Account

The Fund's financial year will be from 1 January to 31 December in each year. However, the first financial year of the Fund will start from the Closing date of the initial subscription and will end on 31 December 2007. The Investment Manager in each financial year will prepare the Balance Sheet and Profit and Loss account and further statements detailing the main items of revenue and expenditure duly audited by an independent auditor. Audited statements of account will be sent to Unit-holders by mail, at least 14 (fourteen) days before the Annual General Meeting. Quarterly financial statements will be filed with the MSM within 30 (thirty) days of the end of the relevant quarter and also published in two daily newspapers in Oman, one Arabic and one English.

EXPENSES & COSTS OF THE FUND

Issue Expenses and Setting-Up Costs

The Fund is expected to incur the following expenses relating to setting up of the Fund and the initial issue of Units, assuming 2,000,000 (two million) Units in issue:

Regulatory Fees (0.05%)	RO	1,000
Registration Fees (0.03%)	RO	600
Legal and other advisory fees	RO	4,000
Printing (Prospectus)	RO	4,000
Publicity & Marketing	RO	50,000
Collecting Banks Fees	RO	10,000
Issue Manager Fees	RO	25,000
Distributing Agent Fees	RO	20,000
Total	RO	114,600

The Fund intends to appoint Distributors for the distribution and marketing of the Fund and bear the commission expenses payable to such Distributors. However, the total issue and setting-up costs are not expected to exceed 2% of the Initial Issue. Should the Initial Issue and Setting-Up Cost exceed 2% of the Initial Issue; the Distributor will bear the costs in excess of 2% of the Initial Issue.

Running Expenses

Management Fees

As per the terms of the Investment Management Agreement between the Investors' Committee and the Investment Manager, the Investment Manager shall be entitled to receive from the Fund a Management Fee equivalent to 1.50% per annum of the NAV before Management & Performance Fees of the Fund. The Management Fee shall be calculated on a daily basis and paid monthly in arrears.

Performance Fees

The Investment Manager shall be entitled to a Performance Fee of 10 % of the returns in excess of the returns given by the benchmark with high watermark, which will be determined on each Business day and will be paid at the end of each year.

During the year, the provision for Performance Fee will be adjusted for out-performance and under-performance. In case of out-performance, the provision will be adjusted on a daily NAV and in case of under-performance or negative returns; it will be adjusted on a year-to-date (YTD) basis on weighted average capital.

Performance Fees do not take place except on the new performance above the NAV (adjusted for dividends) on which any of the earlier payment of the Performance Fees took place and would be given only in case of positive returns. In case of negative returns where the Fund has out-performed, no Performance Fee will be charged; however, the high watermark will be reset to such new level. In case of under-performance the high watermark remains at its original level and no reset will be carried out.

The Performance Fees in respect of Units redeemed on any Redemption day will be calculated daily and payable monthly in arrears.

In addition to the Management Fee and the Performance Fee payable if any, the Fund will also incur the following recurring expenses:

1. Regulatory fees to CMA as follows:

Annual Membership Fee	RO 100
Subscription Fee	RO 1,500
2. the Fund will also bear the fees of the Investors' Committee and which is not expected to exceed RO 30,000 per annum;
3. the fees of the Custodian, Administrator and any sub-custodians, which is not expected to exceed 0.35% of the NAV per annum;
4. expenses incurred for maintaining accounting records and audit fees;
5. brokerage commission payable on purchase and sale of securities & other investments and any other technical, legal or consultancy fees payable relating to the assets of the Fund;
6. taxes payable, if any;
7. cost of publishing NAV and statements of account;
8. printing and distribution expenses related to annual accounts and Unit holders meetings;
9. any losses incurred as a result of dealing in securities held on behalf of the Fund;
10. any other expenses directly related to the Fund.

Taxation

As per the Royal Decree No. 47/81 (as amended), the income of funds, such as the Fund, set up as joint investment accounts and registered with the CMA, are exempt from income tax. The income earned by the Fund is therefore exempt from Omani taxation.

The expenses of running the Fund may be charged against, income and/or capital at the discretion of the Investors' Committee in accordance with International Financial Reporting Standards and the treatment may alter at any time and from time to time in accordance with those standards.

Investors' attention is invited to the following risks, which should be considered before arriving at an investment decision in the Fund.

RISK FACTORS

Market Risk

The Fund investments are subject to market fluctuations and to the risks inherent in all investments. Therefore, the price of Units may go down as well as up and the value of an investor's investment may be subject to sudden and substantial falls and rises.

However, the Fund will strive to minimise this risk by diversifying its portfolio within different industries and will focus to invest in companies that enjoy strong fundamentals.

Political & Economic Risks

The value of Units and the income generated by the Fund may be affected by uncertainties such as changes in government policies, taxation and interest rates, currency repatriation and other political & economic developments.

However, Vision will be considering the above risk factors while arriving at an investment decision for the Fund.

Illiquidity of Investments

Oman's markets are generally less liquid when compared with other markets.

However, the Fund will attempt to focus on the more liquid stocks in MSM, but there can be no guarantee that this objective can be achieved at all times. Furthermore, overall liquidity has improved over the last few years due to the shift and transformation of Oman's economy helped by the high oil prices and the mega projects being implemented by the Government.

Legal Risk

The Fund could be affected by changes in laws & regulations and any future legislation affecting the investments of the Fund. It is difficult to anticipate the impact of legislative reforms on securities in which the Fund will invest.

However, given the recent positive measures taken by the government to encourage private and international investment, any adverse change in the regulation seems unlikely.

Taxation

Taxation laws are subject to change. Accordingly, it is possible that the Fund could become subject to taxation that is not anticipated when investments are made, valued or disposed off.

Borrowing

The Investors' Committee has the power to borrow, subject to the restrictions in Chapter 2, under unforeseen circumstances and as a temporary arrangement, not more than five percent (5%) of the NAV of the Fund, to meet expenses and dividend payments. The use of borrowing creates special risks and may materially increase the Fund's investment risk. Interest costs decrease gains and increase losses. The use of borrowings increases the Fund's exposure to market fluctuations and creates the possibility that where the investments depreciate the Fund's overall loss may be greater than the sum invested (net of borrowings). In the event of an extreme and rapid fall in the market prices of the investments in the Fund's portfolio, the financial covenants in the agreements under which the Fund is borrowing money may be triggered, which could result in the Fund being required to sell investments in a falling market to meet its obligations to its lenders, with one result being a potentially rapid fall in the NAV and the Net Realisable Value of the Units.

However, since the Fund proposes to resort to borrowing only as a temporary arrangement to meet expenses & dividend payments, it is not envisaged that it will hold the borrowing for long and is expected to repay the borrowing at the earliest possible opportunity.

GOVERNING LAWS & REGULATIONS

The Fund will be governed by the Capital Market Law, the Regulations issued by the CMA, the terms of this Prospectus and other applicable laws of the Sultanate of Oman. The Fund is an investment fund attached to Vision Investment Services Co. SAOC pursuant to Articles 23 to 31 of the CMA Regulations.

DIRECTORY

Investors' Committee
Mr. Ahmed Saeed Al Mahrezi
Mr. Hamed Musaed Bader Al Sayer
Mr. Mahmoud Ashour Al-Jafar
Mr. Sadiq Hassan Dawood Al Lawati
Mr. Saleh Bin Nasser Al Riyami
Mr. Saud Ahmed Abdul Kareem Al Nahari

Issue Manager
Vision Investment Services Co. SAOC
P.O. Box 712, Al Hamriya
Postal Code 131, Sultanate of Oman

Investment Manager
Vision Investment Services Co. SAOC

Administrator/Registrar	Legal Adviser
Vision Investment Services Co. SAOC	Rajab Al-Khathiri And Associates Lawyers & Legal Consultants

Auditors	Custodian
PricewaterhouseCoopers LLP	HSBC Bank Middle East Limited

Subscription Banks		
Oman Arab Bank	Bank Dhofar	National Bank of Oman


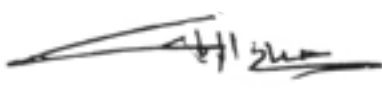
UNDERTAKINGS

Vision Emerging Oman Fund

The members of Investors' Committee of the Fund jointly and severally undertake as hereunder:

1. Whereas, the information furnished in this Prospectus is complete, correct and sound, and necessary care has been taken to avoid omission of any material facts or information that may have made the expressions in the Prospectus misleading.
2. To abide by all the provisions set out in the Capital Market Law and the applicable regulations of CMA.

Members of Investors' Committee of Vision Emerging Oman Fund (in formation) who are authorised to sign the Prospectus on behalf of the Fund:

Member of Investor's Committee	Signature
Mr. Ahmed Saeed Al Mahrezi	
Mr. Saleh Bin Nasser Al Riyami	

Issue Manager

In accordance with the responsibilities assigned to us pursuant to the provisions laid down in Article 3 of the Capital Market Law and regulations and instructions issued by CMA, we have reviewed all the relevant documents and other material required for the preparation of this Prospectus of Vision Emerging Oman Fund (under formation).

The Board of Directors of Vision Investment Services Co. SAOC shall bear the responsibility with regard to correctness of the information provided for in the Prospectus, and they have confirmed not to have omitted any fundamental information there from, omission of which would have made the Prospectus misleading.

We hereby confirm that we have taken necessary due care as required by the profession with regard to the Prospectus that has been prepared under our supervision. We hereby confirm as hereunder:

1. We have taken necessary and reasonable care in ensuring that the information furnished to us by Vision Emerging Oman Fund (under formation) and that contained in the Prospectus is consistent with the facts available in the documents and material pertaining to the Issue.
2. On the basis of our perusal and information made available to us by the Fund, it is hereby confirmed that the Fund has neither concealed any fundamental information nor omitted any important information, omission of which would have made the Prospectus misleading.
3. The Prospectus and the information contained therein are consistent with all the rules and conditions governing transparency as provided for in the Capital Market Law along with its amendments thereof, the regulations of CMA along with its amendments thereof and applicable specimen prospectus available with CMA.
4. The data and information presented in the Prospectus are correct, reasonable and adequate as per our perusal to assist the investor in taking an appropriate decision whether or not to invest in the Units issued for the Subscription in accordance with the rules and conditions governing the transparency.

Vision Investment Services Co. SAOC:


Signature & Seal



Legal Adviser

The Legal Adviser, named hereunder, confirms that all the procedures undertaken with regard to issue of the Units, subject matter of the Prospectus, are consistent and are in conformity with the provisions set out in the laws and statutes relevant to the activity of the Fund, Capital Market Law, regulations & instructions issued by CMA, specimen prospectus available with CMA and Articles of Association of the Fund. They further confirm that the Fund has secured all the licenses and official approvals that are required for engaging in the activities, subject matter of the Prospectus.

Rajab Al-Khathiri and Associates Lawyers & Legal Consultants:

Signature and Seal: 