



Summary Prospectus of
Credit Agricole – Egypt Fourth Investment Fund
(Al Thiqa Fund)

Balanced Fund with Periodic Distribution and Prizes



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(Al Thiqa Fund)**

EFSA License no. 619 dated 12/1/2011 – Prospectus Approval no. 404 dated 30/5/2011

- **Fund Name:** Credit Agricole – Egypt Fourth Investment Fund “Balanced Fund with Periodic Distribution and Prizes” Al Thiqa Fund.
- **Fund Type:** Open Ended
- **Fund Manager:** HC Securities and Investment, SAE. A company specialized in investment management since 1996.
- **Fund Services Company:** Egyptian Company for Fund Services (FundServ), SAE.
- **Fund Auditors:**
 1. Mr. Aly Abdel Hafez Helmy – KPMG, Hazem Hassan Auditors and Advisors.
 2. Mr. Mamdouh Aboul Sooud Hussien – Zarrouq and Partners Office (Rodl & Partners Middle East)
- **Fund Currency:** Egyptian Pound
- **Certificate Par Value:** EGP 100
- **Bank’s Share in the Fund:** The Bank has allocated an amount of EGP 5,000,000 for this purpose.
- **Size of the Fund and Number of Issued Certificates:** The initial size of the fund is EGP 50,000,000 divided over 500,000 certificates. Fund size can grow up to EGP 250,000,000, noting that the fund size cannot increase beyond this mark without additional approvals from the Central Bank of Egypt.
- **Purpose of the Fund:** the fund targets capital appreciation in the medium term, while diversifying its investment risks, with the possibility of distributing prizes from its annual returns. The prizes are in the form of cash giveaways that are to be announced by the bank at the time of the draw. The Investment manager will perform his duties of risk management by diversifying the fund’s investments between high risk instruments such as equities and low risk instruments, as well as diversifying across different economic sectors and the use of prudent instrument selection for all instruments.
- **Initial Subscription:**
 - o **Initial Subscription:** is defined as the application to invest in the fund during the period of the initial public offering
 - o **Recipient Bank:** Credit Agricole - Egypt, including all its branches and correspondents.
 - o **Minimum and Maximum Subscription:** a minimum of 10 certificates, with no set maximum.
 - o **Certificate Par Value:** EGP 100 (One Hundred Egyptian pounds)

- **Eligibility:** Both Egyptian and Foreign investors are eligible for investment in the fund, whether they are natural persons or legal entities.
 - **Issuance and Subscription Expenses:** there are no expenses or commissions associated with the subscription process.
- **Purchase:** is defined as the application to invest in the fund after the period of the initial public offering. Purchase requests are received at any of the bank's branches twice weekly, on Sunday and Wednesday of every week, on the basis of every certificate's share of the fund's net asset value at the end of the day in which the purchase request is received.
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- **Redemption:** is defined as the process of redeeming all or part of the certificates held by an investor. The redemption requests can be done by the certificate holders, or anyone who can legally act on their behalf, for all or part of the certificates held at any of the bank's branches twice weekly, on Sunday and Wednesday of every week, on the basis of every certificate's share of the fund's net asset value at the end of the day in which the redemption request is received.
- In general, Purchase and Redemption requests are received by the bank all week, given that the actual days of purchase/redemption are Sunday and Wednesday of every week.
- **Investment Guidelines adopted by the Investment Manager:**
- The fund's investments are restricted to the local Egyptian market and are undertaken in local currency.
 - The percentage of the fund's investment in equity instruments should not exceed 65% of net asset value.
 - The percentage of the fund's investment in fixed income instruments should not exceed 65% of net asset value, given that the investment in short term money market investments should not exceed 50%.
 - The percentage of the fund's investment in a single sector should not exceed 25% of net asset value.
- **Investment Guidelines related to Fixed Income Instruments:**
- Percentage of net asset value held in cash equivalents is limited to 50%.
 - Percentage of net asset value invested in Egyptian Treasury Bills is limited to 45%.
 - Percentage of net asset value invested in Egyptian Treasury Bonds is limited to 40%.
 - Percentage of net asset value invested in Egyptian non-Government Bonds is limited to 20%, and to instruments with a minimum credit rating of (BBB-)
 - Percentage of net asset value invested in Egyptian Government and non-Government Bonds is limited to 40% combined.
 - Percentage of net asset value invested in Repurchase Agreements is limited to 45%.
- **Investment Guidelines in accordance with the Provisions of the Law:**
- The percentage of the fund's investment in financial securities of a single issuer is limited to 10% of net asset value, given that this amount does not exceed 15% of the issue.
 - The Fund may not undertake investments in other mutual funds established by its related parties, with the exception of Money Market Funds. The percentage of the fund's investments in money market funds is limited to 20% of net asset value, given that this amount does not exceed 5% of the size of the money market fund being invested in.

- The Fund may not borrow financial securities with the purpose of selling (short selling) or engage in margin trading. The Fund may not acquire other entities through related groups in accordance with the provisions of the law.
 - The fund's investments in financial securities of any related group (in both equity and fixed income instruments) is limited to 20% of the fund's net asset value.
- **Distributions to Certificate Holders:** in addition the certificate holder's right in the bi-weekly redemption of certificates at Net Asset Value (including gains and losses); the fund may also distribute part of the realized gain of the fund every six months – in January and July of each year. The investment manager, in coordination with the bank, retains the right of deciding to distribute dividend in the form of cash or additional certificates.
 - **Prizes:** Part of the fund's realized gains may be distributed as cash prizes in January and July of each year, given that the fund's return exceeds the benchmark associated with investment manager's performance fees. Certificate holders are entered into a draw – each in proportion to their holdings in the fund - to determine the winners of the prize, under the supervision of the Ministry of Social Solidarity.
 - The guidelines for the eligibility to enter into the draw are:
 1. Minimum holding of 10 certificates on the date of the draw. The dates are set on 30th June and 31st December of each year.
 2. Minimum holding period of three consecutive months on the date of the draw.
 3. Every eligible certificate holder is entitled to only one prize per draw.
 - Other considerations for Prizes:**
 - The draw is held only if the fund achieves an annual return that exceeds by the value of the prize the average corridor rate announced by the Central Bank of Egypt (adjust for the period), in addition to a 2% risk premium.
 - For every draw, there are five equal prizes with the value of EGP 10,000 each.
 - The prize money is deducted from the fund's net asset value, and the certificate value is reduced by this amount on 30th June and 31st December of every year.
 - Any surcharges, taxes or other statutory expenses associated with the prize are borne by the prize winners whether imposed now or in the future.
 - **Investment Manager's fees:** 0.4% of Net Asset Value annually.
 - **Investment Manager's Performance fees:** 7.5% annually of returns in excess of the average corridor rate announced by the Central Bank of Egypt, in addition to 2% premium.
 - **Bank's Administrative fees:** 0.6% of Net Asset Value annually for administrative services and legal consultancies.
 - **Fund Services Company fees:** 0.065% of Net Asset Value annually.
 - **Subscription, Purchase and Redemption fees:** There are no fees paid by the certificate holder for subscriptions and purchases, however, a redemption fee of EGP 20 flat per redemption request payable to the bank.
 - **Auditors' fees:** EGP 40,000 annually for each.

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