

Simplified Prospectus
for the subfund
Meridio Islamic Funds – Meridio Global Islamic Multi Asset
(As at: April 2010)

This Simplified Prospectus contains key information on Meridio Global Islamic Multi Asset ("the subfund"), a subfund of Meridio Islamic Funds ("the Company"). If you would like to have additional information before making an investment, please consult the full Sales Prospectus of Meridio Islamic Funds. In it you will also find information on the rights and duties of the investor. The full Sales Prospectus and the annual and semi-annual reports as well as the Company's Articles of Association may be obtained free of charge from the Company, the custodian bank, the paying and information agent or from the relevant national representatives (see "Inspection of documents"). Detailed information on fund investments may be found in the latest annual and semi-annual reports.

Subfund	Meridio Global Islamic Multi Asset
Investment objective	The investment objective of the subfund is to generate earnings and increase the capital regardless of market phase while adhering to the restrictions set by the Sharia Board.
Investment policy	<p>In managing the subfund assets, the management company must ensure that the Islamic investment guidelines approved by the Sharia Board are adhered to.</p> <p>Depending on the unit class, the net asset value per unit of a unit class may be converted into another currency if necessary.</p> <p>The focus of subfund investments within a multi-asset structure lies on investing in listed shares or other shares and Sukuk (Sharia-compliant bonds) which are traded on other recognised markets which are open to the public and function in a regular fashion, provided they are regarded as securities pursuant to Article 41 of the Luxembourg Law relating to undertakings for collective investment of 20 December 2002.</p> <p>In the context of the legal provisions, the main instruments of investment policy are Sharia-compliant shares, Sharia-compliant bonds (Sukuk), Sharia-compliant funds and other Sharia-compliant derivatives, provided all the aforementioned instruments are deemed to be securities pursuant to Article 41 of the Law of 20 December 2002 relating to undertakings for collective investment and Article 2 of the Grand Ducal Regulation of 8 February 2008 as well as point 17 of the CESR guideline CESR/07-044b.</p> <p>The target regions for investments in the subfund are international stock markets such as Euroland, USA, Japan, China, Indonesia, Malaysia, MENA (the states of the Middle East and North Africa), GCC (Gulf Council states, founding members: Kuwait, Bahrain, Saudi-Arabia, Qatar, United Arab Emirates and Oman), Turkey.</p> <p>The subfund assets are also invested in share certificates and share index certificates. These investments are traded on stock exchanges or other regulated markets which are recognised, open to the public and function in a regular manner. Within statutory limits, placements not yet listed at the time of issue may be acquired on condition that stock exchange listing is obtained within one year of investment (Article 41 I d) of the Luxembourg Law of 20 December 2002).</p>

Up to 10% of the subfund's assets may be invested in units of Sharia-compliant equity, bond and money market special funds. The management charges of the funds acquired by the subfund can amount to a maximum of 2.5% p.a. of the net subfund assets.

Furthermore, the subfund may invest up to 10% of its assets in investments that are not yet listed at the time of the investment.

The subfund may also hold money market instruments, cash assets and time deposits up to 100% in any currency.

Investments in money market instruments are made only if they are issued or guaranteed by first-class issuers and have a remaining term of not more than 12 months.

The Company does its utmost to achieve the investment objectives, but cannot guarantee success. The net asset values of shares and income may rise or fall.

The currency of the subfund is EUR.

The currency for share class A is denominated in EUR and for share class B in USD.

Investment techniques and instruments

In the context of the legal provisions and restrictions the acquisition or sale of Sharia-compliant options, futures and the conclusion of other forward transactions is permitted for hedging against possible price falls on the capital markets and to optimise yields. The underlying assets here will be instruments as defined in Article 41(I) of the Law of 20 December 2002 or financial indices, exchange rates or currencies. The use of derivatives may entail increased risks because of the leverage effect.

Further information on the techniques and instruments can be found in the section in the Sales Prospectus on investment restrictions. When using derivatives, the fund will never deviate from the investment policy described in the prospectus.

Risk profile

Fund investments may be subject to fluctuations and no guarantee can be given that the value of the fund units held will match the original amount paid for them.

Because of the composition of the subfund's assets there is the prospect of high earnings, although it is countered by a high level of overall risk. Investments in subfunds are therefore suitable only for the risk-tolerant investor with vast experience of securities. Owing to its special investment policy, the subfund has a heightened opportunity/risk profile. However, the securities on which the subfund mainly focuses may be subject to pronounced price swings. Focusing on a small number of countries may also result in the unit value developing contrary to the general market trend. Owing to the unpredictable performance of the subfund's investment segments, which may also result in adverse development of the unit price over several years, investors should be capable financially of leaving their investments untouched over this length of time.

This mainly entails currency, credit and share price risks.

Foreign currencies can only be hedged against the fund currency using Sharia-compliant techniques and instruments.

Unless otherwise specified, the subfund may invest in securities which are denominated in a different currency from that of the unit class. The subfund assets receive the income, redemptions and gains from investments in the currencies in which the corresponding investments are denominated. The value of these currencies may fall below that of the unit class. Therefore, if securities are denominated in a different currency from that of the unit class, an exchange rate risk is incurred which may impair the value of the units.

If the reference currency of the investor does not correspond to the fund's investment currency or currencies, there is also an exchange rate risk.

Special risks

In the investment countries mentioned in the investment policy it is possible that assets may be seized or taxes may be applied with similar effect, there may be political or social unrest or there may be developments on the diplomatic front, all of which can jeopardise investment in such places. There may be less public information about particular financial instruments than investors would normally expect. Companies in some countries might not be governed by the standards and requirements for bookkeeping and rendering of accounts, auditing and other scrutiny, financial reporting and the disclosure of accounts documents which certain investors would normally expect. Despite the overall growth of their market volume, certain financial markets for the most part are of an obviously lower market volume than financial markets in more highly developed countries; the securities of many companies are therefore less liquid and their market prices less consistent than in the case of securities of comparable companies that are traded on larger, more significant markets. In various countries there are also variations in the requirements for state supervision, the regulation of currency conversion (foreign exchange controls) and of financial institutions and issuers. The manner in which foreign investors are allowed to invest in securities in such countries and the investment restrictions controlling such investments moreover may impair investment activities.

Payment and settlement systems in some of the countries mentioned in the section on investment policy may possibly be less well organised than in established markets. Therefore risks may arise in the form of delays in settlement and subfund money or securities may be put at risk as a result of inadequacies or defects in the payment and settlement systems. Market practice in such countries in particular may entail prepayment obligations such that payments have to be made before purchased securities are delivered or delivery of the securities has to take place before receipt of the payment. In these cases breaches of contract by the broker or bank (counterparty) through which the transactions are being handled may result in losses for the subfund.

The company will do its utmost to involve only those contracting parties whose financial situations are adequate for minimising such risk. There is nonetheless no certainty that the company can entirely exclude these risks to the fund, particularly because contracting parties operating in upwardly moving markets often do not have the same economic resources or financial means as contracting parties in developed countries.

There is also the danger that uncertainties in the payment and settlement system procedures may give rise to competition between

the rights of third parties to claim securities which are part of the assets of the subfund or are assignable to the subfund. Systems for compensating investors may also fail, or may entail restrictions or be inadequate for covering the company's claims for damages in such cases.

Depository Receipts

Depository Receipts (ADRs, GDRs and EDRs) are documents representing units in companies which function on markets other than those on which the Depository Receipts are traded. In the case of Depository Receipts traded at recognised exchanges it should be realised that they may be open to other risks – for instance, the units underlying the Depository Receipts may be subject to risks such as political changes, inflation, fluctuations in exchange rates or risks entailed by safekeeping through a custodian bank.

The subfund is recommendable for risk-tolerant investors who will not require the invested capital over the long term.

Investor profile	The subfund is suited to investors with a five-year investment horizon who wish to participate at high risk in the performance of the international bond and equity markets with the concomitant long-term advantages.
Performance	The historical performance of the subfund's assets does not provide a basis for predicting future performance. It is impossible to provide any assurance of the investment policy objectives being attained in the future.
Distribution policy	In accordance with the Company's Articles of Association and the General Section of the full Sales Prospectus for Meridio Islamic Funds, the subfund is entitled, at the decision of the Company's Board of Directors, to issue both dividend-entitled shares and accumulation shares. At present only accumulation shares are issued.
Expenses charged to the fund	<p>The Management Company receives a service charge equivalent to up to 0.35% p.a. of the net subfund assets, to be calculated on the basis of the average net subfund assets during the corresponding calendar month pro rata temporis and to be disbursed monthly in arrears.</p> <p>The investment manager receives a fee at the end of the month which is equivalent to up to 1.50% p.a. and is calculated on the basis of the average net subfund assets during the corresponding calendar month pro rata temporis and is to be disbursed monthly in arrears.</p> <p>In addition, the investment manager receives a performance-related fee of 15% p.a. of any rise in subfund unit value greater than 5% which is to be calculated as a proportion of the average net subfund assets during the financial year and is payable when the financial year ends.</p> <p>A performance fee is generally due only if the unit value at the end of the financial year is higher than that at the end of the previous financial year ("high-water mark"). For the first financial year, the initial subscription price represents the high-water mark. The basis for assessment of the performance fee is the average number of units in circulation. Net value impairments in one financial year are carried forward to the next financial year; the performance fee is only payable once any losses carried forward have been fully compensated for ("all-time high-water mark").</p>

The Sharia Board and Sharia advisors together receive a payment of up to USD 100,000 plus up to a maximum of 0.04% p.a. of the NAV of the net subfund assets during the corresponding calendar month calculated pro rata temporis and to be disbursed monthly in arrears.

The costs of the service providers/experts whose services/advice regarding Sharia compliance of the subfunds are used amount to not more than USD 30,000 + 0.04% of the NAV p.a. of the net fund assets calculated pro rata temporis on the basis of the average net subfund assets during the appropriate calendar month and payable each month in arrears.

The custodian bank and central administrator receives a fee equivalent to up to 0.19% p.a. of the net fund assets (estimated to be EUR 50,000 p.a.), which is to be calculated on the basis of the average net subfund assets during the corresponding calendar month pro rata temporis and is to be disbursed monthly in arrears.

Luxembourg "taxe d'abonnement" of 0.05% p.a. on the net assets.

In addition, the company is charged the following costs: the costs of application and registration with all registration authorities, the costs of the paying agent, costs of auditors, costs of printing and distribution of the annual and semi-annual reports, printing and distribution of all other reports and documents, commission payments and fees in connection with transactions in securities, reasonable costs of advertising and those incurred directly in connection with the offering and sale of shares, costs of publishing the net asset value, costs of legal advice, costs of any preparation of share certificates and coupons and their encashment.

All taxes and charges incurred for the subfund assets and securities transactions involving the subfund assets are charged to the subfund. Changes, including retroactive changes, in the tax legislation in Arab countries are not predictable and may lead to additional charges over the fund's assets.

Total expenses (TER)	<p>./.</p> <p>The TER does not include the expenses of securities transactions. Please refer to the fund's annual report for the current level of TER.</p>
Portfolio Turnover Rate (PTR)	<p>Please refer to the fund's annual report for the current level of PTR.</p>
Taxes	<p>Shareholders in the Grand Duchy of Luxembourg are not in principle subject to tax on income or price gains in connection with holding shares in the Company. Since 1 July 2005, a withholding tax has been levied in Luxembourg pursuant to Council Directive 2003/48/EC for persons resident in Member States. Accordingly, income from investment funds may be subject to withholding tax.</p> <p>Council Directive 2003/48/EC provides for a withholding tax from 1 July 2008 onwards of 20% which will be raised to 35% as of 1 July 2011.</p> <p>Thereafter, according to the present legal situation, income from accumulating investment funds becomes subject to withholding tax when they invest more than 40% of net fund assets in interest-yielding stocks and cash. Income from distributing investment funds is subject to withholding tax when they invest more than 15% of net fund assets in interest-yielding stocks and cash.</p>

Tax situation at the investor's place of domicile *Potential shareholders are urged to seek independent information with appropriate advice about the laws and regulations concerning taxation and exchange controls which exist in the countries to which they belong, in which they have their domicile or normal residence and in which they were founded if they are legal entities and which are connected to the subscription, purchase, ownership, redemption, conversion and other realisation of shares in the Company.*

Publication of daily fund prices The investment company may stipulate that the issue and redemption prices are only published on the website of the management company (www.axxion.lu). At present, the issue and redemption prices are published on the Internet at www.axxion.lu.

Information on issue and redemption prices may be requested from the custodian bank, the paying agents and the distributors.

Purchase and sale of units Subscription applications reaching the administrator by 17.00 (Luxembourg local time) on the last banking day before the valuation date are settled after acceptance at the subscription price of that valuation date.

For payments made up to five banking days after issue of the share(s), the Company reserves the right to postpone acceptance of the subscription application as well as the valuation date on which the relevant net asset value per share is determined until the money to be processed by the bank has been received.

Subscription applications received after 17.00 (Luxembourg local time) on the last banking day before a valuation date will be settled after acceptance at the subscription price of the next following valuation date.

Payment of the subscription price must be made within five banking days.

Subscription applications are in practice considered when the subscription price has been paid. It is ensured that the shares of each subfund are subscribed for at an unknown net asset value. The net asset value is calculated only after the time for accepting orders has ended.

Redemption applications reaching the administrator by 17.00 (Luxembourg local time) at the latest on the banking day before the valuation date will be settled after acceptance at the redemption price of that valuation date. Applications which arrive after 17.00 (Luxembourg local time) on the last banking day before a valuation date are settled after acceptance at the redemption price of the next valuation date.

The net asset value per share for each subfund is calculated, in the currency of the subfund concerned ("subfund currency"), on each banking day in Luxembourg ("valuation day"). This calculation is the responsibility of the Board of Directors.

It is ensured that the shares of each subfund are redeemed at an unknown net asset value. The net asset value is calculated only after the time for accepting orders has ended.

Conversion of units In accordance with the provisions of the Articles of Association and subject to the provisions of the current Sales Prospectus, each shareholder may convert shares of one subfund into shares of

another or convert shares of one class, if in issue, into shares in another class within the same subfund.
 Shares can be converted within a subfund or between various subfunds on any valuation date.
 The exchange is made on the basis of net asset value on the valuation date applying according to the rules on share issue. There is no conversion fee.

Expenses charged to the investor Expenses to be paid by the investor on purchase and sale of fund units or on issue and redemption of units.
 Sales charge of currently up to 5% of the net asset value per share
 Redemption commission:
 No redemption commission is currently charged.

Additional important information

Legal form	SICAV (Société d'Investissement à Capital Variable) in accordance with Part I of the Law of 20 December 2002 on undertakings for collective investment <i>(Umbrella structure with the possibility of several subfunds).</i>
Company, date of establishment	Meridio Islamic Funds 25 November 2009, Luxembourg
Registered office	1B, Parc d'Activité Syrdall, L-5365 Munsbach
Prospectus publication date	In December 2009 for the first time
Financial year	1 September to 31 August
Promoter consortium	Axxion S.A., Munsbach & PEH Wertpapier AG, Oberursel
Investment manager	Meridio Vermögensverwaltung AG
Regulatory authority	CSSF (Commission de Surveillance du Secteur Financier), Luxembourg
Custodian bank	Banque de Luxembourg S.A.
Domicile	1B, Parc d'Activité Syrdall, L-5365 Munsbach
Auditors	KPMG, Luxembourg
Management Company	Axxion S.A., Munsbach (Grand Duchy of Luxembourg)
Name of subfund	Meridio Global Islamic Multi Asset
Fund currency	EURO
Share classes	Both share classes are intended for public sale
Share classes issued	A and B
Securities No.	
Share class A	A0X9HM
Share class B	A0X9HN
Initial subscription price	
Share class A	EUR 100.00 (plus sales commission)
Share class B	USD 100.00 (plus sales commission)
Minimum subscription	
Share classes A and B	None
ISIN No.	
Share class A	LU0442310859
Share class B	LU0442311071
Initial subscription period	10 March – 30 April 2010
Subfund launch date (value date)	5 May 2010
Term	Unlimited
Distribution licences	Austria, Germany, Luxembourg

Distributor	Meridio Vermögensverwaltung AG Gustav–Heinemann–Ufer 56 D-50968 Köln
Paying agents	<p>Luxembourg Banque de Luxembourg 14, Boulevard Royal, L-2449 Luxembourg</p> <p>Germany Marcard, Stein & Co AG Ballindamm 36 D–20095 Hamburg</p> <p>Austria Raiffeisen Zentralbank Österreich Aktiengesellschaft Am Stadtpark 9, A-1030 Vienna</p>
Contact points/ information centres	<p>Germany Meridio Vermögensverwaltung AG Gustav–Heinemann–Ufer 56 D-50968 Köln Tel.: +49-(0)221 – 37639 - 0 Fax: +49-(0)221 – 37639 - 11 E-mail: info@meridio.de</p>
Notes for investors in the Federal Republic of Germany	<p>Shares may be subscribed to, redeemed and converted at the paying agents and distributors listed in this Sales Prospectus. Redemption proceeds, any distributions and other payments to the unitholders are also made through the paying agent; payments may be made in cash in EUR at the request of the unitholders.</p> <p>Shareholders may obtain the full Sales Prospectus, Simplified Prospectuses, Articles of Association, annual and semi-annual reports and issue and redemption prices at no charge from the paying agents and distributor in Germany. At those locations, the agreements concerning the functions of the custodian bank and central administration, the management agreement, the activities of the paying agent and distributor and the agreements with the investment manager as well as the Articles of Association of the Company may also be inspected.</p> <p>The investment company may stipulate that the issue and redemption prices are only published on the website of the management company (www.axxion.lu). At present, the issue and redemption prices are published on the Internet at www.axxion.lu which also includes the current Sales Prospectus and Simplified Prospectuses, annual and semi-annual reports of the fund.</p> <p>Other announcements to the shareholders are published in the Federal Republic of Germany in the <i>Börsenzeitung</i> and in other newspapers that may be specified by the company.</p>

For further information please contact the distributor. The full and simplified Sales Prospectuses and Articles of Association as well as current annual and semi-annual reports may be obtained free of charge from the distributor and the Company at its registered office.