



# **INVESTMENTS SUPERVISION DIVISION**

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## **THE PRIVATE FUNDS (ANNUAL RETURNS) REGULATIONS, 2021**

### **Fund Annual Return (FAR)**

### **Completion Guide**

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**Cayman Islands Monetary Authority**  
*Issued: July 2021*

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## GENERAL REPORTING INFORMATION

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### Introduction

The Cayman Islands Monetary Authority (the “Authority”) issues this Completion Guide as explanatory material and directions to assist fund Operators<sup>1</sup> in completing the Fund Annual Return (“FAR”) pursuant to the Private Funds (Annual Returns) Regulations, 2021.

### Overview, Scope and Background

Operators of all funds regulated under the Private Funds Act (as revised) are responsible for the completion and submission of the FAR to the Authority. Funds that are not regulated under the Act, do not submit a FAR. The audited financial accounts and FAR are completed and submitted via the Authority’s Regulatory Enhanced Electronic Forms Submission (REEFS) system by utilizing form PFR-049-77. The FAR should include the operating information and financial information in respect of each Alternative Investment Vehicle (“AIV”) of the private fund, unless such AIV itself is registered as a private fund, and each Sub-Fund of the private fund.

The information reported for AIV’s/Sub-funds should be at reporting dates that falls within the private fund’s financial reporting period. In the event AIV’s/Sub-funds have year-end dates that, on a calendar basis, is subsequent to the private fund’s year-end date, the reporting date for such AIV’s/Sub-funds should be the last reporting period that precedes the private fund’s year-end date (i.e. the reporting year-end dates of AIV’s/Sub-funds should all fall within the reporting period of the private fund). For example, if a private fund has a 30 June 2021 year-end, and one of its sub-funds has a 31 December year-end, then the information of the sub-fund as of 31 December 2020 should be included in the FAR, and not 31 December 2021.

Operators may delegate completion and submission of the FAR to a local Cayman Islands service provider (“designated submitter”), including local approved auditor, but Operators remain legally responsible for the accuracy and completion of the FAR. The FAR itself is not an audited document, but some of the information will likely come from the annual audited financial accounts.

The designated submitter must complete/submit both the FAR and annual audited financial accounts to the Authority at the same time, in the manner required by the Authority (form PFR-049-77). The REEFS system does not permit the FAR and annual audited financial accounts to be submitted at different times.

In reporting consolidated accounts, if the annual audited financial accounts consolidate funds without any breakdown (e.g. a fund with various sub-funds), each of the sub-funds must report its financial position within the requisite section(s) in the FAR.

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<sup>1</sup> The Operators of a fund are the directors of a fund that is a company, the general partners of a fund that is a partnership and the trustee of a fund that is a unit trust.

### ***Accounts Filed As Adobe® PDF***

The Authority requires a fund's annual audited financial accounts to be submitted as an Adobe® PDF. The Authority requests and recommends that the PDF contents be in a textual format (i.e.: generated from an electronic document), and not scanned.

Where the structure of the private fund comprises more than one portfolio, or sub-trust, or sub-fund, or participating class, see the guidance in section 5.2.

### ***Funds' Obligation to Inform the Authority***

The Authority reminds funds and their Operators of their obligation to inform the Authority of material changes. The Act provides that a fund's Operators are obliged to notify the Authority within 21 days of any change that materially affects any of the information in, or the prescribed details of marketing materials/summary terms/offering document filed with the Authority. "Material" in relation to marketing materials/summary terms/ offering document means any aspect that a prospective Investor may consider to make an informed decision whether or not to make capital commitment or contributions to the fund.

### **Purpose of Collection**

The FAR collects year-end financial, identification and other general information on regulated funds. The data obtained from the FAR forms the basis for the information contained in the Annual Investments Statistical Digest.

### **Confidentiality**

The submitted forms will remain confidential to the Authority.

### **What to report**

The FAR should be completed in accordance with the reporting instructions provided below. If there are any questions regarding these instructions, please contact the Investments Supervision Division at [ereporting@cima.ky](mailto:ereporting@cima.ky).

### **When and how to report**

A FAR must be filed within six (6) months of the regulated fund's year-end by completing and submitting form PFR-049-77 via the REEFS system. A maximum of three one-month extensions can be requested from the Investments Supervision Division. Please note that a CI\$500 fee applies to each request for an extension and that extensions are not guaranteed.

In REEFS (<https://reefs.cimaconnect.com>), roles must be assigned to allow designated submitter users to prepare and submit form PFR-049-77. Please use the online instructions at <https://www.cima.ky/reefs-faq> for guidance on how to create user accounts and assign roles. A FAR Preparer role and FAR Submitter role are required to enable access to the form.

The Cayman Islands approved auditor and Registered Office are set up to automatically have

designated submitter access to their related private funds. Any other local service provider of a private fund seeking to submit the FAR form on behalf of a private fund must advise the Authority of this to be granted designated submitter access. To access available or open private fund filings/rows, select 'Filings' on the REEFS home page and select PFR-049-77 within the Return Name drop-down list. Search results can be further focused/tailored by utilizing the Org Name, Org ID or Filing ID, if available. If the related private fund does not appear, the Authority should be contacted via email which may result in the Authority requesting additional documentation.

To access the filing and start the submission process, click the highlighted Filing ID number on the left of the specific search result. The Table of Schedules will appear which lists the relevant sheets to be completed: SD (Private Fund), FD (Private Fund), SD (AIV + Sub Fund), FD (AIV + Sub Fund) Allocation, and Declaration. The remainder of this document provides guidance to assist with the population of the various fields within the aforementioned sheets.

The official method for populating the form is by entering information directly into the online REEFS form. However, designated submitter(s) are able to download a copy of the FAR in Excel format via the 'More' button (upper right corner within the filing screen for the fund) by selecting the 'Download Excel' option. The downloaded Excel file can then be sent to the party responsible for compiling the information. Once the Excel file has been populated and returned to the designated submitter, it can be uploaded via the 'More' button by selecting the 'Upload Excel Document' option.

**\*\*DISCLAIMER\*\*:** the uploading of FAR information via a downloaded and completed Excel form in REEFS is provided as an alternative method to allow for the ease of flow of information between parties responsible for compiling information and the designated submitter(s). As the downloadable Excel file does not contain the validation rules that are built into the online REEFS form, the Authority will not be responsible if a form does not validate once the Excel form has been uploaded. In such instances the designated submitter(s) should liaise directly with the party responsible for compiling the information to resolve encountered validation errors. Resolution of all validation errors will then enable a successful upload.

Once all required fields have been populated (whether through entering information directly into the REEFS form or by Excel upload), upload the Operator Declaration by utilizing the 'Browse...' button on the Declaration sheet. Finally, upload the audited financial accounts by clicking on the 'Attachment' button (upper right corner within the filing screen) and then selecting 'Choose File' in the next screen. Multiple audited financial accounts can be uploaded by continuing to select 'Choose File' as needed (e.g. for individual sub-fund accounts).

Once all required fields have been populated and the declaration/audited financial accounts uploaded, the submission can be validated by clicking the 'Validate' button (upper right corner within the filing screen). Validation may return either errors or cautions; errors require resolution, but cautions are only cautionary in nature and therefore do not require any additional action to enable a successful submission. If errors are returned, the designated submitter can return to the specific sheet/fields and make the necessary corrections. Click the 'Validate' button again once all errors have been addressed. A valid submission will return the following message in green font: 'This submission is currently valid and ready to submit.'. Thereafter click on the 'Submit' button. An optional comment box will pop up - this can be filled in by the submitter with additional comments or left blank. Click on the 'Send' button. In the next screen click on the green 'Complete Submission' button to finalize the submission.

## COMPLETION GUIDE FOR THE FUND ANNUAL RETURN

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### 1. IDENTIFICATION

#### 1.1 Fund Name (mandatory field)

Insert the full legal name of the private fund as at the date the FAR is completed. Fund names may be confirmed on the Authority's website by using the "Search for Entities" function by inserting any part of the fund's name. At present, the Authority does not record the names of any sub-funds through the website's search function; however the name of the sub-fund should be entered in section 11a and 12a using the following format: "(Private Fund Name) Sub-Fund Name".

#### 1.2 CIMA Certificate Number (mandatory field)

Insert the certificate number as shown on the fund's certificate of registration issued by the Authority. Certificate numbers may be confirmed on the Authority's website by using the "Search for Entities" function by inserting any part of the fund's name.

Do not use the certificate number issued by the Cayman Islands Registrar of Companies or Registrar of Limited Partnerships on the Certificate of Incorporation/Registration or Certificate of Good Standing or equivalent, or the certificate number issued by any other body.

#### 1.3 Legal Structure (mandatory field)

Select from the drop-down box the choice that best indicates the fund's legal form or structure. Note that the terms used (as explained below) are specific to terms used in the Cayman Islands. The fund's certificate of incorporation (or equivalent) will indicate the fund's structure.

Each of "Exempted Company," "Segregated Portfolio Company," "Limited Duration Company," and "Segregated Portfolio Limited Duration Company" are defined under the Cayman Islands Companies Act.

The term "exempted" refers to a company incorporated in the Cayman Islands, which conducts its business mainly outside the Cayman Islands.

The Authority expects that the vast majority of private funds are "exempted limited partnerships."

"Ordinary Company (Resident or Non-Resident)" refers to a company incorporated in the Cayman Islands which may conduct its business mainly within the Cayman Islands (an "ordinary" company under the Cayman Islands Companies Act). The main difference between a fund that is formed as an "ordinary" company versus one formed as an "exempted" entity is that an "ordinary" company conducts the business of the fund mainly within the Cayman Islands.

“Foreign Company” refers to a company not incorporated in the Cayman Islands.

“Partnership (General or Exempted Limited Partnerships)” refers to any partnership established or subject to the Acts of the Cayman Islands.

“Foreign Partnership” refers to any partnership established or subject to the Acts of a jurisdiction other than the Cayman Islands.

“Unit Trust” refers to a unit trust formed under and subject to the Cayman Islands Trusts Act.

“Foreign Unit Trust” refers to a unit trust formed under and subject to the Acts of a jurisdiction other than the Cayman Islands.

#### **1.4 Legal Entity Identifier (if applicable)**

A Legal Entity Identifier (“LEI”) is a globally unique 20-character alphanumeric string issued via the Global LEI System and corresponds to a legal entity that is organised under the Acts of any jurisdiction. If the fund has obtained a LEI number provided by a “Local Operating Unit” of the Global LEI System (or foreign LEI issuer if applicable), please insert this number in the return.

## **2. GENERAL INFORMATION**

### **2.1 Fund Operators (mandatory section)**

Insert the legal name of all of the fund’s Operators as of the date the FAR is completed. The “Operators” are the directors of a fund that is a company, the general partner(s) of a fund that is a partnership, and the trustee of a fund that is a unit trust. Choose the required “Type” from the dropdown list provided.

For funds that have appointed a liquidator and no longer have Operators, “Director” should still be selected as the “Type” from the dropdown list provided. However, insert the name of the Liquidation Company in the “First Name/Entity Name” line; insert the first and last name of the individual person assigned as liquidator in the “Last Name” field; and insert the email address of that individual or an alternative email address, as appropriate.

If the Operator is a natural person, exclude any titles (e.g.: exclude titles such as Mr., Mrs., Sir, etc.) when entering the first name and the last name. If the Operator is not a natural person, enter the full name of the Operator entity in the “First Name” field.

If an Operator is a company or trustee that is already licensed by the Authority, (e.g.: a Cayman Islands licensed administrator or registered office service provider, or a trustee licensed under the Cayman Islands Banks and Trust Companies Act), then insert the name of that entity only.

***If any of the Operators is not a natural person and not licensed by the Authority, the following guidance applies:***

If an Operator is a company, then also list the names of the directors who are natural persons responsible for the fund in separate Operator cells in parentheses after the company's name. There should be at least two such directors. For example, if one of the Operators of a fund is ABC Directors Ltd., and ABC has two directors responsible for the fund named John Smith and Jim Jones, insert "ABC Directors Ltd. (John Smith)" in the "First Name" field of one Operator cell, and "ABC Directors Ltd. (Jim Jones)" in another Operator cell.

If an Operator is a general partner that is a limited liability company, then similarly also list the name(s) of the directors/principals/managing member (as the case may be) responsible for the fund in separate Operator cells in parentheses after the general partner's/limited liability company's name. For example, if the name of the general partner is DEF, LLC and there are two principals responsible for the fund named Adam Smith and John Keynes, insert "DEF, LLC (Adam Smith)" in the "First Name" field of one Operator cell, and "DEF, LLC (John Keynes)" in another Operator cell.

If the Operator has been registered or licensed with the Authority pursuant to The Directors Registration and Licensing Act, 2014, then insert the unique identification number for that Operator in the "ID" field.

Insert the email address of each Operator in the relevant cell.

Clicking the "Add Row" button on the form adds additional cells in order to insert the name of more than one Operator. Add as many additional cells as are necessary.

## **2.2 Investment Manager**

### **2.2.1 Is the fund self-managed? (mandatory field)**

Where the fund has not appointed a third-party Investment Manager and instead the operator(s) of the fund are providing the investment management services, then select "Yes", otherwise select "No".

### **2.2.2 If not self-managed, name of Investment Manager (conditionally mandatory field)**

If not self-managed, insert the name of the person or legal entity who, in practice, primarily makes the investment decisions for the fund, as of the date the FAR is completed.

### **2.2.3 Legal Entity Identifier of Investment Manager (if applicable)**

Provide the legal entity identifier of the investment manager (if applicable).



**2.2.4 Jurisdiction of Investment Manager (conditionally mandatory field)**

Select from the drop-down box the country where the investment manager is based. Note that the United States of America is subdivided by state.

**2.2.5 Name of Regulator of Investment Manager (if applicable)**

Provide the name of the primary regulator that governs the activities of the investment manager, if applicable. If there is no regulator, leave this line blank.

**2.2.6 Country of Regulator of Investment Manager (conditionally mandatory field)**

Provide the country where the regulator named in 2.2.5 is based, if applicable.

**2.2.7 Name of Investment Manager Sub-Delegated (if applicable)**

Provide the name of any sub-managers used by the investment manager. (e.g. if the investment manager is a Registered Person under the Cayman Islands Securities Investment Business Act ("SIBA") and that person delegates investment decisions to another person or entity, insert the name of the Registered Person under SIBA at line 2.2.2 and the name of the other person or entity (i.e. the delegate) at line 2.2.7. If no sub-manager is used by the investment manager, leave this line blank.

**2.2.8 Jurisdiction of Investment Manager Sub-Delegated (conditionally mandatory field)**

Provide the name of the country<sup>2</sup> where the sub-manager used by the investment manager is based.

**2.3 Investment Advisor**

**2.3.1 Is the fund self-advised? (mandatory field)**

Where the fund has not appointed a third-party Investment Advisor and instead the operator(s) of the fund are providing the investment advisory services, then select "Yes", otherwise select "No".

**2.3.2 If not self-advised, name of Investment Advisor (conditionally mandatory field)**

If not self-advised, insert the name of the person or legal entity who, in practice, primarily advises regarding investment decisions for the fund, as of the date the FAR is completed.

**2.3.3 Legal Entity Identifier of Investment Advisor (if applicable)**

Provide the legal entity identifier of the investment advisor (if applicable).

**2.3.4 Jurisdiction of Investment Advisor (conditionally mandatory field)**

Select from the drop-down box the country where the investment advisor is based. Note that the United States of America is subdivided by state.

**2.3.5 Name of Regulator of Investment Advisor (if applicable)**

Provide the name of the primary regulator that governs the activities of the investment advisor, if applicable. If there is no regulator, leave this line blank.

**2.3.6 Country of Regulator of Investment Advisor (conditionally mandatory field)**

Provide the country where the regulator named in 2.3.5 is based, if applicable.

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<sup>2</sup> The United States of America is subdivided by state.

### **2.3.7 Name of Investment Advisor Sub-Delegated (if applicable)**

Provide the name of any sub-advisors used by the investment advisor. (e.g. if the investment advisor is a Registered Person under the Cayman Islands Securities Investment Business Act ("SIBA") and that person delegates the provision of investment advice to another person or entity, insert the name of the Registered Person under SIBA at line 2.3.2 and the name of the other person or entity (i.e. the delegate) at line 2.3.7. If no sub-advisor is used by the investment advisor, leave this line blank.

### **2.3.8 Jurisdiction of Investment Advisor Sub-Delegated (conditionally mandatory field)**

Provide the name of the country where the sub-advisor used by the investment advisor is based.

## **2.4 Fund Administration**

### **2.4.1 Is the NAV Calculation Agent independent<sup>3</sup> from the operator, promoter, or both? (mandatory field)**

"Yes or No"

### **2.4.2 Name of NAV Calculation Agent Contracted (conditionally mandatory field)**

Insert the name of the service provider that is responsible for the calculation of the fund's Net Asset Value (NAV), as of the date the FAR is completed.

### **2.4.3 Jurisdiction of NAV Calculation Agent Contracted (conditionally mandatory field)**

Select from the drop-down box the country where the NAV Calculation Agent is based.

### **2.4.4 Name of NAV Calculation Agent sub-delegated (if applicable)**

Provide the name of the NAV Calculation sub-Agent if any duties are delegated by the main NAV Calculation Agent. If there is no NAV Calculation sub-Agent, leave this line blank.

### **2.4.5 Jurisdiction of NAV Calculation Agent sub-delegated (conditionally mandatory field)**

Provide the country where the sub-delegated NAV Calculation Agent is based if any duties are delegated by the main NAV Calculation Agent

### **2.4.6 Name of regulator for NAV Calculation Agent contracted (if applicable)**

Insert the name of the Regulator for NAV Calculation agent that is legally responsible for the NAV calculation for the fund, as of the date the FAR is completed.

### **2.4.7 Country of the regulator for NAV Calculation Agent contracted (conditionally mandatory field)**

Select from drop down box, the country where the NAV Calculation agent is based.

### **2.4.8 Is the RTA Agent independent from the operator, promoter, or both? (mandatory field)**

"Yes or No".

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<sup>3</sup> "Independent" - That is not under the ownership or common control/shareholder of the fund's Operator(s) and/or promoter(s).

**2.4.9 Name of RTA Agent Contracted (conditionally mandatory field)**

Insert the name of the service provider that is legally responsible for the Registrar and Transfer Agency services (RTA) (i.e. shareholder services) for the fund, as of the date the FAR is completed.

**2.4.10 Jurisdiction of RTA Agent Contracted (conditionally mandatory field)**

Select from the drop-down box the country where the RTA Agent is based.

**2.4.11 Name of RTA Agent sub-delegated (if applicable)**

Provide the name of the RTA sub-Agent if any duties are delegated by the main RTA Agent. If there is no RTA sub-Agent, leave this line blank.

**2.4.12 Jurisdiction of RTA Agent sub-delegated (conditionally mandatory field)**

Provide the country of the RTA sub-Agent if any duties are delegated by the main RTA Agent.

**2.4.13 Name of regulator for RTA Agent contracted (if applicable)**

Insert the name of the Regulator for RTA Agent that is legally responsible for the RTA services for the fund, as of the date the FAR is completed.

**2.4.14 Country of regulator for RTA Agent contracted (conditionally mandatory field)**

Select from drop down box, the country where the RTA Agent is based.

**2.5 Registered Office**

**2.5.1 Name of Registered Office (mandatory field)**

Select from the drop down box the name of the company that provides the Registered Office services for the fund in the Cayman Islands (or the registered office of the trustee, if a unit trust), as of the date the FAR is completed.

**2.6 Primary Cayman Islands Legal Counsel**

**2.6.1 Name of Cayman Islands Legal Counsel (mandatory field)**

Select from the drop-down box the name of the fund's primary Cayman Islands legal counsel.

**2.7 Primary Onshore Legal Counsel**

**2.7.1 Name of Onshore Legal Counsel (if applicable)**

Insert the name of the fund's primary law firm that is based outside the Cayman Islands. If the fund does not have Onshore Legal Counsel, insert "None". If the fund uses the investment manager's in-house legal counsel as Onshore Legal Counsel equivalent, insert "In-House".

**2.7.2 Country of Onshore Legal Counsel (conditionally mandatory field)**

Select from the drop-down box the country where the Onshore Legal Counsel is based.

**2.8 Auditor**

**2.8.1 Name of Cayman Islands Auditor (mandatory field)**

Select from the drop-down box the name of the fund's audit firm in the Cayman Islands.

**2.8.2 Has the current Auditor resigned or indicated that it will not perform the audit for the next year? (mandatory field)**

Indicate whether the Auditor as last disclosed to the Authority resigned, or indicated that it will not perform the audit for the next reporting period, either as a result of a decision made by the auditor or a decision made by the fund.

**2.9 Primary Custodian**

**2.9.1 Name of Custodian Contracted (if applicable)**

Provide the name of the primary Custodian charged with the responsibility for the safekeeping of the investment assets.

In general, provide the primary Custodian stated in the marketing materials/statement of terms/offering document. If the private fund has multiple Custodians, provide the Custodian where the majority of the positions are being held.

**2.9.2 Jurisdiction of Custodian Contracted (conditionally mandatory field)**

Select from the drop-down box the country where the Custodian is based.

**2.9.3 Name of Regulator of Custodian Contracted (if applicable)**

Provide the name of the primary regulator charged with overseeing the activities of the Custodian. If there is no Custodian, leave this line blank.

**2.9.4 Country of Regulator of Custodian Contracted (conditionally mandatory field)**

Provide the country of the regulator of the Custodian contracted, named in 2.9.3.

**2.9.5 Name of Custodian sub-delegated (if applicable)**

Provide the name of the sub-Custodian if any duties are delegated by the main Custodian. If there is no sub-Custodian, leave this line blank.

**2.9.6 Jurisdiction of Custodian sub-delegated (conditionally mandatory field)**

Select from the drop-down box the country where the sub-Custodian is based.

**3. INVESTOR DETAILS (mandatory section)**

**3.1 Total number of Investors<sup>4</sup>**

- a) Number of investors<sup>5</sup>
- b) Country of Investors
- c) Net Asset Value/Partners' Capital

**3.2 Cayman Islands domiciled Investors**

- (a) Number of investors<sup>6</sup>
- (b) % of Net Asset Value<sup>7</sup>/Partners' Capital
- (c) % of Capital Commitment

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4 The fund should detail the total number of investors in the fund, sorting them by Country and Net Asset Value (e.g. all the investors from USA and the collective NAV are reported etc.). If the investor falls into more than one category, please place the investor in each applicable category.

5 Number of Investors must be "0" or greater

6 Number of investors must be 0 or greater

7 % of NAV must not be greater than 100%

### 3.3 Related Fund entities<sup>8</sup> not regulated under the Private Funds Act

- (a) Number of investors
- (b) Net Asset Value/Partners' Capital

### 3.4 – 3.10

Type of Investor	Number of Investors	Net Asset Value/Partners' Capital	Nominees	
			Number of Investors	Net Asset Value/Partners' Capital
High Net Worth individuals <sup>9</sup>	3.4 (a)	3.4 (b)		
Politically exposed persons <sup>10</sup> – Foreign investors	3.5 (a)	3.5 (b)	3.5 (c)	3.5 (d)
Politically exposed persons – Cayman Islands domiciled investors	3.6 (a)	3.6 (b)	3.6 (c)	3.6 (d)
Other Natural Persons	3.7 (a)	3.7 (b)	3.7 (c)	3.7 (d)
Non-Bank financial institutions	3.8 (a)	3.8 (b)	3.8 (c)	3.8 (d)
Trust	3.9 (a)	3.9 (b)	3.9 (c)	3.9 (d)
Non- financial institutions	3.10 (a)	3.10 (b)	3.10 (c)	3.10 (d)

The number of Nominee investors reported at 3.5(c) - 3.10(c) is a sub-set of the number of investors reported at 3.5(a) - 3.10(a). For example, if 2 of 5 Non-Bank financial institution investors are nominee investors, then enter 5 at 3.8(a) and 2 at 3.8(c).

*Note: See list of definitions for various sections of 3.1 - 3.10 in the Appendix to the Completion Guide. The Appendix does not include Banks as an option to be reported as an Investor or Nominee Investor for purposes of section 3.*

## SUMMARY OPERATING AND FINANCIAL INFORMATION

### 4. General Information

#### 4.1 Reporting Period start (mandatory field)

Insert the first date of the reporting period as stated in the accompanying annual audited financial accounts. The correct date format to be used is "dd-MMM-yyyy" (e.g. 01-Jan- 2021). Because the host computer may automatically re-order numeric data, please review the date in written form as re-displayed for accuracy.

#### 4.2 Reporting Period end (mandatory field)

Insert the last date of the reporting period as stated in the accompanying annual audited financial accounts. The correct date format to be used is "DD-MMM-YYYY" (e.g. 31-Dec- 2021). Because the host computer may automatically re-order numeric data, please review the date in written form as re-displayed for accuracy.

<sup>8</sup> Refer to the Appendix for definition.

<sup>9</sup> Refer to the definition in the Securities Investment Business Act (as revised).

<sup>10</sup> Refer to the definition outlined in the Anti-Money Laundering Regulations (as revised).

#### **4.3 Reporting Currency (mandatory field)**

Select from the drop-down box the currency in which the financial information is reported for sections 6 - 10 of the FAR, which should be the same reporting currency as in the accompanying annual audited financial accounts.

For purposes of corresponding section 11d (reporting for AIV's/Sub-funds), select from the drop-down box the currency in which the financial information of the AIV/Sub-fund is reported.

#### **4.4 Accounting Principles<sup>11</sup> (mandatory field)**

Select from the drop-down box the Generally Accepted Accounting Principles ("GAAP") used by the fund to prepare the information contained in the annual audited financial accounts.

Select 'Other - Specified basis of accounting' if the fund currently uses such a basis for preparing the audited financial accounts.

#### **4.5 Country of other GAAP (conditionally mandatory field)**

Select the country of the 'Other GAAP' from the dropdown list of countries if 'Other GAAP' has been selected in 4.4.

#### **4.6 Auditing Standards<sup>12</sup> (mandatory field)**

Select from the drop-down box the Generally Accepted Auditing Standards ("GAAS") used by the fund to prepare the information contained in the annual audited financial accounts.

#### **4.7 Country of other GAAS (conditionally mandatory field)**

Select the country of 'Other GAAS' from the dropdown list of countries if 'Other GAAS' has been selected in 4.5.

#### **4.8 Audit Opinion (mandatory field)**

Select from the drop-down box the choice that most accurately describes the type of audit opinion expressed in the fund's accompanying annual audited financial accounts.

### **5. Operating Information**

#### **5.1 Primary Investment Strategy (mandatory field)**

Select from the drop-down box the choice that best indicates the primary strategy of the fund for the period.

#### **5.2 Primary Investment Strategy - Other (if applicable)**

The Authority recognizes that many funds have multiple investment strategies that may change over time, and that this information can only be used for statistical and trending purposes. If none of the strategies in the drop-down box reasonably describes the fund's primary strategy, select "Other..." at line 5.1 and specify details of the strategy in line 5.2.

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<sup>11</sup> The Private Funds Act specifies International Financial Reporting Standards or the Generally Accepted Accounting Principles of the United States of America, Japan, Switzerland or a non-high risk jurisdiction. A non-high risk jurisdiction means any jurisdiction that is not on the list of high risk jurisdictions issued by the Financial Action Task Force.

<sup>12</sup> The Private Funds Act specifies International Standards on Auditing or the Generally Accepted Auditing Standards of the United States of America, Japan, Switzerland or a non-high risk jurisdiction.

**5.3 Secondary Investment Strategy (if applicable)**

Select from the drop-down box the choice that best indicates the secondary strategy of the fund for the period.

**5.4 Secondary Investment Strategy - Other (if applicable)**

The Authority recognizes that many funds have multiple investment strategies that may change over time, and that this information can only be used for statistical and trending purposes. If none of the strategies in the drop-down box reasonably describes the fund's secondary strategy, select "Other..." at line 5.3 and specify details of the strategy in line 5.4.

**5.5 Operating Structure (mandatory field)**

Select from the drop-down box the operating structure of either "Multi-fund" or "Single Fund", which best describes the fund for which the FAR is being completed. A "Multi-fund" is any fund that has sub-funds.

For the purposes of the FAR, a "sub-fund" includes a segregated portfolio within a segregated portfolio company structure; a sub-trust within an umbrella or master unit trust structure; and a class of shares, or units or interests within a fund, trust or partnership structure, where each such class represents a separate standalone reporting entity (e.g. a fund with multiple portfolios, where each portfolio is individually presented with separate assets, liabilities, income and expenses). Sub-funds are shown as separate reporting entities within the annual audited financial accounts, presented either in a multi-column format or as separate stand-alone financial statements.

**5.6 Stock Exchange (mandatory field)**

If the fund is listed on a stock exchange, select the exchange from the drop-down box. If the fund is listed on a stock exchange that does not appear in the drop-down box, select "Other Exchange". If the fund is not listed on a stock exchange, select "Fund Not Listed".

**5.7 Has Stock Exchange trading been suspended? (conditionally mandatory field)**

Select "Yes" or "No" to indicate if trading of the fund's investment interests on a stock exchange has been suspended.

**5.8 Has the private fund issued a digital representation of its investment interest within the reporting period? (mandatory field)**

Select "Yes" or "No" to indicate if the private fund has issued a digital representation of its investment interests within the reporting period.

**5.9 Have there been any regulatory investigations in respect of the private fund within the reporting period? (mandatory field)**

Select "Yes" or "No" to indicate if there have been any regulatory investigations against the fund only (and not against the investment manager or any other service provider to the fund) that would constitute a material change to the information contained in the fund's offering document/marketing material, as at the date the FAR is completed.

**5.10 Minimum Capital Commitment (if applicable)**

Insert the minimum capital commitment amount.

**5.11 Has the marketing material changed? (mandatory field)**

Select "Yes" or "No" to indicate if the private fund's marketing material has changed

since registration of the private fund, or since filing the last annual return whichever is most recent.

**5.12 Has the operator made a decision to terminate the fund? (mandatory field)**

Select "Yes" or "No" to indicate if the Operators of the fund have decided to terminate (voluntarily or involuntarily) the fund, as of the date the FAR is completed, irrespective that any such a decision has not been formally minuted. Termination includes a decision to redeem all Investors out of the fund, effectively closing down the fund.

**5.13 How many Operator meetings were held during the year (or period)? (mandatory field)**

Provide the number of Operator meetings held during the reporting period. The Operator of a regulated private fund is the board of directors where the regulated private fund is a corporate, the general partners where the regulated private fund is a partnership, and the trustees where the regulated private fund is a unit trust.

**5.14 Total number of side letters signed with investors (mandatory field)**

Insert the total number of side letters signed with investors as at the date entered in 4.2.

**6. Summary Statement of Financial Position (mandatory section)**

**6.1 Total Assets**

Insert the calculated total assets at the end of the reporting period, as shown in the accompanying annual audited financial accounts (usually presented on the Balance Sheet or the Statement of Assets and Liabilities).

**6.2 Beginning Net Asset Value**

Insert the total amount of net assets (or partners' capital for a partnership) held at the end date of the previous reporting period, as shown in the accompanying annual audited financial accounts<sup>13</sup>. If there is no previous reporting period, insert the net asset value of the fund for the date operations commenced.

**6.3 Total Capital Contributions**

Insert the total of all Investor contributions to the fund during the reporting period as a positive number, as shown in the accompanying annual audited financial accounts (usually presented in the Statement of Shareholders' Equity or Statement of Changes in Net Assets). If there were no contributions during the period, enter "0".

**6.4 Total Distributions**

Insert the total of all Investor distributions from the fund during the reporting period as a negative number using a minus sign ("-"), as shown in the accompanying annual audited financial accounts (usually presented in the Statement of Shareholders' Equity or Statement of Changes in Net Assets). If there were no distributions during the period, enter "0".

**6.5 Net Income/Net Loss**

Insert the total of the net increase (income) or the net decrease (loss) in net assets

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<sup>13</sup> Changes in Accounting Policy or Prior Period Adjustments: if there has been a change in accounting policy or prior period adjustment that is presented in the statement of changes in net assets/statement of changes in equity, include the effect of such change in accounting policy or prior period adjustment as an addition or deduction from the beginning net asset value of the fund.



resulting from operations (i.e. the total of all income less expenses, including all investment gains or losses) earned by the fund during the reporting period, as shown in the accompanying annual audited financial accounts (usually presented in the Statement of Shareholders' Equity or Statement of Changes in Net Assets). If the value is a net loss, enter the value as a negative number using a minus sign ("-").

**6.6 Ending Net Asset Value (auto calculated field)**

Do not insert any value into line 6.6. This value will be the total amount of net assets (or partners' capital for a partnership) held at the last date of the reporting period, as shown in the accompanying annual audited financial accounts. Ending net asset value will be automatically calculated by a formula that will be equal to the sum of the total amount of net assets held at the beginning of the reporting period (line 6.2), contributions (line 6.3), distributions to Investors (line 6.4), and net income or net loss (line 6.5), during the reporting period.

**7. Asset and Liability Allocation (mandatory section)**

For lines 7.1 to 7.14, insert the value of the type of asset (i.e. actual value, not a percentage) described in the currency reported at line 4.3, as at the last date of the reporting period. This information is usually contained in the Statement of Assets and Liabilities, Balance Sheet, Condensed Schedule of Investments, or the footnotes of the annual audited financial accounts. If the fund did not hold any of the named asset class, enter "0" in the relevant line.

The sum of the information reported in this section 7 may not necessarily correspond to the information reported in section 6.

**7.1 Private operating companies**

This category includes the assets disclosed in the audited financial accounts, associated with/to operating companies.

**7.2 Restricted securities of public companies**

This category includes the assets disclosed in the audited financial accounts, associated with/to public companies.

**7.3 Derivatives (assets)**

This category includes the unrealised appreciation or depreciation of all derivative instruments disclosed in the annual audited financial accounts, including futures, forwards, options, swaps, etc. Insert the value of "asset" derivative positions as a positive number.

**7.4 Derivatives (liabilities)**

This category includes the unrealised appreciation or depreciation of all derivative instruments disclosed in the annual audited financial accounts, including futures, forwards, options, swaps, etc. Insert the value of "liability" derivative positions as a negative number, using a minus sign ("-").

**7.5 Private investment companies**

This category includes the assets disclosed in the audited financial accounts, associated with/to investment companies (e.g. private placements).

**7.6 Special purpose vehicles**

This category includes the assets disclosed in the audited financial accounts, associated with/to special purpose vehicles.

**7.7 Contingent considerations**

This category includes the assets disclosed in the audited financial accounts, associated with/to contingent considerations.

**7.8 Marketable equity securities**

This category includes the assets disclosed in the audited financial accounts, associated with/to any unrestricted financial instrument that can be bought or sold on a public stock exchange.

**7.9 Investments into Master Funds**

This category relates only to investments made by feeder funds into a Master Fund in a master-feeder structure.

**7.10 Real assets (other than real estate)**

This category includes the assets disclosed in the audited financial accounts, associated with/to physical assets that have an intrinsic worth due to their substance and properties (other than real estate). Real assets include precious metals, commodities, equipment, and natural resources.

**7.11 Real estate**

This category includes the assets disclosed in the audited financial accounts, associated with/to physical assets that have an intrinsic worth due to their substance and properties.

**7.12 Virtual assets**

Virtual Asset has the meaning as per the definition in the Virtual Asset (Service Providers) Act (as revised).

**7.13 Other assets**

This category includes assets which comprise a component of the investment portfolio that are not already described above. This category excludes cash and due from broker and excludes receivables as a result of unsettled investment transactions or corporate actions, divided into assets as appropriate. Insert the value of "asset" positions in "Other assets" as a positive number.

**7.14 Other liabilities**

This category includes liabilities which comprise a component of the investment portfolio that are not already described above. This category excludes due to broker/custodian and payables resulting from unsettled investment transactions or corporate actions. Insert the value of liability positions in "Other liabilities" as a negative number, using a minus sign ("-").

**8. Leverage (%) (auto calculated field)**

Leverage will be automatically calculated by a formula that divides the fund's total positions (absolute value of all positions between lines 7.1 to 7.14 added together) by the fund's ending net asset value (line 6.6). (absolute value of all positions)/Ending Net Asset Value)

**9. Allocation of Equity and Debt Securities and Master Funds by Country of Issuer (conditionally mandatory section)**

Provide details of direct investments, equity, long-term debt securities, short term debt securities and investment in master funds held by the reporting fund by jurisdiction/country of issuer of such equity, investment or security, where the total investments in each such country represent 10% or more of the net asset value of the fund. For each country that meets the 10% threshold, insert the value of each investment/type of asset (i.e. actual value, not a percentage), described in the currency reported at line 4.3, as at the last date of the reporting period.

Short and long positions should be presented separately as positive and negative values within separate lines.

**Equity** securities cover all instruments and records acknowledging after the claims of all creditors have been met, claims to the residual values of enterprises.

Include in equity:

- Ordinary shares
- Stocks
- Participating preference shares
- Depository receipts
- Shares/units in mutual funds and investment trusts
- Equity securities that have been sold under repurchase agreements
- Equity securities that have been "lent" under a securities lending arrangement

Exclude from equity

- Rights, options, warrants, and other derivative instruments
- Equity securities that have been bought under repurchase agreements
- Equity securities that have been acquired under a securities lending arrangement

**Long-term debt securities** cover bonds, debentures, and notes that usually give the holder the unconditional right to a fixed cash flow or contractually determined variable money income and have an original term to maturity of more than one year.

Include in long-term debt securities:

- Bonds such as treasury, zero-coupon, stripped, deep-discounted, currency-linked, floating-rate, equity-related and Eurobonds
- Asset-backed securities such as mortgage-backed bonds and collateralised mortgage obligations (CMOs)
- Index-linked securities (e.g. property index certificates)
- Nonparticipating preference shares
- Floating-rate notes (FRN) such as perpetual-rate notes (PRN), variable-rate notes (VRN), structured FRN, reverse FRN, collared FRN, step-up recovery FRN (SURF) and range/corridor/accrual notes
- Euro medium-term notes (EMTN)
- Schuldscheine (German) notes
- Bonds with optional maturity dates, the last of which is more than one year after issue
- Debentures
- Negotiable certificates of deposits with contractual maturity of more than one year
- Other long-term debt securities
- Bearer depository receipts denoting ownership of debt securities issued by non-residents
- Debt securities that have been sold under repurchase agreements

- Debt securities that have been “lent” under a securities lending arrangement

Exclude from long-term securities:

- Derivative instruments
- Loans
- Trade credit and accounts receivable
- Money market instruments (e.g. treasury notes, bankers’ acceptances, negotiable certificate of deposit with contractual maturity of one year or less, note issuance facilities, revolving underwriting facilities, and promissory notes), including short-term debt securities
- Debt securities that have been bought under repurchase agreements
- Debt securities that have been acquired under a securities lending arrangement

**Short-term debt securities** cover only the market instruments, such as bills, commercial paper, and bankers’ acceptances that usually give the holder the unconditional right to receive a stated, fixed sum of money on a specified date and have an original term to maturity of one year or less.

Include in short-term debt securities:

- Treasury bills and notes
- Bankers’ acceptances
- Commercial and financial paper
- Certificates of deposit with contractual maturity of one year or less
- Short-term notes issued under note issuance facilities or revolving underwriting facilities and promissory notes
- Debt securities that have been sold under repurchase agreements
- Debt securities that have been “lent” under a securities lending arrangement

Exclude from short-term securities:

- Bonds such as treasury, zero-coupon, stripped, deep-discounted, currency-linked, floating rate, equity-related and Eurobonds
- Asset-backed securities such as mortgage-backed bonds, and collateralized mortgage obligations (CMOs)
- Index-linked securities (eg. Property index certificates)
- Nonparticipating preference shares
- Floating-rate notes (FRN) such as perpetual-rate notes (PRN), variable-rate notes (VRN), structured FRN, reverse FRN, collared FRN, step-up recovery FRN (SURF) and range/corridor/accrual notes
- Euro medium-term notes (EMTN)
- Schuldscheine (German) notes
- Bonds with optional maturity dates, the last of which is more than one year after issue
- Debentures
- Negotiable certificates of deposits with contractual maturity of more than one year
- Other long-term debt securities
- Bearer depository receipts denoting ownership of debt securities issued by non-residents
- Debt securities that have been bought under repurchase agreements
- Debt securities that have been acquired under a securities lending arrangement
- Derivative instruments
- Loans
- Trade credit and accounts receivable

- 9a Country**  
Select the country from the drop-down list.
- 9b Currency Sector of Issuers of Investments held by funds**  
Select the currency from the drop-down list. This is the currency that the investment is denominated in, and therefore not necessarily the currency of the country selected in 12.1. For example, if a fund holds securities of an issuer located in Japan, but the security is US Dollar denominated, then select US Dollars and not Japanese Yen.
- 9c Counterparty sector of Issuers of Investments held by funds**  
Select the appropriate counterparty sector from the drop-down list. See the Appendix for further guidance. 'Counterparty sector of issuers' refers to the sector of the issuer, rather than the sector of any counterparty (e.g. prime broker) that may be holding the equity/debt securities on behalf of the fund. For example, if a reportable investment in the common stock of ABC Company is held through XYZ Prime Broker, then select the appropriate sector of ABC Company from the drop-down list.
- 9d Direct investments where the funds' holding represents ten percent or more of an entity**  
Insert the value of direct investments of the fund that represents 10% or more voting power of an equity. This value should include either controlling/equity interest or both. Any such identified investments must be reported in section 9d as well as in the appropriate sections of 9e to 9g.
- 9e Equity Securities & Short Positions**  
Enter the value of equity securities and short positions.
- 9f Long-term Debt Securities & Short-Positions**  
Enter the value of long-term debt securities and short positions.
- 9g Short-term Debt Securities & Short-Position**  
Enter the short-term debt securities and short positions.
- 9h Investment in Master Fund**  
Enter the value of investment in master fund(s).
- 10. Summary Expenses (mandatory section)**
- 10.1 Management**  
Insert the total management expenses related to the fund (not including any expenses allocated from another structure such as a master fund, and not including any management fee rebate in the form of participating equity units) for the reporting period as shown in the accompanying annual audited financial accounts, as a negative number. If none, insert "0".
- 10.2 Performance fee or carried interest**  
Insert any performance expenses or carried interest related to the fund (not including any expenses allocated from another structure such as a master fund, but including any allocations of profit when presented in equity, if applicable) for the reporting period as shown in the accompanying annual audited financial accounts, as a negative number. If none, insert "0".

### **10.3 Administration**

If the information is presented in the accompanying annual audited financial accounts, insert the total global administration expenses directly related to the fund (not including any expenses allocated from another structure such as a master fund) for the reporting period as shown in the accounts, as a negative number. If none or the information is not identifiable, insert "0".

### **10.4 Professional**

If the information is presented in the accompanying annual audited financial accounts, insert the total global professional expenses directly related to the fund (that typically include all legal, audit costs, operator fees, and start-up costs that were expensed) (not including any expenses allocated from another structure such as a master fund) for the reporting period as shown in the accounts, as a negative number. If none or the information is not identifiable, insert "0".

## **11. Alternative Investment Vehicle ("AIV")<sup>14</sup> and Sub-Fund<sup>15</sup> Summary Operating and Financial Information (conditionally mandatory section)**

Provide details of the operating and financial information of any AIV's and Sub-Funds of the private fund in sections 11a to 11au. The guidance as per sections 4.1 – 7 and 10 equally applies to the corresponding sections in 11a to 11au, and as such please refer to such guidance noted further above for purposes of these sections.

## **12. AIV and Sub-Fund Allocation of Equity and Debt Securities and Master Funds by Country of Issuer (conditionally mandatory section)**

Provide the allocation of equity and debt securities of the AIV's and Sub-Funds of the private fund in sections 12a to 12i. The guidance as per sections 9b to 9h equally applies to the corresponding sections in 12b to 12i, and as such please refer to such guidance noted further above for purposes of these sections.

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<sup>14</sup> Refer to the definition in the Private Funds Regulations (as revised).

<sup>15</sup> Refer to the definition in the Private Funds (Annual Returns) Regulations, 2021.

## Appendix

### Definitions

#### Section 3.1- 3.10

##### 3.1. Total number of investors

- All investors of record as outlined in the register of members.

##### 3.2. Cayman Islands Domiciled Investors

- Natural Person: a human being, as distinguished from a company or other entity created by operation of Act with separate legal personality;
- For natural persons, legally resident in the Cayman Islands. For corporate entities, legally resident means incorporated/domiciled in the Cayman Islands by the Registrar of Companies or registered/licensed by CIMA (persons or entities domiciled in Cayman)

##### 3.3. Related Fund entities not regulated under the Private Funds Act

- A related fund entity is defined as follows per the Private Funds (Annual Returns) Regulations, 2021: in relation to a private fund, means an entity established by or on behalf of the promoter of the private fund which may account for certain regulatory, tax and other structuring needs of one or more groups of persons, which itself may not meet the definition of a private fund, and includes — (a) a parallel fund; (b) an alternative investment vehicle; or (c) a co-investment vehicle.
- 'Parallel fund' and 'co-investment vehicle' is defined in the Private Funds (Annual Returns) Regulations, 2021 as follows:
  - "co-investment vehicle" means a pooled investment vehicle which invests in one or more transactions alongside the private fund.
  - "parallel fund" means a parallel investment vehicle generally formed to invest and divest in the same investments at the same time as the main private fund.
- 'Alternative investment vehicle' is defined in the Private Funds Regulations (as revised) as follows:
  - "alternative investment vehicle" means a company, unit trust, partnership or other similar vehicle that — (a) is formed in accordance with the constitutional documents of a private fund for the purposes of making, holding and disposing of one or more investments wholly or mainly related to the business of that private fund; and (b) only has as its members, partners or trust beneficiaries, persons that are members, partners or trust beneficiaries of the private fund.

##### 3.5(c) Nominee

- Nominee investor – The registered owner of shares held for the benefit of another person (the beneficial/legal owner). Safekeeping or custodian of shares.

##### 3.7. Other Natural Person

- Natural persons that don't fall into any of the other categories.

##### 3.8. Non-Bank Financial Institutions

- Private or public financial institutions other than banks, engaged primarily in the provision of financial services and activities auxiliary to financial intermediation

such as fund management. Includes special purpose vehicles, hedge funds, securities brokers, money market funds, investment funds, pension funds, insurance companies, financial leasing corporations, central clearing counterparties, unit trusts, other financial auxiliaries, and other captive financial institutions. It also includes any public financial institutions such as development banks and export credit agencies.

### 3.9. Trusts

- Trust companies carrying on trust business (in the business of acting as trustee, executor or administrator) (Bank & Trust Companies Act)

### 3.10. Non-Financial Corporations

- Privately and publicly owned corporations as well as unincorporated enterprises that function as if they were corporations, such as limited liability partnerships and the branches of foreign corporations.

## **Section 9c Counterparty sector of issuers of investments held by funds**

Examples for each "Counterparty Sector" in drop down.

- Banks - Related Offices
  - Entities that are part of the same banking group, i.e. that are within the perimeter of consolidation of the controlling parent institution. Includes the controlling parent institution, the head office of the bank (if different), and branches or subsidiaries that are part of the consolidated reporting entity.
- Banks - Unrelated Offices
  - Entities that stay outside a banking group (i.e. do not have the same consolidated reporting entity).
- Banks - Central Banks
  - Currency boards or independent currency authorities that issue national currency that is fully backed by foreign exchange reserves; government-affiliated agencies that are separate institutional units and primarily perform central bank activities; and international organisations that undertake activities similar to those of central banks.
- Non-financial corporations – see 3.10 above.
- Non-bank (Other financial institutions) – see 3.8 above.
- General Government
  - Includes the central government, state government, local government, and social security funds. Also includes non-profit institutions engaged in non-market production that are controlled and mainly financed by government units and social security funds. Central banks, other official monetary authorities and public corporations are not part of the general government sector.
- Households including NPISHs (Non-Profit Institutions Serving Households)
  - Individuals, families, unincorporated enterprises owned by households, and non-profit institutions serving households (NPISHs) such as charities, religious institutions, trade unions and consumer associations.
- Unallocated by Sector
  - International organisations other than those considered central banks, and any positions for which the sector of the counterparty is unknown. For example, banks know the counterparties on which they have claims but may not always know the counterparty for their liabilities, particularly



for negotiable instruments such as their own issues of debt securities.

If you have any queries concerning completion or submission of the FAR, please email [ereporting@cima.ky](mailto:ereporting@cima.ky), or contact the Authority's Investments Supervision Division.