



# **INVESTMENTS SUPERVISION DIVISION**

---

## **THE MUTUAL FUNDS (ANNUAL RETURNS) (AMENDMENT) REGULATIONS, 2020 (Revised)**

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

*Prepared by:* **Investments Supervision Division**

**Cayman Islands Monetary Authority**  
*Updated:* **February 2021**

## TABLE OF CONTENTS

GENERAL REPORTING INFORMATION .....	3
Introduction .....	3
Overview, Scope and Background .....	3
Purpose of Collection .....	5
Confidentiality .....	5
What to report.....	5
When and where to report .....	5
How to report .....	5
Technical Issues and Macros.....	5
COMPLETION GUIDE FOR THE FUND ANNUAL RETURN .....	6
1. Identification .....	6
2. General Information .....	8
3. Operating Information .....	14
4. Investor Details .....	15
7. Reporting Period .....	15
8. Summary Statement of Financial Position.....	15
9. Asset and Liability Allocation .....	16
11. Leverage (%) .....	17
12. Allocation of Equity & Debt Securities and Master Funds by Country of Issuer	
13. Summary Expenses.....	20

## GENERAL REPORTING INFORMATION

---

### 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 Mutual Funds (Annual Returns) (Amendment) Regulations, 2020.

Auditors should consult the separately issued "Auditor Guidance on Filing Audited Accounts and Annual Returns for REEFS," which is explanatory material and directions to assist local audit firms to file the annual audited financial accounts and the FAR under the Mutual Funds Act (2020 Revision) (the "Act").

### Overview, Scope and Background

Operators of all funds regulated under the Act are responsible for the completion of the FAR. Funds that are not regulated under the Act, do not complete the FAR. In a master-feeder structure, only the fund(s) that are regulated under the Act complete the FAR.

Operators may delegate completion of the FAR to a service provider, but Operators remain legally responsible for the accuracy and completion of the FAR.

Completion of the FAR is a separate obligation from the requirement under the Act for a fund to file its audited financial accounts annually with the Authority within six months of the fund's financial year-end.

Once the FAR is complete, Operators<sup>1</sup> must ensure it is delivered to the fund's Cayman Islands audit firm in electronic format (e.g. emailed, on CD-ROM) as the audit firm may require. The audit firm will then submit the FAR and the annual audited financial accounts to the Authority.

The FAR itself is not an audited document, but some of the information will likely come from the annual audited financial accounts.

The audit firm must submit both the FAR and its annual audited financial accounts to the Authority at the same time, in the manner required by the Authority<sup>2</sup> The Authority will not permit the FAR and its 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 master-feeder structure, in which both the master and feeders are regulated by the Authority, but only one set of consolidated accounts are issued), each of the regulated funds must file its own FAR and report its financial position as reflected in the accounts. The same annual audited consolidated financial accounts can be attached to REEFS by the feeders or sub funds. However, a separate FAR for each feeder or sub fund is required to be prepared using unconsolidated amounts.

---

<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.

The majority of regulated funds do not have sub-funds. If, however, the fund comprises more than one portfolio, or sub-trust, or sub-fund, or participating class, see the guidance in section<sup>2</sup> 1.3.

**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 promoters and 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, an offering document filed with the Authority. "Material" in relation to an offering document means any aspect that a prospective Investor may consider to make an informed decision whether or not to subscribe in 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 completed 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 and Securities Division at [ereporting@cima.ky](mailto:ereporting@cima.ky).

**When and where to report**

A FAR must be filed within six (6) months of the regulated fund's year-end by using the REEFS reporting portal. Three monthly extensions may be requested from the Investments and Securities Division. Please note that a CI\$500 fee applies to each request for an extension and that extensions are not guaranteed.

**How to report**

---

<sup>2</sup> Auditors should consult the separately issued "Auditor Guidance on Filing Audited Accounts and Annual Returns for Regulated Funds."

The FAR is available on the Authority's website at <https://www.cima.ky/investment-funds-reporting-requirements-and-schedule-e-reporting>.

### **Technical Issues and Macros**

The FAR is based on Microsoft® Excel software (all versions since 2003), and may be saved, copied, and emailed as any other Excel file. The FAR is locked and cannot be amended. Any attempt to create or submit a form that looks similar will be automatically rejected by the Authority's systems.

It may be possible to open the FAR through an internet browser. Do not do so. Instead, open the file using only Microsoft® Excel.

The FAR contains Excel macros. As such, it should not be modified, to ensure the correct functionality of the macros. When the FAR is first opened, a security warning message may be displayed, indicating that the file contains macros, then click "Enable Macros". If the macros are not enabled, then the FAR will not work correctly and will likely result in a failed submission.

An incomplete FAR will be automatically rejected by the Authority's systems. All highlighted (Yellow) cells should be completed.

Some cells are associated to drop down lists and a value must be selected from this list.

# COMPLETION GUIDE FOR THE FUND ANNUAL RETURN

---

## 1. IDENTIFICATION

### 1.1 Fund Name

Insert the full legal name of the fund as at the date the FAR is completed. An individual FAR Form is required to be filed for each sub-fund, as defined in section 1.3 of this Completion Guide, in a Multi-fund operating structure. 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 on this list; however the name of the sub-fund should be entered in this line using the following format: "(Parent Fund Name) Sub-Fund Name".

### 1.2 CIMA Certificate Number

Insert the certificate or licence number as shown on the fund's certificate of registration or licence issued by the Authority. Certificate/licence 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. At present, the Authority does not issue certificate/licence numbers for sub-funds.

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.

#### 1.2.1 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.

### 1.3 Operating Structure

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 (eg. 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.

### **1.3.1 Is this report for a Master Fund, Regulated Feeder Fund or Not Applicable?**

Indicate whether the FAR is being filed for a regulated feeder fund or master fund. If the fund is neither a regulated feeder fund nor a master fund, select "Not Applicable". Please refer to the Act for definitions of the terms "Regulated Feeder Fund", "Master Fund" and "Investor".

### **1.3.2 Number of Feeder Funds**

If the answer to 1.3.1 is "Master Fund", indicate the number of Feeder Funds (count all Feeder Funds not just Regulated Feeder Funds).

### **1.3.3 Are there direct Investors into the Master Fund?**

If the answer to 1.3.1 is "Master Fund", indicate whether there are any direct Investors into the Master Fund that are not Feeder Funds.

### **1.3.4 – 1.3.9 Information from a Master Fund**

If the answer to 1.3.1 is "Master Fund", indicate the Name, Country of Domicile, Name of Regulator (if applicable), Country of Regulator (if applicable), CIMA Certificate Number (if applicable) and Legal Entity Identifier (if applicable) of its Feeder Fund(s).

### **1.3.10 - 1.3.12 Information from a Regulated Feeder Fund**

If the answer to line 1.3.1 is "Feeder Fund", then provide the Name, CIMA Certificate Number (if applicable) and Legal Entity Identifier (if applicable) of the Master Fund.

### **1.3.16 Number of Sub-funds/Portfolios in Fund**

If the answer to line 1.3 is "Multi-fund", then provide the number of sub-funds in the fund.

Leave this line blank.

Each FAR may be used to report only one sub-fund. The name of the sub-fund included in the return should be entered in line 1.1 using the following format: "(Parent Fund Name) Sub-Fund Name".

The FAR and annual audited financial accounts for a fund and its sub-funds are not required to be submitted to the Authority at the same time. Each sub-fund appears under its individual name on a separate filing row within the REEFS reporting portal. The FAR and annual audited financial accounts for each sub-fund should be filed by its individual filing due date, which is based on its individual period end date.

Multiple sub-funds cannot be reported on the same FAR, i.e. consolidated FARs are not allowed to be submitted for a fund. There must be one FAR submitted for each sub-fund.

## **2. GENERAL INFORMATION**

### **2.1 Fund Details**

#### **2.1.0 Reporting Currency**

Select from the drop-down box the currency in which the financial information is reported for lines 8-13 of the FAR, which should be the same reporting currency as in the accompanying annual audited financial accounts.

#### **2.1.1 Investment Strategy**

Select from the drop-down box the choice that best indicates the overall strategy of the

fund (or the set of sub-funds, if relevant) for the period.

### **2.1.2 Investment Strategy Details**

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 provided reasonably describes the fund's overall strategy, select "Other" at line 2.1.1 and specify details of the strategy in line 2.1.2.

### **2.1.3 Stock Exchange**

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".

### **2.1.4 Accounting Principles<sup>3</sup>**

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

#### **2.1.5 a. Other GAAP**

Select Country of Generally Accepted Accounting Principles from the dropdown list of countries, if not applicable or captured in the drop-down list of countries in 2.1.4.

#### **Other - Specified basis of accounting**

Select this option if the fund currently uses this accounting principle for existing funds.

### **2.1.6 Auditing Standards<sup>4</sup>**

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

#### **2.1.7 a. Other GAAS**

Select Country of Generally Accepted Accounting Standards from the dropdown list of countries, if not applicable or captured in the drop-down list of countries in 2.1.5.

### **2.1.8 Minimum Subscription Amount (in USD)**

Select from the drop-down box the range that best indicates the minimum initial subscription amount in US dollars, as indicated in the fund's offering document. If the investment advisor or Operator has discretion to lower that minimum to the statutory minimum, do not indicate this statutory minimum.<sup>5</sup>

---

<sup>3</sup> The revision of the Mutual Funds Act and Regulations specifies Accounting Principal of International Financial Reporting Standards, Generally Accepted Accounting Principles of the United States, Generally Accepted Accounting Principles of Japan, Generally Accepted Accounting Principles of Switzerland.

<sup>4</sup> The revision of the MFA and Regulations specifies Auditing Standards of International Standards on Auditing, Generally Accepted Auditing Standards of the United States, Generally Accepted Auditing Standards of Japan, Generally Accepted Auditing Standards of Switzerland.

<sup>5</sup> For funds registered under section 4(3)(a)(i) of the Act, prior to November 14, 2006, the statutory minimum initial subscription was US\$50,000



For example, many funds have US\$1,000,000 initial minimum subscription, but the Operators may, in their absolute discretion, accept subscriptions of lesser amounts, provided that the absolute minimum initial subscription for shares or other equity units is US\$100,000<sup>3</sup>. In this case, select the appropriate range of US\$1,000,000 to US\$4,999,999 as the minimum not US\$50,000 to US\$99,999. If the minimum initial subscription amount is not normally expressed in US dollars, please convert the currency at a prevailing bank rate as at the date the FAR is completed.

### **2.1.9 Legal Structure**

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 funds are "exempted companies."

"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.

### **2.1.10 Is the fund a money market fund?**

Yes or No: Money Market Funds invest mainly in commercial paper, T-Bills, and certificates of deposit, but excludes cash and due to/from broker balances (highly liquid short-term financial/money market instruments).

## **2.2 Fund Operators**

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. All of the Directors (unless GP) should be DRLL registered.

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.

## **2.3 Investment Manager**

### **2.3.1 Name of Investment Manager Contracted**

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.

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

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

### **2.3.3 Jurisdiction of Investment Manager Contracted**

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.

### **2.3.4 Name of Regulator of Investment Manager Contracted (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.

### **2.3.5 Country of Regulator of Investment Manager Contracted (if applicable)**

Provide the country where the regulator named in 2.3.4 is based, if applicable.

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

Provide the name of any sub-managers or sub-advisors used by the investment manager. (e.g. if the investment manager is an "excluded person" under the Cayman Islands Securities Investment Business Act ("SIBL") and that person delegates investment decisions to another person or entity, insert the name of the excluded person (registered person) under SIBL at line 2.3.1 and the name of the other person or entity (i.e. the delegate) at line 2.3.6. If there are no sub-managers or sub-advisors used by the investment manager, leave this line blank.

### **2.3.7 Jurisdiction of Investment Manager Sub-Delegated (if applicable)**

Provide the name of the country<sup>6</sup> where the sub-managers or sub-advisors used by the investment manager are based.

### **2.3.8 Is the Investment Manager Independent<sup>7</sup>?**

"Yes or No".

---

<sup>6</sup> The United States of America is subdivided by state.

<sup>7</sup> "Independent" - That is, not under the ownership or common control/shareholder of the group of entities/funds of which the FAR is being completed as named in 1.1.

## **2.4 Mutual Fund Administration**

### **2.4.1 Name of NAV Calculation Agent Contracted**

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.

### **2.4.2 Jurisdiction of NAV Calculation Agent Contracted**

Select from the drop-down box the country<sup>8</sup> where the NAV Calculation Agent is based.

### **2.4.3 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.

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

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

### **2.4.5 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.

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

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

### **2.4.7 Is the NAV Calculation Agent Independent?**

"Yes or No".

### **2.4.8 Name of RTA Agent Contracted**

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.

### **2.4.9 Jurisdiction of RTA Agent Contracted**

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

### **2.4.10 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.

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

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

### **2.4.12 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.

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

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

#### **2.4.14 Is the RTA Agent independent?**

“Yes or No”.

### **2.5 Registered Office**

#### **2.5.1 Name of Registered Office**

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**

Select from the drop-down box the name of the fund’s primary Cayman Islands legal counsel. If the fund’s primary Cayman Islands legal counsel is not included in drop down list, select “Other...” and insert the name of the fund’s primary Cayman Islands legal counsel after the name of the partner at line 2.6.2.

#### **2.6.2 Name of Partner**

Provide the name of the partner of the fund’s primary Cayman Islands legal counsel. If the fund’s primary Cayman Islands legal counsel is not included in drop down list at line 2.6.1, insert the name of the fund’s primary Cayman Islands legal counsel after the name of the partner in the following format “Name of Legal Counsel – Name of Partner”.

The fund should provide the name of partner who acts as the primary contact or partner in- charge of the fund. If there is no specific partner assigned to the fund, provide any partner of the 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 Act 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 Name of Partner (if applicable)**

Provide the name of the partner at the fund’s principal Act firm that is based outside the Cayman Islands.

The fund should provide the name of partner who acts as the primary contact or partner in- charge of the fund. If there is no specific partner assigned to the fund, provide any partner of the legal counsel.

#### **2.7.3 Country of Onshore Legal Counsel (if applicable)**

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**

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

#### **2.8.2 Audit Opinion**

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

**2.8.3 Has the current Auditor resigned or indicated that it will not perform the audit for the next year?**

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**

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 offering memorandum. If the FAR is being completed for a regulated feeder fund, which has no investment assets other than cash and investment in master fund, provide the name of the Custodian for the cash assets. If the regulated feeder fund has no cash assets, provide the name of the Custodian of the master fund's cash assets that is being used for deposits and withdrawals of the feeder fund's subscriptions and redemptions. If the FAR is being completed for a master fund and the master fund has multiple Custodians, provide the Custodian where the majority of the positions are being held. If the FAR is being completed for a fund of funds, provide the custodian of the largest investee fund.

**2.9.2 Jurisdiction of Custodian Contracted**

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 (if applicable)**

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 (if applicable)**

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

**3. OPERATING INFORMATION**

**3.1 Is trading of the equity interests suspended?**

Select "Yes" or "No" to indicate if trading (i.e. subscriptions or redemptions) of the equity interests (i.e. the participating shares, partnership interests or units) of the fund was suspended at any time between the beginning of the reporting period as indicated at line 7.1 to the date the FAR is completed.

**3.2 Have all or substantially all the participating equity interests been**

**redeemed?**

Select "Yes" or "No" to indicate if all or substantially all of the equity interests (i.e. the participating (or non-managing) shares, partnership interests or units) of the fund have been redeemed as of the date the FAR is completed.

**3.3 Were there any regulatory investigations against the fund during the filing period?**

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, as at the date the FAR is completed.

**3.4 Date of Most Recent Offering Document**

Insert the date of the most recent offering document or supplement to the offering document, as of the date the FAR is completed. The correct date format to be used is "DD-MMM-YYYY" (e.g. 06-May-2015). Because the host computer may automatically re-order numeric data, please review the date in written form as re-displayed for accuracy.

This section is mandatory and should be completed to be able to upload the FAR in REEFS. However, if the FAR is being completed for a master fund and the master fund has no separate offering memorandum, provide the date of the most recent offering memorandum of any one of the feeders.

**3.5 Has the decision been made to terminate the fund?**

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.

**3.6 Has the fund side-pocketed investments during the filing period?**

Select "yes" or "no" to indicate if the fund has set aside investments in a side pocket (i.e. an illiquid class of shares/units/partnership interests of the fund), whether compulsorily or at the option of the Investor(s).

**3.7 Has the fund implemented a gate on redemptions or withdrawals during the filing period?**

This refers to where the fund has placed a restriction barring or limiting redemptions/withdrawals of the fund, or a class of the fund, during a particular period. Select "yes" or "no" to indicate if the fund has implemented a gate on redemptions.

**3.8 How many Operator meetings were held during the year (or period)?**

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

**3.9 3.9 Total number of side letters signed with investors**

Insert the number of side letter engaged and signed with investors.

**4 Investor Details**

#### 4.1 Total number of Investors<sup>9</sup>

- a) Number of investors<sup>10</sup>
- b) Country of Investors
- c) Net Asset Value
- d) Country of Net Asset Value<sup>11</sup>

#### 4.2 Domestic Investors

- (a) Number of investors<sup>12</sup>
- (b) % of Net Asset Value<sup>13</sup>

#### 4.3 Retail Investors – Foreign investors

- (a) Number of retail investors
- (b) % of total retail investors

#### 4.4 Retail Investors – Domestic investors

- (a) Number of retail investors
- (b) % of total retail investors

#### 4.5 – 4.11

Type of Investor	Nominees			
	Number of Investors	Net Asset Value	Number of Investors	Net Asset Value
High Net Worth individuals <sup>14</sup>	4.5 (a)	4.5 (b)		
Politically exposed persons <sup>15</sup> – Foreign investors	4.6 (a)	4.6 (b)	4.6 (c)	4.6 (d)
Politically exposed persons – Domestic investors	4.7 (a)	4.7 (b)	4.7 (c)	4.7 (d)
Other Natural Persons	4.8 (a)	4.8 (b)	4.8 (c)	4.8 (d)
Non-Bank financial institutions	4.9 (a)	4.9 (b)	4.9 (c)	4.9 (d)
Trust	4.10 (a)	4.10 (b)	4.10 (c)	4.10 (d)
Non- financial institutions	4.11 (a)	4.11 (b)	4.11 (c)	4.11 (d)

*Note: See list of definitions for various sections of 4.1 - 4.11 in the Appendix to the Completion Guide.*

## SUMMARY FINANCIAL INFORMATION

### 7. Reporting Period

9 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.) It should also be noted that the information outlined in sections 4.2 through 4.11 are a subset of the investors captured in section 4.1.

10 Number of Investors must be "0" or greater

11 Country of Net Asset Value - the country of Net Asset Value must be the same as the Country of Investors.

12 Number of investors must be 0 or greater

13 % of NAV must not be greater than 100%

14 Refer to the definition in the Securities Investment Business Act (2020 Revision).

15 Refer to the definition outlined in the Anti-Money Laundering Regulations (2020 Revision).



## **7.1 Reporting Period "From"**

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" (eg. 06-May- 2015). Because the host computer may automatically re-order numeric data, please review the date in written form as re-displayed for accuracy.

## **7.2 Reporting Period "To"**

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. 06-May- 2015). Because the host computer may automatically re-order numeric data, please review the date in written form as re-displayed for accuracy.

## **8. Summary Statement of Financial Position**

### **8.1 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).

### **8.2 Beginning Net Asset Value**

Insert the total amount of net assets held at the end date of the previous reporting period, as shown in the accompanying annual audited financial accounts<sup>16</sup>. If there is no previous reporting period, insert the net asset value of the fund for the date operations commenced.

### **8.3 Total Subscriptions**

Insert the total of all Investor subscriptions (also known as 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 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 the accounting policy or prior period adjustment as an addition to or deduction from the beginning net asset value of the fund. If there were no subscriptions during the period, enter "0".

### **8.4 Total Redemptions**

Insert the total of all Investor redemptions (also known as withdrawals) 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 redemptions during the period, enter "0".

### **8.5 Total Dividends/Distributions**

Insert the total of all Investor dividends and distributions (also known as returns on investment to Investors) 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 dividends or distributions during

---

<sup>16</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.

the period, enter "0".

**8.6 Net Income/Net Loss**

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

**8.7 Ending Net Asset Value**

Do not insert any value into line 8.7. This value will be the total amount of net assets 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 8.2), subscriptions (line 8.3), redemptions (line 8.4), dividends and distributions to Investors (line 8.5), and net income or net loss (line 8.6), during the reporting period.

**9. Asset and Liability Allocation**

For lines 9.1 to 9.11, insert the value of the type of asset (i.e. actual value, not a percentage) described in the currency reported at line 2.1.0, 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 9 may not necessarily correspond to the information reported in section 8.

**9.1 Investment in Master Fund**

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

**9.2 Long position equities (assets)**

Insert the value of "long" positions/investments made in equities as a positive number. This category also includes all private placements (i.e. privately held companies).

**9.3 Short position equities (liabilities)**

Insert the value of "short" positions/investments made in equities as a negative number, using a minus sign ("-"). This category also includes all private placements (i.e. privately held companies).

**9.4 Debt instruments (assets)**

This category broadly includes all types of debt instruments, including government and corporate bonds, repurchase agreements, bank debt, structured notes, mortgage backed securities, and collateralized debt obligations, but excludes cash and due to/from broker balances. Insert the value of "long" (asset) positions/investments made in debt instruments as a positive number.

**9.5 Short position debt instruments (liabilities)**

This category broadly includes all types of debt instruments, including government and corporate bonds, repurchase agreements, bank debt, structured notes, mortgage backed securities, and collateralized debt obligations, but excludes cash and due

to/from broker balances. Insert the value of "short" (liability) positions/investments made in debt instruments as a negative number, using a minus sign ("-").

**9.6 Other Funds**

This category includes any other kind of collective investment structure (hedge funds, mutual funds, etc.) but not exchange traded funds (ETFs). Investments in ETFs should be reported according to the main underlying asset class (e.g. long equities, short debt instruments, etc.).

**9.7 Money Market Instruments**

This category includes commercial paper, T-Bills, and certificates of deposit, but excludes cash and due to/from broker balances.

**9.8 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.

**9.9 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 ("-").

**9.10 Margin account with third party**

Enter the value of margin account held with third party.

**9.11 Accounts receivable**

Enter the value of accounts receivable.

**9.12 Due from brokers or custodian**

Insert amount due from broker/custodian.

**9.13 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 Investments" as a positive number.

**9.14 Accounts payable**

Enter total amount payable.

**9.15 Due to brokers or custodian**

Enter total amount due to broker/custodian.

**9.16 Other liabilities**

Enter the value of all other liabilities that exclude accounts payable and due to brokers/custodians.

**9.17 Total cash**

Enter total amount held in cash.

**9.18 Cash held in banks licensed in the Islands under the Banks and Trust Companies Act**

Enter the total amount of cash held in Cayman licensed Banks as per the referenced Act.

**9.19 Liquidity Index for assets**

Defined mathematically as the ratio of Long-term assets less long-term liabilities to Financial Assets. The term liquidity index refers to a calculation that allows an investor-analyst to understand the ability of a company to convert accounts receivable and investment products into cash.

Long-term liabilities are financial obligations of a company that are due more than one year in the future.

**11. Leverage (%)**

Leverage will be automatically calculated by a formula that divides the fund's total positions (absolute value of short and long positions between lines 9.1 to 9.16 added together) by the fund's ending net asset value (line 8.7). (Absolute value of all positions)/Ending Net Asset Value i.e.

**12. Allocation of Equity and Debt Securities and Master Funds by Country of Issuer**

Provide details of total, 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 investment(s) in each such country represent 10% or more of the interests issued by the fund. Insert the value of the type of asset (i.e. actual value, not a percentage) described in the currency reported at line 2.1.0, 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. The 10% country allocation threshold should be calculated per type of investment using the net assets of the fund as denominator.

**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

### **12.1 Country**

Select the country from the drop-down list.

### **12.2 Currency Sector of Issuers of Investments held by funds**

Select the currency from the drop-down list.

### **12.3 Counterparty sector of issuers of investments held by funds**

Select the appropriate counterparty sector from the drop-down list.

### **12.4 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 of an equity. This value should include either controlling/equity interest or both.

### **12.5 Equity Securities & Short Positions**

Enter the value of equity securities and short positions.

### **12.6 Long-term Debt Securities & Short-Positions**

Enter the value of long-term debt securities and short positions.

### **12.7 Short-term Debt Securities & Short-Position**

Enter the short-term debt securities and short positions.

### **12.8 Investment in Master Fund**

Enter the value of investment in master fund(s).

### **Total end assets**

*Note: See definitions on sections 12.1 - 12.8 in the Appendix to the Completion Guide.*

## **13. Summary Expenses**

### **13.1 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".

**13.2 Performance**

Insert any performance expenses 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".

**13.3 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".

**13.4 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, directors' 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".

## Appendix

### Definitions

#### Section 4.1- 4.11

##### 4.1. Total number of investors

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

##### 4.2. Domestic Investors

- Natural Person: a human being, as distinguished from a company or other entity created by operation of Act with separate legal personality;
- Domestic: 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)

##### 4.3. Retail Investor

- Retail: serving individuals, not professionals, not corporates and not undertaking wholesale activity. **Retail/Public Investors** do not include HNW or sophisticated persons. **Public** does not include — (a) a sophisticated person; (b) a high net worth person.
- Foreign Investor: a person or entity, not legally resident or established in the Cayman Islands and are subject to the Acts or another jurisdiction (not domiciled in the Cayman Islands)

##### 4.6 (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.

##### 4.8. Other Natural Person

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

##### 4.9. 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.

##### 4.10. Trusts

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

##### 4.11. 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 12.3 Counterparty sector of issuers of investments held by funds.



Examples for each "Country 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 4.11 above.
- Non-bank (Other financial institutions) – see 4.9 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.