

CAYMAN ISLANDS



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**THE MUTUAL FUNDS LAW
(2015 Revision)**

**THE MUTUAL FUNDS (ANNUAL RETURNS) REGULATIONS
(2018 Revision)**

Revised under the authority of the Law Revision Law (1999 Revision).

The Mutual Funds (Annual Returns) Regulations, 2006 made the 29th November, 2006.

Consolidated with -

The Mutual Funds (Annual Returns) (Amendment) Regulations, 2012 made the 22nd November, 2012

The Mutual Funds (Annual Returns) (Amendment) Regulations, 2015 made the 8th September, 2015

The Mutual Funds (Annual Returns) (Amendment) Regulations, 2016 made the 13th December, 2016.

Consolidated and revised this 28th day of February, 2018.

MUTUAL FUNDS (ANNUAL RETURNS) REGULATIONS

(2018 Revision)

ARRANGEMENT OF REGULATIONS

1. Citation
2. Returns
3. Fees
4. Validation
Schedule: Particulars to be included in Annual Returns in respect of
Regulated Mutual Funds

THE MUTUAL FUNDS (ANNUAL RETURNS) REGULATIONS

(2018 Revision)

1. These regulations may be cited as the Mutual Funds (Annual Returns) Regulations (2018 Revision). Citation
2. (1) In respect of each financial year of a regulated mutual fund, accurate and complete returns for the fund containing the particulars set forth in the Schedule shall be completed and submitted to the Authority or, if the fund has sub-funds in its structure, for each sub-fund in its structure, in such manner as the Authority may from time to time direct, within six months after the end of the financial year to which it relates or within such extension of that period as the Authority may allow. Returns
- (1A) For returns for sub-funds, the Schedule applies -
- (a) to the extent it is relevant to sub-funds;
 - (b) as if a reference to a regulated mutual fund were a reference to a sub-fund; and
 - (c) with any other necessary changes.
- (2) The returns shall be submitted to the Authority through an auditor appointed under section 8 of the Law or such other person as may be designated by the Authority.
- (3) In completion of the returns, the mutual fund shall have regard to any explanatory material issued with respect thereto by the Authority.
- (4) The operator of a regulated mutual fund shall ensure the fund complies with paragraphs (1) and (1A).
- (4A) An operator who contravenes paragraph (4) commits an offence and is liable to a fine of five hundred dollars.
- (5) The only responsibility of an auditor under these Regulations is to submit to the Authority in a timely manner each return received by him from the operator of a regulated mutual fund and such auditor shall not be liable for the accuracy or completeness of any returns submitted by him pursuant to paragraph (2).

- (6) In this regulation -
- “return” means annual return;
- “segregated portfolio company” is defined in section 212 of the Companies Law (2018 Revision); and
- 2018 Revision “sub-fund”, of a regulated mutual fund, includes any or all of the following in the fund’s structure -
- (a) a segregated portfolio in a segregated portfolio company structure;
 - (b) a sub-trust of a trust or in an umbrella or master unit trust structure; and
 - (c) a class of shares, units or interests in a company, trust or partnership for which the fund maintains individually presented separate accounts.
- Fee 3. (1) The fee for submitting each return under regulation 2(1) is \$300.
- (2) However, if a regulated mutual fund has twenty-five sub-funds or more, the fee for all of the sub-funds is \$7,500.
- Validation 4. (1) The Mutual Funds (Annual Returns) (Amendment) Regulations, 2016 apply as regulation 2 of the Mutual Funds (Annual Returns) (Amendment) Regulations, 2012, which introduced regulation 3, was in force for the period from 30th January, 2013 to 16th December, 2016.
- (2) Any fees paid or returns made under these Regulations during the period referred to in regulation 4(1), are validated and taken to have been lawfully charged, collected, paid and received.
- (3) However, regulation 4(2) does not authorise or validate the retention of a fee paid to any extent that the amount paid was more than the amount provided for under regulation 3(2).

SCHEDULE

(Regulation 2)

**PARTICULARS TO BE INCLUDED IN ANNUAL RETURNS IN
RESPECT OF REGULATED MUTUAL FUNDS**

A. General Information

1. Name of fund
2. Certificate number issued for the fund by the Authority
3. Legal structure of fund
4. Particulars of fund operator(s):
 - (a) name(s); and
 - (b) e-mail address(es)
5. Year/reporting period covered by the return
6. Name and address of investment manager
7. Name and address of administrator
8. Address of registered office
9. Name of auditor
10. Name and address of legal counsel:
 - (a) onshore; and
 - (b) offshore
- 10A. Legal entity identifier, (if applicable);
- 10B. Operating structure -
 - (a) Is this report for a master fund or a regulated feeder fund?
 - (b) Are there any investors in the master fund that are not regulated feeder funds? If so, how many?
 - (c) If a master fund -
 - (i) Name and number of all feeder funds;
 - (ii) Certificate number(s) issued for the regulated feeder fund(s) by the Authority;
 - (iii) Legal entity identifier, (if applicable);
 - (iv) Country of domicile;
 - (v) Name of regulator (if applicable); and
 - (vi) Country of regulator (if applicable);
 - (d) If a regulated feeder fund -
 - (i) Name of master fund;
 - (ii) Certificate number issued for the master fund by

- the Authority; and
 - (iii) Legal entity identifier, (if applicable).
- 10C. Investment manager -
- (a) Legal entity identifier, (if applicable);
 - (b) Name of regulator (if applicable);
 - (c) Country of regulator (if applicable);
 - (d) Name of sub-advisors or sub-managers to whom investment manager functions have been delegated (if applicable); and
 - (e) Country of sub-advisors or sub-managers to whom investment manager functions have been delegated (if applicable)
- 10D. Mutual Fund Administration -
- (a) Name of net asset value calculation agent sub-delegated (if applicable);
 - (b) Country of net asset value calculation agent sub-delegated (if applicable);
 - (c) Name of registrar and transfer agent contracted;
 - (d) Country of registrar and transfer agent contracted;
 - (e) Name of registrar and transfer agent sub-delegated (if applicable); and
 - (f) Country of registrar and transfer agent sub-delegated (if applicable);
- 10E. Auditor -
- Has the auditor, as last notified to the Authority, resigned or indicated that it will not perform the audit for the next year?
- 10F. Custodian -
- (a) Name of custodian contracted;
 - (b) Country of custodian contracted;
 - (c) Name of regulator, (if applicable);
 - (d) Country of regulator, (if applicable);
 - (e) Name of any sub-custodians (if applicable); and
 - (f) Country of any sub-custodians (if applicable);
- 10G. Jurisdiction(s) of the investors
11. Other

B. Operating Information

12. Amount of investments held, by type of instrument, to the extent available
13. Type of fund by:
- (a) investment strategy; and
 - (b) operating structure

14. Stock exchange on which the equity interests are listed, if applicable
15. Minimum subscription amount disclosed in the offering document
16. Has trading of the equity interests been suspended?
17. Have all or substantially all the participating equity interests been redeemed?
18. Have there been any regulatory investigations in respect of the fund?
19. Has the offering document changed?
20. Has the operator made a decision to terminate the fund?
- 20A. Has the fund side-pocketed investments during the reporting period?
- 20B. Has the fund implemented a gate on redemptions or withdrawals during the reporting period?
- 20C. How many operator meetings were held during the reporting period?
21. Other

C. Financial Information

22. Type of audit opinion
23. Generally accepted accounting principles followed by the fund
24. Generally accepted auditing standards used
25. Reporting currency of the audited accounts
26. Total assets
27. Net asset value at beginning of period
28. Total subscriptions for period
29. Total redemptions for period
30. Total dividends/distributions for period
31. Net income/net increase in net assets from operations
32. Net asset value at end of period
33. Expenses (broken down as far as possible as below, if not aggregated):
 - (a) professional;
 - (b) administration;
 - (c) management; and
 - (d) performance

- 33A. Asset Allocation -
 - (a) Investment by the regulated feeder fund into a master fund;
 - (b) Long position equities;
 - (c) Short positions;
 - (d) Debt instruments;
 - (e) Other funds;
 - (f) Money market instruments
 - (g) Derivatives - assets & liabilities; and
 - (h) Other investments - assets & liabilities;
- 33B. Leverage
- 33C. Allocation of equity & debt securities by jurisdiction of issuer
- 34. Other

Return submitted by:

Date:

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Kim Bullings
Clerk of the Cabinet

(Price \$2.40)