The following is an official extract of a Decision Notice sent to the operators of a registered mutual fund.

Re: DECISION NOTICE – China Reserve Fund SPC (Reg. #1349795) ("the Fund")

The Cayman Islands Monetary Authority ("the Authority") writes to you in your capacity as Operators of the Fund.

The Fund is, and remains in breach of the Mutual Funds Act (2025 Revision) ("the Act") as follows:

1. Sections 8(1) and (2) of the Act, through its failure to have the accounts of its Segregated Portfolio audited annually and to send the Segregated Portfolio's audited accounts in respect of the financial years ending 31 December 2024 and 2025 to the Authority within the prescribed period; and

2. Section 9(1) of the Act for failing to pay the prescribed annual fees for 2026 on or before 15 January 2026.

Pursuant to the provisions in section 30(1) of the Act, the Authority may take any of the actions specified in subsection (3), including cancel the registration of a regulated mutual fund, if it is satisfied that a regulated mutual fund has, inter alia, contravened any provision of the Act.

TAKE NOTICE:
The Cayman Islands Monetary Authority of Pavilion East, Cricket Square, P.O. Box 10052, Grand Cayman KY1-1001, CAYMAN ISLANDS, has taken the following action:

ACTION:
The Authority, pursuant to section 30(3)(a) of the Act, has cancelled the mutual fund registration held by the Fund.

REASONS:
Having considered the breaches of the Act as outlined above, we consider that there is sufficient information for the Authority to be satisfied that the Fund is unable or appears likely to become unable to meet its obligations as they fall due; has contravened provisions of the Act; and has not conducted the direction and management of its business in a fit and proper manner.

EFFECTIVE DATE OF DECISION:
The Authority's decision regarding the above action is effective **01 September 2026**.

RIGHT TO APPEAL:
The Fund has the right to appeal the Authority's decision made under section 30(3)(a) of the Act to the Grand Court, and the procedure for doing so is set out in detail under section 36 of the Act.

Pavilion East, Cricket Square
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