



21 July 2020

NOTICE

RE: Private Funds & Mutual Funds – Regulatory Rule Segregation of Assets - FAQs Update

Further to the recently issued (July 2020) Regulatory Rules Segregation of Assets - Private Funds and Mutual Funds, the Cayman Islands Monetary Authority is advising an update to the FAQs based on the Regulatory Rules referred to above. A full list of frequently asked questions can be found [here](#).

Private Funds

Does the Rule: Segregation of Assets – Registered Private Funds prohibit commingling of assets as part of sub-custodial arrangements?

- The Rule: Segregation of Assets – Registered Private Funds does not prohibit prime brokerage/custody arrangements that allow, in accordance with established and accepted industry practice, a custodian/sub-custodian to hold all client assets in a commingled client omnibus account along with the assets of other clients.

Mutual Funds

Does the Rule: Segregation of Assets – Regulated Mutual Funds prohibit commingling of assets as part of sub-custodial arrangements?

- The Rule: Segregation of Assets – Regulated Mutual Funds does not prohibit prime brokerage/custody arrangements that allow, in accordance with established and accepted industry practice, a custodian/sub-custodian to hold all client assets in a commingled client omnibus account along with the assets of other clients.