

CAYMAN ISLANDS



Supplement No. 6 published with Extraordinary
Gazette No. 100 dated 16th December, 2016.

THE MUTUAL FUNDS LAW (2015 REVISION)

**THE MUTUAL FUNDS (ANNUAL RETURNS) (AMENDMENT)
REGULATIONS, 2016**

**THE MUTUAL FUNDS (ANNUAL RETURNS) (AMENDMENT)
REGULATIONS, 2016**

ARRANGEMENT OF REGULATIONS

1. Citation
2. Amendment of regulation 2 of the Mutual Funds (Annual Returns) Regulations, 2006 - returns
3. Replacement of regulation 3 - fees
4. Validation

CAYMAN ISLANDS

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

**THE MUTUAL FUNDS (ANNUAL RETURNS) (AMENDMENT)
REGULATIONS, 2016**

The Cabinet, in exercise of the powers conferred by section 39 of the Mutual Funds Law (2015 Revision), makes the following Regulations -

1. These Regulations may be cited as the Mutual Funds (Annual Returns) (Amendment) Regulations, 2016. Citation

2. The Mutual Funds (Annual Returns) Regulations, 2006, in these Regulations referred to as the “principal Regulations”, are amended in regulation 2 as follows - Amendment of regulation 2 of the Mutual Funds (Annual Returns) Regulations, 2006 - returns

(a) by repealing paragraph (1) and substituting the following paragraphs -

“(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.

(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.”.
- (b) in paragraphs (2) and (3), by deleting the word “return” and substituting the word “returns”;
- (c) by repealing paragraph (4) and substituting the following paragraphs -

“(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.”; and

(d) by inserting after paragraph (5) the following paragraph -

“(6) In this regulation -

“return” means annual return;

“segregated portfolio company” is defined in section 212 of the Companies Law (2016 Revision); and

“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.”.

Replacement of regulation 3 - fees

3. The principal Regulations are amended by repealing regulation 3 and substituting the following regulation -

“Fees 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) These Regulations and the amendments under them apply despite regulations 2 and 3 of the principal Regulations as they were in force for the period from 30th January, 2013 to the commencement of these Regulations.

(2) Any fees paid or returns made under the principal Regulations during the period are validated and taken to have been lawfully charged, collected, paid and received.

(3) However, paragraph (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) as substituted under these Regulations.

Made in Cabinet the 13th day of December, 2016.

Kim Bullings
Clerk of the Cabinet.