

<p>shares.</p> <p>(2) The obligations imposed on an AIFM under subparagraph (1) shall relate to the following—</p> <p>(a) any distribution to shareholders made when on the closing date of the last financial year the net assets as set out in the non-listed company or issuer’s annual accounts are, or following such a distribution would become, lower than the amount of the subscribed capital plus those reserves which may not be distributed under the law or the constitution, on the understanding that where the uncalled part of the subscribed capital is not included in the assets shown in the balance sheet, this amount must be deducted from the amount of subscribed capital;</p> <p>(b) any distribution to shareholders the amount of which would exceed the amount of the profits at the end of the last financial year plus any profits brought forward and sums drawn from reserves available for this purpose, less any losses brought forward and sums placed to reserves in accordance with the law or the constitution;</p> <p>(c) to the extent that acquisitions of own shares are permitted, the acquisitions by the non-listed company, including shares previously acquired by the non-listed company and held by it, and shares acquired by a person acting in his own name but on the non-listed company’s behalf, that would have the effect of reducing the net assets below the amount mentioned in clause (a) of this subparagraph.</p> <p>(3) For the purposes of this paragraph—</p> <p>(a) in subparagraph (1), “distribution” means a distribution to shareholders, including a payment of dividends and of interest relating to shares;</p> <p>(b) the requirements relating to capital reductions shall not apply on a reduction in the subscribed capital, for which the purpose is to offset losses incurred, or to include sums of money in a non-distributable reserve, provided that the amount of such reserve is not more than 10% of the reduced subscribed capital.</p>	<p>assets under management;</p> <p>(c) where an AIF invests in other AIFs managed by the same externally appointed AIFM, that investment may be excluded from the calculation of the AIFM’s assets under management;</p> <p>(d) where one compartment within an internally or externally managed AIF invests in another compartment of that AIF, that investment may be excluded from the calculation of the AIFM’s assets under management.</p>	<p>short position; counterparty (where relevant);</p> <p>(h) Typical deal/position size;</p> <p>(i) Principal markets in which AIF trades taking into account size of exposure;</p> <p>(j) A breakdown of information on investor concentration, such as: the percentage of the AIF’s equity that is beneficially owned by the five beneficial owners that have the largest equity interest in the AIF (look through to beneficial owners); percentage breakdown of investor concentration by status of investor; indication as to whether the client is professional/retail;</p>
<p>51</p>	<p>These Rules shall come into operation on such day as the Chairman may appoint by notice published in the Gazette.</p>	<p>(k) Information on the instruments traded and individual exposures in which the AIFM is trading, including details on the main categories of assets (as determined by the Authority) in which the AIF invested as at the reporting date;</p>
	<p>(paragraph 39)</p> <p>QUANTITATIVE REPORTING REQUIREMENTS OF AIFMS</p> <p>For the purposes of reporting under paragraph 39 of the Rules, the following information shall be reported.</p>	<p>(l) Currency exposure (total long and short value of exposures) by currency group.</p>
	<p><u>AIFM Specific Information</u></p> <p>Identification of Fund manager</p> <p><u>AIF Quarterly Information (paragraph 39(7)(b))</u></p> <p>Detailed list of all AIFs which the AIFM manages (the following information should be reported per AIF which is under management of the AIFM)—</p>	<p><u>Risk Related Information (paragraph 39(1) and (3))</u></p> <p>(a) Value of turnover in each asset class over the reporting months;</p> <p>(b) Information on each company over which the AIF has a dominant influence, such as: the name; percentage of voting rights; transaction type;</p> <p>(c) Expected annual investment return/IRR in normal market conditions (in percentage);</p> <p>(d) Information on trading and clearing mechanisms, such as: estimate percentage (in terms of market value) of securities traded; estimated percentage (in terms of trade volumes) of derivatives that are traded; estimate percentage (in terms of trade volumes) of derivatives transactions cleared; estimated percentage (in terms of market value) of repo trades cleared;</p>
	<p>(a) Identification of AIF;</p> <p>(b) Fund identification code(s);</p> <p>(c) Inception date of AIF;</p> <p>(d) An indication of the AIF type i.e. Hedge Fund; Private Equity; Real Estate; Fund of Funds; ILS; Other;</p> <p>(e) NAV;</p> <p>(f) Base currency of the AIF according to ISO 4217 and assets under management as calculated under the Rules;</p> <p>(g) An indication as to whether the AIF is authorised or established in the EU and information with regard to that status.</p>	<p>(e) Information on the value of collateral and other credit support that the AIF has posted to all counterparties, such as: value of collateral posited in the form of cash and cash equivalents; value of collateral posited in the form of other securities (excluding cash and cash equivalents); value of other collateral and credit support (including face amount of letters of credit and similar third party credit support);</p> <p>(f) Of the amount of collateral and other credit support that the reporting fund has posted to counterparties, the percentage that has been re-hypothecated by counterparties;</p>
<p>Notification of marketing</p> <p>48 (1) Within 14 days of commencement of marketing in an overseas jurisdiction, an AIFM shall notify the Authority in such form as the Authority may direct, and include the information set out in subparagraph (2).</p>	<p><u>AIF General Information (paragraph 39(5))</u></p> <p>(a) Domicile of the AIF;</p> <p>(b) Identification of prime broker(s) of the AIF.</p>	<p>(g) Information on the top five counterparty exposures, such as: identity of the top five counterparties to which the AIF has the greatest mark-to-market net counterparty credit exposure, measured as a % of the NAV of the AIF; identity of the top five counterparties that have the greatest mark-to-market net counterparty credit exposure to the AIF, measured as a % of the NAV of the AIF;</p>
<p>(2) The information referred to in subparagraph (1) is—</p> <p>(a) identify the jurisdiction where marketing is to be conducted;</p> <p>(b) identify the competent authorities in those jurisdictions to whom the AIF and AIFM shall report;</p> <p>(c) state the name and address of the AIFM in respect of each AIF;</p> <p>(d) state the name and address of each AIF which the applicant intends to market from within Bermuda and the manner in which it intends to market the AIF; and</p> <p>(e) certify that it is permitted to market each AIF in that manner in the jurisdiction concerned.</p>	<p><u>Principal markets/instruments in which it trades on behalf of the AIFs it manages (paragraph 39(1))</u></p> <p>From the most important market/instrument to the fifth most important market/instrument—</p> <p>(a) The principal markets in which the AIFM trades on behalf of the AIFs it manages;</p> <p>(b) The principal instruments in which it trades on behalf of the AIFs it manages;</p> <p>(c) Values of assets under management for all AIFs managed, calculated as set out in the Rules.</p> <p><u>Investment details (paragraph 39(1) and (3))</u></p> <p>(a) Jurisdictions of the three main funding sources (excluding units or shares of the AIF bought by investors);</p> <p>(b) Predominant AIF type;</p> <p>(c) Main instruments in which the AIF is trading from the most important instrument to the fifth most important instrument, including information on: the type of instrument/ instrument code; value; indication of long/ short positions;</p> <p>(d) Breakdown of investment strategies for the predominant AIF type including the strategy that best describes the AIF’s strategy and the percentage share of the NAV;</p> <p>(e) A geographical breakdown of the investments held by the AIF by percentage of the total NAV of the AIF;</p> <p>(f) A breakdown of the ten principal exposures of the AIF at the reporting date including information on: type of asset/liability; name/description of the asset/liability; value as calculated in accordance with the Rules; percentage of gross market value; long/ short position; counterparty (where relevant);</p> <p>(g) A breakdown of the five most important portfolio concentrations including information, such as: type of asset/liability; name/description of the market; value of the aggregate exposure as calculated in accordance with the Rules; percentage of gross market value; long/</p>	<p>(h) An indication as to whether the AIF cleared any transactions directly through a CCP and if so, information on the top three CCPs in terms of value held and net credit exposure;</p> <p>(i) Breakdown/profile of investor liquidity, as a percentage of the portfolio capable of being liquidated within the respective prescribed periods of time;</p> <p>(j) Value of unencumbered cash;</p> <p>(k) Breakdown/profile of investor liquidity, as a percentage of investor equity that can be redeemed within the prescribed periods of time (as a percentage of the AIF’s NAV);</p>
<p>(3) The relevant AIF or AIFM shall notify the Authority when marketing has ceased in a jurisdiction, or when it is unable to comply with the notification requirements under paragraph 48(1).</p>	<p>(b) Predominant AIF type;</p>	<p>(l) Information as determined by the Authority on investor redemptions;</p>
<p>Calculation of leverage</p> <p>49 For the purposes of these Rules, an AIFM shall calculate leverage for each AIF under management in accordance with the provisions set out in Schedule III.</p>	<p>(c) Main instruments in which the AIF is trading from the most important instrument to the fifth most important instrument, including information on: the type of instrument/ instrument code; value; indication of long/ short positions;</p>	<p>(m) Information as determined by the Authority on special arrangements and preferential treatment;</p> <p>(n) A breakdown of the ownership of units in the AIF by investor group (as % of NAV of AIF assets; look through to the beneficial owners where known or possible);</p>
<p>Calculating assets under management</p> <p>50 For the purposes of calculating assets under management as required under these Rules, the AIFM shall include the following—</p>	<p>(d) Breakdown of investment strategies for the predominant AIF type including the strategy that best describes the AIF’s strategy and the percentage share of the NAV;</p>	<p>(o) Information on financing of liquidity, such as: the aggregate amount of borrowing by, and cash financing available to, the AIF; information on the prescribed period for which the creditor is contractually committed to provide such financing;</p>
<p>(a) AIFs managed by the AIFM for which the AIFM has delegated functions shall be included in the calculation but any portfolio of AIFs that the AIFM is managing under delegation shall be excluded;</p> <p>(b) each derivative instrument position, including any derivative embedded in transferable securities, shall be converted into its equivalent position in the underlying assets of that derivative using the conversion methodologies set out in Schedule III and the absolute value of that equivalent position shall then be used for the calculation of the total value of the</p>	<p>(e) A geographical breakdown of the investments held by the AIF by percentage of the total NAV of the AIF;</p> <p>(f) A breakdown of the ten principal exposures of the AIF at the reporting date including information on: type of asset/liability; name/description of the asset/liability; value as calculated in accordance with the Rules; percentage of gross market value; long/ short position; counterparty (where relevant);</p> <p>(g) A breakdown of the five most important portfolio concentrations including information, such as: type of asset/liability; name/description of the market; value of the aggregate exposure as calculated in accordance with the Rules; percentage of gross market value; long/</p>	<p>(p) Information as determined by the Authority on the value of borrowings of cash or securities;</p> <p>(q) Information as determined by the Authority on the value of borrowing embedded in financial instruments;</p> <p>(r) Information on the five largest sources of borrowed cash or securities (short positions);</p> <p>(s) Value of securities borrowed for short positions;</p> <p>(t) Gross exposure of financial and/or legal structures controlled by the AIF;</p>