**Public Fund Prospectus Disclosure Checklist**

**Please submit this completed Checklist to** [**DFSAfunds@dfsa.ae**](mailto:DFSAfunds@dfsa.ae)

| Name of Applicant |  |
| --- | --- |
| Nature of Transaction |  |
| Date Submitted |  |

Terms used in this checklist have the same meaning as set out the Collective Investment Rules (CIR) Module of the DFSA Rulebook, and, if applicable, where reference is made to IFR, the Islamic Finance Rules (IFR) Module of the DFSA Rulebook.

**CIR 14.3.1 Public Fund Prospectus**

Without limiting the generality of the Prospectus disclosure required under Article 52 of the Law, the Fund Manager must, in the case of a Public Fund, include in the Prospectus of the Fund:

* 1. the information in App 7 (see below);
  2. if it is a specialist class of a Public Fund, any information as is relevant to that specialist class of Fund as set out in CIR 14.4; and
  3. the mandatory statement required under CIR 14.3.3.

**CIR A 7.1 Mandatory contents of a Prospectus of a Public Fund**

A7.1.1 The Prospectus for a Public Fund must contain the information prescribed in the following table.

| **Rule** | **Page Reference** | **Comment** |
| --- | --- | --- |
| 1. **Document Status** | | |
| A statement that this document is the [Prospectus](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G924#G924) of the Public Fund valid as at a particular date which shall be the date of the Prospectus. |  |  |
| 1. **Description of the Fund** | | |
| Information detailing:   1. the name of the [Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G86#G86) and that the [Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G86#G86) is a Public Fund established in the DIFC; |  |  |
| 1. the effective date of commencement of the Fund’s operations and, if the duration of the [Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G86#G86) is not unlimited, when it will or may terminate; |  |  |
| 1. the legal structure of the Fund, and if the Fund is a specialist class of Fund as defined in chapter 3 of CIR, the relevant specialist class of the Fund it is, and whether it is a Listed Fund or intends to be Listed; |  |  |
| 1. the basis upon which Persons are eligible to participate in the Fund and, where applicable, the minimum initial investment; |  |  |
| 1. that the [Unitholders](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1233#G1233) are not liable for the debts of the Fund, unless the applicable legislation prescribes otherwise and, if so, a statement specifying those circumstances; |  |  |
| 1. the [base currency](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G103#G103) of the [Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G86#G86) and where relevant, the maximum and minimum sizes of the Fund’s capital; |  |  |
| 1. the circumstances in which the Fund may be wound up under the Law and the CIR Rules and a summary of the procedure for, and the rights of [Unitholders](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1233#G1233) under, such a winding up; |  |  |
| 1. if the Fund is an Umbrella Fund, whether it is constituted as a Protected Cell Company or not; and |  |  |
| 1. that no Units will be issued on the basis of the Prospectus after the expiry date specified in the Prospectus. |  |  |
| 1. **Investment objectives and policy** | | |
| 1. Sufficient information to enable a [Unitholder](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1233#G1233) or prospective Unitholder to ascertain: | | |
| (a) the investment objectives of the [Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G86#G86) and its investment policy for achieving those investment objectives, including: |  |  |
| (i) the general nature of the portfolio and any intended specialisation; |  |  |
| (ii) the policy for the spreading of risk in the [Fund Property](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1049#G1049) including an explanation of any potential risks identified; |  |  |
| (iii) the policy in relation to the exercise of borrowing powers; and |  |  |
| (iv) the policy in relation to using Derivatives for speculations or hedging purposes; |  |  |
| (b) a description of any restrictions in the assets in which investment may be made; and |  |  |
| (c) the extent (if any) to which that investment policy does not envisage remaining fully invested at all times. |  |  |
| (2) For investment in Real Property: | | |
| (a) the countries or territories in which the [Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G86#G86) may invest; |  |  |
| (b) the types of Real Property, including the policy in relation to encumbrances and lease period; and |  |  |
| (c) the policy of the Fund Manager in relation to insurance of Real Property forming part of the [Fund Property](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1049#G1049). |  |  |
| (3) If intended, whether the [Fund Property](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1049#G1049) may consist of [U](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1230#G1230)nits in Funds which are managed by or operated by the Fund Manager or by one of its [associates](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G76#G76) and a statement specifying:  (a) the basis of the maximum amount of the charges in respect of transactions in the Fund invested in; and  (b) the extent to which any such charges will be reimbursed to the [Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1043#G1043). |  |  |
| (4) In the case of a Hedge Fund, an explanation of the types of strategies to be employed by the Fund Manager and the associated risks. |  |  |
| 1. **Distribution and accounting period** | | |
| Relevant details of the accounting and distribution periods and a description of the procedures: | | |
| (a) for determining and applying income (including how any distributable income is paid); and |  |  |
| (b) relating to unclaimed distributions. |  |  |
| 1. **The characteristics of Units in the Fund** | | |
| Information as to: | | |
| (a) the names of the [classes](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G152#G152) of [Units](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1230#G1230) of the Fund or Sub-Fund in issue or available for [issue](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G625#G625) and the rights attached to them in so far as they vary from the rights attached to other [classes](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G152#G152) of Units in the Fund or the Sub-Fund as applicable; |  |  |
| (b) how [Unitholders](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1233#G1233) may exercise their voting rights and what they are; and |  |  |
| (c) the circumstances where a mandatory [redemption](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G964#G964), [cancellation](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G124#G124) or conversion of a [U](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1230#G1230)nit from one [class](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G152#G152) to another may be required. |  |  |
| 1. **The Fund Manager** | | |
| The following particulars of the Fund Manager: | | |
| (a) its name, whether the Fund Manager is incorporated in the DIFC or elsewhere and the date of such incorporation, and if the Fund Manager is an External Fund Manager, that fact and the details of the Appointed Fund Administrator or Custody Provider under CIR Rule 6.1.3(a); |  |  |
| (b) its address, and if applicable, that of the Appointed Fund Administrator or Trustee, as the case may be, and the registered office in the DIFC; |  |  |
| (c) if it is a [subsidiary](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1143#G1143), the name of its ultimate [Holding Company](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G501#G501) and the country or territory in which that [holding company](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G501#G501) is incorporated; |  |  |
| (d) the amount of its issued share capital and how much of it is paid up; and |  |  |
| (e) a summary of the material provisions of the contract between the Fund and its Fund Manager which may be relevant to [Unitholders](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1233#G1233), including provisions relating to termination, compensation on termination and indemnity. |  |  |
| 1. **Directors and Partners of an Investment Undertaking** | | |
| Other than for the Fund Manager: | | |
| (a) for an Investment Company, the names and positions in the Investment Company of the [Directors](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G296#G296); |  |  |
| (b) for an Investment Partnership, the names of the other General Partners or any other partners who manage the affairs of the Fund on a day to day basis; and |  |  |
| (c) the manner, amount and calculation of the [remuneration](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1013#G1013) of the [Directors](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G296#G296) or Partners in (a) or (b) as the case may be. |  |  |
| 1. **Oversight Arrangement** | | |
| In relation to a Public Fund, the details of the Persons providing the oversight function for the Fund including their remuneration. |  |  |
| 1. **Service Providers and Advisers** | | |
| If a Fund Manager delegates any activities or outsources any functions to a Service Provider or if an [investment adviser](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G589#G589) is retained in connection with the business of the Fund: | | |
| (a) its name; |  |  |
| (b) which Financial Services Regulator authorises that Person; and |  |  |
| (c) details of the arrangements. |  |  |
| 1. **The Auditor and Custodian and Trustee** | | |
| The name of the Auditor and of the Eligible Custodian of the [Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G86#G86). If applicable the name of the Trustee of the Fund. |  |  |
| 1. **The Register of Unitholders** | | |
| Details of the address in the DIFC where the [register](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G968#G968) of [Unitholders](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1233#G1233) is kept and can be inspected by [Unitholders](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1233#G1233) of the Fund. |  |  |
| 1. **Payments out of the Fund Property** | | |
| The payments that may be made out of the [Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1049#G1049) Property to any [Person](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G869#G869), whether by way of [remuneration](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1013#G1013) for services, or reimbursement of expenses. For each category of [remuneration](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1013#G1013) or expense, the following should be specified in a manner which is clear, concise and understandable for Retail Clients where the Fund is to be so offered: |  |  |
| (a) the current rates or amounts of such [remuneration](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1013#G1013); |  |  |
| (b) how the [remuneration](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1013#G1013) will be calculated and accrue and when it will be paid; |  |  |
| (c) how notice will be given to [Unitholders](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1233#G1233) of the Fund Manager’s intention to: |  |  |
| (i) introduce a new category of [remuneration](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1013#G1013) for its services; |  |  |
| (ii) increase the basis of any current charge; |  |  |
| (iii) change the basis of the treatment of a payment from the [capital property](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G131#G131); and |  |  |
| (iv) particulars of that introduction or increase and when it will take place; |  |  |
| (d) the types of any other charges and expenses that may be taken out of the Fund Property; and |  |  |
| (e) if, in accordance with the relevant provisions of the CIR Rules, all or part of the [remuneration](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1013#G1013) or expenses are to be treated as a capital charge:  (i) that fact; and  (ii) the basis of the charges which may be so treated. |  |  |
| 1. **Dealing** | | |
| Details of: | | |
| (a) the [dealing days](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G262#G262) and times in the [dealing day](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G262#G262) on which the Fund Manager will receive requests for the [sale](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1040#G1040) and [redemption](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G964#G964) of Units; |  |  |
| (b) the procedures for effecting:  (i) the issue, [sale](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1040#G1040) and [redemption](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G964#G964) of [Units](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1230#G1230); and  (ii) the settlement of transactions; |  |  |
| (c) the steps required to be taken by a [Unitholder](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1233#G1233) in redeeming [Units](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1230#G1230) before he can receive the proceeds, including any relevant notice periods, and the circumstances and periods in which a deferral of payment may be applied; |  |  |
| (d) the circumstances in which the [redemption](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G964#G964) of [Units](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1230#G1230) may be suspended; |  |  |
| (e) details of the minimum number or value of each type of [Unit](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1230#G1230) in the [Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G86#G86) which:  (i) any one [Person](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G869#G869) may hold; and  (ii) may be the subject of any one transaction of issue, [sale](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1040#G1040) or redemption by the Fund Manager; |  |  |
| (f) the circumstances in which the Fund Manager may arrange for, and the procedure for, a [redemption](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G964#G964) of [Units](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1230#G1230) in specie; and |  |  |
| (g) the circumstances in which the further [issue](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G625#G625) of [Units](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1230#G1230) in any particular [class](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G152#G152) may be limited and the procedures relating to this. |  |  |
| 1. **Valuation of the Fund Property** | | |
| Details as to: | | |
| (a) how frequently and at what times of the [day](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G259#G259) the [Fund Property](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1049#G1049) will be regularly valued to determine the [price](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G904#G904) at which [Units](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1230#G1230) in the [Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1043#G1043) may be purchased from or redeemed by the Fund Manager and a description of any circumstance where the Fund Property may be specially valued; |  |  |
| (b) in relation to each purpose for which the [Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1043#G1043) Property must be valued, the basis on which it will be valued; |  |  |
| (c) how the single [price](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G904#G904) of Units of each [class](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G152#G152) will be determined, including whether a forward or [historic](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G499#G499) [price](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G904#G904) basis is to be applied; |  |  |
| (d) details as to how the prices of Units will be published following each valuation; and |  |  |
| (e) if valuation is to be suspended under certain circumstances, details of such circumstances. |  |  |
| 1. **Sale and Redemption Charges** | | |
| If the Fund Manager makes any charges on [sale](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1040#G1040) or [redemption](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G964#G964) of Units, details of the charging structure and how notice will be provided to Unitholders of any change in the relevant charge. |  |  |
| 1. **Financial Reports** |  |  |
| Details as to: | | |
| (a) when annual and interim reports will be published; and |  |  |
| (b) the address in the DIFC at which copies of the Constitution, any amending instrument and the most recent annual and interim reports may be inspected and from which copies may be obtained. |  |  |
| 1. **Information in respect of Umbrella Funds** | | |
| In the case of an Umbrella [Fund,](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1043#G1043) the following information: | | |
| (a) that a [Unitholder](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1233#G1233) may exchange Units in one [Sub-Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1140#G1140) for [Units](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1230#G1230) in another [Sub-Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1140#G1140) and that such an exchange is treated as a [redemption](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G964#G964) and [sale](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1040#G1040); |  |  |
| (b) what charges may be made on exchanging [Units](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1230#G1230) in one [Sub-Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1140#G1140) for Units in other [Sub-Funds](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1140#G1140); |  |  |
| (c) the policy for allocating between [Sub-Funds](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1140#G1140) any assets of, or costs, charges and expenses payable out of, the [Fund Property](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1049#G1049) which are not attributable to any particular Sub-Fund; |  |  |
| (d) in respect of each S[ub-Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1140#G1140), the currency in which the [Fund Property](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1049#G1049) allocated to it will be valued and the [price](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G904#G904) of [Units](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1230#G1230) calculated and payments made, if this currency is not the [base currency](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G103#G103) of the [Umbrella](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1222#G1222) Fund; and |  |  |
| (e) in the case of an Umbrella Fund that is not formed as a Protected Cell Company, in the event of such an Umbrella Fund being unable to meet liabilities attributable to any particular [Sub-Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1140#G1140) out of the assets attributable to that [Sub-Fund](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1140#G1140), the remaining liabilities may have to be met out of the assets attributable to other [Sub-Funds](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1140#G1140) i.e. that the [Sub-Funds](http://fsahandbook.info/FSA/glossary.jsp?doc=glossary\glossary&gloss=G1140#G1140) are not "ring fenced". |  |  |
| 1. **Other relevant information** | | |
| If applicable, names and addresses of the banker, lawyer, registrar and any other Person undertaking any significant activities in relation to the Fund. |  |  |
| **CIR 14.3.3 Mandatory statement** | | |
| 1. A Fund Manager of a Public Fund must include in the Fund’s Prospectus, the following statement displayed prominently on its front page:   “This Prospectus relates to a DIFC Fund in accordance with the Collective Investment Law 2010 and Rules of the Dubai Financial Services Authority (“DFSA”).  The DFSA has no responsibility for reviewing or verifying any Prospectus or other documents in connection with this Domestic Fund. Accordingly, the DFSA has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in this Prospectus, and has no responsibility for it.  The Units to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Units offered should conduct their own due diligence on the Units.  If you do not understand the contents of this document you should consult an authorised financial adviser.”   1. In the case of a Public Fund which is a Listed Fund, the Fund Manager must include, instead of the statement referred to in (1), the statement required under MKT Rule 6.3.1(1)(b)(iii). | | |
| **Prospectus of a Feeder Fund** | | |
| **CIR 14.4.1** | | |
| A Fund Manager of a Feeder Fund must ensure that the Fund’s Prospectus discloses: | | |
| 1. a prominent risk warning to alert prospective Unitholders to the fact that they will be subject to higher fees arising from the layered investment structure; and |  |  |
| 1. the fees arising at the level of: |  |  |
| 1. the Feeder Fund itself; |  |  |
| 1. if applicable, the Master Fund of the Feeder Fund; and |  |  |
| 1. if applicable, any underlying Funds into which the Master Fund invests, to the extent known. |  |  |
| **Prospectus of a Property Fund** | | |
| **CIR 14.4.2** | | |
| A Fund Manager of a Property Fund must ensure that the following information is disclosed in the Fund’s Prospectus: | | |
| (a) the nature of the commitment which prospective Unitholders will enter into; |  |  |
| (b) the risks involved in this type of Fund; |  |  |
| (c) the prominent risk warning which makes reference to circumstances in property markets which can cause difficulties in meeting redemptions; |  |  |
| (d) details of the Property Fund’s appointed Valuer under CIR Rule 13.4.18(1); |  |  |
| (e) in a prominent position in the prospectus, the redemption procedures; |  |  |
| (f) the dividend or income distribution policy; |  |  |
| (g) the insurance arrangement for the Fund; |  |  |
| (h) a statement with respect to any material policy regarding real property activities; |  |  |
| (I) details of transactions or agreements entered into with Related Parties; |  |  |
| (j) full particulars of the nature and extent of the interest, if any, of Related Parties, in the property owned or proposed to be acquired by the Fund; |  |  |
| (k) details of significant holders and the number of units held and deemed to be held by each of them; |  |  |
| (l) details of principal taxes levied on the Fund’s income and capital, including tax, if any, deducted on distribution to Unitholders; |  |  |
| (m) a statement to explain the standards according to which the property valuations are conducted; and |  |  |
| (n) if applicable, the Fund is a REIT and whether the investment vehicle is an Investment Company or an Investment Trust. |  |  |
| **CIR 14.4.3** | | |
| A Fund Manager of a Property Fund must also disclose in the Fund’s Prospectus, in addition to the standard disclosure requirements, in respect of investment limits, the following information: | | |
| (a) what percentage of the Property Fund’s net assets may consist of property related assets which are not traded in or dealt on markets provided for in the Constitution; |  |  |
| (b) unless the Constitution and the Prospectus state that the Fund invests in a single property, the maximum percentage of the Fund’s net assets which may be invested in any single property or, if applicable, the conditions under which the Fund may derogate from this restriction; |  |  |
| (c) the maximum percentage of the Property Fund’s net assets which may be invested in properties which are vacant, in the process of development or requiring development; and |  |  |
| (d) the maximum percentage of the Property Fund’s net assets which may be invested in properties which are subject to a mortgage. |  |  |
| **CIR 14.4.4** | | |
| Without limiting any other disclosure obligations of the Fund Manager under the CIR Rules, a Fund Manager of a Property Fund which is a Public Fund that invests in a single property must prominently disclose in the Prospectus of the Fund: | | |
| (a) that the Fund invests in a single property; |  |  |
| (b) details relating to the single property such as whether the property comprises individual properties or buildings, whether there are different types of uses of or businesses conducted in the property, and proportions of anticipated income to be derived from the types of uses or occupants of the property; and |  |  |
| (c) any risks associated with the investment in the single property, including risks arising from or affecting income to be derived from the uses or occupants of the property. |  |  |
| **CIR 14.4.4 A** | | |
| Without limiting any other disclosure obligations of the Fund Manager under the CIR Rules, if the Fund Manager of a Public Property Fund itself acts as custodian of Real Property in accordance with CIR Rule 13.4.2, it must prominently disclose in the Fund’s Prospectus: | | |
| 1. that it acts as custodian of the Real Property; |  |  |
| 1. the risks that may arise as a result of it acting as custodian rather than delegating the function to an Eligible Custodian; and |  |  |
| 1. the measures and safeguards it has in place to ensure the proper segregation and protection of the Real Property. |  |  |
| **CIR 14.4.4 B** | | |
| Without limiting any other disclosure obligations of the Fund Manager under the CIR Rules, if the Fund Manager of a Public Property Fund has approval to enter into Related Party Transactions in accordance with CIR Rule 13.4.11A, it must disclose that fact in the Fund’s Prospectus. |  |  |
| **Prospectus for a Private Equity Fund** | | |
| **CIR 14.4.5** | | |
| If a Fund is a Private Equity Fund, the Fund Manager must provide the following in the Fund’s Prospectus: | | |
| 1. a description of the arrangements in place for the safekeeping of monies raised from Unitholders but not yet invested in the proposed undertaking or venture; and |  |  |
| 1. a description of the exit arrangements for Unitholders. |  |  |
| **Prospectus for a Hedge Fund** | | |
| **CIR 14.4.6** | | |
| A Fund Manager of a Hedge Fund must prominently disclose to prospective Unitholders in the Prospectus and any other financial promotions relating to the Fund, the following Mandatory Hedge Fund Disclosure Statement:  “When considering investment in a Hedge Fund you should consider the fact that some Hedge Fund products use leverage and other speculative investment practices that may increase the risk of investment loss, can be illiquid, may involve complex tax structures, often charge high fees, and in many cases the underlying investments are not transparent and are known only to the Hedge Fund Investment Manager.  Returns from Hedge Funds can be volatile and you may lose all or part of your investment. With respect to single manager products the manager has total trading authority and this could mean a lack of diversification and higher risk. The Hedge Fund may be subject to substantial expenses that are generally offset by trading profits and other income. A portion of those fees is paid to the Hedge Fund Manager.” | | |
| **Prospectus for a Money Market Fund** | | |
| **CIR 14.4.7** | | |
| A Fund Manager of a Money Market Fund that is a Public Fund must ensure that the Fund’s Prospectus includes a prominent warning: | | |
| 1. drawing to the attention of investors the different nature of a Unit in a Money Market Fund compared to a Deposit; |  |  |
| 1. that the capital of an investment in a Money Market Fund is not guaranteed; and |  |  |
| 1. that the value of units in the Money Market Fund may fluctuate. |  |  |
| **Additional disclosure in a Prospectus of an Islamic Fund which is a Public Fund** | | |
| **IFR 6.5.1** | | |
| A Fund Manager of an Islamic Fund which is a Public Fund must state in the Fund’s Prospectus: | | |
| (a) that all the operations in relation to the Fund will be conducted in accordance with Shari’a; |  |  |
| (b) if the Fund has a Shari’a Supervisory Board appointed to it, the names of the members of the Shari’a Supervisory Board and their qualifications and experience and, whether or not the Fund Manager’s Shari’a Supervisory Board is appointed to the Fund pursuant to IFR Rule 6.2.1(2); |  |  |
| (c) if the Fund does not have a Shari’a Supervisory Board appointed to it pursuant to IFR Rule 6.2.1(3), what widely acceptable screening methodologies are used by the Fund to ensure Shari’a compliance with respect to investments made for the Fund, and the board that has approved them; |  |  |
| (d) if applicable, the manner and frequency of Shari’a reviews; |  |  |
| (e) how earnings prohibited by Shari’a will be disposed of; |  |  |
| (f) whether Zakah is the responsibility of the Fund or the responsibility of the Unitholders; and |  |  |
| (g) the additional disclosure, if applicable, prescribed under section IFR A1.1 of App 1. |  |  |

**Confirmation of non-applicable items**

We confirm we have given due and careful consideration to the items in his checklist and inform you that items marked “N/A” in the Page Reference column of the above checklist are considered by us as not applicable. No equivalent information is available in relation to the enclosed document for items marked “N/A”.

| Signed by |  |
| --- | --- |
| On behalf of |  |