



AMENDMENTS No. 7
AIFC COLLECTIVE INVESTMENT SCHEME RULES
(CIS)

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Astana, Kazakhstan



AIFC COLLECTIVE INVESTMENT SCHEME RULES

Proposed amendments to the AIFC Collective Investment Scheme Rules

In these Rules, underlining indicates new text and strikethrough indicates removed text

(...)

2. INTRODUCTION

2.2. Application of these Rules

These Rules apply to:

- (a) a Domestic Fund Manager which manages:
 - (i) a Domestic Fund; or
 - (ii) a Foreign Fund; or
- (b) a Foreign Fund Manager which manages a Domestic Fund; and
- (c) a Centre Participant which markets a Collective Investment Scheme in or from the AIFC.

Guidance

The term "Centre Participant" refers to a Person authorised by the AFSA to carry on one or more relevant Regulated Activities.

(...)

1.6. When a Fund invests in Digital Assets indirectly

For the purposes of these Rules, a Fund invests in Digital Assets indirectly if:

- (a) it has a derivative exposure to Digital Assets;
- (b) it tracks an index that includes Digital Assets; or
- (c) it invests in another Fund or entity which:
 - (i) has property that includes Digital Assets;
 - (ii) has a derivative exposure to Digital Assets; or
 - (iii) tracks an index that includes Digital Assets.

Guidance

For the avoidance of doubt, a Fund investing in Digital Assets indirectly should be treated in the same way as a Digital Asset Fund.



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1.7. When a Fund is a Tokenised Fund

For the purposes of these Rules, a Tokenised Fund is an unlisted Fund with Units represented as Security Tokens.

(...)

2. CLASSIFICATION OF FUNDS AND APPLICATION OF THE RULES

(...)

2.2. Exempt Funds and Non-Exempt Funds

- (a) An Exempt Fund is a Collective Investment Scheme the Units of which are Offered in the AIFC only by way of a private placement:
- (i) to Persons who are Professional Clients; and
 - (ii) in minimum initial subscription amounts of US\$ 50,000.

(...)

2.4. Specialist Funds

(...)

- (b) The following types of Funds are Specialist Funds:

(...)

- (iii) a Venture Capital Fund, which is an Exempt Fund ~~and a Domestic Fund~~ that:
 - (A) primarily invests in the ~~equity share capital~~ Securities and Units of unlisted businesses which are at an early stage of development; either:
 - (1) directly; or
 - (2) indirectly as a Feeder Fund holding units of a Master Fund;
 - (B) is closed-ended; and
 - (C) limits total subscriptions to an amount not to exceed US\$100 million (or currency equivalent) or a higher amount approved by the AFSA.

Guidance

A Venture Capital Fund may consist of a Master Fund and Feeder Fund structure in which:

- (a) the Master Fund meets the requirements in (iii)(A)(1), (B) and (C); and
- (b) each Feeder Fund meets the requirements in (iii)(A)(2) and (B).

A Venture Capital Fund may not be a Credit Fund.

(...)



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2.4-1. Other Specialist Funds

The following types of Funds are considered as other Specialist Funds for purposes of CIS 2.4.(b)(v):

(a) Umbrella Fund, which is a Fund where:

(i) may be formed as a Protected Cell Company (PCC) and must be an Open-ended Fund if formed as a PCC.

(...)

(c) A Feeder Fund, which is a Fund where:

(...)

(ii) a Master Fund is eligible for the purposes of (i)(B) only if:

(A) the borrowing of the Master Fund does not exceed 200% of the ~~net asset value~~ NAV of the Master Fund or the market value of the Units of the Master Fund at the mid-value share price; and

(...)

(iii) a Fund Manager of a Feeder Fund must also ensure that the Feeder Fund invests in a Master Fund only if:

(...)

(C) the investment objectives of the Master Fund have been disclosed in detail in the Prospectus Offering Materials of the Feeder Fund;

(D) it has made available to prospective Unitholders in the Feeder Fund copies of the Prospectus Offering Materials and the last audited annual reports and accounts of the Master Fund; and

(...)

(v) a Fund Manager of a Feeder Fund must ensure that the Fund's Prospectus Offering Materials discloses:

(...)

Guidance

A Domestic Master Fund may have Foreign Funds as its Feeder Funds.

(e) An ESG Fund, which is a Fund where:

(i) its main investment focus incorporates ESG factors; and

(ii) at least 70 % of ~~net asset value~~ NAV of the Fund Property is invested in accordance with the investment strategy.

(...)

(f) A Credit Fund, which is an Exempt Fund and a Domestic Fund that:



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- (i) is closed-ended; and
- (ii) has its activities limited:
 - (A) primarily to investment in Credit Facilities, whether by origination, purchase or participation;
 - (B) to activities related to (A), including investment in the equity of a legal entity to which the Credit Fund lends or the Group to which it belongs; and
 - (C) to the holding of Investments (other than a Digital Asset) for the purposes of cash management or hedging.

Guidance

A Credit Fund may hold other assets (except Digital Assets) when held in conjunction with a Credit Facility the Credit Fund has invested in, such as assets over which the Credit Fund has enforced collateral security it holds.

A Fund which holds Investments for the purposes of investment, cash management or hedging which does not enter into Credit Facilities for the purpose of extending Credit is not a Credit Fund.

- (g) A Digital Asset Fund, which is a Fund that:
 - (i) invests in Digital Assets that have been admitted to trading on an AFSA licensed Digital Asset Trading Facility; and
 - (ii) can invest in Digital Assets mentioned in (i) even if they are not traded on AFSA licensed Digital Asset Trading Facility; provided that the trading facility on which the Digital Assets are traded is regulated by a Financial Services Regulator in a jurisdiction that:
 - (A) is listed as a Compliant Country or Territory by the Financial Action Task Force;
 - (B) complies with OECD standards for the exchange of tax information, including adherence to multilateral agreements in respect of the exchange of information; and
 - (C) has appropriate co-operation arrangements in place with the AFSA to ensure co-operation including the exchange of information between regulatory authorities.
- (h) An Investment Token Fund or Qualified Investment Token Fund, which is a Fund whose main purpose is investing in Investment Tokens or Qualified Investment Tokens respectively.
- (j) An Exchange Traded Fund (or ETF), which is a Fund that:
 - (i) is constituted as an open-ended Public Fund;
 - (ii) has its Units available for trading throughout the day on an exchange that meets the criteria in (iii)(B); and
 - (iii) has at least one market maker (Authorised Participant) who:
 - (A) purchases and redeems 'creation Units' of the Fund from the Fund Manager; and
 - (B) is prepared to buy and sell Units of the Fund throughout the day on the exchange, but only if the exchange is operated by an Authorised Market Institution or regulated by a Financial Services Regulator in a jurisdiction that has appropriate co-operation arrangements in place with the AFSA to ensure



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co-operation (including the exchange of information between regulatory authorities).

(k) A Money Market Fund, which is a Fund:

- (i) whose investment objectives are to preserve the capital of the Fund and provide daily liquidity, while achieving returns that are in line with money market rates; and
- (ii) whose NAV must be maintained:
 - (A) constant at par (net of earnings); or
 - (B) at the value of a Unitholder's initial capital plus earnings.

(...)

5. MARKETING REQUIREMENTS

(...)

5.3 Content requirements for Offering Materials

(...)

- (b) Prior to investing in a Fund, a potential investor must be supplied with Offering Materials and other documentation that contain all the information which a person and his professional advisers would reasonably require and expect to be able to make an informed decision to become a Unitholder of the Fund, including the following:

(...)

- (xii) where available, the latest ~~net asset value~~ NAV of the Fund and its units or shares or the latest market price per unit or share of the Fund; and

(...)

(n) If a Fund is a Credit Fund, the Offering Materials issued or distributed in respect of a Credit Fund must include a prominent risk warning which draws attention to the unique risks which arise from investing in Credit and how the value of an investment in a Credit Fund is not guaranteed and is subject to the possibility of investment losses and illiquidity. In addition, the Offering Materials must include:

- (i) information on the risk and reward profile to enable investors to identify the specific risks associated with a loan origination strategy;
- (ii) information on the extent to which the Credit Fund intends to be concentrated as regards individual entities, geographical locations and sectors and the risks arising from those proposed concentrations;



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- (iii) details of the credit assessment and monitoring process used by the Credit Fund; and
- (iv) information on whether the Fund Manager will provide Unitholders or potential Unitholders with access to records and staff for the purposes of a due diligence process as well as the terms and conditions under which such access may be granted.

(o) Information relating to a Digital Asset Fund:

- (i) the essential characteristics of the Digital Asset, including the rights and obligations conferred by it and details of the Person or Persons responsible for meeting the obligations and against whom the rights can be exercised;
- (ii) details of the DLT that is used to issue, store or transfer the Digital Asset;
- (iii) whether the Digital Asset will be admitted to trading on a Digital Asset Trading Facility or other facility and, if not, details as to how the Digital Asset can be transferred or redeemed, how that might impact its liquidity and any resulting risks;
- (iv) details of cybersecurity risks associated with the Digital Asset or its underlying technology, including whether there is a risk of loss of the Digital Asset in the event of a cyber attack, and details of steps that have been, or can be taken, to mitigate those risks;
- (v) details of other risks associated with the use of the DLT application, particularly those relating to Digital Wallets and the susceptibility of private cryptographic keys to misappropriation; and
- (vi) any other information relevant to the Digital Asset that would reasonably assist a prospective investor in making an informed decision about investing in the Digital Asset.

(p) Information relating to an Investment Token Fund or Qualified Investment Token Fund, or a Tokenised Fund:

- (i) a statement that the document constitutes Offering Materials for an Investment Token Fund or Qualified Investment Token Fund, or a Tokenised Fund;
- (ii) if the Fund is an Investment Token Fund or Qualified Investment Token Fund, a statement of the percentage of the Fund Property held, or intended to be held, as Tokens;
- (iii) if the Fund is a Tokenised Fund, a statement of the percentage of Units in the Fund that are tokenised or intended to be tokenised;
- (iv) in case of an Investment Token Fund or Qualified Investment Token Fund, the essential characteristics of the Tokens, including the rights and obligations conferred by it and details of the Person or Persons responsible for meeting the obligations and against whom the rights can be exercised.
- (v) in the case of a Tokenised Fund, the essential characteristics of the underlying, including the rights and obligations conferred by it and details of the Person or Persons responsible for meeting the obligations and against whom the rights can be exercised;

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- (vi) details of the DLT that is used to issue, store or transfer the Tokens held as a Fund Property or tokenised Units;
 - (vii) whether the Tokens held as a Fund Property will be admitted to trading on an Authorised Market Institution, Multilateral Trading Facility, Organised Trading Facility or other facility and, if not, details as to how the Tokens can be transferred or redeemed, how that might impact its liquidity and any resulting risks;
 - (viii) details of cybersecurity risks associated with the Token held as a Fund Property or tokenised Unit, or its underlying technology, including whether there is a risk of loss of the Token or tokenised Unit in the event of a cyber attack, and details of steps that have been, or can be taken, to mitigate those risks;
 - (ix) details of other risks associated with the use of the DLT application, particularly those relating to Digital Wallets and the susceptibility of private cryptographic keys to misappropriation; and
 - (x) any other information relevant to the Tokens held as a Fund Property or tokenised Units that would reasonably assist a prospective investor in making an informed decision about investment.
- (g) Information relating to an ETF:
- (i) A Fund Manager of an ETF must include in its Offering Materials:
 - (A) the type of ETF and its characteristics;
 - (B) the risks associated with the type of ETF;
 - (C) the investment methodology and strategies the ETF proposes to adopt to track the referenced index or benchmark;
 - (D) a clear description of the relevant indices or other benchmark the ETF is designed to track, timely information about the underlying components (including their liquidity) of the relevant index or the benchmark and, if the Price Information Provider is a Related Party, that fact;
 - (E) clear signposts to guide investors to relevant websites or sources of information provided by Price Information Providers, as specified in Schedule 5;
 - (F) information about whether iNAV is made available by the relevant exchange, and if so, how this information can be accessed by investors;
 - (G) information on how the referenced index or benchmark will be tracked and the risks for investors in terms of exposure they have to the underlying index and any counterparty risk;
 - (H) a description of the key elements which may affect the ETF's ability to track fully the relevant index or benchmark, including, but not limited to, transaction costs, illiquid segments, and dividend re-investment;
 - (I) in the case of a synthetic ETF using Derivatives to replicate the performance of an index or other benchmark:
 - (1) whether the ETF uses a funded or unfunded model to replicate the performance of the specified index or benchmark;
 - (2) if not already disclosed, information relating to the counterparties to the Derivatives transactions, and where collateral is used, details relating to such collateral; and



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- (3) a description of the risks associated with counterparty default and use of any collateral, the impact of those risks on the ETF's performance and investor returns, and how such risks are to be mitigated;
 - (J) to the extent an ETF is required to have a diversified portfolio, how the ETF proposes to achieve diversification of investments through its investment strategy;
 - (K) if available, information about the past performance of the ETF, measured through its realised tracking difference and annual tracking error information, on the anticipated level of tracking error during normal market conditions, and how this will be effectively minimised; and
 - (L) information about the ETF's Authorised Participant and if it is also a market maker in the ETF Units in the relevant exchange.
- (ii) A Fund Manager of an ETF must include in its Offering Materials sufficient information to enable investors to clearly understand:
- (A) the ETF's cost structure, covering:
 - (1) any performance fees of the Fund Manager, if applicable;
 - (2) its operational costs; and
 - (3) if applicable, costs of underlying transactions (such as swaps, brokerage commissions and additional costs associated with leverage or use of collateral, and the rebalancing of the portfolio costs); and
 - (B) any revenue derived by the Fund Manager through the use of the ETF's portfolio assets, and how that revenue is distributed between the ETF and the Fund Manager.
- (r) Information relating to a Money Market Fund:
- (i) A Fund Manager of a Money Market Fund that is a Public Fund must ensure that the Fund's Offering Materials include a prominent warning:
 - (A) drawing to the attention of investors the different nature of a Unit in a Money Market Fund compared to a Deposit;
 - (B) that the capital of an investment in a Money Market Fund is not guaranteed; and
 - (C) that the value of Units in the Money Market Fund may fluctuate.
 - (ii) A Fund Manager of a Money Market Fund must specify in the Offering whether the Fund's NAV is to be maintained:
 - (A) constant at par (net of earnings); or
 - (B) at the value of a Unitholder's initial capital plus earnings

(...)



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6. RULES REGARDING THE CONSTITUTION AND INVESTMENT POWERS OF FUNDS

(...)

6.2. General requirements

- (a) Every Fund must have:

(...)

- (iii) in the case of an open-ended Non-Exempt Fund, single pricing for the purposes of redemption and re-issue or sale of Units in the Fund where the price of a Unit is calculated by reference to the ~~net asset value~~ NAV of the property of the Fund to which the Units relate and in accordance with these Rules.

(...)

6.11. Rules relating to Real Estate Investment Trusts

(...)

- (f) A Real Estate Investment Trust may only use leverage or borrow:
- (i) in aggregate, up to a maximum of 60% of its ~~net asset value~~ NAV (as determined at the time of drawdown of funds); and
- (ii) for investment purposes or to meet its short-term working capital.

(...)

- (j) Real Estate Investment Trusts can only invest in property under development full completion of construction of which is guaranteed by a relevant state authority or institution or acceptable by the AFSA guarantee issued by a credible bank. The total contract value of the property under development must not exceed 10% of the ~~net asset value~~ NAV of the Fund property of the REIT.
- (l) A Fund Manager of a Real Estate Investment Trust must include in the Fund's Offering Materials:
- (i) a detailed description of how the Fund intends to acquire and hold its investments in Real Properties (including the maximum number of special purpose vehicles through which Real Properties may be held);
- (ii) the maximum percentage of the Real Estate Investment Trust's assets (by reference to the Real Estate Investment Trust's ~~net asset value~~ NAV) that may be deployed for the purposes of property refurbishment, retrofitting and renovation, or a statement that no such activities are permitted; and

(...)

6.15. Rules relating to Credit Funds

(4)

6.15.1 Systems and controls requirements for Fund Managers of Credit Funds

(a) The Fund Manager of a Credit Fund must maintain systems and controls that include suitable, documented policies and procedures designed to ensure:



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- (i) a Fund risk appetite statement is developed and incorporated into its investment process;
- (ii) that provision of Credit to a Borrower is only made based upon a sound assessment and pricing methodology;
- (iii) the ongoing monitoring of granted Credit, including policies for renewals and refinancing;
- (iv) that adequate risk management is undertaken, including in relation to credit risk and concentration risk;
- (v) the application of stress testing methodologies as set out in Section 6.15.2(e);
- (vi) the management of collateral;
- (vii) that bad debt and impairments are identified and managed; and
- (viii) the timely, appropriate and accurate valuation of Fund Property.

6.15.2 Eligible investments and diversification requirements

(a) The Fund Manager of a Credit Fund must not allow for Credit to be provided to, or for the benefit of:

- (i) a natural person;
- (ii) a Related Party;
- (iii) a Collective Investment Scheme;
- (iv) a Person intending to utilise such financing for the purpose of speculative investment; or
- (v) a Bank or lender.

(b) A Fund Manager must ensure that the investment strategy of a Credit Fund is designed to achieve a portfolio that meets the Fund's specified diversification and concentration requirements within a stated period from the date of the Fund establishment.

(c) The investment strategy of a Credit Fund must limit the maximum exposure to a single borrower (or group of connected borrowers) to 25% of the NAV of the Fund unless otherwise approved by the AFSA.

(d) The Fund Manager must ensure that borrowing by a Credit Fund must not exceed 100% of the NAV of the Fund unless otherwise approved by the AFSA.

(e) The Fund Manager of a Credit Fund must have a comprehensive stress testing and scenario analysis programme that:

- (i) identifies possible events or future changes in economic conditions that could have unfavourable effects on the Credit Fund's credit exposures and assess the Credit Fund's ability to withstand such changes;
- (ii) requires the outcomes of applying stresses to be compared against internal risk limits established by the Fund Manager in respect of the Credit Fund;
- (iii) considers the evolution of both specific transactions and aggregate exposures, reflecting all forms of counterparty credit risk at the level of specific counterparties, across an appropriate time horizon that represents meaningful stress testing;



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- (iv) provides at least semi-annual exposure stress testing of principal market risk factors such as interest rates, FX and credit spreads for all counterparties of the Credit Fund in order to identify and enable the Fund Manager to reduce significant concentrations, relative to the internal risk limits, and specific risks when necessary;
 - (v) requires scenario analysis exercises to be undertaken at least annually and incorporates material risks including yield curve exposure and basis risks; and
 - (vi) must be undertaken by qualified personnel not involved in the investment management process of the Credit Fund.
- (f) The AFSA may direct the Fund Manager of a Credit Fund to conduct more frequent stress testing and scenario analysis.
- (g) The results of stress testing and scenario analysis performed in accordance with Rules 6.15.2 (e)(i) and 6.15.2(e)(ii) must be reported without undue delay to the Governing Body of the Fund Manager.

Guidance

The periodic stress testing and scenario analysis required by Rule 6.15.2(e) should be viewed as a minimum standard. The Fund Manager of a Credit Fund should consider the fund's complexity, liquidity and risk profile when considering the frequency of stress testing and scenario analysis or, should a material risk be identified, whether ad hoc stress testing and scenario analysis should be undertaken.

Scenario analysis may reflect historical or hypothetical scenarios and should, at a minimum, address scenarios where:

- (a) severe economic or market events have occurred;
- (b) broad market liquidity has decreased significantly;
- (c) a large financial intermediary is liquidating positions and
- (d) the Credit Fund is required to liquidate assets during a period of extreme market stress.

The AFSA considers that the "stated period" referred to in Rule 6.15.2 (b) is to be one year.

6.16. Rules relating to ETFs

- (a) A Fund Manager, or any other Person making an Offer of a Unit of a Fund or otherwise marketing a Fund, must not include the term "Exchange Traded Fund" (or "ETF") or refer to a Fund or otherwise hold out a Fund as being an Exchange Traded Fund or ETF, unless it is a Fund which complies with Rule 2.4-1(j).
- (b) A Fund Manager of an ETF must take reasonable steps to ensure that any Authorised Participant it appoints has adequate systems and controls to ensure that the Units of the ETF are traded on-market at a price that does not significantly vary from the most recent NAV of the ETF, or the iNAV of the ETF, if available.
- (c) A Fund Manager of an ETF must ensure that the investment objective and strategy of the Fund is to track the performance of an index or benchmark specified in its Offering Materials.



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- (d) A Fund Manager of an ETF may use an index or other benchmark for the purposes referred to in (c) only if it is provided by a Price Information Provider that meets the requirements in Schedule 5.
- (e) In (d), a Price Information Provider is a price reporting agency or an index or benchmark provider which constructs, compiles, assesses or reports, on a regular and systematic basis, prices of Investments, rates, indices, commodities or figures, which are made available to users, including a Fund Manager.
- (f) The Fund Manager of an ETF must treat an arrangement between the Fund Manager and a Related Party to use an index or benchmark provided by the Related Party as a Related Party Transaction.
- (g) A Fund Manager of an ETF must take reasonable steps to ensure that the Fund's Offering Materials and marketing materials describe the type of ETF in a way that is clear and not misleading to enable investors and potential investors to understand the type of ETF, and its characteristics.

6.17. Rules relating to Money Market Funds

- (a) A Fund Manager of a Money Market Fund must ensure that the Fund's investment strategy is consistent with the investment objectives of such a Fund as set out in Rule 2.4-1(k).
- (b) Without limiting (a), the Fund Manager of a Money Market Fund must ensure that:
 - (i) at least 90% of the NAV of the Fund Property is invested in Deposits or Debentures that are of high quality, as determined by the Fund Manager in accordance with Rule 6.17(d);
 - (ii) at least 10% of the NAV of the Fund Property consists of cash in accounts that permit the cash to be withdrawn immediately on demand;
 - (iii) subject to (e), Deposits with, or Debentures issued by, a single entity do not exceed 10% of the NAV of the Fund Property;
 - (iv) the Fund invests only in Deposits or Debentures:
 - (A) with a residual maturity until the legal redemption date of not more than two years; and
 - (B) where the time remaining until the next interest rate reset date is not more than 397 days;
 - (v) the Fund Property has a weighted average maturity of not more than 6 months;
 - (vi) the Fund Property has a weighted average life of not more than 12 months;
 - (vii) the Fund does not invest in Financial Instruments other than Deposits or Debentures, except for:
 - (A) Units in other Money Market Funds that have investment objectives and strategies consistent with those of the Fund; or
 - (B) Derivatives that are used solely to hedge against foreign exchange rate risk; and
 - (viii) the borrowings of the Fund do not, at any time, exceed 10% of the NAV of the Fund Property.
- (c) In (b):



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- (i) (a) the NAV of Fund Property, means the value of Fund Property at the most recent valuation under Rule 10.6;
- (ii) the “weighted average maturity” of Fund Property, means the average length of time to maturity of all the Financial Instruments held as Fund Property, weighted to reflect the relative holdings in each Financial Instrument, where the maturity of a floating rate instrument is the time remaining until the next interest rate reset; and
- (iii) the “weighted average life” of Fund Property, means the weighted average of the remaining life of each Financial Instrument held as Fund Property, where the remaining life of a Financial Instrument is the time until the due date for repayment of the principal.
- (d) To determine whether a Deposit or Debenture is of high quality for the purposes of Rule 6.17(b)(i), a Fund Manager of a Money Market Fund must carry out due diligence to an adequate standard on the Deposit or Debenture, taking into account the following factors:
 - (i) the credit quality of the Issuer, and any guarantor, of the Investment;
 - (ii) the nature and quality of the asset class represented by the Investment;
 - (iii) the liquidity of the Investment; and
 - (iv) any other risks associated with the Investment or the market in which it is traded.
- (e) For 6.17 (b)(iii):
 - (i) the 10% single entity limit does not apply if the issuing entity is a government or government agency, or if the issue is government-guaranteed; and
 - (ii) Deposits with, or Debentures issued by a bank may exceed 10% (up to a maximum of 20%) of the NAV of the Fund Property.

(...)

8.7. Conflicts of interest

(...)

- (b) Where a conflict of interest arises, whether in dealings with ~~Associates~~ Related Parties or otherwise, the Fund Manager must disclose to Unitholders the nature of the conflict and how the conflict will be managed.

(...)

8.3. Eligible Custodian

For the purposes of these Rules, an Eligible Custodian is a Person who is a separate legal entity from the Fund Manager for the relevant Fund and who also meets one of the following criteria:

- (a) an Authorised Person whose ~~Financial Services Permission~~ Licence authorises it to Provide Custody Services; or

(...)



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10. AUDIT, FINANCIAL AND VALUATION REQUIREMENTS

(...)

10.5-1. Fund Manager's report

The matters set out in (a) to ~~(f)~~ (l) must be included in any Fund Manager's report:

...

(k) for a report on a Credit Fund, the following additional information:

- (i) a breakdown of the originated loans between senior secured debt, junior debt and mezzanine debt;
- (ii) a summary of all committed but undrawn Credit Facilities;
- (iii) a breakdown of the originated loans between loans made with an amortising repayment schedule and loans made with bullet repayments;
- (iv) a breakdown of the loan to value ratio for each originated loan;
- (v) information in respect of non-performing exposures and exposures subject to forbearance activities;
- (vi) a summary of the results of the most recent stress testing undertaken in accordance with Rules 6.15.2 (e)(i) or (ii); and
- (vii) a description of any material changes to the credit assessment or monitoring process of the Credit Fund.

(l) for a report on an ETF, the following additional information:

- (i) a disclosure of the size of the tracking error at the end of the period under review; and
- (ii) a statement in its annual report explaining:
 - (A) any divergence between the anticipated and realised tracking error for the relevant period; and
 - (B) the annual tracking difference between the performance of the ETF, and the performance of the index or other benchmark referenced.

(...)

10.5-2. The comparative table for the annual report for an Umbrella Fund

The comparative table for the annual report for an Umbrella Fund must set out:

- (a) the performance record over the last five calendar years, or if the Fund has not been in existence during the whole of that period, over the whole period in which it has been in existence, showing:



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- (i) the highest and the lowest price of a Unit of each class in issue during each of those years; and
- (ii) the net income distributed or, for accumulation Units, allocated for a Unit of each class in issue during each of those years, taking account of any subdivision or consolidation of Units that occurred during that period;
- (b) as at the end of each of the last three annual accounting periods or all of the Fund's annual accounting periods, if less than three:
 - (i) the total ~~net asset value~~ NAV of the Fund Property at the end of each of those years;
 - (ii) the ~~net asset value~~ NAV per Unit of each class; and

(...)

10.6. Valuation of Fund property

(...)

- (f) A Fund Manager of a Fund that has Fund Property that consists of Digital Assets must ensure that it does not use an index or benchmark provided by a Price Information Provider to value the Digital Assets unless the Price Information Provider meets the requirements in Schedule 5.
- (g) A Fund Manager of a Money Market Fund must conduct a valuation of the Fund Property on a mark to market basis at least once every week and at the same valuation point used to value the Fund Property on an amortised cost basis.
- (h) A Fund Manager of a Money Market Fund must ensure that the value of the Fund Property when valued on a mark to market basis does not differ by more than 0.5% from the value of the Fund Property when valued on an amortised cost basis.
- (i) A Fund manager must establish procedures designed to stabilise a Money Market Fund if the mark to market value of the Fund differs from its amortised cost basis value by less than 0.5%.

(...)

SCHEDULE 2: RECOGNISED JURISDICTIONS

- (a) The AFSA will consider eligibility criteria when determining the assessment of a Recognised Jurisdiction, namely whether:
 - (i) the jurisdiction is listed as a ~~Non~~-Compliant Country or Territory by the Financial Action Task Force;

(...)

SCHEDULE 5: USE OF PRICE INFORMATION PROVIDERS

This Schedule applies to a Fund Manager of:

- (a) an Exchange Traded Fund; or

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(b) a Digital Asset Fund.

Use of price information providers

- (a) A Fund Manager of an ETF may only use an index or other benchmark provided by a Price Information Provider for the purposes referred to in Rule 6.16(c) if it has undertaken appropriate due diligence to ensure that the Price Information Provider, on an on-going basis, meets the requirements set out in (c).
- (b) A Fund Manager of a Fund that has any Fund Property that consists of Digital Assets may only use an index or other benchmark provided by a Price Information Provider to value the Digital Asset if it has undertaken appropriate due diligence to ensure that the Price Information Provider, on an on-going basis, meets the requirements set out in (c).
- (c) The requirements relating to the Price Information Provider are that:
 - (i) it has fair and non-discriminatory procedures for establishing prices of Investments which are made public
 - (ii) it can demonstrate adequate and appropriate transparency over the methodology, calculation and inputs to allow users to understand how the benchmark or index is derived and its potential limitations by:
 - (A) making publicly available all the rules that govern the methodology, composition, components and value, and relative weighting of securities in each index or benchmark within a reasonable time frame as appropriate to the nature of the index and its users; and
 - (B) not making changes to the rules for index compilation without giving advance public notice before any changes are made;
 - (iii) where appropriate, it gives priority to concluded transactions in making assessments and adopts measures to minimise selective reporting;
 - (iv) it is of good standing and repute as an independent and objective price reporting agency or index provider;
 - (v) it has a sound corporate governance framework;
 - (vi) it has adequate arrangements to avoid its staff having any conflicts of interest where such conflicts have, or are likely to have, a material adverse impact on price establishment process, and in particular, it does not employ ETF staff, for the purposes relating to the creation, development or modification of the index compilation rules and their review; and
 - (vii) it has adequate complaint resolution mechanisms to resolve any complaints about the Price Information Provider's assessment process and methodology.