

A BILL

entitled

INVESTMENT FUNDS AMENDMENT ACT 2018

WHEREAS it is expedient to amend the Investment Funds Act 2006 so as to make new provision for additional exemption where stated requirements are met and for connected matters;

Be it enacted by The Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:

Citation

1 This Act, which amends the Investment Funds Act 2006 (the "principal Act"), may be cited as the Investment Funds Amendment Act 2018.

Amends section 6A

2 The principal Act is amended in section 6A—

- (a) in subparagraph (iv) of subsection (2)(d), by inserting at the end of that subparagraph the words ", except where subsection (2A) applies";
- (b) by inserting after subsection (2) the following new subsection—

"(2A) An operator of a Class A Exempt Fund shall be exempt from the requirement under subsection (2)(d)(iv) to appoint a custodian or prime broker where it meets such criteria as the Authority may determine and has published on its website: www.bma.bm."

Commencement

3 The provisions of this Act shall come into operation on such a date as the Minister may appoint by notice published in the Gazette.

INVESTMENT FUNDS AMENDMENT BILL 2018

EXPLANATORY MEMORANDUM

This Bill amends the Investment Funds Act 2006 so as to make new provision for additional exemption where stated requirements are met and for connected matters.

Clause 1 provides a citation for the Bill.

Clause 2 amends section 6A in subsection (2) and by inserting a new subsection (2A). Section 6A(2)(d) is amended in subparagraph (iv) to provide that the requirement under that subparagraph shall not apply in the case where the provisions of the new subsection (2A) apply. A new subsection (2A) is inserted into section 6A to provide for the operator of a Class A Exempt Fund to be exempt from the requirement under section 6A(2)(d)(iv) to appoint a custodian or prime broker where such Fund meets such criteria as the Authority may determine and has published on its website.

Clause 3 provides for the Minister to cause the Act to come into operation on such a date as the Minister may determine.