

THE MUTUAL FUNDS ACT, 1996
GUIDANCE NOTES ON MUTUAL FUND ANNUAL RETURNS

Note: This form is for supervisory purposes only. The figures are not required to be audited.

General

The “Mutual Fund Annual Returns” Form (“return”) may be completed by any director, officer or otherwise authorised representative of the reporting fund.

The return must be submitted within six months after the end of the reporting period to:

BVI Financial Services Commission	Tel: (284) 494 1324
Pasea Estate	Fax: (284) 494 5016
P.O. Box 418, Road Town	E-mail: fundreturns@bvifsc.vg
TORTOLA VG1110	
BRITISH VIRGIN ISLANDS	

On the return form and in these notes, all item numbers refer to numbers indicated on the left-hand side of each entry on the return (7.1, 7.2 and 7.3 are located directly above the respective entry items).

Translate all non-US amounts to their US dollar equivalent using the rate of exchange prevailing as at the date ending the reporting period.

Where multi-class funds report their results separately, please fill out a separate return for each class.

The Submitted information is to be used for statistical and compliance purposes, and will not be shared outside the FSC other than on an aggregate basis or as required by law.

Part I: Notes on “Authorisation”

1. Name of Reporting Fund

Enter the name of the fund as indicated on the certificate of registration or recognition issued to the reporting fund.

2. Certificate Number

Enter the certificate number indicated on the certificate of registration or recognition issued to the reporting fund.

3. Reporting Period

Enter all four digits of the year of the relevant reporting period (i.e. 2007).

4. Select the characteristics of the entity, namely:

4.1.1 Type of Fund: if the entity is a private fund, professional fund or public fund;

4.1.2 Constitution: if the entity is formed as a BVI Business Company, BVI Business Company that is a Segregated Portfolio Company, a Partnership or a Unit Trust under relevant BVI legislation; and

4.1.3 Operating Structure: if the entity is structured as a fund of funds, hedge fund, master/feeder fund, umbrella fund or other. Where the operating structure chosen is “other,” specify the nature of the operating structure.

Please indicate the names and addresses of the registered agent.

4.2.1 Name of Registered Agent;

4.2.2 Address of Registered Agent;

5. Approved Functionaries

Please indicate the names and addresses of the approved functionaries of the fund, including the fund's:

5.1.1 Name of Fund Administrator;

5.1.2 Address of Fund Administrator;

5.1.3 Country of Fund Manager;

5.2.1 Name of Fund Manager;

5.2.2 Address of Fund Manager;

5.2.3 Country of Fund Manager;

In the case of funds with a BVI-incorporated fund manager where the fund management services are not provided from within the BVI, please provide the jurisdiction from where such services are provided.

5.3.1 Name of Auditor (where applicable);

5.3.2 Address of Auditor (where applicable);

5.3.3 Country of Auditor (where applicable);

5.4.1 Name of Custodian and/or Prime Broker;

5.4.2 Address of Custodian and/or Prime Broker; and

5.4.3 Country of Custodian and/or Prime Broker.

Part II: Notes on “Fund Information”

6. Summary Statement of Financial Position

- 6.1 Beginning Net Asset Value: Enter the total amount of net assets of the fund as at the beginning of the reporting period.
- 6.2 Total Subscriptions: Enter the total of all investor subscriptions (also known as contributions) to the fund during the reporting period.
- 6.3 Total Redemptions: Enter the total of all investor redemptions (also known as withdrawals) from the fund during the reporting period.
- 6.4 Net Income / (Net Loss): Enter the total of the net income (increase) or the net loss (decrease) in net assets resulting from operations (i.e.: the total of all income less expenses, including all investment gains or losses) earned by the fund during the reporting period. Net Loss reported should be entered as a negative figure (e.g. Net Loss of \$75,000 should be entered as -75,000).
- 6.5 Total Dividends/Distributions: Enter the total of all investor dividends and distributions (also known as returns on investments to investors) from the fund during the reporting period.
- 6.6 Ending Net Asset Value: Enter the total of the net assets during the reporting period. (Ending net asset value should be equal to the total amount of assets held at the beginning of the reporting period, plus subscriptions, less redemptions, less dividends and distributions to investors, plus net income or less net loss during the reporting period).
- 6.7 Gross Assets: Enter the calculated total assets of the fund as at the end of the reporting period.

Generally, the Net Asset Value of reporting entities should be determined by deducting the total liabilities, including all accrued liabilities, from the total assets of the fund.

Total assets are the sum of all cash, accrued interest, dividends and other receivables; and the market value of all investments together with the current market value of any other assets held.

In any event the valuation of assets should give due regard to the statements of international best practice or principles in relation to the valuation of fund portfolios.

7. General Asset Allocation

7.1 Equities: As defined in section 8.1.

7.2 Debt Securities: As defined in section 8.2 & 8.3

7.3 Master Fund.

7.4 Other Funds: Investments in other funds or collective investment schemes

7.5 Derivatives and Structured Products: Financial instruments such as futures, warrants, options, swaps, structured notes and structured deposits (e.g. equity-linked deposits, credit-linked deposits) whose characteristics and value depend on the characteristics and value of an underlying asset.

7.6 Cash/Money Market Instruments: Short term deposits and other debt securities not included in section 7.2.

7.7 Other: Assets not included in sections 7.1 through 7.7.

8. Asset Allocation by Jurisdiction

8.1 Equities: Cover all instruments and records acknowledging, after the claims of all creditors have been met, claims on the residual values of enterprises. Shares, stocks, participations and units in collective investment schemes or

similar documents usually denote ownership of equity. Enter this information by jurisdiction of issuer, as at the end of the reporting period.

8.2 Long-Term Debt Securities: Cover instruments such as government and corporate bonds, debentures, and notes that usually give the holder the unconditional right to a fixed cash flow or contractually determined variable money income and have an original term to maturity of more than one year. Enter this information by jurisdiction of issuer, as at the end of the reporting period.

8.3 Short-Term Debt Securities: Cover treasury bills, commercial paper, and bankers' acceptances that usually give the holder the unconditional right to a stated fix sum of money on a specified date. These instruments are usually traded on organised markets at a discount and have an original term to maturity of one year or less. Enter this information by jurisdiction of issuer, as at the end of the reporting period.

9. Investment Information

9.1 Stock Exchange(s): Indicate the name of the countries of the stock exchange(s) on which the fund is listed, if any.

9.2 Main Investment Strategy: Select the main investment strategy of the fund, namely Commodity, Distressed, Emerging Markets, Event Driven, Fixed Income, Fund of Funds, Global Macro, Long/Short Equity, Market Neutral, Multi-Strategy, Real Estate, Relative Value or Other.

10. Summary Expenses

10.1 Management Expenses: Enter the total management expenses related to the fund during the reporting period.

10.2 Performance Expenses: Enter any performance expenses related to the fund during the reporting period.

- 10.3 Administration Expenses: Enter the total administrator expenses directly related to the fund during the reporting period.
- 10.4 Professional Expenses: Enter the total professional expenses directly related to the fund (that typically include all legal, audit cost, directors' fees, and start-up costs that were expensed) during the reporting period.