



27th September 2017

NOTICE

RECLASSIFICATION OF GRANDFATHERED EXEMPT FUNDS TO CLASS A/ CLASS B EXEMPT FUNDS

The Investment Funds Amendment Act 2013 (2013 Amendment Act) was passed on 3rd October 2013, adding two new classes of Bermuda exempt funds to the Investment Funds Act 2006 as amended (the Act) – Class A Exempted Funds (Class A Funds) and Class B Exempted Funds (Class B Funds). In addition, the 2013 Amendment Act repealed prior exemption provisions stated under Section 7 of the Act.

The 2013 Amendment Act also stated that investment funds that had previously obtained an exemption under the repealed provisions of the Act would be grandfathered for a period of three years from the implementation date. After the third anniversary of the passing of the 2013 Amendment Act the “grandfathered funds” would have to reclassify as either Class A Funds or Class B Funds. Failure to reclassify would result in the grandfathered fund losing its exempted status and falling out of compliance with the provisions of the Act.

Following the passing of the Investment Funds Amendment Act 2016, the deadline to reclassify exempt funds registered under the repealed provisions of the Act was extended to October 2017, which is the fourth anniversary of the implementation of the 2013 Amendment Act. All grandfathered exempted funds must reclassify by **31st October 2017**. The Authority will consider taking enforcement action against any such funds that fail to reclassify by that date.

If you have any questions concerning the reclassification process email Authorisations@bma.bm

A copy of the Investment Funds Amendment Act 2016 can be accessed via <http://www.bermudalaws.bm>.