

## **Chapter 5**

### **CONSTITUTION OF THE FUND**

#### **Instrument constituting the fund**

- 5.01 In addition to the requirements of the CMSA, the deed to be registered by the SC must contain the minimum requirements prescribed in Schedule D of these Guidelines.
- 5.02 The contents of the deed must not be prejudicial to the interest of a unit holder or a unit holder of any class of units, where applicable.
- 5.03 Notwithstanding paragraphs 5.01 and 5.02, a deed must not contain any matter which is inconsistent with the securities laws or the guidelines issued by the SC.
- 5.04 A management company and trustee are responsible for maintaining the deed and make necessary amendments to the deed in accordance with the securities laws and guidelines issued by the SC.

#### **Name of Fund**

- 5.05 A management company and trustee must ensure that the name of the fund or any class of units of any fund is appropriate and not misleading.
- 5.06 The SC may require the management company to change the name of the fund or any class of units of any fund if, in the opinion of the SC, the name is inappropriate or misleading.

#### **Investment objective of the fund**

- 5.07 The investment objective of a fund must be clear, specific and sufficiently stipulated in the deed.

- 5.08 Where the strategies to be adopted to meet the investment objective involve investment in a particular style, asset class, economic sector, market or geographical area, management company should ensure that an appropriate portion of the fund is invested in accordance with that intention.

**Prohibition on use of the term “capital protected”**

- 5.09 The use of the term “capital protected”, or any other form of such term or words with similar meaning, in a fund’s name and description is prohibited.