

High level¹ Key Features of Specialist Funds

	Specialist Fund
GENERAL MATTERS	
1. Name	Specialist Fund
2. Domicile	Isle of Man
3. New funds allowed	Yes
4. Minimum investment	US\$100,000
5. Entrant criteria	Specialist Investor entrant criteria
6. Transition provisions	Existing PIFs and EIFs over \$100K have 18 months from 1/11/2007 in which they may transition without new declarations for existing investors (EIFs must resolve to do this within 12 months of 1/11/07)
7. Fees	Currently no application and annual fees. This is being reviewed in line with revised powers under the Schemes Bill
FUNCTIONARIES	
8. Governing body (directors/ trustee/ general partner) statement of responsibility (initial and ongoing)	Yes
9. IOM resident natural person on Governing Body (ie director etc)	Yes if "Overseas" administrator appointed must be an IOM Fiduciary licenceholder (or through one) and has extra notification obligations NB Unit trusts have various options
10. Administrator	IOM licenceholder or licensed in "acceptable jurisdiction"
11. Investment Advice/ Asset Management	Governing body responsible for ensuring appropriate
12. Custodian	Not required – custody arrangements disclosed in Offering Document
13. Promoter	No specific requirements
14. Acceptable financial adviser for certain sales	No specific requirement
15. Qualifying auditor	Yes
RESPONSIBILITIES ON THE ADMINISTRATOR	
16. Determining whether the fund is and continues to be managed and operated in accordance with the fund's constitutional documents.	No (responsibility of Governing Body) ²
17. Notify FSC if aware a member of the governing body or the qualifying auditor is removed from such office, resigns or is not reappointed	Yes ² (also individual director and qualifying auditor to notify with reasons etc)

¹ It should be noted that this document is a high level summary only. The specific legislation should be referred to in all cases.

² NOTE Overseas administrator of Specialist Funds may discharge its duties by ensuring that mechanisms are in place to meet the requirements, and by monitoring the operation of those mechanisms to ensure that the requirements are met.

	Specialist Fund
18. Satisfy itself about investor's status on basis of declarations	Yes ²
19. Submit notifications to FSC on launch or alteration	Yes ²
20. In conjunction with Governing Body submit the annual compliance declaration to FSC	No ² Governing Body only
21. Quarterly statistical information to FSC	Yes ²
22. Report to FSC if aware requirements re offering document declarations or fund accounting not complied with	Yes ²
23. Notify FSC if aware that audit report is qualified and/or a management letter is issued by the auditors in relation thereto (with copy of report and an action plan)	Yes ²
24. Notify FSC if audited annual financial statements are late (with reasons, timetable for distribution, joint signature with auditor)	Yes ²
OFFERING DOCUMENT	
25. Required to include all material information relevant to an informed judgement about the merits of participating in the fund	Yes
26. Prescribed information and risk warnings must be contained	Yes
APPLICATION FORM CERTIFICATIONS	
27. Investor declaration	Yes
28. Declaration if investing on behalf of another & life company declaration	Yes
29. Regulated financial adviser confirmation if individual investor	No – no investors under \$100k