

‘Approved’

Financial Markets Supervisory Authority
of the Republic of Azerbaijan
Resolution № 1851100007
‘08’ October 2018

Acting Chairman of the Management Board

Ibrahim Alyshov

Regulations on requirements on reports of investment funds and the manager, as well as on their submission and disclosure

1. General provisions

1.1. These Regulations have been developed in accordance with Article 48.1.5 of the Law of the Republic of Azerbaijan on Investment Funds.

1.2. These Regulations determine the requirements on reports submitted to the Financial Markets Supervisory Authority of the Republic of Azerbaijan (hereinafter – the FIMSA), as well as the regulations on their submission to the FIMSA and disclosure by joint-stock investment funds and those that manage investment funds (hereinafter – the manager).

2. Reports submitted by joint-stock investment funds

2.1. A joint-stock investment fund delivers semi-annual and annual reports to the FIMSA with respect to its activities.

2.2. The semi-annual report submitted to the FIMSA by the joint-stock investment fund consists of the following:

2.2.1. *a report on financial conditions, income statement and a report on other aggregate income, report on changes in capital, report on flow of funds, significant accounting policies and explanatory notes;*

2.2.2. report on assets and liabilities of the investment fund (Annex № 1);

2.2.3. report on changes in investment fund property (Annex № 2);

2.2.4. report on the number and shares of individual and legal entity shareholders of the joint-stock investment fund separately (Annex № 3);

2.2.5. information on the persons holding voting shares amounting to ten percent and more of the authorized capital of a joint-stock investment fund (individual’s 1st, middle, last names; legal entity’s name, location and TIN), the number of shares owned by each of them and share in the authorized capital of a joint-stock investment fund;

2.2.6. information on changes to the organizational and management structure.

2.3. The annual report submitted to the FIMSA by the joint-stock investment fund includes the following in addition to those specified in sub-items 2.2.1 – 2.2.6 herein:

2.3.1. report on expenses of the investment fund (Annex № 4);

2.3.2. information on investment companies, auditors, appraisers and depository whose services it uses (name, location, TIN, license number and date of issue when operating on the basis of a license).

3. Reports submitted by the manager with respect to own activities

3.1. The manager delivers semi-annual and annual reports to the FIMSA on its activities.

3.2. The semi-annual report submitted to the FIMSA by the manager includes:

3.2.1. organizational-legal form of the manager, full and abbreviated name, date and number of state registration;

3.2.2. manager's legal address and location;

3.2.3. in case of changes in the name and organizational-legal form of the manager, all previous names and organizational-legal forms of the manager, as well as dates of their state registration; when the manager is reorganized in the form of a merger of legal entities the type of reorganization, names and organizational-legal forms of those legal entities;

3.2.4. separate number of individual and legal entity shareholders of the manager;

3.2.5. information on the persons holding voting shares amounting to ten percent and more of the authorized capital of the manager (individual's 1st, middle, last names; legal entity's name, location and TIN-), the number of shares owned by each of them and share in the authorized capital of the manager;

3.2.6. information on investment funds or other persons under its management;

3.2.7. information on changes in the organizational and management structure;

3.2.8. *a report on financial condition, income statement and a report on other aggregate income*, report on changes in capital, report on flow of funds, significant accounting policies and explanatory notes.

3.3. The annual report submitted to the FIMSA by the manager includes the following in addition to those specified in sub-items 3.2.1 – 3.2.8 herein:

3.3.1. opinion of the external auditor on the audit of the manager's activities;

3.3.2. information on investment companies, auditors, appraisers and depository whose services it uses (name, location, TIN, license number and date of issue when operating on the basis of the license).

4. Reports on activities of mutual investment funds managed by the manager

4.1. The manager submits monthly, quarterly, semi-annual and annual reports to the FIMSA on the activities of mutual investment funds under its management.

4.2. The semi-annual report submitted by the Manager to the FIMSA in connection with the activities of mutual investment funds under its management includes the following:

4.2.1. report on assets and liabilities of the investment fund (Annex №1);

4.2.2. report on changes in investment fund property (Annex №2);

4.2.3. report on the number and shares of mutual investment fund's shareholders separately (Annex № 3);

4.2.4. information on the persons holding shares amounting to ten percent and more of the shares of mutual investment funds (individual's 1st, middle, last names; legal entity's name,

location and TIN), the number of shares owned by each of them and percentage ratio to mutual investment fund shares.

4.3. The annual report submitted by the manager to the FIMSA on activities of mutual investment funds under its management includes the following in addition to those specified in sub-items 4.2.1–4.2.4 herein:

4.3.1. report on expenses of the investment fund (Annex №4);

4.3.2. information on investment companies, auditors, appraisers and depository whose services it uses (name, location, TIN, license number and date of issue when operating on the basis of the license).

4.4. The manager submits to the FIMSA the reports provided for in sub-items 4.2.1–4.2.4 herein on a monthly basis in connection with the activity of open mutual investment funds under its management, and on a quarterly basis in connection with the activity of interval mutual investment funds.

5. Order of submission of reports to the FIMSA

5.1. The annual report should be prepared based on results of each completed calendar year and submitted to the FIMSA by the joint-stock investment fund and the manager within the first 4 (four) months of the following year.

5.2. The semi-annual report should be prepared based on results of 6 (six) months of each calendar year and submitted to the FIMSA within 2 (two) months after the end of half year.

5.3. Quarterly reports should be prepared based on results of each calendar quarter and submitted to the FIMSA no later than 10 (ten) work days from the end of the reported period.

5.4. Monthly reports should be prepared based on results of each calendar month and submitted to the FIMSA no later than 5 (five) work days from the end of the reported period.

5.5. If defects are found in submitted annual and semi-annual reports, the FIMSA requests the joint-stock investment fund and the manager in writing to eliminate these shortcomings and suspend disclosure of these reports within 15 work days from the date of submission of reports.

5.6. If the FIMSA does not require to suspend publication of annual and semi-annual reports within the period specified in Item 5.5 herein, the joint-stock investment fund or the manager should ensure publication of the information in semiannual and annual reports (the information specified in sub-items 2.2.5, 3.2.5 and 4.2.4 herein only for issuers whose securities are placed by public offering) within 30 days from the date of submission to the FIMSA.

5.7. Pages of reports should be numbered, filed, signed by the head and chief accountant of the executive body of the joint-stock investment fund or the manager and confirmed with the stamp of the executive body of the joint-stock investment fund or the manager.

Annex № 1
to the Requirements on reports of
investment funds and the manager,
as well as regulations on their
submission and disclosure

Period/_____/_____/_____/_____/_____/_____
(day) (month) (year) (day) (months) (year)

Report on investment fund assets and liabilities

Name of the investment fund	
Name of the manager	
TIN	
Activity	
License number and date	

	Type of activities	Explanation	As of the beginning of the reporting period		As of the end of the reporting period	
			Cost (AZN)	Ratio to total assets (%)	Cost (AZN)	Ratio to total assets (%)
1	<i>Total assets</i>	11+12+13+14+15+16+17	3	4	6	7
11	Bank deposits	111+112				
111	Demand	1111+1112				
1111	<i>in national currency</i>	1111				
1112	<i>in foreign currency</i>	1112				
112	Term	1121+1122				
1121	<i>in national currency</i>	1121				

1122	<i>in foreign currency</i>	1122				
12	Government securities	121+122+123+124+125+126				
121	Central Bank notes	121				
122	Government bonds	1221+1222+ 1223				
1221	<i>Government short-term bonds</i>	1221				
1222	<i>Government medium-term bonds</i>	1222				
1223	<i>Government long-term bonds</i>	1223				
123	Municipal bonds	123				
124	Other state securities	124				
125	State securities of OECD countries	125				
126	State securities of other countries	126				
13	Corporate securities	131+132				
131	Shares	1311+1312+ 1313+ 1314+1315				
1311	<i>Shares issued by issuers listed on local stock exchanges</i>	1311				
1312	<i>Shares issued by issuers listed on stock exchanges of OECD countries</i>	1312				
1313	<i>Shares issued by issuers listed on stock exchanges of other countries</i>	1313				
1314	<i>Shares issued by local issuers not included to the listing</i>	1314				

1315	<i>Shares issued by foreign issuers not included to the listing</i>	1315				
132	Bonds	1321+1322+ 1323+ 1324+1325				
1321	<i>Bonds issued by issuers listed on local stock exchanges</i>	1321				
1322	<i>Bonds issued by issuers listed on stock exchanges of OECD countries</i>	1322				
1323	<i>Bonds issued by issuers listed on stock exchanges of other countries</i>	1323				
1324	<i>Bonds issued by local issuers not included to the listing</i>	1324				
1325	<i>Bonds issued by foreign issuers not included to the listing</i>	1325				
14	Derivative securities	141+142+143+144				
141	Traded in local stock exchanges	141				
142	Traded in stock exchanges of OECD countries	142				
143	Traded in stock exchanges of other countries	143				
144	Not traded in any regulated market	144				
15	Money funds	15				
16	Real estate	16				
17	Other assets	17				

2	Total liabilities	21+22+23+24+25+26				
21	Due to financial intermediaries	21				
22	Due to depository	22				
23	Due to the manager	23				
24	Due to the appraiser	24				
25	Due to the auditor	25				
26	Other liabilities	26				

Code		Explanation	As of the beginning of the reporting period	As of the end of the reporting period
3	Net assets	1-2		
4	Total number of shares or stocks in circulation	4		
5	Current value per share or recovery value per share	3÷4		

CEO of the manager or the joint-stock investment fund

(Last, 1st, middle names)

(signature)

Chief accountant of the manager or the joint-stock investment fund

(Last, 1st, middle names)

(signature)

M.Y.

Annex № 2
to the Requirements on reports of
investment funds and the manager,
as well as regulations on their
submission and disclosure

____ / / ____ / ____ ____ / / ____ / ____
(day) (month) year) (day) (month) (year)

Report on changes in investment fund property

Name of the investment fund	
Name of the manager	
TIN	
Activity	
License number and date	

Change in property	Code	Amount
Income from securities trading	10	
Costs associated to securities trading	20	
Net profit from securities trading (10-20)	30	
Income from real estate trading	40	
Costs associated to real estate trading	50	
Net profit from real estate trading (40-50)	60	
Income from trading of other property	70	
Costs associated to trading of other property	80	
Net profit from trading of other property (70-80)	90	
Interest income	100	
Dividend income	110	
Income from real estate rental	120	
Increase (decrease) in value of quoted securities	130	
<i>shares</i>	131	

<i>bonds</i>	132	
Increase (decrease) in value of non-quoted securities	140	
<i>shares</i>	141	
<i>bonds</i>	142	
<i>promissory notes</i>	143	
<i>Other securities</i>	144	
Increase (decrease) in real estate price	150	
Manager's premium	160	
Other management expenses	170	
Other income	180	
Other expenses	190	
Increase in capital from issue of new shares	200	
Decrease in capital due to recovery of shares	210	
Total change in investment fund capital (030 + 060 + 090 + 100 + 110 + 120 + 130 + 140 + 150 + 160 + 190 + 210 - 170 - 180 - 200 - 220)	220	

CEO of the manager or the joint-stock investment fund

(Last, 1st, middle names)

(signature)

Chief accountant of the manager or the joint-stock investment fund

(Last, 1st, middle names)

(signature)

Annex № 3
to the Requirements on reports of
investment funds and the manager,
as well as regulations on their
submission and disclosure

__ / __ / __
(day) (month) (year)

__ / __ / __
(day) (month) (year)

Report on shares of joint-stock investment fund shareholders (shares of shareholders of mutual investment funds)

Name of the investment fund	
Name of the manager	
TIN	
Activity	
License number and date	

	Code	As of the beginning of the reporting period	As of the end of the reporting period
Total size of places stocks (shares):	100		
Shares (stakes) owned by individuals, citizens of the Republic of Azerbaijan	110		
Shares (stakes) owned by legal entities registered in the Republic of Azerbaijan	120		
Shares (stakes) owned by non-resident individuals	130		
Shares (stakes) owned by legal entities registered beyond the Republic of Azerbaijan	140		
Shares (stakes) owned by citizens of non-cooperating territories, as well as individuals with registration and residence in such areas	150		
Shares (stakes) owned by legal entities registered in non-cooperating territories	160		
Shares (stakes) in nominal holding	170		

CEO of the manager or the joint-stock investment fund

(Last, 1st, middle names)

(signature)

Chief accountant of the manager or the joint-stock investment fund

(Last, 1st, middle names)

(signature)

M.Y

Annex № 4
to the Requirements on reports of
investment funds and the manager,
as well as regulations on their
submission and disclosure

____ / ____ / ____ ____ / ____ / ____
 (day) (month) (year) (day) (month) (year)

(Full name of the manager)

Name of the investment fund	
Name of the manager	
TIN	
Activity	

Report on investment fund expenses

	Account №	Amount (AZN)	Ratio to average annual volume of net assets (%)
Total premium paid to	010		
the manager	011		
the depository	012		
the central depository	013		
the appraiser	014		
the auditor	015		
Total expenses incurred in connection with the investment fund management	020		
... (commissions of investment companies)	021		
... (bank transfer expenses)	022		
....	02x		
Reserves allocated with respect to payment of premium	030		
Total expenses	040 (010 + 020)		

CEO of the manager or the joint-stock investment fund

(Last, 1st, middle names)

(signature)

Chief accountant of the manager or the joint-stock investment fund

(Last, 1st, middle names)

(signature)

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