



Circular No. 13/2016

December 14, 2016

To: All Investment Banks, Fund Managers and Investment Advisers Licensed
By Capital Markets Authority

RE: FORMAT FOR REPORTING OF PORTFOLIO RETURNS

Paragraph 32 (1) Part IV of The Capital Markets (Licensing Requirements) (General) Regulations, 2002 states that "Every investment adviser or fund manager shall submit to the Authority:

- a. Quarterly management accounts and reports of the portfolio under its management within fifteen days of the end of each calendar quarter. Provided that every investment adviser or fund manager shall prepare monthly reports of the portfolio under its management within fifteen days of the end of each calendar month which shall be made available to the Authority at such time as the Authority may require;
- b. Half yearly reports of the portfolio under its management within thirty days of the end of each half-year, including performance reports of its own financial performance;
- c. Annual reports of the total value of the portfolio under its management including the number of clients."

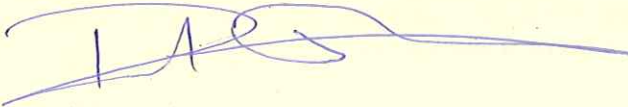
The Authority through Working Group one of the Master Plan Implementation Committee, relooked at the returns by fund managers and advised on the need for the returns to capture more data on the funds under management. The Working Group also engaged the Association of Collective Investment Schemes and Fund Managers association and got comments and views on how best to capture more information for the Sector. It was also agreed that a summary of this information would be made available through the Authority's website.

The purpose of this circular is to guide all Licensees managing funds to adopt the new format effective the quarter ended December 31st 2016. Find herewith attached the prescribed format. For ease of populating the data, soft copies of the format will also be

emailed to your compliance officers. Note that all other reporting obligations for fund managers remain the same.

Kindly ensure compliance and do not hesitate to contact the Authority in case you require further clarification.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'P. Muthaura', with a long horizontal flourish extending to the right.

Paul M. Muthaura
CHIEF EXECUTIVE