

Bermuda investment funds update Q1 2024

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Bermuda Monetary Authority Investment Fund Statistics (Q3 2023)

Recent amendments to the funds regime highlight Bermuda's commitment to a comprehensive and innovative approach to the underlying legislative framework applicable to funds and Bermuda's status as a premier international financial centre. Bermuda continues to be a popular jurisdiction for establishing funds with only a modest reduction in number of new funds and combined value in the last quarter of 2023.

The Bermuda Monetary Authority (the "BMA") has published its Q3 2023 Investment Fund Statistics, which indicate that the BMA approved 12 new funds in Q3. The total number of funds saw a 1.24% reduction in Q3 2023 totalling 796 funds, compared with 806 in Q2 2023. The net asset value ("NAV") of the regulated funds saw a modest reduction in Q3 2023 totalling BMD\$278.08 billion, compared with BMD\$293.63 billion in Q2 2023.

As Overseas Funds are not subject to the supervision and regulation of the BMA, the NAV for Overseas Funds is not included in the BMA publication. The total number of Overseas Funds registered in Bermuda in Q3 2023 was 143.

The Q3 2023 Investment Fund Statistics can be found [here](#).

Regulatory update

A Consultation Paper from the BMA, published in April 2023, proposed enhancements to the supervisory powers of the BMA, enabling it to take proportionate corrective action for any breaches of the Investment Funds Act 2006 and related legislation. Feedback received during the consultation process led to several amendments to the Investment Funds Act 2006, Investment Fund Rules 2019 and Investment Fund Offering Document Rules 2019.

The amendments, which came into operation on 29 September 2023 by way of the Investment Funds Amendment Act 2023, are welcome and broadly included:

- Clarifying the obligations of the operators of an investment fund;
- Expanding the power for the BMA to impose late fees for non-compliance by operators of an investment fund with certain time-barred requirements stated in the relevant legislation;
- Granting powers to provide filing deadline extensions, in line with other financial sectors;
- Expanding the breadth of directions the BMA may issue in relevant circumstances;
- Requiring that appointed auditors communicate certain matters to the BMA; and
- Various housekeeping updates.

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To complement the amendments to the Bermuda funds regime, the updated Investment Fund Guidelines were published by the BMA in December 2023, which can be found [here](#).

Additionally, on 9 November 2023, the BMA issued a new 'Statement of Compliance' form applicable to Fund Administration Providers pursuant to Section 30 of the Fund Administration Provider Business Act 2019 (see [here](#)).

Carey Olsen listing sponsor registration

Carey Olsen Bermuda is proud to announce that Carey Olsen Listing Services Bermuda Limited was admitted as an official listing sponsor by the Bermuda Stock Exchange ("BSX"). Carey Olsen Listing Services Bermuda Limited will allow Carey Olsen to sponsor applications to the BSX for new listings of mutual funds, Eurobonds, depositary receipts, and secondary listings on the BSX, as well as assuming the role of listing sponsor for existing listings.

The BSX is a leading offshore securities exchange with over 1,407 listings at year-end 2023, with the BSX's focus on the international debt market resulting in 42 new listings and the BSX's status as the preeminent platform for Insurance Linked Securities ("ILS") saw 195 new ILS listings. The BSX currently has 849 ILS listings which represents 91% of global ILS listings. Carey Olsen can now sponsor listings as well as advise clients on matters relating to the legal requirements for listing.



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