



# Open Protocol Enabling Risk Aggregation

## OPEN PROTOCOL I

REVISED

MANUAL

OCTOBER 2021

Original version: August 2011

The majority of the original version has remained unchanged; however, some guidance has been added, updated or clarified, and two new tabs have been added, “13. Digital Assets Exp.”, and “14. ESG Module”. For a full list of changes made in the June 2013, August 2016, August 2018, and August 2021 updates please refer to the materials provided on <https://www.sbai.org/toolbox/open-protocol-op-risk-reporting/>



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Templates and Manual documents were published on 6 June 2011 by the members of the Working Group which has developed Open Protocol Enabling Risk Aggregation (together and individually, the “Working Group”). The Open Protocol template and Manual were first launched in 2011. An updated version was released in 2016 following the addition of Real Estate to Global Industry Classification Standard (GICS), and 2018 following GICS changing Telecommunication to Communication Services. The Insurance Open Protocol (IOP) template and manual were released in June 2017. This Notice applies to the Templates and Manual as they stood on 6 June 2011 and to every future edition, draft or final, issued by the Working Group or its successors (together, the “Templates”) and to any use of the material comprised in the Templates. It also applies to any material (“Website Materials”) from time to time on the SBAI (Standard Board for Alternative Investments) website <https://www.sbai.org/toolbox/open-protocol-op-risk-reporting/> (the “Website”).

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## Introduction

The main objective of Open Protocol Enabling Risk Aggregation is to provide standardised procedures for the calculation, conveyance, collection and collation of financial risk information. The protocol will serve a dual role of providing more detailed explanation of various exposures in a fund and to enable consistent aggregation of exposures across funds.

Where possible we have followed, the principles listed below:

- Objective: Protocols avoid subjective areas and, where possible, provide enough details on methodology to ensure objective calculations.
- Simple: Protocols are easy to implement and do not require expensive risk systems to generate.
- Flexible: Protocols are flexible, in order to incorporate potential innovations in financial markets.
- Compatible: Protocols have incorporated existing standards where available.
- Comprehensive: Protocols contain multiple risk analytics to ensure that both investors and regulators are satisfactorily covered.
- Applicable: Protocols are designed to be applicable to different types of funds, including mutual funds, venture and private funds, separate accounts, and hedge funds.

The protocol can be broken down into three sub parts:

- **Templates:** These list the different metrics that managers would be required to produce. The template is defined in two separate reporting formats; one is an excel template that is reader friendly, and the other is an XML format that is computer friendly. To avoid confusion every cell is identified by a unique reference number. Please refer to Appendix A for more information. There are 12 sections in the template:
  - Section 1 relates to overall manager and fund information.
  - Sections 2 to 7 relate to different asset classes; Equity, Sovereign Interest Rates, Credit, Convertible bonds, Currencies and Commodities & Real Assets.
  - Sections 8 to 10 cover overall portfolio level risk metrics like Value at Risk, Sensitivities and Stress Tests.
  - Section 11 covers counter party risk.
  - Section 12 titled "Other" is for exposures not covered above.
  - Section 13 relates to exposures regarding Digital Assets.
  - Section 14 relates to exposures facilitating ESG mapping.

All managers would be required to fill sections 1, 8, 9, 10, 11, and at least one of section 2 to 7, and 13. If a manager trades more than one asset class (even if it were a hedge) then they should fill out all the relevant asset class sections. Reporting should be focused on the asset classes traded and not the strategy. For example, a fund following a convertible arbitrage strategy (long convertible bonds and short equities), should report long convertible bond exposure under the "5. Convertible Bond Exposure" Template section and short equity exposure under the "2. Equity Exposure" Template section.



- **Grades:** Under certain circumstances, like investments in illiquid markets or proprietary trade ideas, managers could feel uncomfortable providing highly granular information. We have defined different levels of “Grades” to help managers to provide less granular but consistent information without compromising the trade in the market. Grades are defined for each metric and asset class.

We have defined three levels of grades. In the template Grade I (low granularity) is represented by three digits (e.g. 1.1.1), Grade II (medium granularity) by four digits (e.g. 1.1.1.1) and Grade III (high granularity) by 5 digits (e.g. 1.1.1.1.1).

Managers are expected to provide all information of Grade 1 without exception. It is then at the discretion of the Manager and Client in the relationship to establish information provided in Grade 2 and Grade 3. Managers can choose to provide different Grades of information across different sections or in the same section. For example, provide Grade 1 information for “Fund and Investor Details” and Grade 2 for “Equity Sector Exposure” and Grade 3 for “Equity Regional Exposure.

Managers may choose at which level to provide information. All grade 1 data should be completed on the required tabs where applicable, and grade 2 and grade 3 data is optional.

- **Manual** (this document): The manual lists the general principles and structure of the protocols. It provides detailed explanations and formulae for every metric and cell identified in the template.

This document has the same structure as the template and follows the same numbering mechanism described under templates and grades.

Further clarification on the template and manual is available in the FAQs section on the Open Protocol website (<http://www.sbai.org/toolbox/open-protocol-op-risk-reporting/>)



## General Points:

The General Points section of the manual refers to multiple sections in the manual and template. It is meant to give guidance in one place that would otherwise be repeated. The FSA Questionnaire referred to is the FSA Hedge Fund Survey dated September 2010.

### **DO NOT CHANGE, DELETE OR AMEND ANY ROWS, COLUMNS, TABS OR HEADINGS SECTION OR SECTION HEADING IN THE TEMPLATE.**

**GP 1) Fund Reporting Level:** Total Assets Under Management should include the entire fund and all other structures following the same investment strategy, including deferred fees, but excluding undrawn commitments for private markets funds. Therefore, if a manager follows a single strategy, we would expect reported Strategy AUM to be approximately the same as Firm AUM. Under certain circumstances if the fund has multiple share classes (e.g. Onshore/Offshore share class), with similar exposures, then the manager can choose to provide exposure information at a share class level. If performance (section 1.6) is reported at share class level, then the manager should make a note of the share class information on the 'Fund and Investor Details' tab (section 1.5) and ensure that the most representative (e.g. largest AUM) share class is selected.

**GP 2) Reporting Trading Day:** Last market price of last trading day of the month and the actual portfolio positions as of the end of the month should be used to calculate exposure information.

**GP 3) Reporting Currency:** All exposure information should be reported in USD. If the base currency is not USD, all exposures should be converted to USD. On the Currency tab, percentage exposures must be reported with respect to the base currency that is provided on tab 1. Note that dollar exposures on the Currency tab should still be converted to USD. Refer to the Currency section for further information.

**GP 4) AUM Reporting:** Please report total Assets under Management (AUM) in USD. Include any fees already earned by the manager but not removed from the fund (Deferred fees).

AUM can be calculated using any of the following three methods and example:

For December 2010 report we have following information:

AUM on 1st Dec 2010: \$2,000,000

Performance for month of December: \$200,000

Redemption for 31st December 2010: \$500,000

Subscription for 1st Jan 2011: \$1,000,000


#### **1) GAAP Definition:**

AUM should be reported, accounting for redemptions scheduled for the end of the subject month, but not subscriptions scheduled for the first day of the month following the subject month. For example, AUM for the month of December 2011 should be: AUM at 1st December 2011, plus or minus performance for the month of December, less redemptions (reduction in exposure not necessarily actual cash movement) effective as of 31st December 2011. It should not include any subscription effective 1st Jan 2012.

AUM for 31st December 2010= 2,000,000 + 200,000 – 500,000 = \$1,700,000

#### **2) Backward looking:**

AUM should be reported, without accounting for redemptions scheduled for the end of the subject month nor subscriptions scheduled for the first day of the month following the subject



month. For example, AUM for the month of December 2011 should be: AUM at 1st December 2011, plus or minus performance for the month of December.

AUM for 31st December 2010= 2,000,000 + 200,000 = \$2,200,000

### 3) **Forward Looking:**

AUM should be reported, accounting for redemptions scheduled for the end of the subject month and subscriptions scheduled for the first day of the month following the subject month. For example, AUM for the month of December 2011 should be: AUM at 1st December 2011, plus or minus performance for the month of December, less redemptions (reduction in exposure not necessarily actual cash movement) effective as of 31st December 2011 plus any subscription effective 1st Jan 2012.

AUM for 31st December 2010= 2,000,000 + 200,000 – 500,000 + 1,000,000= \$2,700,000

**GP 5) Total Exposure:** Total USD exposure of portfolio to each asset class should be shown at the top of that asset class's exposure page as total dollar value under "Total Exposure to...". Total Exposure should reflect summation of the exposure value of all the investments as of the Reporting Trading Day (see 1.2). Please see section GP 15 for reporting exposure for Options.

For example, under Total Exposure to Equities (2.1 and 2.2), 2.1.1 should contain non netted sum of long equity exposures and 2.1.2 sum of short equity exposures shown in USD. 2.1.3 and 2.1.4 should contain long and short exposures but on a netted basis. See GP 14 for information on Netting.

For 2.2.1, 2.2.2, 2.2.3 and 2.2.4 report the same numbers but as a percentage of total AUM (see GP 4).

For exposures facilitating ESG mapping, in sections 14.1.1 and 14.1.2, aggregate exposure across Equities, Credit, Convertible Bonds, Sovereign and Interest Rates, and Real Assets and Commodities, in USD. For sections 14.2.1 and 14.2.2, report the same numbers but as a percentage of total AUM.


**GP 6) Exposure Reporting:** Exposure should be reported as a percentage of total fund AUM (see note GP 4).

As a principle, report full economic exposure of the long and short positions separately on a non netted basis (see note GP 14). Managers have the option to ALSO report netted long and short exposures in the columns provided.

As defined in the FSA Questionnaire, note 22: "For most items, please give a value for long and short positions to include all exposure whether held physically, synthetically or through derivatives (in which case, total notional value of futures and delta adjusted notional value of options)."

For UCITS funds refer to Appendix I for details on calculating exposures for different instruments. Non UCITS funds should use the guidance given in the main document for calculating their exposures and refer to the Appendix only when no instructions are mentioned in the main manual for a particular instrument.

**GP 7) Aggregate Number of positions:** The total number of long and short positions for each asset class (except Equity, Credit and Convertible bonds (see note GP 8)) should be shown at the top of



~~that asset class's exposure page under Aggregate Number of Positions. Number of positions in the columns can be aggregated and netted (see note GP 14).~~

**GP 8) Number of Issuers:** In all the exposure templates (Equity, Sovereign and Interest Rate, Credit, Convertible Bond, Currency, Real Assets, Digital Assets, and ESG), number of parent company issuers should be provided instead of number of positions (2.3.1, 2.3.2, 3.3.1, 3.3.2, 4.3.1, 4.3.2, 5.3.1, 5.3.2, 6.3.1, 6.3.2, 7.3.1, 7.3.2, 13.3.1, 13.3.2, 14.3.1 and 14.3.2). At the portfolio level please provide only unique issuers and note that this might result in overall portfolio level numbers being less than the sum of issuers provided in the breakdown.

**GP 9) Values:** The column titled "Values" should be used to report information on certain risk metrics which are not related to nor reflect exposure information. This should be computed in relation to the gross exposure of the portfolio in question. For example "Portfolio Average Maturity" under the Convertible bonds section (5.9.1) should be used to show the average maturity of all the convertible bonds in the portfolio. Where applicable (i.e. for long and short positions) this should be a netted (i.e. long minus short) number.

**GP 10) Existing standards used:** For the following metrics we have used existing standards.

**GP 10.1) Sectors:** GICS® breakdown. See Appendix D for breakdown. We have added three Grade 1 items to the GICS® list, which are:

**Conglomerates:** Report investments in companies where sector information is not available from a publicly available database and are difficult to classify into a single sector.

**Broad Market Indices:** Report investment in an index which does not have single sector focus. For example investment in a position with the underlying of the S&P 500 index would be classified in this section.

**Other:** Any investment which cannot be classified under any of the classifications above should be reported here, and a brief explanation of the exposure should be included in the Comments section.

**GP 10.2) Credit rating:** Standard & Poor's Rating. See Appendix E for breakdown.

If you do not use S&P ratings in your normal investing process, then for the purpose of reporting exposure, please map the rating from the provider you do use, such as Moody's or Fitch, to the nearest S&P rating. If ratings are available from multiple sources, and you have access to these ratings, then use the rating by the provider with the lowest rating.

Appendix E, Table 2, provides guidance on mapping ratings from Moody's and Fitch to S&P.

"Not Rated" should include instruments that do not have a rating, while "Other" should be used for indices where rating composition data is not possible to retrieve, for example a Credit Index.

**GP 11) Regions:** for full breakdown see Appendix F. Regions are broken down into three grades:

**GP 11.1)** Grade 1: 3 Continents, plus "Global" and "Other"

**GP 11.2)** Grade 2: 2 Economic regions (Advanced and Developing economies as defined by IMF)

**GP 11.3)** Grade 3: Individual Countries

**GP 11.4)** "Other" under each grade should be used for exposure across multiple areas in that grade. For example, if you are reporting at Grade 1 level, an investment in EMEA



through an index would appear under “Other”. If “Other” exposure is reported please also include an explanatory note in the Comments section.

**GP 11.5)** Where available and possible please use the regional exposure for instruments as defined by publicly available databases like Thomson Reuters and Bloomberg.

**GP 11.6)** For listed products, regional exposure should be determined by the country of primary listing. For sovereign interest rates please use regions of the primary issuing country.

**GP 11.7)** Investments in securities like commodities or Global indices, which do not have an easily identifiable region, should be shown under Global.

**GP 11.8)** For credit investments please use the listing geography of issuers’ equity or, in absence, their domicile.

**GP 11.9)** For instruments where regions are not clearly identifiable use your discretion but please ensure that you capture the inherent market risk. For example, an investment ADR of Company A listed primarily in region X should be considered under region X and not USA.

**GP 12) Market Capitalisation:** The size of the companies invested in should be classified using the guide below. Size should be measured as the current market price multiplied by the total number of shares outstanding. For classification purposes, the size of non-USD denominated companies (Non-USD) should be converted into USD using the exchange rate as of the last trading day of the month.

Mega Cap: More than \$25 billion

Large Cap: More than \$10 billion to less than or equal to \$25 billion

Mid cap: More than \$2 billion to less than or equal to \$10 billion

Small cap: More than \$250 million to less than or equal to \$2 billion

Micro cap: Less than or equal to \$250 million

**GP 13) Liquidity:** For calculating liquidity, exposure should be broken down into exchange traded and non exchange traded. For exchange traded products use the methodology described below to calculate liquidity. For Non exchange traded and Private investments we could not identify any objective way of calculating liquidity and therefore no additional details are required. Non exchange traded instruments are instruments that trade in a secondary market. Securities that you would sell back to the issuer to redeem the position would be classified as Private. Liquidity should be based on the instrument not the underlying asset.

**GP 13.1) Exchange Traded:**

Report percentage of the total investments in exchange traded products (assuming that you will not trade more than 15% of average daily trading volume over last 60 business days) that can be liquidated in:

Less than or equal to 1 week

Less than or equal to 1 day

1 to 5 days (More than 1 day to Less than or equal to 1 week)

More than 1 Week to less than or equal to 1 Month

6 to 10 days (More than 1 to less than or equal to 2 weeks)

11 to 20 days (More than 2 weeks to less than or equal to 1 month)


More than 1 Month to less than or equal to 6 Months

21 to 60 days (More than 1 month to less than or equal to 3 months)

61 days to 120 (More than 3 months to less than or equal to 6 months)

More than 6 months to less than or equal to 1 Year





More than 1 Year to less than or equal to 3 Years  
More than 3 Years

**GP 13.2) Non Exchange Traded:** Report percentage of total investments in non exchange traded securities. Non Exchange Traded instruments are instruments that have a dealer market, whereas if you deal directly with the issuer, the exposure would be Private.

**GP 13.3) Private:** Report percentage of total investments in privately held securities.

#### **GP 14) Netting**

**GP 14.1) Netting of Position (Issuer) Exposure:** Generally, values of all open exposures should be reported on a gross basis under the long and short, Non Netted columns.

Under special circumstances managers can net some exposures in columns designated as Non Netted. If exposures have the same but offsetting (long and short position) risk then they could net. For example if a manager trading sovereign rates has a long and short position in two securities with the same maturity, instrument and counterparty, then this exposure could be reported on a netted basis. However, a long equity position combined with a short CFD position referencing the same equity should not be netted in the Non Netted column as it is not with the same counterparty.

If there is doubt, please report gross long and gross short values.


Managers can net exposures as they deem appropriate under the long and short columns designated Netted exposure. Providing netted exposure information is optional for the manager, they can provide this information if they believe that “Non Netted” exposure, which they have provided above, is misleading.

**GP 14.2) Netting of Position (Issuer) Counts:** Counts of all positions (issuers) should be reported on an aggregated and netted basis under the long and short columns. Please note the change of positions to issuers (see GP 7 and GP 8).

Therefore, it is expected that a position that is “closed” through an offsetting trade will show as zero in a position (issuer) count, zero in the Netted position (issuer) exposure column and non-zero in a Non Netted position (issuer) exposure column.

**GP 15) Exposure Reporting for Derivatives:** Options (non-linear instruments) should be reported on a delta-adjusted notional exposure basis. Other linear derivatives like futures and forwards should be reported on a notional market value exposure basis.

Long and short exposure for derivatives should be determined by their relationship to the underlying security. For example, a long call option should be reported under “Long Exposure” while a long put option should be reported under “Short Exposure”.



For UCITS funds refer to Appendix I for details on calculating exposures for different instruments. Non UCITS funds should use the guidance given in the main document for calculating their exposures and refer to the Appendix only when no instructions are mentioned in the main manual for a particular instrument.

**GP 16) Exposure Reporting for Sovereign and Interest Rate:** All sovereign interest exposure (Section 3) should be reported as US 10-year swap equivalent using the following formula:

- Step 1) Take DV01 of the positions (or aggregated group).
- Step 2) If non USD, then convert the value under Step 1 to USD otherwise just consider the value under Step 1.
- Step 3) Calculate the USD dv01 of receiving fixed on USD 1 of notional of a 10y swap.
- Step 4) Divide value in Step 2 by that in Step 3.

Worked example: Long \$100,000,000 of 3m US T Bills

DV01 of 3m US T Bills: 0.25

DV01 of 10 year US Swap: 9.25

Calculate the ratio:  $0.25/9.25 = 0.027$

Report exposure as  $100000000 * 0.027 = \$2,700,000$

The basic idea here is to calculate the interest rate exposure in terms of 10 year swaps by using DV01 as the relationship.

Note that maturity is based on the underlying, not the instrument.

**GP 17) Exposure Reporting for Credit sensitive instruments:** All credit instrument exposure (section 4) should be reported on a bond equivalent market value basis. CDS exposures, both long and short, should also be reported on a bond equivalent basis. If for some reason identifying an equivalent bond is not feasible then report the notional exposure.

Sovereign CDS exposures should be reported under Sovereign and Interest Rate (section 3) by converting the bond equivalent exposure into US 10-year swap equivalent basis (see note GP 16).

**GP 18) Spreads:** Credit and Sovereigns spreads should be defined as the difference between the asset's yield and a US treasury yield with the same maturity i.e. 10 year Bund yield – 10 year US treasury yield; 5 year Gilts yield – 5 year US treasury yield.

**GP 19) Exposure Reporting for Structured Products:** Reporting of structured products in section 4 should be as follows:

**4.4 Sectors:** Reporting should be based on the underlying loans. If the underlying loans are concentrated to a specific sector (more than 75%) then the whole exposure should be reported under the relevant sector, otherwise, the whole exposure should be reported under Other.

**4.5 Region:** Reporting should be based on the underlying loans. If the underlying loans are concentrated to a specific region (more than 75%), then the whole exposure should be reported under the relevant geographic region, otherwise, the whole exposure should be reported under Other.

**4.6 Credit Type:** Funds are encouraged to complete this section at grade 2 thus providing greater transparency on the underlying assets of the pooled products they are invested in.

**4.7 Credit Instrument:** At grade 1, structured products should be reported under 4.7.4 Structured Products. Funds are encouraged to complete this section at grade 3, thus providing greater transparency on the type and seniority of the pooled products they are invested in.

**4.8 Price Yield and Spread:** Reporting should be based on the tranches. A tranche should be considered performing if there are cashflows.

**4.9 Credit Rating:** Reporting should be based on the rating of the tranche.

**4.10 Maturity Buckets:** Reporting should be based on the duration of the tranche.

**4.11 Concentration of Ownership:** Reporting should be based on the tranche.

**4.12 Instrument Liquidity:** Reporting should be based on the tranche.

**GP 20) Reporting figures and Rounding:** All dollar amounts, like AUM and total exposure, should be rounded to the nearest integer. All other values including percentages should be rounded to one decimal place (unless otherwise stated). Please round half up (any value above or equal to 5 should be rounded up, else round down).

The template requires various types of values to be entered and the following is a rough guide:

**a) All % values:** should be reported with a percentage sign or as a decimal (max 3). For example, 9.355% holding should be reported as 9.4% or 0.094 but not 9.4.

**b) Numerical cells:** text should not be entered in a numerical cell, i.e. do not put dashes or 'n/a' in any cells. If a cell is not applicable just leave it blank.

**c) All AUM numbers:** should be reported to the nearest integer. Report the actual amount and do not use any text like "m" or "million" in these fields.

**d) In sections 2 to 7, "Total Exposure to ....":** Total long and short dollar exposure for each relevant asset class should be reported at the top of the template in sections 2.1, 3.1, 4.1, 5.1, 6.1 and 7.1.

**e) Section 4.8 Price Yield and Spread**

4.8.1.1 & 4.8.1.2, metrics for performing debt: should be reported as a percentage or decimal. For example, 11.8% or 0.118. Derivative products should not be included in the calculation.

4.8.1.3 metrics for performing debt (CDS current spread): should be reported in terms of basis points 210 and NOT 2.10%

4.8.2.1, Average \$ price (cents per \$): Should be reported as cents, for example a \$100 bond trading at \$40 should be entered as 40. Derivative products should not be included in the calculation.

**f) Section 4.10.1, Portfolio Average Maturity:** Should be reported as number of years, for example 5.1. Do not add "years" or other text at the end.

**g) Section 5.7, Derivative specific information**

5.7.1 to 5.7.4: should be reported as a percentage or decimal. For example, 10% or 0.10.

5.7.5: Average Portfolio Bond Market Price: should be reported as a dollar amount. Par value should be assumed to \$100. For example, a \$1000 bond trading at \$1128 should be reported as 112.8. Note: information at Grade 2 under 5.7.5 should be reported as percentage of AUM.


5.7.6: Average Portfolio Delta: should be reported as a percentage or decimal. For example, 80% or 0.80.

5.7.7: Premium over Parity: should be reported as a percentage or decimal. For example, 10% or 0.10.

**h) In sections 8 to 11, for "% Long/Short exposure included in calculation":** Values should be reported as a percentage of total AUM and not as a percentage of total long / short exposure.

**GP 21) Side Pockets:** Exposure from investments under side pockets are investor specific and should not be considered while creating this report. Side pockets are only considered under some parts of Section 1, and here total gross exposure (do not net long and short exposure) under side pockets as percentage of funds' assets under management should be shown.

Side pockets should be included under the following sections only:

- 
- 1.2 Total Firm Assets under Management
  - 1.3 Total Fund Assets under Management
  - 1.7 Investor Break Down
  - 1.8 Investor Liquidity

Please do not include Side Pocket information for the following sections

- 1.6 Performance
- 2 to 7, and 13 Asset Class Exposures
- 8 to 10 Portfolio Level Risk Measures
- 11 Counterparty

Investments under side pockets should be fairly valued. Valuation for listed securities should be at least daily, while non listed illiquid investments should be valued at least annually, with quarterly being preferred.

**GP 22) Comments:** We have tried to closely define all the metrics as fairly as possible however the rules could result in a misleading number in which case you can use this section to make a comment about your concerns. You can also use this section if you have used a different definition to the one provided in the manual or template. Any footnotes or explanation can be entered here. State the specific reference number and the comment. Enter the cell number that the comment is referring to under the “Number” column and then enter notes in the “Comment” section. If the comment is general and not specific to an individual cell then leave the “Numbers” section blank.

**GP 23) Disclaimer:** Templates contain a tab called “Manager Disclaimer” and is left blank. Managers could use this section to insert their own disclaimer if they like and also use this section for any other comments. Note that the disclaimer and additional comments should be entered in the cells and not in a textbox.

**GP 24) ESG:** The ESG module aims to capture data that can facilitate mapping to an investor’s ESG framework of choice. As such, Equity, Credit, and Convertible Bonds exposure should be aggregated at a GICS Sub-Industry level, Sovereign and Interest Rate exposure should be reported at a country level, and Real Assets are reported at commodity, timberland, real estate, and infrastructure level.



## 1. Fund and Investor Details:

**1.1. Fund Name and Date:** Report the name of the fund and the last day of the month (DD-  
MMM-YY) to which the report corresponds.

**1.2. Manager Details:** This section should be used to provide information about the investment management company (Advisory Firm) which is responsible for running the fund.

### 1.2.1. Investment Manager Name

### 1.2.2. Total Firm Assets Under Management: (see note GP 4)

Total Assets under management for the investment manager, including deferred fees in USD. Please provide total assets under various fund structures:

**1.2.2.1. Private Funds (Performance fees):** Private funds which charge performance fees under normal circumstances.

**1.2.2.2. Private Funds (No Performance fees):** Private funds which do not charge performance fees. Mutual funds would be included in this section,

**1.2.2.3. Non Private Funds:** Non Private funds (Mutual funds etc.) should be included here.

**1.2.2.4. UCITS Funds (Performance fees):** A UCITS fund is, as defined in the FSA Questionnaire, "a collective investment scheme/undertaking which requires authorization pursuant to the UCITS Directive." This section is applicable for UCITS funds that charge performance fees under normal circumstances.

**1.2.2.5. UCITS Funds (No Performance fees):** A UCITS fund is, as defined in the FSA Questionnaire, "a collective investment scheme/undertaking which requires authorization pursuant to the UCITS Directive." This section is applicable for UCITS funds that do not charge performance fees.

**1.2.2.6. Managed Accounts:** Segregated portfolios or funds which generally replicate a private fund as much as possible for the benefit of a specific investor or investors.

**1.2.2.7. Real Estate Funds:** Private funds that primarily invest in real estate and/or real estate related assets.

**1.2.2.8. Private Equity Fund:** Closed end private fund which invests in non-publicly traded assets and where the investor has no discretionary redemption rights.

**1.2.2.9. Liquidity Fund:** Liquidity funds are, as defined by SEC, any private fund that seek to generate income by investing in a portfolio of short term obligations in order to maintain a stable net asset value per unit or minimize principal volatility for investors.

**1.2.2.10. Other:** Any assets under management in the firm not included in sections 1.2.2.1 to 1.2.2.9 above

**1.3. Strategy AUM Details:** This section should be used to provide information about the fund under consideration.

**1.3.1. Total Strategy Assets under Management:** (see note GP 4) Total assets under management in the entire fund and all other structures following the same investment strategy, including deferred fees, in USD.

**1.3.2. Method used to calculate AUM:** (See note GP 4) Choose from the drop down box one of three options. GAAP, Backward Looking and Forward Looking.

- 1.3.2.1. **Redemptions:** Redemptions effective as of the last day of the current month
- 1.3.2.2. **Subscriptions:** Subscriptions effective from 1<sup>st</sup> day of the next month
- 1.3.2.3. **Funds:** Total assets under management only in the fund(s). Include all share classes. Consider any redemption effective end of the month but do not consider any subscription for beginning of next month.
- 1.3.2.4. **Managed Accounts:** Total assets under management in all managed accounts following the same or similar strategy as the reported fund.
- 1.3.2.5. **Other:** Any assets under management in the fund being reported which are not included in sections 1.3.2.3 to 1.3.2.4 above. Other also includes advisory business and portfolio management for portfolios run similarly to the fund being reported.

#### 1.4. Primary Investment Strategy:

This section should be used to describe the investment strategy followed by the fund from the drop-down lists provided.

- 1.4.1. **Investment Strategy:** Please refer to Appendix B for a list of investment strategies
- 1.4.2. **Asset Class:** Please refer to Appendix B for a list of asset classes
- 1.4.3. **Instruments:** Please refer to Appendix B for a list of broad instruments
- 1.4.4. **Investment Style:** Please refer to Appendix B for a list of investment styles
- 1.4.5. **Trading Strategy:** Please refer to Appendix B for a list of trading strategies
- 1.4.6. **Market Exposure:** Please refer to Appendix B for a list of market exposures
- 1.4.7. **Holding Period:** Please refer to Appendix B for a list of holding periods

#### 1.5. Reporting Share Class (RSC): (See note GP 1)

This section is applicable only if a manager chooses to report performance at the share class level rather than the fund level. The reporting share class should be most representative share class if the fund has multiple share classes. If this section is filled in, then performance will be assumed to be at the RSC level.

- 1.5.1. **Total Investment in the RSC:** Total assets under management in the reporting share class, including deferred fees in USD.
- 1.5.2. **% of total fund AUM in RSC:** Percentage of total fund AUM in the share class on which the information in the report is based
- 1.5.3. **Currency:** If the official currency of the RSC is not USD, please fill in the official currency here. All AUM and exposure information should be reported in USD, see note GP 3.
- 1.5.4. **Inception date of the RSC:** Inception date for reporting share class
- 1.5.5. **Management Fee of RSC:** Percentage management fee charged on reporting share class. Use as many decimal places as required.
- 1.5.6. **Performance Fee to RSC:** Percentage performance fees charged on reporting share class. Use as many decimal places as required.

#### 1.6. Performance: see note GP 1 regarding whether to report performance for fund or reporting share class.

Report best available estimate if the performance is not finalized.



**Gross Performance:** performance gross of management and performance fees and other expenses. Performance should be rounded to two decimal places (round half up).

- 1.6.1. Month: gross performance for the month (non annualized)
- 1.6.2. QTD: gross performance for the quarter to date, the quarters being January to March, April to June, July to September and October to December (non annualized)
- 1.6.3. YTD: gross performance for the calendar year to date (non annualized)
- 1.6.4. ITD (annualised): gross performance from the fund/RSC since inception to date (non annualized if inception is less than 12 months ago, annualized if inception was more than 12 months ago)

**Net Performance:** performance net of management and performance fees and other expenses. Performance should be rounded to two decimal places (round half up).

- 1.6.5. Month: net performance for the month (non annualized)
- 1.6.6. QTD: net performance for the quarter to date, the quarters being January to March, April to June, July to September and October to December (non annualized)
- 1.6.7. YTD: net performance for the calendar year to date (non annualized)
- 1.6.8. ITD (annualised): net performance from the fund/RSC since inception to date (non annualized if inception is less than 12 months ago, annualized if inception was more than 12 months ago).

**High Water Mark**

- 1.6.9. Is majority of fund or reporting share class above the HWM in the reporting month.

**1.7. Investor Break Down:**

Report the values as a percentage of total AUM and actual USD amount. AUM should exclude undrawn commitments.

- 1.7.1. **Top 5 Largest Investors:** Percentage of total fund AUM held by the 5 largest investors. Note that investments by individual employees should be included in “Top 5 Largest Investors” if applicable and would be classified as “Individuals”. This section may be reported following the same guidance provided in form PF. For example:

Investor	% of AUM
ABC Pension Fund	15.00%
XYZ Pension Fund	10.00%
AZ Bank	15.00%
Employee A	12.50%
Employee B	5.00%
HNW A	15.00%
HNW B	12.50%
HNW C	10.00%
HNW D	5.00%
HNW E	5.00%

In case HNW A would control AZ Bank, these would be grouped together as 1.

That would result in a total of 80% for top 5:

- 1. HNW A + AZ Bank: 30%
- 2. ABC Pension Fund: 15%
- 3. Employee A: 12.5%
- 4. HNW B: 12.5%

5. XYZ Pension Fund: 10%

- 1.7.1.1. Largest Investor:** Percentage of total fund AUM held by the largest investor.

**Investor Type (by % and Dollar Amount):** This should be the breakdown of AUM by investor type as defined by the investors themselves or deemed most appropriate by the manager.

**1.7.2. Individuals:** Total AUM held by individuals like Partners, Employees and High Net Worth Individuals.

- 1.7.2.1. Partners and Employees:** as the FSA Questionnaire states in note 17, “include all types of staff of the investment manager and/or sub-managers. Do not include investments by related corporate entities including financial institutions. Include investments through the pension plans/funds of the staff.” Also, include here any deferred fees if still invested in the fund.
- 1.7.2.2. High Net Worth Individuals:** as the FSA Questionnaire states in note 17, “do not include any investments by (Partners and Employees). Include HNW that invest into the fund via platforms and intermediaries where known.”
- 1.7.2.3. Family office:** include both, single or multi family offices in this section.
- 1.7.2.4. Retail Investors:** Include any investments from individuals which do not qualify for “High Net Worth Individuals” status.

**1.7.3. Institutional:** Total AUM held by institutions like Government entities, Pension Plans and Endowments/Foundations.

- 1.7.3.1. Government entities:** as the FSA Questionnaire states in note 17, “include any state pension plans/funds in this category.”
- 1.7.3.2. Pension plans/funds:** as the FSA Questionnaire states in note 17, “do not include state or government pension plans/funds, and do not include pension plans/funds by Partners and Employees.”
- 1.7.3.3. Endowments/foundations and other charitable organizations:** as the FSA Questionnaire states in note 17, “include investments by endowments, foundations and charitable organizations”.
- 1.7.3.4. Sovereign Wealth Funds**

**1.7.4. Intermediaries:** Total AUM held by financial intermediaries like Banks, Fund of Funds and Private banks.

- 1.7.4.1. Banks and Insurance companies:** as the FSA Questionnaire states in note 17, “refers to balance sheet exposures by these entities to the fund”.
- 1.7.4.2. Other Investment Funds:** as the FSA Questionnaire states in note 17, “Include investments by Fund of funds and other investment funds”.
- 1.7.4.3. Private Banks:** Where possible, allocate exposures that are organized through private banks to the underlying source (e.g. to HNW if applicable). Only report investments here if it is not possible to allocate or identify the underlying source.

**1.7.5. Other/Unknown:** Include any source not covered above or if the source is unknown or unidentifiable.





**1.8. Investor Liquidity:** Breakdown of the AUM by liquidity of the investor. This should be based on when an investor would be able to redeem (cease having exposure in the fund), both with and without penalty, within different periods.

Consider, for example, an investor, who is invested 10% of the total fund AUM, is hard locked for three months and then has a soft lock for a further three months. Since the investor would be able to pay a penalty and redeem at the end of three months and be able to redeem without a penalty at the end of 6 months, report:

Within next			Without Penalty	Additional With Penalty
Grade 1	Grade 2	Grade 3		
Less than or equal to 3 Months				10%
Less than or equal to One Week				
Less than or equal to One Month				
Less than or equal to Three months				10%
Less than or equal to 12 Months			10%	
Less than or equal to 6 Months			10%	
Less than or equal to 9 Months				

“Additional with Penalty” column would be empty if the fund does not have any investors with early redemption penalties.

For this section assume Notice periods and Gates are imposed where applicable. Without Penalty column, including Side Pockets, should CUMULATE to 100%, but With Penalty column need not CUMULATE to 100%. For each reporting date, assume that 100% of the investor base has requested liquidity, as the section should be dynamic, and not always equal to terms.

**1.8.1.** Less than or equal to 3 Months

**1.8.2.** Less than or equal to 12 months

**1.8.3.** Less than or equal to 36 months

**1.8.4.** More than 36 months

**1.8.5.** Side Pockets: assume all assets held under side pockets to be “Without penalty”. (see note GP 21): Exposure from investments under side pockets are investor specific and should not be considered while creating this report. Side pockets are only considered under some parts of Section 1, and here total gross exposure (do not net long and short exposure) under side pockets as a percentage of fund assets under management should be shown.

Side pockets should be included under the following sections only:

1.2 Total Firm Assets under Management

1.3 Total Fund Assets under Management

1.7 Investor Break Down

1.8 Investor Liquidity


Please do not include Side Pocket information for the following sections:

1.6 Performance

2 to 7 Asset Class Exposures

8 to 10 Portfolio Level Risk Measures

11 Counterparty



**1.8.6.** Investments under side pockets should be fairly valued. Valuation for listed securities should be at least daily, while non listed illiquid investments should be valued at least annually, with quarterly being preferred.

**1.9. Unencumbered cash:** Report percentage of total AUM held in unencumbered cash. Note that unencumbered investments in money market funds should be included. The PF form definition of unencumbered as well as the Financial Conduct Authority (FCA) handbook definition of near cash can be used as guideline.

**PF form:** The fund's cash and cash equivalents plus the value of overnight repos used for liquidity management where the assets purchased are U.S. treasury securities or agency securities minus the sum of the following (without duplication):

- (i) cash and cash equivalents transferred to a collateral taker pursuant to a title transfer arrangement; and
- (ii) cash and cash equivalents subject to a security interest, lien or other encumbrance (this could include cash and cash equivalents in an account subject to a control agreement).

**FCA:** money, deposits or investments which, in each case, fall within any of the following:

- (a) money which is deposited with an eligible institution or an approved bank in:
  - (i) a current account; or
  - (ii) a deposit account, if the money can be withdrawn immediately and without payment of a penalty exceeding seven days' interest calculated at ordinary commercial rates;
- (b) certificates of deposit issued by an eligible institution or an approved bank if immediately redeemable at the option of the holder;
- (c) government and public securities, if redeemable at the option of the holder or bound to be redeemed within two years;
- (d) bills of exchange which are government and public securities;
- (e) deposits with a local authority of a kind which fall within paragraph 9 of Part II of the First Schedule to the Trustee Investments Act 1961, and equivalent deposits with any local authority in another EEA State, if the money can be withdrawn immediately and without payment of a penalty as described in (a).

**1.10. Investment in External Funds:**

If the fund has made investments in external funds (include funds run by the same manager), and exposure of those funds is not included in this report, then report percentage of total AUM in external funds broken down by the main motivation in this section.

**1.10.1.** For cash management purposes (e.g. money market funds). Note that if the money market fund is run internally, the securities should be reported on tab 3 or 4 according to the types of securities held, and NOT reported here.

**1.10.2.** For non cash management (i.e. investment) purposes.

**1.11. Report Generated By:**

Name of the entity (manager, administrator, risk systems etc.) that generated the report.

**1.12. Report Generation Date:**

Date (DD-MMM-YY) when the report was generated.

**1.13. Comments see note GP 22**

## 2. Equity Exposure:

- Report all exposures arising from trading of equities (physically, synthetically or through derivatives) in this section.
- Dividend and equity variance swaps and options should also be included in this category.
- The above exposures should be entered here as a percentage of AUM (see note GP 6), except where specified otherwise.

**2.1. Total exposure to Equities:** see note GP 5

**2.2. Percentage of Portfolio:** see note GP 5 and GP 6

**2.3. Aggregate number of Issuers:** see note GP 8

**2.4. Sectors:** See note GP 10.1

**2.5. Regions:** see note GP 11

### 2.6. Instruments:

- Equity baskets should be broken down into individual equities and exposure information provided under Equity (single stock). If the nature of the positions is such that they do not pose significant liquidity risk and can be hedged easily (e.g. straight Total Return Swap with exchange traded underlying), then a manager may choose to report the basket rather than the underlying.
- Refer to Appendix I for methodology to calculate exposure for each instrument.
- Report the exposure as a percentage of total AUM by instruments.

#### 2.6.1. Equity (single stock):

**2.6.1.1. Common Equity**

**2.6.1.2. Preferred Equity**

**2.6.1.3. Swaps:** Report the side linked to the performance of equities. If both sides are linked to equities then report one as long and other as short.

**2.6.1.4. CFD**

**2.6.1.5. ADR/GDR**

**2.6.1.6. Futures**

**2.6.1.7. Forwards**

**2.6.1.8. Variance Swaps**

**2.6.1.9. Dividend Swaps**

**2.6.1.10. Options (Delta Adjusted):**

**2.6.1.10.1. Delta Call Adjusted Exposure**

**2.6.1.10.2. Delta Put Adjusted Exposure**

#### 2.6.2. Equity Indices:

**2.6.2.1. Swaps**

**2.6.2.2. ETF**

**2.6.2.3. CFD**

**2.6.2.4. Futures**

**2.6.2.5. Forwards**

**2.6.2.6. Variance Swaps**

**2.6.2.7. Dividend Swaps:** should be reported as Notional x Dividend Yield

**2.6.2.8. Options (Delta Adjusted):**



**2.6.2.8.1. Delta Call Adjusted Exposure**

**2.6.2.8.2. Delta Put Adjusted Exposure**

**2.6.3. Non listed:**

**2.6.3.1. Private**

**2.6.3.2. PIPE** (Private Investment in Public Equities)

**2.6.3.3. Partnerships**

**2.6.3.4. Restricted Securities**

**2.6.4. Other**

Derivatives where the underlying is equity volatility, like VXX, should be reported here.

**2.7. Market Cap:** see note GP 12: The size of the companies invested in should be classified using the guide below. Size should be measured as the current market price multiplied by the total number of shares outstanding. For classification purposes, the size of non-USD denominated companies (Non-USD) should be converted into USD using the exchange rate as of the last trading day of the month.

Mega Cap: More than \$25 billion

Large Cap: More than \$10 billion to less than or equal to \$25 billion

Mid Cap: More than \$2 billion to less than or equal to \$10 billion

Small Cap: More than \$250 million to less than or equal to \$2 billion

Micro Cap: Less than or equal to \$250 million

**2.8. Liquidity:** see note GP 13

**2.9. Comments:** see note GP 22

### 3. Sovereign and Interest Rate Exposure:

- Report all exposures arising from trading of sovereign interest rate and debt products (physically, synthetically or through derivatives) in this section.
- For non-performing debt, notional market value should be used.
- 10-year US swap equivalent exposures should be reported (see note GP 16), as a percentage of AUM (see note GP 6).

Worked example: Long \$100,000,000 of 3m US T Bills

DV01 of 3m US T Bills: 0.25

DV01 of 10 year Us Swap: 9.25

Calculate the ratio:  $0.25/9.25 = 0.027$

Report exposure as  $100000000 * 0.027 = \$2,700,000$

The basic idea here is to calculate the interest rate exposure in terms of 10 year swaps by using DV01 as the relationship.

- Non UCITS funds should report exposures on 10 year swap equivalent basis (mentioned above) while UCITS funds could choose to report using methodology under Appendix I.
- Sovereign CDS exposures should be reported under this section by converting the bond equivalent exposure into US 10 year swap equivalent basis.

**3.1. Total Investments in Sovereign and Interest Rate:** see note GP 5.

**3.2. Percentage of Portfolio:** see note GP 5 and GP 6

**3.3. Aggregate number of Parent Issuers:** see note GP 8

**3.4. Regions:** (see note GP 11). In Grade 3 under Europe/ Advanced Economies, we have "Euro" as a separate node for Euro denominated sovereign debt.

#### 3.5. Instruments by Maturity:

- Maturity is based on the underlying, not the instrument.
- Zero coupon bonds and coupon STRIPS should be included here using 10-year equivalent exposures (in the relevant Maturity breakdown).
- Maturity should be calculated from portfolio date to position end maturity date and not at time of issue.

##### 3.5.1. Less than or equal to 1 year:

###### 3.5.1.1. Cash Note

3.5.1.1.1. Fixed Rate

3.5.1.1.2. Floating Rate

3.5.1.1.3. Options (Delta Adjusted)

###### 3.5.1.2. Fixed Income Forwards and Swaps

3.5.1.2.1. Interest Rate Swaps

3.5.1.2.2. Basis Swaps

3.5.1.2.3. Swaptions and Options (Delta Adjusted)

###### 3.5.1.3. Fixed Income Futures

3.5.1.3.1. Bond Futures

3.5.1.3.2. Interest Rate Futures

3.5.1.3.3. Options (Delta Adjusted)

###### 3.5.1.4. ETF

3.5.1.4.1. Fixed Rate

3.5.1.4.2. Floating Rate


3.5.1.4.3. Options (Delta Adjusted)

###### 3.5.1.5. Sovereign CDS:

3.5.1.5.1. North America (Advanced Economies)

3.5.1.5.2. North America (Developing Economies)

3.5.1.5.3. Europe (Advanced Economies)

- 
- 3.5.1.5.4. Europe (Developing Economies)
  - 3.5.1.5.5. Asia and Oceania (Advanced Economies)
  - 3.5.1.5.6. Asia and Oceania (Developing Economies)
  - 3.5.1.5.7. South America and Africa (Advanced Economies)
  - 3.5.1.5.8. South America and Africa (Advanced Economies)
  - 3.5.1.5.9. Other (Advanced Economies)
  - 3.5.1.5.10. Other (Developing Economies)
  - 3.5.1.6. Supranational Bonds
  - 3.5.1.7. Other

**3.5.2. More than 1 year to less than or equal to 5 years:** see breakdown for note 3.5.1

**3.5.3. More than 5 years to less than or equal to 10 years:** see breakdown for note 3.5.1

**3.5.4. More than 10 years:** see breakdown for note 3.5.1

**3.6. Credit Rating:** see note GP 10.2

**3.7. Liquidity:** see note GP 13

**3.8. Comments:** see note GP 22



#### **4. Credit (excluding Convertible Bonds) Exposure:**

- Report all exposures arising from trading of non sovereign credit sensitive interest rate and debt products (physically, synthetically or through derivatives). Please exclude convertible bonds from this section.
- Bond equivalent exposure, as a percentage of AUM (see note GP 6) should be entered here, except where specified otherwise. See note GP 17 for more information.
- CDS exposures, both long and short, should also be reported on a bond equivalent basis. If for some reason identifying an equivalent bond is not feasible then report the notional exposure.
- See GP 19 for reporting of structured products.

**4.1. Total exposure to Credit (excluding Convertible bonds):** see note GP 5.

**4.2. Percentage of Portfolio:** see note GP 5 and GP 6

**4.3. Aggregate number of Parent Issuers:** sum of parent company issuers see note GP 8

**4.4. Sectors:** See note GP 10.1

- Municipal Bonds should be entered under “Other”. Investments for which Sector breakdown is difficult to calculate or is unclear should be included under “Other”.
- Structured Credit (i.e. assets that would be categorized as Mortgages and Other Securitized Credit under 4.6 Credit Type). See note GP 19.
- Reporting should be based on the underlying loans. If the underlying loans are concentrated to a specific sector (more than 75%) then the whole exposure should be reported under the relevant sector, otherwise, the whole exposure should be reported under Other.

**4.5. Regions:** see note GP 11

- Structured Credit (i.e. assets that would be categorized as Mortgages and Other Securitized Credit under 4.6 Credit Type). See note GP 19.
- Reporting should be based on the underlying loans. If the underlying loans are concentrated to a specific region (more than 75%), then the whole exposure should be reported under the relevant geographic region, otherwise, the whole exposure should be reported under Other.

**4.6. Credit Type:**

- Structured Credit (i.e. assets that would be categorized as Mortgages and Other Securitized Credit under 4.6 Credit Type). See note GP 19.
- Funds are encouraged to complete this section at grade 2 thus providing greater transparency on the underlying assets of the pooled products they are invested in.

##### **4.6.1. Corporate Debt (Single Name)**

- 4.6.1.1. Bank Debt**
- 4.6.1.2. Senior Secured Debt**
- 4.6.1.3. Senior Unsecured Debt**
- 4.6.1.4. Trade Claims**
- 4.6.1.5. Subordinated Debt**
- 4.6.1.6. Other**

##### **4.6.2. Corporate Debt (Indices/Pooled products)**

- 4.6.2.1. Bank Debt**
- 4.6.2.2. Senior Secured Debt**
- 4.6.2.3. Senior Unsecured Debt**

- 4.6.2.4. Trade Claims
- 4.6.2.5. Subordinated Debt
- 4.6.2.6. Other

#### **4.6.3. Mortgages (Indices/Pooled products)**

- 4.6.3.1. Residential Mortgage Backed Securities Agency
  - 4.6.3.1.1. Agency Passthroughs and TBAs
  - 4.6.3.1.2. Agency Derivatives (IOs, IIOs, POs)
- 4.6.3.2. Residential Mortgage Backed Securities Non Agency
  - 4.6.3.2.1. Cash Bonds
  - 4.6.3.2.2. Synthetics
- 4.6.3.3. Commercial Mortgage Backed Securities Non Agency
  - 4.6.3.3.1. Cash Bonds
  - 4.6.3.3.2. Synthetics
- 4.6.3.4. Other
  - 4.6.3.4.1. Credit Risk Transfer Bonds

#### **4.6.4. Other Securitised Assets (Single name/Indices/Pooled products)**

- 4.6.4.1. Automobiles
- 4.6.4.2. Credit Card Receivables
- 4.6.4.3. Equipment Finance
- 4.6.4.4. Housing
- 4.6.4.5. Project/Infrastructure Finance
- 4.6.4.6. Speciality Finance
- 4.6.4.7. Other

#### **4.6.5. Municipal Bonds**

- 4.6.5.1. Non US State
- 4.6.5.2. Alabama
- 4.6.5.3. Alaska
- 4.6.5.4. Arizona
- 4.6.5.5. Arkansas
- 4.6.5.6. California
- 4.6.5.7. Colorado
- 4.6.5.8. Connecticut
- 4.6.5.9. Delaware
- 4.6.5.10. Florida
- 4.6.5.11. Georgia
- 4.6.5.12. Hawaii
- 4.6.5.13. Idaho
- 4.6.5.14. Illinois
- 4.6.5.15. Indiana
- 4.6.5.16. Iowa
- 4.6.5.17. Kansas
- 4.6.5.18. Kentucky
- 4.6.5.19. Louisiana
- 4.6.5.20. Maine
- 4.6.5.21. Maryland
- 4.6.5.22. Massachusetts
- 4.6.5.23. Michigan
- 4.6.5.24. Minnesota
- 4.6.5.25. Mississippi
- 4.6.5.26. Missouri
- 4.6.5.27. Montana
- 4.6.5.28. Nebraska
- 4.6.5.29. Nevada
- 4.6.5.30. New Hampshire



- 4.6.5.31. New Jersey
  - 4.6.5.32. New Mexico
  - 4.6.5.33. New York
  - 4.6.5.34. North Carolina
  - 4.6.5.35. North Dakota
  - 4.6.5.36. Ohio
  - 4.6.5.37. Oklahoma
  - 4.6.5.38. Oregon
  - 4.6.5.39. Pennsylvania
  - 4.6.5.40. Rhode Island
  - 4.6.5.41. South Carolina
  - 4.6.5.42. South Dakota
  - 4.6.5.43. Tennessee
  - 4.6.5.44. Texas
  - 4.6.5.45. Utah
  - 4.6.5.46. Vermont
  - 4.6.5.47. Virginia
  - 4.6.5.48. Washington
  - 4.6.5.49. West Virginia
  - 4.6.5.50. Wisconsin
  - 4.6.5.51. Wyoming
  - 4.6.5.52. Other
- 4.6.6. Other

#### 4.7. Credit Instruments

- Structured Credit (i.e. assets that would be categorized as Mortgages and Other Securitized Credit under 4.6 Credit Type). See note GP 19.
- At grade 1, structured products should be reported under 4.7.4 Structured Products. Funds are encouraged to complete this section at grade 3, thus providing greater transparency on the type and seniority of the pooled products they are invested in.

##### 4.7.1. Bonds/Notes

- 4.7.1.1. Corporate Debt (Single Name)
- 4.7.1.2. Corporate Debt (Indices/Pooled products)
  - Use the rating/structure of the instrument at issue to fill this section.
  - 4.7.1.2.1. SeniorMost/"AAA" Tranches
  - 4.7.1.2.2. Mezzanine Tranches
  - 4.7.1.2.3. JuniorMost/First Loss Tranches
- 4.7.1.3. Mortgages (Indices/Pooled products)
- 4.7.1.4. Other Securitised Assets (Single name/Indices/Pooled products)
  - Use the rating/structure of the instrument at issue to fill this section.
  - 4.7.1.4.1. SeniorMost/"AAA" Tranches
  - 4.7.1.4.2. Mezzanine Tranches
  - 4.7.1.4.3. JuniorMost/First Loss Tranches
- 4.7.1.5. Municipal Bonds

##### 4.7.2. Bank Loans

- 4.7.2.1. Corporate Debt (Single Name)
- 4.7.2.2. Corporate Debt (Indices/Pooled products)
  - Use the rating/structure of the instrument at issue to fill this section.
  - 4.7.2.2.1. SeniorMost/"AAA" Tranches
  - 4.7.2.2.2. Mezzanine Tranches
  - 4.7.2.2.3. JuniorMost/First Loss Tranches
- 4.7.2.3. Mortgages (Indices/Pooled products)
- 4.7.2.4. Other Securitised Assets (Single name/Indices/Pooled products)
  - Use the rating/structure of the instrument at issue to fill this section.

- 4.7.2.4.1. SeniorMost/"AAA" Tranches
- 4.7.2.4.2. Mezzanine Tranches
- 4.7.2.4.3. JuniorMost/First Loss Tranches
- 4.7.2.5. Municipal Bonds

#### 4.7.3. Credit Default Swaps

- 4.7.3.1. Corporate Debt (Single Name)
- 4.7.3.2. Corporate Debt (Indices/Pooled products)  
Use the rating/structure of the instrument at issue to fill this section.
  - 4.7.3.2.1. SeniorMost/"AAA" Tranches
  - 4.7.3.2.2. Mezzanine Tranches
  - 4.7.3.2.3. JuniorMost/First Loss Tranches
- 4.7.3.3. Mortgages (Indices/Pooled products)
- 4.7.3.4. Other Securitised Assets (Single name/Indices/Pooled products)  
Use the rating/structure of the instrument at issue to fill this section.
  - 4.7.3.4.1. SeniorMost/"AAA" Tranches
  - 4.7.3.4.2. Mezzanine Tranches
  - 4.7.3.4.3. JuniorMost/First Loss Tranches
- 4.7.3.5. Municipal Bonds

#### 4.7.4. Structured Products

- 4.7.4.1. Corporate Debt (Single Name)
- 4.7.4.2. Corporate Debt (Indices/Pooled products)  
Use the rating/structure of the instrument at issue to fill this section.
  - 4.7.4.2.1. SeniorMost/"AAA" Tranches
  - 4.7.4.2.2. Mezzanine Tranches
  - 4.7.4.2.3. JuniorMost/First Loss Tranches
- 4.7.4.3. Mortgages (Indices/Pooled products)
- 4.7.4.4. Other Securitised Assets (Single name/Indices/Pooled products)  
Use the rating/structure of the instrument at issue to fill this section.
  - 4.7.4.4.1. SeniorMost/"AAA" Tranches
  - 4.7.4.4.2. Mezzanine Tranches
  - 4.7.4.4.3. JuniorMost/First Loss Tranches
- 4.7.4.5. Municipal Bonds

#### 4.7.5. Other Derivatives

- 4.7.5.1. Corporate Debt (Single Name)
- 4.7.5.2. Corporate Debt (Indices/Pooled products)  
Use the rating/structure of the instrument at issue to fill this section.
  - 4.7.5.2.1. SeniorMost/"AAA" Tranches
  - 4.7.5.2.2. Mezzanine Tranches
  - 4.7.5.2.3. JuniorMost/First Loss Tranches
- 4.7.5.3. Mortgages (Indices/Pooled products)
- 4.7.5.4. Other Securitised Assets (Single name/Indices/Pooled products)  
Use the rating/structure of the instrument at issue to fill this section.
  - 4.7.5.4.1. SeniorMost/"AAA" Tranches
  - 4.7.5.4.2. Mezzanine Tranches
  - 4.7.5.4.3. JuniorMost/First Loss Tranches
- 4.7.5.5. Municipal Bonds

#### 4.7.6. ETF

- 4.7.6.1. Corporate Debt (Single Name)
- 4.7.6.2. Corporate Debt (Indices/Pooled products)  
Use the rating/structure of the instrument at issue to fill this section.
  - 4.7.6.2.1. SeniorMost/"AAA" Tranches
  - 4.7.6.2.2. Mezzanine Tranches
  - 4.7.6.2.3. JuniorMost/First Loss Tranches

- 4.7.6.3. **Mortgages (Indices/Pooled products)**
- 4.7.6.4. **Other Securitised Assets (Single name/Indices/Pooled products)**  
Use the rating/structure of the instrument at issue to fill this section.
  - 4.7.6.4.1. **SeniorMost/"AAA" Tranches**
  - 4.7.6.4.2. **Mezzanine Tranches**
  - 4.7.6.4.3. **JuniorMost/First Loss Tranches**
- 4.7.6.5. **Municipal Bonds**

#### 4.7.7. Other

- 4.7.7.1. **Corporate Debt (Single Name)**
- 4.7.7.2. **Corporate Debt (Indices/Pooled products)**  
Use the rating/structure of the instrument at issue to fill this section.
  - 4.7.7.2.1. **SeniorMost/"AAA" Tranches**
  - 4.7.7.2.2. **Mezzanine Tranches**
  - 4.7.7.2.3. **JuniorMost/First Loss Tranches**
- 4.7.7.3. **Mortgages (Indices/Pooled products)**
- 4.7.7.4. **Other Securitised Assets (Single name/Indices/Pooled products)**  
Use the rating/structure of the instrument at issue to fill this section.
  - 4.7.7.4.1. **SeniorMost/"AAA" Tranches**
  - 4.7.7.4.2. **Mezzanine Tranches**
  - 4.7.7.4.3. **JuniorMost/First Loss Tranches**
- 4.7.7.5. **Municipal Bonds**

#### 4.8. Price Yield and Spread:

- Structured Credit (i.e. assets that would be categorized as Mortgages and Other Securitised Credit under 4.6 Credit Type). See note GP 19.
- Reporting should be based on the tranches. A tranche should be considered performing if there are cashflows.

##### 4.8.1.1. **Performing Debt:**

##### 4.8.1.2. **Average cash on cash yield**

The weighted average of cash on cash yields within the portfolio. Cash on cash yield is defined as the net cashflow received on an investment divided by the current market value of the investment. For example, consider a portfolio of two securities with par value 100, with 70% in security A and 30% in security B. Security A is trading at \$80 and yielding 8% and Security B is trading at 50 and also yielding 8%. The Cash on Cash Yield would be 11.8% ( $70\% \cdot (8/80) + 30\% \cdot (8/50)$ ). Value should be reported as a percentage or decimal. For example 11.8% or 0.118.

##### 4.8.1.3. **Average Yield to Worst**

The weighted average of yields in the portfolio under the assumption that any callable bonds within the portfolio are called at the earliest possible opportunity. Value should be reported as a percentage or decimal. For example 11.8% or 0.118.

##### 4.8.1.4. **CDS current spread**

The weighted average of spreads for Credit Default Swaps contained within the portfolio. Value should be reported in terms of basis points, for example 210 NOT 2.10%

#### 4.8.2. Non Performing Debt:

Investments in debt where scheduled interest payments have not been made or where the scheduled interest payments are uncertain should be included here.

##### 4.8.2.1. **Average \$ price (cents per \$)**

The weighted average market price, with respect to the face value, of non performing debt within the portfolio. For example if you have a \$100 face value bond currently trading at \$40 then report 40.

### 4.8.3. Other

#### 4.9. Credit Rating: see note GP 10.2

- Structured Credit (i.e. assets that would be categorized as Mortgages and Other Securitized Credit under 4.6 Credit Type). See note GP 19.
- Reporting should be based on the rating of the tranche.

#### 4.10. Maturity Buckets:

- Structured Credit (i.e. assets that would be categorized as Mortgages and Other Securitized Credit under 4.6 Credit Type). See note GP 19.
- Reporting should be based on the duration of the tranche.
- Maturity is calculated from portfolio date to position end maturity date and not at time of issue. Values should be reported as number of years, for example 5.1. Do not add “years” or other text at the end.

##### 4.10.1. Portfolio Average Maturity:

Should be reported as number of years, for example 5.1 Do not add “years” or other text at the end.

##### 4.10.1.1. Less than or equal to 1 year

4.10.1.1.1. Less than or equal to 6 Months

4.10.1.1.2. More than 6 Months to Less than or equal to 1 year

##### 4.10.1.2. More than 1 year to less than or equal to 3 years

4.10.1.2.1. More than 1 to Less than or equal to 2 Years

4.10.1.2.2. More than 2 to Less than or equal to 3 Years

##### 4.10.1.3. More than 3 years to Less than or equal to 5 Years

4.10.1.3.1. More than 3 to Less than or equal to 4 Years

4.10.1.3.2. More than 4 to Less than or equal to 5 Years

##### 4.10.1.4. More than 5 years - 10yr:

4.10.1.4.1. More than 5 to Less than or equal to 7 Years

4.10.1.4.2. More than 7 to Less than or equal to 10 Years

##### 4.10.1.5. More than 10 years: At Grade 2 Perpetuities should be included here

4.10.1.5.1. 10 to Less than or equal to 15 Years

4.10.1.5.2. 15 to Less than or equal to 20 Years

4.10.1.5.3. More than 20 Years: At Grade 3 Perpetuities should be included here

##### 4.10.2. Non Performing Debt:

Investments in debt where scheduled interest payments have not been made or where the scheduled interest payments are uncertain should be included here.


#### 4.11. Concentration of ownership:

- Structured Credit (i.e. assets that would be categorized as Mortgages and Other Securitized Credit under 4.6 Credit Type). See note GP 19.
- Reporting should be based on the tranche.
- This section aims to show potential liquidity risk existing in the portfolio, especially for non exchange traded instruments.

##### 4.11.1. Average Percentage Ownership of total Outstanding Bonds Issued

Report weighted average of the percentage ownership of outstanding issuance for all investments in the portfolio. CDS should be excluded from this section.

For example, a manager with \$100 to invest has invested \$75 in security A and \$25 in security B. If Security A also has a total of \$1000 of outstanding issuance in the



market and security B has \$100 of outstanding issuance, then the number to report would be 11.90% ( $75\% * 75/1000 + 25\% * 25/100$ ). Also note that this answer will not change, even if both security A and B were issued by the same entity.

For Grades 2 and 3 report the breakdown by concentration. Using the example above, for Grade 2, 4.11.1.3 will have 75% and 4.11.1.4 will have 25%. For grade 3, 4.11.1.4.1 would be 25%.

- 4.11.1.1. Less than 5%
- 4.11.1.2. 5% to 10% (values greater than or equal to 5% and less than 10%)
- 4.11.1.3. 10% to 20% (values greater than or equal to 10% and less than 20%)
- 4.11.1.4. 20+% (values greater than or equal to 20%)
  - 4.11.1.4.1. 20%-50% (values greater than or equal to 20% and less than 50%)
  - 4.11.1.4.2. 50+% (values greater than or equal to 50%)

4.12. **Liquidity:** see note GP 13

- Structured Credit (i.e. assets that would be categorized as Mortgages and Other Securitized Credit under 4.6 Credit Type). See note GP 19.
- Reporting should be based on the tranche.

4.13. **Comments:** see note GP 22

## 5. Convertible Bond Exposure

- Report all exposures arising from trading of convertible bonds (physically, synthetically or through derivatives) in this section.
- Notional market value of the exposures, as a percentage of AUM (see note GP 6) should be entered here, except where specified otherwise.
- Warrants that are attached to bonds should be reported on this tab. However, if the underlying is equity then it should be reported on the equity tab.
- Non UCITS funds should report the market value of the exposures (mentioned above) while UCITS funds could choose to report using methodology under Appendix I.

**5.1. Total exposure to Convertible bonds (Hybrids):** see note GP 5

**5.2. Percentage of Portfolio:** see note GP 5

**5.3. Aggregate number of Parent Issuers** see note GP 8

**5.4. Sectors:** See note GP 10.1

**5.5. Regions:** see note GP 11

**5.6. Instrument:**

**5.6.1. Convertible Bonds:** This section should include synthetic convertible bonds

**5.6.2. CoCos**

**5.6.3. CoPays**

**5.6.4. Convertible Hybrids/Mandatories**

**5.6.5. Convertible Preferred**

**5.6.6. Coupon Convertibles**

This is an error; Coupon Convertibles is a repetition of 5.6.1.

**5.6.7. Warrants and Options**

**5.6.8. ASCOTS:** Report exposures based on look through value (underlying convertible bond) at grade 1.

**5.6.8.1. ASCOTS - Market Value**

**5.6.8.2. ASCOTS - Look through Value**

**5.6.9. ETF**

**5.7. Derivative specific information:**

**5.7.1. Portfolio Premium**

- Net weighted average of convertible bond premiums as a percentage of net (long minus short positions) market value of all convertible bonds in the portfolio, where convertible bond premium represents the amount by which the price of a convertible security exceeds the current market value of the common stock into which it may be converted. For example a portfolio of two convertible bonds, with 60% exposure to bond A trading at a premium of 5%, and 40% exposure to bond B trading at 10% premium, should have a portfolio premium of 7%.
- Values should be reported as a percentage or decimal. For example 10% or 0.10.



#### **5.7.2. Current Yield**

- The weighted average of current yields in the portfolio where current yield is expressed as the annual coupon amount as a percentage of current market price.
- Values should be reported as a percentage or decimal. For example 10% or 0.10.

#### **5.7.3. Average Yield to Maturity (YTM):**

- The weighted average of YTM in the portfolio, where YTM is expressed as the interest rate that will make the present value of the cash flows - both coupon payments and final maturity value - equal to the bond market price, if the bond is held to maturity.
- YTM need only to be computed for those instruments for which it is relevant. Negative YTM should be entered as zero YTM here.
- Values should be reported as a percentage or decimal. For example 10% or 0.10.

#### **5.7.4. Portfolio Yield to Best:**

- Where convertibles have puts on dates earlier than maturity, which if put would result in a higher yield than the yield to maturity. Equally they can be called. Yield to best is higher of yield to maturity (see 5.7.3) /yield to put/yield to call as applicable.
- Values should be reported as a percentage or decimal. For example 10% or 0.10.

#### **5.7.5. Average Portfolio Bond Market Price:**

- The weighted average of convertible bond market prices in the portfolio. Par should be assumed to be \$100 for each bond. For example a \$1000 bond trading at \$1128 should be reported as 112.8.
- Value should be reported assuming par of 100. For example \$50 bond trading at \$53 should be reported as 106.

**5.7.5.1.** Exposure to bonds with market value: less than 50.

**5.7.5.2.** Greater than or equal to 50 and less than 100.

**5.7.5.3.** Greater than or equal to 100 and less than 150.

**5.7.5.4.** Greater than or equal to 150.

#### **5.7.6. Average Portfolio Delta:**

- The weighted average of convertible bond deltas in the portfolio. Deltas should be computed as the impact of a one dollar move in the underlying equity price (hedge ratio).
- Values should be reported as a percentage or decimal. For example 10% or 0.10.

**5.7.6.1.** Exposure to bonds with delta: less than 25%.

**5.7.6.2.** Greater than or equal to 25% and less than 50%.

**5.7.6.3.** Greater than or equal to 50% and less than 75%.

**5.7.6.4.** Greater than or equal to 75%.

#### **5.7.7. Premium over Parity:**

- The weighted average of premium over parity with the convertible bond portfolio where premium over parity is expressed as convertible price minus conversion (considering convertible bonds with embedded puts and calls) value divided by conversion value.
- Values should be reported as a percentage or decimal. For example 10% or 0.10.

**5.7.7.1.** Less than 10%.

**5.7.7.2.** Greater than or equal to 10% and less than 25%.

**5.7.7.3.** Greater than or equal to 25% and less than 50%.

**5.7.7.4.** Greater than or equal to 50% and less than 75%.

**5.7.7.5.** Greater than or equal to 75% and less than 100%.

**5.7.7.6.** Greater than or equal to 100%.

**5.8. Credit Rating:** see breakdown in note GP 10.2

Investments in convertible bonds where the credit exposure is eliminated through a swap, i.e. Asset Swapped Convertible Bonds, should be reported under 5.8.1.

**5.9. Maturity Buckets:** similar to 4.10, except Non-Performing Debt has been removed here

**5.9.1. Portfolio Average Maturity:**

- 5.9.1.1. Less than or equal to 1 year
  - 5.9.1.1.1. Less than or equal to 6 Months
  - 5.9.1.1.2. More than 6 Months to Less than or equal to 1 year
- 5.9.1.2. More than 1 year to less than or equal to 3 years
  - 5.9.1.2.1. More than 1 to Less than or equal to 2 Years
  - 5.9.1.2.2. More than 2 to Less than or equal to 3 Years
- 5.9.1.3. More than 3 years to Less than or equal to 5 Years
  - 5.9.1.3.1. More than 3 to Less than or equal to 4 Years
  - 5.9.1.3.2. More than 4 to Less than or equal to 5 Years
- 5.9.1.4. More than 5 years to Less than or equal 10yr:
  - 5.9.1.4.1. More than 5 to Less than or equal to 7 Years
  - 5.9.1.4.2. More than 7 to Less than or equal to 10 Years
- 5.9.1.5. More than 10 years: Perpetuities should be included here
  - 5.9.1.5.1. 10 to Less than or equal to 15 Years
  - 5.9.1.5.2. 15 to Less than or equal to 20 Years
  - 5.9.1.5.3. More than 20 Years

**5.10. Concentration of ownership:**

This section aims to show potential liquidity risk existing in the portfolio, especially for non-exchange traded instruments.

**5.10.1. Average Percentage Ownership of total Outstanding Bonds Issued**

Report weighted average of the percentage ownership of outstanding issuance for all investments in the portfolio.

For example, a manager with \$100 to invest has invested \$75 in security A and \$25 in security B. If Security A also has a total of \$1000 of outstanding issuance in the market and security B has \$100 of outstanding issuance, then the number to report would be 11.90% ( $75\% * 75 / 1000 + 25\% * 25 / 100$ ). Also note that this answer will not change, even if both security A and B were issued by the same entity.

For Grades 2 and 3 report the breakdown by concentration. Using the example above, for Grade 2, 5.10.1.3 will have 75% and 5.10.1.4 will have 25%. For grade 3, 5.10.1.4.1 would be 25%.

- 5.10.1.1. Less than 5%
- 5.10.1.2. 5% to 10% (values greater than or equal to 5% and less than 10%)
- 5.10.1.3. 10% to 20% (values greater than or equal to 10% and less than 20%)
- 5.10.1.4. 20+% (values greater than or equal to 20%)
  - 5.10.1.4.1. 20%-50% (values greater than or equal to 20% and less than 50%)
  - 5.10.1.4.2. 50+% (values greater than or equal to 50%)

**5.11. Liquidity:** see note GP 13

**5.12. Comments:** see note GP 22



## 6. Currency Exposure

- Currency exposures must be reported with respect to the base currency reported in tab 1. Note that all fields that ask for USD exposure (for example tab 1, 2.1, 3.1, etc) must be reported in USD regardless of the base currency of the fund.
- Report all currency or foreign exchange exposures from either trading the products directly (physically, synthetically or through derivatives) or indirectly (non-currency investments made in non-base currency of the fund) in this section.
- Total gross notional exposures of outstanding contracts, as a percentage of AUM (see note GP 6), should be entered here, except where specified otherwise.
- Non-investment exposures, such as share class hedges, should not be considered here.
- One leg of all exposures should be shown under Base Currency and long or short other currencies. Therefore, long exposure to base currency should equal the sum of short exposures to other currencies, and short exposure to base currency should equal the sum of long exposure to other currencies. Base currency exposure should not include securities denominated in the base currency.

Top	Grade 1	Grade 2	Grade 3	Values	Non Netted	
					Exposure % of AUM	
					Long	Short
6.2 Percentage of Portfolio					5.00%	-10.00%
6.3 Aggregate number of Positions						
6.4 Regional currencies (FX and non FX Instruments)						
Base Currency					10.00%	-5.00%
Europe					1.00%	-2.00%
North America					1.00%	-2.00%
Asia and Oceania					1.00%	-2.00%
South America and Africa					1.00%	-2.00%
Other					1.00%	-2.00%

- For cross currency trades, a EUR/GBP position for example, this would be included as EUR exposure in the Long column and GBP in the Short column and an equal amount of long and short exposure under Base Currency.
- Examples of two positions:

Here we assume the base currency is not EUR. If it were, this position would not be reflected on the currency tab.

Position 1) Long Philips in Euro and currency exposure is not hedged.

Treatment in Open Protocol:

In the Equity section:

Long 2.4.2 (Industrial)

Long 2.5.5 (Europe)

Long 2.6.1 (Equity (single stock))

Long 2.7.1 (Mega Cap)

Long 2.8.1 (Exchange Traded)

In Currency section

Short 6.4.1 (Base Currency)

Long 6.4.2 (Europe)

Position 2) Long Philips in Euro and currency exposure hedged.

Treatment in Open Protocol

In the Equity section:

Long 2.4.2 (Industrial)



Long 2.5.5 (Europe)  
Long 2.6.1 (Equity (single stock))  
Long 2.7.1 (Mega Cap)  
Long 2.8.1 (Exchange Traded)

In Currency section  
Short 6.4.1 (Base Currency)  
Long 6.4.2 (Europe)  
Long 6.4.1 (Base Currency)  
Short 6.4.2 (Europe)  
Short 6.5.1 (G10 Currency)  
Short 6.6.1 (Non Exchange Traded)

The rationale for asking for information in this manner is that if the manager has active currency risk, it would be picked up by the long Euro in Example 1, however if the manager then hedges the currency risk, as seen in Example 2, then it will show a net zero exposure to Euro and USD.

An alternative approach which would lead to a similar output would be to calculate the USD currency delta for all the positions (not just the currency positions) in the portfolio with respect to all the currencies. The output could be used to complete section 6.4.

**6.1. Total exposure to Currency:** see note GP 5

Total exposure to currency should be the sum of non Base currency exposures (6.4.2 to 6.4.6.2) and not include Base currency exposure (6.4.1)

**6.2. Percentage of Portfolio:** see note GP 5 and GP 6

Percentage exposure to currency should be the sum of non Base currency exposures (6.4.2 to 6.4.6.2) and not include Base currency exposure (6.4.1)

**6.3. Aggregate number of Issuers:** Total number of currencies traded excluding Base Currency. For example, if the base currency is USD and you are long USD short Euro and short USD and Long GBP then the number of positions would be 2. Long or short should be determined by the net exposure. If net exposure is zero (completely hedged) then report under long.

**6.4. Regional Currencies:** see Appendix G for breakdowns. Currency exposures, rather than regional exposures, should be entered here. Please note that in some situations individual countries have been replaced by multi country currencies like Euro and CFA Franc.

**6.5. Instruments (Non Base Currency Leg of FX Instruments Only):**

Only report non base currency leg of the trade under section 6.5. Base currency leg should not be reported under section 6.5 as it is covered under 6.4.1.

**6.5.1. Non Base G10 Currency:**

Exposure to G10 currencies, excluding the fund's base currency, should be reported here. This should include only FX instruments, including hedges. Refer to the example 2 above.

OECD ([www.oecd.org](http://www.oecd.org)) definition of G10 countries: Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Sweden, Switzerland, the United Kingdom and the United States. Please note there are 11 countries in G10. These translate to only 7 different currencies as there are 5 countries using Euro. Currencies which should be included in the section, "Non Base G10 Currencies" are USD, Euro, GBP, CHF, JPY, CAD and SEK, excluding whichever currency is the fund's base currency. Please note that Euro is included here even though some countries which are not in G10 also use Euro.



**6.5.1.1. Currency Forwards Swaps and Futures:** Non-Deliverable Forwards (NDFs) should appear in this section

**6.5.1.2. Currency Options (vanilla):** for a full list, see Appendix H.

**6.5.1.3. Currency Options (exotic):** options not on the list of Vanilla Options

**6.5.1.4. Spot**

**6.5.2. Non Base Non G10 Currency (Non Base Currency Leg of FX Instruments Only):**

**6.5.2.1. Currency Forwards Swaps and Futures:** Non-Deliverable Forwards (NDFs) should appear in this section

**6.5.2.2. Currency Options (vanilla):** for a full list, see Appendix H.

**6.5.2.3. Currency Options (exotic):** options not on the list of Vanilla Options

**6.5.2.4. Spot**

**6.5.3. Other**

**6.6. Liquidity:** see note GP 13

**6.7. Comments:** see note GP 22



## 7. Real Assets and Commodities Exposure

- Report all exposures arising from trading of real assets (physically, synthetically or through derivatives) in this section.
- Notional market value of the exposures, as a percentage of AUM (see note GP 6), should be entered here, except for options, where delta adjusted exposure should be reported
- Investments in equity of companies with commodity as the prime concern should appear under the Equities section (section 2)
- Investments in commodity related ETFs, such as a gold ETF, should be reported under this section.

**7.1. Total Investments in Real Assets and Commodities:** see note GP 5

**7.2. Percentage of Portfolio:** see note GP 5

**7.3. Aggregate number of Positions:** Total number of positions in real assets.

**7.4. Regions:** for breakdown see note GP 11.

- Real Estate should be shown in the region where the asset is based.
- All other real assets should be shown in the Global region.

**7.5. Commodity Type:**

### 7.5.1. Energy (upstream):

- 7.5.1.1. Oil
  - 7.5.1.1.1. Crude Oil
  - 7.5.1.1.2. Brent Crude
  - 7.5.1.1.3. Unleaded Gasoline
  - 7.5.1.1.4. Heating Oil
  - 7.5.1.1.5. Gas Oil
  - 7.5.1.1.6. Other
- 7.5.1.2. Natural Gas
- 7.5.1.3. Power
- 7.5.1.4. Other

### 7.5.2. Metals:

- 7.5.2.1. Industrial Metals:
  - 7.5.2.1.1. Aluminium
  - 7.5.2.1.2. Copper
  - 7.5.2.1.3. Lead
  - 7.5.2.1.4. Nickel
  - 7.5.2.1.5. Zinc
  - 7.5.2.1.6. Tin
  - 7.5.2.1.7. Other
- 7.5.2.2. Precious Metals:
  - 7.5.2.2.1. Gold
  - 7.5.2.2.2. Silver
  - 7.5.2.2.3. Platinum
  - 7.5.2.2.4. Palladium
  - 7.5.2.2.5. Other
- 7.5.2.3. Other

### 7.5.3. Agriculture:

- 7.5.3.1. Grains and Oilseeds
  - 7.5.3.1.1. Wheat
  - 7.5.3.1.2. Corn
  - 7.5.3.1.3. Soybeans



- 7.5.3.1.4. Soybean Meal
- 7.5.3.1.5. Soybean Oil
- 7.5.3.1.6. Rapeseed
- 7.5.3.1.7. Oats
- 7.5.3.1.8. Rough Rice
- 7.5.3.1.9. Other
- 7.5.3.2. Softs
  - 7.5.3.2.1. Cotton
  - 7.5.3.2.2. Sugar
  - 7.5.3.2.3. Coffee
  - 7.5.3.2.4. Cocoa
  - 7.5.3.2.5. Rubber
  - 7.5.3.2.6. Other
- 7.5.3.3. Livestock:
  - 7.5.3.3.1. Feeder Cattle
  - 7.5.3.3.2. Live Cattle
  - 7.5.3.3.3. Lean Hog
  - 7.5.3.3.4. Other
- 7.5.3.4. Other
  - 7.5.3.4.1. Nitrogen
  - 7.5.3.4.2. Phosphorus
  - 7.5.3.4.3. Potassium (Potash).
  - 7.5.3.4.4. Other

#### 7.5.4. Other

### 7.6. Commodities Instruments:

#### 7.6.1. Physical:

- 7.6.1.1. Energy (upstream)
- 7.6.1.2. Metals
- 7.6.1.3. Agriculture
- 7.6.1.4. Other

#### 7.6.2. Futures and Cleared Swaps:

See 7.6.1 for breakdown

#### 7.6.3. ETF

See 7.6.1 for breakdown

#### 7.6.4. Forwards and Swaps:

See 7.6.1 for breakdown

#### 7.6.5. Options:

- 7.6.5.1. Calls
  - 7.6.5.1.1. See 7.6.1 for breakdown
- 7.6.5.2. Puts
  - 7.6.5.2.1. See 7.6.1 for breakdown

#### 7.6.6. Other

### 7.7. Real Estate:

- Breakdown of real estate is from the NCREIF (National Council of Real Estate Investment Fiduciaries). For more information, see: [www.ncreif.org](http://www.ncreif.org)
- Real Estate exposure through REIT should be reported in the Equity section.

#### 7.7.1. Commercial

- 7.7.1.1. Office
  - 7.7.1.1.1. Central Business District



- 7.7.1.1.2. Suburban
- 7.7.1.1.3. Other
- 7.7.1.2. Retail
  - 7.7.1.2.1. Neighborhood Centre
  - 7.7.1.2.2. Community Centre
  - 7.7.1.2.3. Regional Centre
  - 7.7.1.2.4. Super-Regional Centre
  - 7.7.1.2.5. Fashion/Specialty Centre
  - 7.7.1.2.6. Power Centre
  - 7.7.1.2.7. Theme/Festival Centre
  - 7.7.1.2.8. Outlet Centre
  - 7.7.1.2.9. Single-Tenant
  - 7.7.1.2.10. Other
- 7.7.1.3. Industrial
  - 7.7.1.3.1. Flex Space
  - 7.7.1.3.2. Research and Development
  - 7.7.1.3.3. Warehouse
  - 7.7.1.3.4. Manufacturing and Office Showroom
  - 7.7.1.3.5. Other
- 7.7.1.4. Hotel
- 7.7.1.5. Other
- 7.7.2. Residential
  - 7.7.2.1. High-Rise Elevator Projects
  - 7.7.2.2. Low-Rise Projects
  - 7.7.2.3. Garden-Type Projects
  - 7.7.2.4. Other
- 7.7.3. Other
- 7.8. Timberland:
  - 7.8.1. Conifer Physical:
    - 7.8.1.1. Structural
    - 7.8.1.2. Non-Structural
    - 7.8.1.3. Other
  - 7.8.2. Non Conifer Physical:
    - 7.8.2.1. Non-Structural
    - 7.8.2.2. Fiber
    - 7.8.2.3. Other
  - 7.8.3. Timberland Derivatives:
    - 7.8.3.1. Futures and Cleared Swap
    - 7.8.3.2. Forwards and Swaps
    - 7.8.3.3. Options
      - 7.8.3.3.1. Call Option
      - 7.8.3.3.2. Put Option
  - 7.8.4. Other
- 7.9. Infrastructure
  - 7.9.1. Energy (Mid and Down Stream)
    - 7.9.1.1. Oil
    - 7.9.1.2. Natural Gas
    - 7.9.1.3. Power
    - 7.9.1.4. Other
  - 7.9.2. Transportation



### 7.9.3. Other

7.10. **Liquidity:** see note GP 13. Physically held commodities should be classified as Private.

7.11. **Comments:** see note GP 22

## 8. VaR

- Report Exposure, VaR and CVaR as a percentage of AUM at portfolio level and its breakdown across Asset Class, Region and Sector where applicable.
- Standalone VaR and CVaR should be calculated for each Asset Class, Region and Sector, i.e. it should not be incremental VaR or contribution to portfolio VaR. The diversification benefit will be the difference between the sum of the Asset Class/Region/Sector VaR (CVaR) and the Portfolio VaR (CVaR)
- Report all VaRs and CVaRs as positive numbers, with the exception of the diversification benefit, which should be negative.
- For certain strategies, especially those exposed to event risk like Distressed or Risk Arbitrage, Value at Risk might not be a good measure of risk. For these strategies managers can use their historic returns to calculate Parametric VaR, and not provide its breakdown under section 8.5, 8.6 and 8.7.

### 8.1. VaR Calculation Methodology: Report Value at Risk using following fixed parameters:

**Confidence level:** 95% (single tail)

**Holding period:** 1 day

Managers should use their own values for remaining parameters but are required to explicitly report them:

#### 8.1.1. VaR Methodology: Choose the methodology from a drop down list:

**Historical Simulation:** VaR based on simulation using actual historic asset prices and correlations.

**Monte Carlo Simulation:** VaR based on Monte Carlo simulation of asset prices and correlations.

**Parametric Modelling:** VaR based on historic standard deviation of the portfolio.

**Other**

#### 8.1.2. If "Other" is chosen in 9.1.1 then provide brief explanation about methodology used.

**8.1.3. Decay factor:** Report the decay rate used. If all data is considered to be equally probable (i.e. no decay is considered) then report 1. Otherwise report the decay factor used. For example, if the decay factor is 0.80, the most recent data point T has the probability weight P; the data point immediately prior, T-1, will be weighted at  $0.8 \cdot P$ , and the one before that, T-2, will be  $0.64$  times P.... Report the decay rate as a numerical value and do not include any text.

**8.1.4. Look Back period:** report the look back period considered for calculation in number of business days. For example, if you are using a look back window of 2 years, then report 504 (assuming 252 business days in a year). Do not write 'days'.

**8.2. % Exposure:** Exposure should be netted exposures, i.e. the difference of long and short exposure from the Non-Netted columns from the relevant asset class buckets. For example, for Equities report value derived from the difference between 2.2.1 and 2.2.2.

**8.3. % VaR:** Report VaR values **based on the methodology and parameters selected in 8.1.**

**8.4. % CVaR:** Report the Conditional Value at Risk (Expected shortfall) using the same data set used above for VaR. CVaR is the expected (average) loss beyond VaR (see 8.2).

### 8.5. Asset Class:

Report breakdown of VaR and CVaR across the main asset classes.

Report portfolio VaR and the Diversification Benefit here also.

Currency VaR can either be calculated on the currency instruments only, OR can include passive currency exposure if the currency component is removed from the asset class.

#### 8.5.1. Equity

#### 8.5.2. Sovereign and Int. Rate

#### 8.5.3. Credit (exc. Convertible Bonds)

#### 8.5.4. Convertible Bonds

#### 8.5.5. Commodities





**8.5.6. Currency**

**8.5.7. Diversification Benefit:** Report the difference between total portfolio VaR/CVaR and sum of the VaR/CVaR from all the asset classes. Note that Digital Assets VaR/CVaR appears below Portfolio.

**8.5.8. Portfolio:** Report portfolio level VaR.

**8.5.9. Digital Assets**

**8.6. Region:** see note GP 11

- Report breakdown of VaR/CVaR across the main regions.
- If it is difficult to identify a specific region (e.g. commodities) please include it under Global.
- 8.6.7 Diversification Benefit: Report the difference between total portfolio VaR/CVaR and sum of the VaR/CVaR from all the regions.

**8.7. Sector:** see note GP 9

- Report breakdown of VaR/CVaR across the main sectors.
- If it is difficult to identify a specific sector (e.g. sovereign debt) please include it under Other.
- 8.7.14 Diversification Benefit: Report the difference between total portfolio VaR/CVaR and sum of the VaR/CVaR from all the sectors.

**8.8. Exposure included in the calculation**

- It might be difficult to objectively and accurately calculate VaR for certain types of investments. In this section report total exposure which has been considered for calculating VaR/CVaR.
- Values should be reported as a percentage of total AUM and not as a percentage of total long / short exposure.

**8.8.1. Long exposure included in the calculation**

Report market value of the long exposures included in the calculations as a percentage of AUM.

**8.8.2. Short exposure included in the calculation**

Report market value of the short exposures included in the calculations as a percentage of AUM.

**8.9. Comments:** see note GP 22

## 9. Sensitivity

- Figures entered should be as a percentage of Assets under Management (see note GP 6). For example, under Beta (9.1), if a fund with \$100 AUM rises by \$3 for 1% increase in MSCI World, report 3%.
- These should only be entered where relevant for each asset class (i.e. where non-shaded).
- All relative changes of Beta and Greeks refer to upward shifts, i.e. 1% increase.

Asset Class	Beta	Delta	Gamma	Vega	Theta	CS01	DV01
Equity							
Sovereign and Int. Rate							
Credit (x Convertible Bonds)							
Convertible Bonds							
Currency							
Commodities							
Digital Assets							

- 9.1. Beta:** For equities and convertible bonds, report the change in the value of portfolio resulting from a 1% increase in the MSCI Daily TR Gross World Equity Index (Bloomberg Ticker: GDDUWI Index). Beta should be computed using predictive analysis (i.e. with all assets moving in accordance to their covariance with the market factor). For digital assets, report the change in the value of portfolio resulting from a 1% increase in the Bloomberg Galaxy Crypto Index (Bloomberg Ticker: BGCI Index). Calculations should be based on maximum of two years of weekly data, or the longest available.
- 9.2. Delta:** The change in portfolio value resulting from a 1% relative increase in underlying asset value.  
Portfolio level delta should be calculated bottom up, i.e. value of each position must be considered while arriving at the portfolio value.  
Specifically:  
**For Equities:** The expected change in the aggregate value of all positions in the asset class resulting from a 1% relative increase in the price of all equities.  
**For Convertible Bonds:** The expected change in the aggregate value of all positions in the asset class resulting from a 1% relative increase in the price of all equities.  
**For Currencies:** the expected change in the aggregate value of all positions in the asset class resulting from a 1% relative increase in all foreign exchange rates relative to the reporting firm's base currency. For the avoidance of doubt, an increase in foreign exchange rates means the appreciation of a foreign currency versus the base currency.  
**For Commodities:** the expected change in the aggregate value of all positions in the asset class resulting from a 1% relative increase in the price of all commodities.  
**For Credit Instruments:** The expected change in the aggregate value of all positions in the asset class resulting from a 1% increase in the spread of all credit instruments.  
**For Interest Rates:** The expected change in the aggregate value of all positions in the asset class resulting from a 1% relative increase in all interest rates.  
**For Digital Assets:** The expected change in the aggregate value of all positions in the asset class resulting from a 1% relative increase in the price of all digital assets.
- 9.3. Gamma:** for each asset class, the change in delta for 1% relative increase in underlying asset value. For Sovereigns and Int. Rate and Credit instrument use the Delta as defined above, even though Delta is not explicitly reported for these instruments.



- 9.4. **Vega:** Sensitivity of asset class to 1% relative increase in the current implied volatility of each applicable position in the portfolio
- 9.5. **Theta:** The change in portfolio value after re-pricing after one day of time decay. Note that bonds should also be considered under this calculation.
- 9.6. **CS01:** The change in portfolio value for a uniform parallel shift in all *non-risk-free* interest rate curves. For all instruments in the portfolio with credit sensitivity, increase the relevant credit spread by 1 basis point and compute the change in value. (see GP 18).
- 9.7. **DV01:** The change in portfolio value for a parallel shift in interest rates. For all instruments in the portfolio with interest rate sensitivity, lower the rate by 1bp and calculate the change in value.
- 9.8. **Asset Class:**
- 9.8.1. **Equity**
  - 9.8.2. **Sovereign Interest Rate**
  - 9.8.3. **Credit (x Convertible Bonds)**
  - 9.8.4. **Convertible Bond**
  - 9.8.5. **Currency**
  - 9.8.6. **Commodities**
  - 9.8.7. **Digital Assets**
- 9.9. **Exposure included in the calculation**
- It might be difficult to objectively and accurately calculate sensitivity for certain types of investments. In this section report total exposure which has been considered for calculating sensitivity.
  - Values should be reported as a percentage of total AUM and not as a percentage of total long / short exposure.
- 9.9.1. **Long exposure included in the calculation**  
Report market value of the long exposures included in the calculations as a percentage of AUM.
- 9.9.2. **Short exposure included in the calculation**  
Report market value of the short exposures included in the calculations as a percentage of AUM.
- 9.10. **Comments:** see note GP 22

## 10. Stress Tests

- Report the effect of the specified market changes on the portfolio return as a percentage.
- For consistency with the new SEC Rule 206(4)-1 (Marketing Rule), it is suggested that portfolio return should be calculated net of model fees. Model fees should include management fees, performance fees, and other expenses. The fees should be the highest possible fee either (a) an existing investor or (b) a prospective investor, could pay, using current high watermarks.
- The period for calculation of model fees should depend on the stress test in question, e.g. for 10.1 Scenarios, use a period of 1 day, while for 10.2 Historical Stress, the period should be the historical period in question.
- In case portfolio return is calculated gross of model fees, a note should be included in the "Comments" section, 10.4.
- In the column titled "% Long Exp. Included in the Calculation" report the percentage of AUM in long exposure which is being considered for calculations.
- In the column titled "% Short Exp. Included in the Calculation" report the percentage of AUM in short exposure which is being considered for calculations.

### 10.1. Scenarios

- For the different scenarios report impact on portfolio returns based on "Simple" (not Predictive) methodology. So assume changes to the specified time series only and in isolation.
- Change all relevant underlying instruments. For example, under "Equity +10%" section, report the impact on the portfolio of all underlying equity related positions (each investment) going up by 10%, i.e. all physical equity investments (linear) going up by 10%, and, if you hold any derivatives, then report the impact of the underlying (not the instrument itself) increasing by 10%.
- If any of the specified market changes are not relevant for the investments in the portfolio then do not fill in any value.
- All market changes are relative. For example, +10% means consider the value of the factor increasing by 10% from its current value. So if the index is trading at 150, consider what would happen to portfolio if the value rose to 165.
- The Following table provides information regarding the sections that need to be completed based on the asset class exposure in the portfolio:

Scenarios	Asset Class Exposure						Digital Assets Exp.
	Equity	Sovereign & Int Rate Exp	Credit (x Convertible Bonds)	Convertible Bond Exposure	Currency Exposure	Real Ass. & Commodities Exp.	
Equity +10%/-10%	Yes			Yes			
Sovereign Interest Rate +10%/-10%		Yes	Yes	Yes			
Credit Spreads +10%/-10%		Yes (sovereign credit spreads)	Yes	Yes			
Convertible Bonds +10%/-10%				Yes			
Commodities +10%/-10%						Yes	
USD +10%/-10%					Yes		
Implied Volatility +10%/-10%	Yes*	Yes*	Yes*	Yes*	Yes*	Yes*	Yes*
Digital Assets +10%/-10%							Yes
* Implied Volatility row should be filled in only for options on the relevant asset class							

### **10.1.1. Equity +10%**

#### **10.1.1.1. Large Cap Equity +10%**

Refer to GP 12 for market capital definition. For this section Large cap includes Mega cap also. All equity investments with Market Capital above \$10bn should be included here. Any Index investment, which does not explicitly have a Small Cap bias, should also be included here.

#### **10.1.1.2. Small Cap Equity +10%**

Refer to GP 12 for market capital definition. For this section Small cap includes Mid cap and Micro cap. All equity investments with Market Capital below \$10bn should be included here. Any Index investment which has an explicit Small Cap bias should be included here.

### **10.1.2. Equity -10%**

#### **10.1.2.1. Large Cap Equity -10%**

Refer to GP 12 for market capital definition. For this section Large cap includes Mega cap also. All equity investments with Market Capital above \$10bn should be included here. Any Index investment, which does not explicitly have a Small Cap bias, should also be included here.

#### **10.1.2.2. Small Cap Equity -10%**

Refer to GP 12 for market capital definition. For this section Small cap includes Mid cap and Micro cap. All equity investments with Market Capital below \$10bn should be included here. Any Index investment which has an explicit Small Cap bias should be included here.

### **10.1.3. Sovereign Interest Rate +10%**

For example +10% would mean current interest rates of 1% would go up to 1.10%.

#### **10.1.3.1. Short Term Rates +5%**

Short Term refers to any security with maturity which is less than or equal to 1 year.

#### **10.1.3.2. Long Term Rates +10%**

Long term refers to any security with maturity which is more than 1 year.

### **10.1.4. Interest Rate -10%**

#### **10.1.4.1. Short Term Rates -5%**

Short Term refers to any security with maturity which is less than or equal to 1 year.

#### **10.1.4.2. Long Term Rates -10%**

Long term refers to any security with maturity which is more than 1 year.

### **10.1.5. Credit +10%**

For example +10% would mean that bonds yields or instruments based on spreads of 5% would go up to 5.50%.

#### **10.1.5.1. Investment Grade +5%**

#### **10.1.5.2. Non Investment Grade +10%**

### **10.1.6. Credit -10%**

#### **10.1.6.1. Investment Grade -5%**

#### **10.1.6.2. Non Investment Grade -10%**

### **10.1.7. Convertible Bonds +10%**

#### **10.1.7.1. Investment Grade +5%**

#### **10.1.7.2. Non Investment Grade +10%**

### **10.1.8. Convertible Bonds -10%**

#### **10.1.8.1. Investment Grade -5%**

#### **10.1.8.2. Non Investment Grade -10%**

Only consider the increase/decrease in convertible bond prices and not the equity price. The impact of the equity movement on the converts should be reported under 10.1.1 and 10.1.2 and that of implied volatility under 10.1.13 and 10.1.14.

### **10.1.9. Commodities +10%**

At Grade 2 commodity exposures not related to metal or energy should not be shocked.

- 10.1.9.1. **Metal +10%**
- 10.1.9.2. **Energy +10%**
- 10.1.10. **Commodities -10%**
  - 10.1.10.1. **Metal -10%**
  - 10.1.10.2. **Energy -10%**
- 10.1.11. **USD +10%**

All calculations should be with respect to USD, i.e. USD strengthens by 10%
- 10.1.12. **USD -10%**

All calculations should be with respect to USD, i.e. USD weakens by 10%
- 10.1.13. **Implied Volatility +10%**
- 10.1.14. **Implied Volatility -10%**
- 10.1.15. **Digital Assets +10%**
- 10.1.16. **Digital Assets -10%**

**10.2. Historical Stress:** This should be filled in for Grade 2 only. Report the actual performance of the CURRENT portfolio (expressed as percentage) during the historic stress event. A suitable Proxy can be used for investments in securities which did not exist during the relevant historic period. The proxy could be a related/similar security with history or an expectation based on an econometric model constructed on actual data. If a suitable proxy cannot be identified, ignore the exposure for this calculation and adjust the “Long and Short exposure included in the calculation” values accordingly.

10.2.1. Grade 1 should be left empty

- 10.2.1.1. **Tech Bubble (15<sup>th</sup> March to 14<sup>th</sup> April 2000)**
- 10.2.1.2. **September 11<sup>th</sup> (10<sup>th</sup> to 17<sup>th</sup> September 2001)**
- 10.2.1.3. **Credit Event 1 (23<sup>rd</sup> August to 9<sup>th</sup> October 2002)**
- 10.2.1.4. **Gulf War 2 (1<sup>st</sup> to 21<sup>st</sup> March 2003)**
- 10.2.1.5. **Subprime crisis (16<sup>th</sup> July to 16<sup>th</sup> August 2007)**
- 10.2.1.6. **Credit Event 2 (12<sup>th</sup> September to 15<sup>th</sup> October 2008)**

**10.3. Historical Portfolio Stress** (over last 500 trading days)

For the current portfolio report the worst cumulative return over the specified period over last 500 trading days.

Results should be based on simulated portfolio performance assuming current positions and historic prices. A suitable Proxy can be used for investments in securities which did not exist during the relevant historic period. The proxy could be a related/similar security with history or an expectation based on an econometric model constructed on actual data. If a suitable proxy cannot be identified, ignore the exposure for this calculation and adjust the “Long and Short exposure included in the calculation” values accordingly.

Report also the start date for the rolling period

- 10.3.1. **Worst Rolling 5 day Cumulative Return**
- 10.3.2. **Worst Rolling 10 day Cumulative Return**
- 10.3.3. **Worst Rolling 20 day Cumulative Return**

**10.4. Comments:** see note GP 22

## 11. Counterparty Exposure

- This section will provide an insight into the safety of assets, the use of various trade financing agreements and diversification of financing sources. All information is asked at Grade 1 and Grade 3 only, and nothing at Grade 2.
- At Grade 1 you are only required to fill only the “non blacked out” sections. For example, under section 11.1. only report number of relationships and total exposure in USD. At Grade 1 you are not required to fill other columns like LMV, SMV, Cash, OTE/MTM Available Liquidity, Required Margin and Exposure as a percentage of AUM, these should be reported only at Grade 3.

**Equity:** generally this means the net value of the account according to audit standards.

- For an equity prime brokerage account this might be the sum of:
- Long Market Value (LMV) of non derivative positions,
- Short Market Value (SMV) of non derivative positions,
- Cash and
- Open Trade Equity/Mark-to-Market (OTE/MTM) for net derivative positions.
- For an ISDA relationship it would be the sum of mark to market of derivatives and collateral posted, etc. The number will usually be positive but in theory could be negative (if there were a large unfulfilled margin call, for example).

**Number of Custodians/Counterparties:** For sections roll up to parent entity, not subsidiary except for the sections relating to Geography where the regional location of the subsidiary should be considered.

Select the most appropriate number from the drop down list: {0; 1; 2; 3; 4; 5; 6 to 9; 10 to 15; 15+}

**Number of Financing Agreements:** report the total number of trading agreements in place, not just those that are used at the time of reporting

Select the most appropriate number from the drop down list: {0; 1; 2; 3; 4; 5; 6 to 9; 10 to 15; 15+}

### Agreement Type

#### 11.1. Trading assets

- “Trading assets” means assets in accounts which carry one or more of the following risks:
  - The counterparty can make a claim on the equity (usually due to mark to market of leveraged positions) without having to seek approval from the fund.
  - The counterparty has a very high degree of control over the account and could potentially remove assets at any time (by mistake, or otherwise) without the approval of the fund.
  - The fund would be in a relatively weak legal position if the counterparty were to default, for example an ordinary bank deposit account (unless covered by government guarantee)

##### 11.1.1. ISDA

##### 11.1.2. Prime Brokerage

##### 11.1.3. Clearing House

##### 11.1.4. Other

##### 11.1.5. Multi (where covered by a netting agreement)

#### 11.2. Treasury assets

- “Treasury assets” means assets which do not carry the risks of trading assets:
  - The assets cannot be accessed by a counterparty without action on behalf of the fund. For example, in the case of a margin call, consent would need to be provided by the fund.

- The assets will not automatically diminish if the mark to market of trading positions declines
- The assets enjoy preferential legal protection (trust status, client money status etc.)

**11.2.1. Tri-party account**

**11.2.2. Segregated Client Account:** separate accounts in custody, segregated from proprietary assets and not comingled with other client assets

**11.2.3. Custody Account:** segregated from proprietary assets but held in an omnibus structure for the general benefit of clients, co-mingled client assets

**11.2.4. Guaranteed bank deposit account**

**11.3. Other**

**11.3.1. Net exposure to affiliated entities**

**11.3.2. Custody/Self custody** a) assets that have market risk and are held at a custodian only for custody purposes. For example, private equity. b) balances that are either associated with the fund's management company or its employees or where the management company or employees take on the duties to custody and administer the assets. i.e. the fund gives a loan to the management company or one of the employees (or vice versa, if an employee or the management company make a loan to the fund), the fund owns physical commodities and stores them in facilities that are affiliated with the management company and c) holdings of bank debt/loans, trade claims or privates where no custodian is involved in safe keeping these assets. The contracts for these investments can be held at agent banks, administrator etc.

A counterparty would be reported for a) and b) but not for c).

**11.3.3. Other assets:** fees and escrow accounts would be reported here.

**11.4. Trading assets by size of assets at counterparty**

- This section should be used for listing top counterparty relationships. You are not required to give any counter party names at Grade 1.
- For Grade 3 Refer to Appendix C for a list of counterparty names
- While reporting at Grade 3, when unable to disclose actual Counterparty Name, use "Counterparty A" etc. consistently throughout the report, i.e. "Counterparty A" is always the same entity.

**11.4.1. Top 3 Relationships**

**11.4.2. Top 5 Relationships**

**11.4.3. Top 10 Relationships**

**Exposure by Geography**

This section is intended to show the geography of entities that a manager is dealing with. Therefore, do not roll up to a parent company level but show the locations of subsidiaries. Note there is no "Global" under regions. Report individual countries should only be filled at Grade 3 level.

**11.5. Trading assets by geography**

**11.6. Treasury assets by geography**

**11.7. Other assets by geography**

**11.8. Trading assets by lockup profile**

- This section should be used to report Financing Lockup Profile
- This should only be filled at Grade 3 level of reporting.
- Report terms for which finance providers have committed to locking up their margin rules.
- If the fund does not have any term financing, then enter 100% under "< 5 days" section.





- This section should sum to the same value as section 11.1.

**11.8.1. No information**

- 11.8.1.1.1. <5 days
- 11.8.1.1.2. 6-15 days
- 11.8.1.1.3. 16-30 days
- 11.8.1.1.4. 31-90 days
- 11.8.1.1.5. 91-180 days
- 11.8.1.1.6. 181 days-1 year
- 11.8.1.1.7. 1 year +
- 11.8.1.1.8. Life of trade

**11.9. Counterparty and Financing Sources**

**11.9.1. What % of your aggregate net credit counterparty exposure is with unregulated entities?**

This question focuses purely on financing so only report securities that are financed by the unregulated entities (non-financial institutions) in this section.

**11.9.2. What % of your financing is uncollateralized?**

Again this section is focused on financing and should contain information regarding any unsecured borrowings that the fund might have. Fully funded position would generally be reported in the "Treasury Assets or Other" part of the report depending on how the security is custodied and administered. If a fund establishes a position without borrowing, then the position should not be included in the financing section.

**11.10. Comments:** see note GP 22



## 12. Other:

Exposure to instruments which are not covered under the existing structure. For example, Hybrid options across different asset classes should show in the “Other” template. Non-mainstream asset classes like Weather and Insurance.

Total gross notional exposures should be presented here.

**12.1. Total Investments in instruments not covered by other sections:** see note GP 5

**12.2. Percentage of Portfolio:** see note GP 5 and GP 6

**12.3. Aggregate number of Positions:** Total number of positions.

**12.4. Description:** use this section to give some description about the exposures.

## 13. Digital Assets Exposure

- Report all exposures arising from trading of digital assets (physically, synthetically or through derivatives) in this section.
- Notional market value of the exposures, as a percentage of AUM (see note GP 6), should be entered here, except for options, where delta adjusted exposure should be reported

**13.1. Total Exposure to Digital Assets:** see note GP 5

**13.2. Percentage of Portfolio:** see note GP 5

**13.3. Aggregate number of Issuers:** see note GP 8

**13.4. Digital Assets Type:**

- Digital assets (cryptocurrencies and tokens) whose price fluctuates freely should be shown in 13.4.1 Cryptocurrencies.
- Assets whose price is pegged to a currency or commodity should be reported under 13.4.2 Stablecoins.

**13.4.1. Cryptocurrencies:**

**13.4.1.1.** Bitcoin

**13.4.1.2.** Ethereum

**13.4.1.3.** Other

**13.4.1.3.1.** Binance Coin

**13.4.1.3.2.** Bitcoin Cash

**13.4.1.3.3.** Cardano

**13.4.1.3.4.** Internet Computer

**13.4.1.3.5.** Litecoin

**13.4.1.3.6.** Polkadot

**13.4.1.3.7.** Ripple

**13.4.1.3.8.** Solana

**13.4.1.3.9.** Stellar

**13.4.1.3.10.** Uniswap

**13.4.1.3.11.** Other

**13.4.2. Stablecoins:**

**13.4.2.1.** Tether

**13.4.2.2.** USD Coin

**13.4.2.3.** Binance USD

**13.4.2.4.** DAI

**13.4.2.5.** TrueUSD

**13.4.2.6.** Other

**13.4.3. Other:**

**13.4.3.1.** ICO

**13.4.3.2.** NFT

**13.4.3.3.** SAFE

**13.4.3.4.** SAFT

**13.4.3.5.** Other

**13.5. Regions:** for breakdown see note GP 11.

- Region-specific digital assets should be shown in the region where the asset is based.
- All other digital assets should be shown in the Global region.

**13.6. Digital Assets Instruments:**



**13.6.1. Physical:**

**13.6.1.1. Cryptocurrencies**

**13.6.1.2. Stablecoins**

**13.6.1.3. Other**

**13.6.2. Futures and Cleared Swaps:**

See 13.6.1 for breakdown

**13.6.3. ETF**

See 13.6.1 for breakdown

**13.6.4. Forwards and Swaps:**

See 13.6.1 for breakdown

**13.6.5. Options:**

**13.6.5.1. Calls**

**13.6.5.1.1.** See 13.6.1 for breakdown

**13.6.5.2. Puts**

**13.6.5.2.1.** See 13.6.1 for breakdown

**13.6.6. Other**

**13.7. Liquidity:** see note GP 13.

**13.8. Comments:** see note GP 22

## 14. ESG Module

- Report exposures that facilitate mapping to ESG frameworks, as a percentage of AUM (see note GP 6). For Equity, Credit, and Convertible Bonds exposure, aggregate and report Sub-Industry exposure. For Sovereign and Interest Rate exposure, report Country exposure. For Real Assets and Commodities, report by commodity type, timberland, real estate, and infrastructure (see note GP 24).
- Notional market value of the exposures as a percentage of AUM should be reported, except for options, where delta adjusted exposure should be reported, and Sovereign and Interest rate exposure, for which 10-year US swap equivalent exposures should be reported as a percentage of AUM.

**14.1. Total Exposure:** see note GP 5

**14.2. Percentage of Portfolio:** see note GP 6

**14.3. Aggregate number of Issuers:** see note GP 8

**14.4. Sectors:**

Report aggregated Sub Industry exposure across Equity, Credit, and Convertible Bond assets. Guidance should be followed as explained in sections 2. Equity, 4. Credit, and 5. Convertible Bonds, without netting between asset classes.

**14.4.1.** see Appendix D for Sub Industry breakdown

**14.5. Regions:**

Report all Country exposures arising from trading of sovereign interest rate and debt products (physically, synthetically or through derivatives) in this section, following guidance from section 3. Sovereign and Interest Rate Exposure.

**14.5.1.** see Appendix F for Country breakdown

**14.6. Real Assets and Commodities:**

Report all exposure arising from trading of real assets and commodities (physically, synthetically or through derivatives) in this section, following guidance from section 7. Real Assets and Commodities.

**14.6.1.** see 7.5, 7.7, and 7.8 for breakdown.

**14.7. Comments:** see note GP 22

## Appendix A – Brief guide to understanding the template

The image shows a screenshot of a financial reporting template with several callout boxes providing instructions and explanations:

- Three levels of grades for different level of granularity.** (Points to the 'Top', 'Grade 1', 'Grade 2', and 'Grade 3' columns)
- Values column should be used to fill information regarding certain risk metrics which are not related to exposure.** (Points to the 'Values' column)
- Managers have the option to fill "Netted" exposure information. All exposure information (except where otherwise stated) should be as a percentage of AUM.** (Points to the 'Netted' and 'Non Netted' columns)
- All Managers are required to fill "Non Netted" exposure information. All exposure information (except where otherwise stated) should be as a percentage of AUM.** (Points to the 'Non Netted' columns)
- Values in the "Top" column describe at a very high level the type of information. It is not one of the Grades** (Points to the 'Sectors' column)
- Long and Short exposure information should reported separately.** (Points to the 'Long' and 'Short' sub-columns under 'Netted' and 'Non Netted')
- Unique identification number for each cell. First two digits indicate the general area, subsequent numbers indicate the level of grade.** (Points to a cell with value '6.4')
- Managers are not required to fill shaded cells.** (Points to shaded cells in the 'Values' column)
- Clicking on "+" sign will expand the tree.** (Points to the expand/collapse icons in the 'Sectors' column)

	Top	Grade 1	Grade 2	Grade 3	Values	Netted		Non Netted		# of Issuers	
						Long	Short	Long	Short	Long	Short
1	Total exposure to Hybrids (convertible bonds)					6.1.1	6.1.2	6.1.3	6.1.4		
2											
3											
4											
5		Percentage of Portfolio				6.2					
6		Aggregate number of Parent Issuers									6.3
7											
8	Sectors					6.4					
9		Materials									
10			Chemicals								
11				Commodity Chemicals							
12				Diversified Chemicals							
13				Fertilizers & Agricultural Chemicals							
14				Industrial Gases							
15				Specialty Chemicals							
16				Construction Materials							
17				Containers & Packaging							
20				Metals & Mining							
26				Paper & Forest Products							
29											
30		Industrials									
32			Consumer Discretionary								
34			Consumer Staples								

## Appendix B: Investment Strategy Classification

Investment Strategy	Assets Classes	Instruments	Investment Style	Trading Strategy	Market Exposure	Holding Period
Activist	Equity	Securities	Systematic	Directional	Long Only	More than 24 months
Convertible Bond Arbitrage	Credit	Derivatives	Discretionary Top Down	Relative Value	Short Only	12 to 24 months
Credit Distressed	Sovereign Rates	Physical assets	Discretionary Bottom Up	Multiple	Long Bias	9 to 12 months
Credit Lending	Convertible bonds	Securities and Physicals	Discretionary Unspecified		Variable Bias	6 to 9 months
Credit Long/Short	Commodities	Securities and Derivatives	Multiple		Short Bias	3 to 6 months
Equity Long/Short	Real Assets	Derivatives and Physicals			Neutral	1 to 3 months
Equity Market Neutral	Currencies	Securities, Derivatives and Physicals			Multiple	1week to 1 month
Event Driven	Other					Less than 1 week
Fixed Income Arbitrage	Insurance					Multiple
Global Macro	Multi Assets					
Leveraged Buyout						
Long Only						
Managed						
Futures/CTA						
Real Assets						
Real Estate						
Risk Arbitrage						
Risk Premia						
Venture Capital						
Volatility Arbitrage						
Multi Strategy						
Other						
Non Hedge Fund						



## Appendix C: Counter Party

ABN AMRO Bank  
Banco Itau  
Bank of America  
Bank of Butterfield  
Bank of New York Mellon  
Barclay Bank  
Barclays Capital Securities  
BlackRock Financial Management  
BMO Nesbitt Burns  
BNP Paribas  
Brown Brothers Harriman  
CACEIS Bank  
Caledonian Trust  
Citco Fund Services  
Citigroup Global Markets  
Credit Suisse First Boston  
Credit Suisse International  
Deutsche Bank  
Fidelity Prime Services  
First Republic Trust Company  
GlobeOp Financial Services  
Goldman Sachs  
Horizon Cash Management  
HSBC  
HSBC Private Bank  
ING Group  
Investec Prime Brokering  
JP Morgan  
Julius Baer  
Kotak Mahindra  
LaSalle Bank  
Merrill Lynch International  
MF Global  
Mitsubishi UFJ Securities  
International  
Mizuho International  
Mizuho Trust  
Montague Place Custody  
Services  
Morgan Stanley  
National Bank Trust  
Natixis  
Newedge Group  
Nomura International  
Northern Trust Corporation  
Pictet & Cie  
PNC Global Investment Servicing  
Rand Financial Services  
RBC Dexia Investor Services  
Rothschild Bank  
Royal Bank of Scotland  
Safra National Bank of New York  
Scotia Capital  
SinoPac Securities Corporation  
Skandinaviska Enskilda Banken





Societe Generale  
Standard Chartered Bank  
State Street  
Swedbank  
TD Bank  
UBS  
US Bank  
US Trust  
Wachovia  
Wells Fargo & Company  
Counterparty A  
Counterparty B  
Counterparty C  
Counterparty D  
Counterparty E  
Counterparty F  
Counterparty G  
Counterparty H  
Counterparty I  
Counterparty J  
Counterparty K  
Counterparty L  
Counterparty M  
Counterparty N  
Counterparty O  
Counterparty P  
Counterparty Q  
Counterparty R  
Counterparty S  
Counterparty T  
Counterparty U  
Counterparty V  
Counterparty W  
Counterparty X  
Counterparty Y  
Counterparty Z

## Appendix D: Global Industry Classification Standard (GICS®)\*

\* The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and Standard & Poor's. "Global Industry Classification Standard (GICS)", "GICS" and "GICS Direct" are service marks of Standard & Poor's and MSCI. "GICS" is a trademark of MSCI and Standard & Poor's. The breakdown below follows the September 2018 update in the GICS classification.

Please note that GICS® classification system normally has four levels but to fit our three grade levels we have completely ignored the "Industry Group" level classification.

We have added the following three categories:

**Conglomerates:** Report investments in companies where sector information is not available from a publicly available database and are difficult to classify into a single sector.

**Broad Market Indices:** Report investment in an index which does not have single sector focus. For example investment in a position with the underlying of the S&P 500 index would be classified in this sector.

**Other:** Any investment which cannot be classified under any of the classifications above should be reported here.

Grade 1: Sector	Grade 2: Industry	Grade 3: Sub Industry	
Materials	Chemicals	Commodity Chemicals	
		Diversified Chemicals	
		Fertilizers and Agricultural Chemicals	
		Industrial Gases	
		Specialty Chemicals	
	Construction Materials	Construction Materials	
		Containers and Packaging	
	Metals and Mining	Metal and Glass Containers	Paper Packaging
			Aluminium
		Diversified Metals and Mining	
		Copper	
		Gold	
		Precious Metals and Minerals	
		Silver	
	Paper and Forest Products	Forest Products	Paper Products
Industrials	Aerospace and Defence	Aerospace and Defence	
		Building Products	
	Construction and Engineering	Building Products	
		Construction and Engineering	
	Electrical Equipment	Electrical Components and Equipment	
		Heavy Electrical Equipment	
		Industrial Conglomerates	
	Machinery	Industrial Conglomerates	
		Construction Machinery and Heavy Trucks	
		Agricultural & Farm Machinery	
Industrial Machinery			
Trading Companies and Distributors	Trading Companies and Distributors		



	Commercial Services and Supplies	
		Commercial Printing
		Diversified Support Services
		Security & Alarm Services
		Environmental and Facilities Services
		Office Services and Supplies
	Professional Services	
		Human Resource & Employment Services
		Research & Consulting Services
	Air Freight and Logistics	
		Air Freight and Logistics
	Airlines	
		Airlines
	Marine	
		Marine
	Road and Rail	
		Railroad
		Trucking
	Transportation Infrastructure	
		Airport Services
		Highways and Rail tracks
		Marine Ports and Services
Consumer Discretionary		
	Auto Components	
		Auto Parts and Equipment
		Tires and Rubber
	Automobiles	
		Automobiles Manufacturers
		Motorcycle Manufacturers
	Household Durables	
		Consumer Electronics
		Home Furnishings
		Homebuilding
		Household Appliances
		Housewares and Specialities
	Leisure Products	
		Leisure Products
	Textiles, Apparel and Luxury Goods	
		Apparel, Accessories and Luxury Goods
		Footwear
		Textiles
	Hotels, Restaurants and Leisure	
		Casinos and Gambling
		Hotels, Resorts and Cruise Lines
		Leisure Facilities
		Restaurants
	Diversified Consumer Services	
		Education Services
		Specialised Consumer Services
	Distributors	
		Distributors
	Internet & Direct Marketing Retail	
		Internet & Direct Marketing Retail
	Multiline Retail	
		Department Stores
		General Merchandise Stores



	Specialty Retail	
		Apparel Retail
		Computer and Electronics Retail
		Home Improvement Retail
		Speciality Stores
		Automotive Retail
		Home Furnishing Retail
Consumer Staples		
	Food and Staples Retailing	
		Drug Retail
		Food Distributors
		Food Retail
		Hypermarkets and Super Centres
	Beverages	
		Brewers
		Distillers and Vintners
		Soft Drinks
	Food Products	
		Agricultural Products
		Packaged Foods and Meat
	Tobacco	
		Tobacco
	Household Products	
		Household Products
	Personal Products	
		Personal Products
Health Care		
	Health Care Equipment and Supplies	
		Health Care Equipment
		Health Care Supplies
	Health Care Providers and Services	
		Health Care Distributors
		Health Care Services
		Health Care Facilities
		Managed Health Care
	Health Care Technology	
		Health Care Technology
	Biotechnology	
		Biotechnology
	Pharmaceuticals	
		Pharmaceuticals
	Life Sciences Tools and Services	
		Life Sciences Tools and Services
Financials		
	Banks	
		Diversified Banks
		Regional Banks
	Thriffs and Mortgage Finance	
		Thriffs and Mortgage Finance
	Diversified Financial Services	
		Other Diversified Financial Services
		Multi Sector Holdings
		Specialised Finance
	Consumer Finance	
		Consumer Finance
	Capital Markets	



		Asset Management and Custody Banks
		Investment Banking and Brokerage
		Diversified Capital Markets
		Financial Exchanges & Data
	Mortgage REITs	Mortgage REITs
	Insurance	Insurance Brokers
		Life and Health Insurance
		Multi-line Insurance
		Property and Casualty Insurance
		Reinsurance
Information Technology		
	IT Services	IT Consulting and Other Services
		Data Processing and Outsourced Services
		Internet Services & Infrastructure
	Software	Application Software
		Systems Software
	Communications Equipment	Communications Equipment
	Technology Hardware, Storage & Peripherals	Technology Hardware, Storage & Peripherals
	Electronic Equipment, Instruments & Components	Electronic Equipment & Instruments
		Electronic Components
		Electronic Manufacturing Services
		Technology Distributors
	Office Electronics	Office Electronics
	Semiconductors and Semiconductor Equipment	Semiconductor Equipment
		Semiconductors
Communication Services		
	Diversified Telecommunication Services	Alternative Carriers
		Integrated Telecommunication Services
	Wireless Telecommunication Services	Wireless Telecommunication Services
	Media	Advertising
		Broadcasting
		Cable & Satellite
		Publishing
	Entertainment	Movies & Entertainment
		Interactive Home Entertainment
	Interactive Media & Services	Interactive Media & Services
Energy		



	Energy Equipment and Services	
		Oil and Gas Drilling
		Oil and Gas Equipment and Services
	Oil, Gas and Consumable Fuels	
		Integrated Oil and Gas
		Oil and Gas Exploration and Production
		Oil and Gas Refining and Marketing
		Oil and Gas Storage and Transport
		Coal and Consumables
Utilities		
	Electric Utilities	
		Electric Utilities
	Gas Utilities	
		Gas Utilities
	Multi-Utilities	
		Multi-Utilities
	Water Utilities	
		Water Utilities
	Independent Power Producers and Energy Traders	
		Independent Power Producers and Energy Traders
		Renewable Energy
Real Estate		
	Equity Real Estate Investment Trusts (REITs)	
		Diversified REITs
		Industrial REITs
		Hotel & Resort REITs
		Office REITs
		Health Care REITs
		Residential REITs
		Retail REITs
		Specialized REITs
	Real Estate Management & Development	
		Diversified Real Estate Activities
		Real Estate Operating Companies
		Real Estate Development
		Real Estate Services

## Appendix E: Standard & Poor's Rating Breakdown

If a rating for an instrument is not available, use the rating for the issuer instead.

Grade 1	Grade 2	Grade 3
Investment Grade	A- and above	AAA AA+ AA AA- A+ A A-
	BBB- to BBB+	BBB+ BBB BBB-
Non Investment Grade	B- to BB+	BB+ BB BB- B+ B B-
	C- to CCC+	CCC+ CCC CCC- CC+ CC CC- C+ C C-
Defaulted		
Not Rated		
Other		

Table 2: Mapping ratings from Moody's and Fitch IBCA to those of Standard and Poor's

Standard & Poor's	Moody's	Fitch IBCA
AAA	Aaa	AAA
AA+	Aa1	AA+
AA	Aa2	AA
AA-	Aa3	AA-
A+	A1	A+
A	A2	A
A-	A3	A-
BBB+	Baa1	BBB+
BBB	Baa2	BBB
BBB-	Baa3	BBB-
BB+	Ba1	BB+



BB	Ba2	BB
BB-	Ba3	BB-
B+	B1	B+
B	B2	B
B-	B3	B-
CCC+	Caa1	CCC+
CCC	Caa2	CCC
CCC-	Caa3	CCC-
CC	Ca	CC
C	C	C
D		D



## Appendix F: Regional Breakdown

Regional breakdown is based on classification adopted and maintained by IMF. For more information please visit [www.imf.org](http://www.imf.org). Please note that the website says that “*This classification is not based on strict criteria, economic or otherwise, and it has evolved over time*”. For Currency exposure please refers to Appendix G which focuses on Currencies rather than countries.

Grade 1: Continents	Grade 2: Economies	Grade 3: Countries
Global		
	Advanced Economies	
	Developing Economies	
Europe		
	Advanced Economies*	
		Austria
		Belgium
		Cyprus
		Czech Republic
		Denmark
		Estonia
		Finland
		France
		Germany
		Greece
		Iceland
		Ireland
		Italy
		Luxembourg
		Malta
		Netherlands
		Norway
		Portugal
		Slovak Republic
		Slovenia
		Spain
		Sweden
		Switzerland
		United Kingdom
		Other Advanced Economies Europe
	Developing Economies	
		Latvia
		Lithuania
		Bosnia and Herzegovina
		Bulgaria
		Croatia
		Hungary
		Poland
		Romania
		Russia
		Serbia
		Ukraine
		Other Developing Economies Europe
North America		
	Advanced Economies	
		Canada
		United States
		Other Advanced Economies N. America
	Developing Economies	



		Bermuda
		Cayman Islands
		Costa Rica
		Cuba
		Dominican Republic
		Jamaica
		Mexico
		Panama
		Other Developing Economies N. America
Asia and Oceania		
	Advanced Economies	
		Hong Kong
		Israel
		Japan
		Singapore
		South Korea
		Taiwan (Prov. Of China)
		Australia
		New Zealand
		Other Advanced Economies Asia
		Other Advanced Economies Oceania
	Developing Economies	
		China
		Georgia
		India
		Indonesia
		Iraq
		Kazakhstan
		North Korea
		Lebanon
		Malaysia
		Mongolia
		Pakistan
		Philippines
		Qatar
		Saudi Arabia
		Sri Lanka
		Thailand
		Turkey
		United Arab Emirates
		Vietnam
		Yemen
		Fiji
		Samoa
		Other Developing Economies Asia
		Other Developing Economies Oceania
South America and Africa		
	Advanced Economies	
		Other Advanced Economies S America
		Other Advanced Economies Africa
	Developing Economies	
		Angola
		Argentina
		Brazil
		Burkina Faso
		Chile



		Colombia
		Ecuador
		Egypt
		Ivory Coast
		Malawi
		Morocco
		Nigeria
		Peru
		South Africa
		Sudan
		Uruguay
		Venezuela
		Zambia
		Other Developing Economies S. America
		Other Developing Economies Africa
Other		
	Advanced Economies	
	Developing Economies	

\* Under the Sovereign and Interest Rate Exposure section we have introduced Euro as a country to enable reporting of exposure for Euro denominated investments.

## Appendix G: Currency Breakdowns

Grade 1: Continents/USD	Grade 2: Economies	Grade 3: Currencies
Base Currency		
Europe		
	Advanced Economies	
		Euro (EUR)
		Czech Koruna (CZK)
		Danish Krone (DKK)
		Icelandic Króna (ISK)
		Norwegian Krone (NOK)
		Swedish Krona (SEK)
		Swiss Franc (CHF)
		Great Britain Pound Sterling (GBP)
		Other Advanced Economies Europe
	Developing Economies	
		Bosnia and Herzegovina Marka (BAM)
		Bulgaria Leva (BGN)
		Croatia Kuna (HRK)
		Hungary Forint (HUF)
		Poland Zloty (PLN)
		Romania New Lei (RON)
		Russia Ruble (RUB)
		Serbia Dinar (RSD)
		Ukraine Hryvnia (UAH)
		Other Developing Economies Europe
North America		
	Advanced Economies	
		Canada Dollars (CAD)
		USA (USD)
	Developing Economies	
		Bermuda Dollars (BMD)
		Cayman Islands Dollars (KYD)
		Costa Rica Colon (CRC)
		Cuba Pesos (CUP)
		Dominican Republic Pesos (DOP)
		Jamaica Dollars (JMD)
		Mexico Pesos (MXN)
		Panama Balboa (PAB)
		Other Developing Economies N. America
Asia and Oceania		
	Advanced Economies	
		Australia Dollars (AUD)
		Hong Kong Dollars (HKD)
		Israel New Shekels (ILS)
		Japan Yen (JPY)
		New Zealand Dollars (NZD)
		Singapore Dollars (SGD)
		South Korea Won (KRW)
		Taiwan (Prov. Of China) New Dollars (TWD)
		Other Advanced Economies Asia
		Other Advanced Economies Oceania
	Developing Economies	
		China Yuan Renminbi (CNY/CNH)
		Fiji Dollars (FJD)
		Georgia Lari (GEL)



		India Rupee (INR)
		Indonesia Rupiah (IDR)
		Iraq Dinar (IQD)
		Kazakhstan Tenge (KZT)
		North Korea Won (KPW)
		Lebanon Pound (LBP)
		Malaysia Ringgit (MYR)
		Mongolia Tugrik (MNT)
		Pakistan Rupee (PKR)
		Philippines Peso (PHP)
		Qatar Rial (QAR)
		Samoa Tala (WST)
		Saudi Arabia Riyal (SAR)
		Sri Lanka Rupee (LKR)
		Thailand Baht (THB)
		Turkey Lira (TRY)
		United Arab Emirates Dirham (AED)
		Vietnam Dong (VND)
		Yemen Rial (YER)
		Other Developing Economies Asia
		Other Developing Economies Oceania
South America and Africa		
	Advanced Economies	
		Other Advanced Economies S. America
		Other Advanced Economies Africa
	Developing Economies	
		Angola Kwanza (AOA)
		CFA Franc BCEAO (XOF)
		Egypt Pound (EGP)
		Malawi Kwacha (MWK)
		Morocco Dirham (MAD)
		Nigeria Naira (NRN)
		South Africa Rand (ZAR)
		Sudan Pound (SDG)
		Zambia Kwacha (ZMK)
		Argentina Pesos (ARS)
		Brazil Reais (BRL)
		Chile Pesos (CLP)
		Colombia Pesos (COP)
		Peru Nuevos Soles (PEN)
		Uruguay Pesos (UYU)
		Venezuela Bolivares Fuertes (VEF)
		Other Developing Economies S. America
		Other Developing Economies Africa
Other		
	Advanced Economies	
	Developing Economies	



## Appendix H: Vanilla Currency Options

Calls

Puts

American

European

Bermudan

KNO – Knockout

KKO – Kickout

DKO – Double Knockout

KOATE – Kick out at the End

KNI – Knock In

KKI – Kick In

DKI – Double Knockin

NOKI – Knock out Kick In

NIKO – Knock In Kick out

KIATE – Kick In at the End

KOFWD – Knock out Forward

KKIFWD – Kick Into Forward

LKI – Lockin

TCH – Touch

THO – Touch with Outstrike

LIO – Lockin with Outstrike

DLI – Double Lockin

DTH – Double Touch

LKO – Lockout

DLO – Double Lockout

## Appendix I: Exposure calculation for different instruments

FROM CESR's "Guidelines on Risk Measurement and the Calculation of Global Exposure and Counterparty Risk for UCITS"

This section should only be used by UCITS funds to report the exposures. Non UCITS funds should use the guidance given in the main document for calculating their exposures and refer to the Appendix only when no instructions are mentioned in the main manual for a particular instrument. For all instruments with a "\*" please refer to the main manual.

N = Number of contracts; NCS = Notional Contract Size; NV = Notional Value

- \*Bond Future:  $N * NCS * \text{market price of the CTD reference bond}$
- \*Interest Rate Future:  $N * NCS$
- \*Currency Future:  $N * NCS$
- \*Equity Future:  $N * NCS * \text{market price of underlying equity share}$
- \*Index Futures:  $N * NCS * \text{index level}$

### Plain Vanilla Options

- \*Bond Option:  $N * NCS * \text{market value of underlying CTD reference bond} * \text{delta}$
- \*Interest Rate Option:  $N * NCS * \text{delta}$
- \*Equity Option:  $N * NCS * \text{market value of underlying equity share} * \text{delta}$
- \*Currency Option:  $N * NCS * \text{delta}$
- \*Index Options:  $N * NCS * \text{index level} * \text{delta}$
- \*Options on Futures:  $N * NCS * \text{market value of underlying asset} * \text{delta}$
- \*Swaptions:  $NV * \text{delta}$
- \*Warrants and Rights:  $N * \text{market value of underlying referenced instrument} * \text{delta}$

### Swaps

- \*All Swaps: NV of underlying asset
- \*Contract for Differences:  $N * \text{market value of underlying referenced instrument}$
- \*FX forward: NV currency leg(s)
- \*Forward Rate Agreement: NV

### Embedded Derivatives

- \*Convertible Bonds:  $\text{Number of shares} * \text{market value of underlying reference shares} * \text{delta}$
- \*Credit Linked Notes:  $\text{Market value of underlying reference asset(s)}$
- \*Partly Paid Securities:  $\text{Number of shares/bonds} * \text{market value of underlying referenced instruments}$

### Non-Standard (Exotic) Derivatives

- Dividend Swaps:  $\text{Notional} * \text{Dividend Yield}$
- Variance Swaps (t refers to the time today, T the life of the option and 0 the start)  
$$\text{Variance Notional} = (\text{Vega notional}) / (2 * \text{strike})$$
$$\text{Vega notional} = \text{Notional value of profit/loss from 1\% change in volatility}$$
$$\text{Current Variance (t)} = (t/T) * (\text{realised volatility (0,t)})^2 + ((T-t)/T) * (\text{implied volatility (t,T)})^2$$
$$\text{Variance Swaps (without volatility cap): Variance Notional} * \text{Current Variance (t)}$$
$$\text{Variance Swaps (with volatility cap): Variance Notional} * \min [\text{Current Variance(t), (Volatility cap)}^2]$$
- Volatility Swaps  
$$\text{Current volatility (t) is a function of the realized and implied volatility.}$$
$$\text{Volatility Swaps (without volatility cap): Vega Notional} * \text{Current Volatility (t)}$$



Volatility Swaps (with volatility cap):  $\text{Vega Notional} * \min [\text{Current Volatility } (t); \text{volatility cap}]$

- Barrier (knock-in knock-out) Options

Maximum delta = highest (if positive) or lowest (if negative) value that the delta of the option may attain taking into account all possible market scenarios.

Barrier options:  $N * NCS * \text{market value of underlying equity share} * \text{maximum delta}$