

The text below is an internet version of the Rules made by the Financial Services Commission under section 93 of the Financial Services Act and is for information purposes only. Whilst reasonable care has been taken to ensure its accuracy, the authoritative version is the one published in the *Government Gazette* of Mauritius (GN No. 36 of 2021) read together with subsequent amendments in the *Government Gazette* of Mauritius.

FINANCIAL SERVICES ACT

FSC Rules made by the Financial Services Commission under Section 93 of the Financial Services Act and Section 155 of the Securities Act

(Consolidated version with amendments as at 16 May 2022)

1. Citation

These Rules may be cited as the Financial Services (Special Purpose Fund) Rules 2021.

2. Interpretation

In these Rules, in its appropriate alphabetical order –

“CIS administrator” has the same meaning as in the Securities Act;

“CIS manager” has the same meaning as in the Securities Act;

“closed end fund” has the same meaning as in the Securities Act;

“collective investment scheme” has the same meaning as in the Securities Act;

“controller”, in relation to a corporation, has the meaning assigned to it in the Financial Services Act 2007;

“custodian” has the same meaning as in the Securities Act;

“participant” has the same meaning as in the Regulations;

“private placement” has the same meaning as in the Securities Act;

“Regulations” means the Securities (Collective Investment Schemes and Closed-end Funds) Regulations;

“scheme” means –

- (a) a collective investment scheme authorised by the Commission under section 97 of the Securities Act;
- (b) a closed-end fund authorised by the Commission under section 97 of the Securities Act; or
- (c) a sub-fund under the Variable Capital Companies Act 2022.

“special purpose fund” means the special purpose fund approved under rule 3.

Amended by [GN No 91 of 2021], [GN No 54 of 2022]

3. Authorisation by the Commission

- (i) Any scheme may apply to the Commission under these Rules for an authorisation as a special purpose fund in such form and manner as may be determined by the Commission.
- (ii) An authorisation under these Rules may be granted on such terms and conditions the Commission considers necessary.
- (iii) Any scheme authorised under these Rules as a special purpose fund shall pay to the Commission such fees as may be specified in FSC Rules.

Amended by [GN No 91 of 2021]

4. Obligations

- (1) A special purpose fund shall –
 - (a) offer its shares, solely by way of private placements, to investors having competency, significant experience and knowledge of fund investment;
 - (b) have a maximum of 50 investors and a minimum subscription of USD 100,000 per investor;
 - (c) at all times be:
 - (i) managed by a CIS manager; and
 - (ii) administered by a CIS administrator

- (d) comply with any such other conditions as may be imposed by the Commission.
- (2) The special purpose fund, the CIS manager and the CIS administrator shall carry out their relevant core income generating activities in, or from, Mauritius, and shall –
- (i) employ, directly or indirectly, an adequate number of suitably qualified persons to conduct such core income generating activities; and
 - (ii) incur a minimum expenditure proportionate to the level of such activities.

5. Withdrawal of authorisation

- (1) Without prejudice to any other enactment, the Commission may, after having considered the representations made by a scheme, withdraw the authorisation of the scheme as a special purpose fund where the Commission has reason to believe that –
- (a) any of the requirements or conditions referred to in rule 4 or otherwise imposed by the Commission are no longer satisfied;
 - (b) it is undesirable in the interests of the participants or potential participants that the scheme should continue to be approved as a special purpose fund; or

- (c) the scheme has, for the purpose of rule 3, knowingly submitted information which is false and misleading.
- (2) For the purpose of paragraph (1)(b), the Commission may take into account any matter relating to the scheme, the CIS manager or the custodian, an officer or controller of the CIS manager, or any person employed by or associated with the CIS manager in connection with the scheme.

6. Surrender of authorisation

- (1) Subject to any other enactment, an authorisation to operate a special purpose fund shall terminate, upon the approval of the Commission, on the date as specified by the resolution.

7. Disclosure

- (1) Any scheme, approved as a special purpose fund shall be exempted from the provisions of section 106 of the Securities Act.
- (2) Any scheme, approved as a special purpose fund shall file its audited financial statements with the Commission in accordance with section 30 of the Financial Services Act.

8. Saving and Restrictions

These Rules shall not apply to collective investment schemes and closed-end funds authorised before the commencement of these Rules.

9. Revocation

The Financial Services (Special Purpose Fund) Rules 2013 is revoked.

10. Commencement

These Rules shall come into operation on 6 March 2021.

Made by the Financial Services Commission on 6 March 2021.
