

Checklist

Assess if your fund documentation is well prepared for offering a transparent, fair and liquid open end investment.

Does your fund documentation include the following?

		Yes	No
TERMS AND RIGHTS OF REDEMPTION			
1	Definition of redemption window		
2	Definition for period of serving redemption requests		
3	Description of withdrawal process		
4	Fund Manager’s right to deviate from the redemption rules under special circumstances		
5	Definition of special circumstances		
6	Obligation of the fund manager to explain the special circumstances on the basis of which extensions/rejections of redemptions are made.		
7	Definition of a threshold managers will be committed to sell off assets to meet redemption requests		
8	Definition of measures if redemption requests have not been served in the agreed period		
9	Description of fee reductions if redemption requests have not been served in the agreed period		
10	Description of how assets to sell should be prioritised in order to serve redemption requests		
11	Description of how fund expenditures such as capital expenditure (capex), redemptions and income returns are prioritised		
12	Description of limits or caps on redemption requests per defined period of time		
13	Description of the mechanisms covering redemption requests; eg formal queuing system, pro-rata system, first past the post		
14	Description of the process of potential conflicts of interest caused by redemption requests		

For full report, go to inrev.org/library/publications

Does your fund documentation include the following?

For full report, go to inrev.org/library/publications

		Yes	No
ACCESS TO SECONDARY MARKET			
15	Description of investors' rights to access secondary market transactions		
16	Legal and regulatory framework to conduct secondary transfers; Investor rights, obligations, possibilities, responsibilities of the fund manager		
17	Description of internal approval procedure for secondary market trading, eg by investment committee		
18	Where applicable, disclosure of fees charged for secondary market services, eg re-registering units traded		
19	Where applicable, description of income apportionment methodology on secondary market trades and registration of units on the trade		
20	Where applicable, obligation to disclose position on units in redemption and the use of the secondary market		
21	Definition of matched bargain services offered by the fund manager/a third party; related fees should be transparent and unequivocal, disclosure of any side agreements and divergence of conditions (provided the fund manager has control over the appointment of third parties)		
VALUATION AND PRICING			
22	Disclosure of governance framework which determines appropriate mechanisms and disclosure requirements addressing frequency and methodology of pricing.		
23	Description of pricing mechanisms		
24	Description of valuation methodologies		
25	Description of calculation of (INREV) Net Asset Value		
26	Define frequency of valuation and pricing and their disclosure		
DISCLOSURE			
27	Distinction of information treated publicly or confidential in existing investor group		
28	Disclosure of confidentiality clauses; in regards to both the manager and investors		