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## PRESS RELEASE

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### **BERMUDA FUND REGULATIONS OPEN TO ISLAMIC INVESTMENT FUNDS**

#### **NEW BMA GUIDANCE COMPLEMENTS BERMUDA'S ISLAMIC FINANCE BUSINESS DEVELOPMENT INITIATIVE**

The Bermuda Monetary Authority today announced that it has published Guidance Notes that facilitate establishing Islamic investment funds in Bermuda. The Guidance Notes will help prospective applicants looking to establish such funds to comply with Bermuda's funds regulations, specifically the Investment Funds Act 2006. They also complement Bermuda's efforts to promote the jurisdiction as a domicile of choice for Islamic financial products.

Commenting on the new Guidance Notes, Jeremy Cox, CEO of the Authority said, "The Authority is pleased to confirm that Bermuda's regulatory framework can accommodate these types of products. By issuing the Guidance Notes we are helping the market take advantage of this potential business opportunity for Bermuda, while ensuring the sector remains appropriately regulated. As Bermuda's financial services regulator, the Authority is keen to ensure that this jurisdiction upholds the highest standards in regulation, while at the same time maintaining a regulatory environment that supports business growth and development. This development is a clear example of the Authority's work in this regard."

The Authority drafted the Guidance Notes following a review it conducted of Bermuda's regulatory regime for investment funds. The review found that there was no impediment to authorising Islamic investment funds in Bermuda under the current framework. However, the Notes provide guidance on a number of issues which such funds may need to consider in complying with the existing regulatory framework, such as required disclosures, notification of material changes, and the role and responsibilities of the Shariah Supervisory Board, a body required under Islamic law to ensure such fund products conform to Islamic principles.

A copy of the Guidance Note entitled "Islamic Collective Investment Schemes Guidance Notes" is available on the Authority's website: [www.bma.bm](http://www.bma.bm).

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