

## Appendix 8

### Investment Provider Name

Liquidity Analysis

Date .....

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(expressed in U.S. dollars)

#### Calculation of Expenditure Based Requirement

**Turnover** (comprised of the following): **X**  
i) Gross value of investments sold; and  
ii) The cost of investments sold.

**Less:**  
Cost of Sales (**specifically excludes the following**): **(X)**  
iii) Commissions paid to employees/ related companies; and  
iv) Fees paid to related companies or third parties for administration, custodial or management services.

Note: The exclusion is not intended to apply in respect of commissions and fees payable (either to third parties or related companies) provided that such fees and commissions are **directly attributable** to commissions and fees receivable which are included within total revenue.

**Total Revenue** **X**

**Less:**  
Profit on ordinary activities before appropriations **(X)**

**Annual Expenditure** **X**  
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**Expenditure Based Requirement** (to be prorated if not for one year)

Annual Expenditure X (1/4 or 1/12 as appropriate, refer to the Investment Business Act 2003 Statement of Principles section 2.8.a.)

**Liquid Capital** **X**  
**Expenditure Based Requirement** **(X)**

**Surplus/ (Shortfall) of Liquid Capital** **X**  
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**Note:** Liquid capital must exceed the expenditure based requirement.