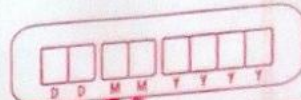


Designated employee → Amendment.
Closure of Subscription list.

Collective Investment Schemes



16/08/2022

Lec-1

- Contribution or payment made by investor &
- Utilise such fund for the scheme or arrangement
- With a view to earn profit return property
- The Scheme is managed by CIS on behalf of investor
- Where investor do not have day to day control.
- Any Scheme which is not registered & having corpus of 100 cr shall deemed to be CIS.
- CIS does not include ~~ZMP~~

C → Co-operative society reg under Co-operative Society

c → Contract of insurance by insurance Co.

C → Central Govt Specified Scheme.

D → Deposit by NBFC.

D → Deposit accepted by company.

D → Deposit by Nidhi Co.

F → Mutual fund

F → Chit fund

F → Pension fund or EPF.

LEC-2

CJMFC

- Company incorporated as per co's Act. registered with SEBI. whose object is to organize operate & manage a collective investment.
- CIS - Property.
- Money or money's worth invested by unit holder
- Property acquired with such money, income arising on such property or money.

Restriction on business Activities of CJMFC

CJMFC NOT



undertake any activity other than that of managing the CIS



Act as a trustee of any CIS



launch any CIS for the purpose of investing in securities



Invest in any CIS floated by it.

However, CJMFC may invest in its own CIS, after disclosure in offer document.

* obligations of FoF camc

- Responsible managing funds or property of CFS on behalf of unit holder
- Exercise due diligences & reasonable care in managing the assets of CFS.
- liable for any act or omission by its employee.
- Cannot enter into any transaction with or through its associates or their relatives relating to CFS. However, enter into any transaction with associate
- Report to trustee & SEBI.
- Appoint registrar & share transfer agent.
- Report to SEBI on monthly basis abt all money received & payment made.
- Hold twice board meeting in every 3 months.
- obtain adequate insurance against property of CFS

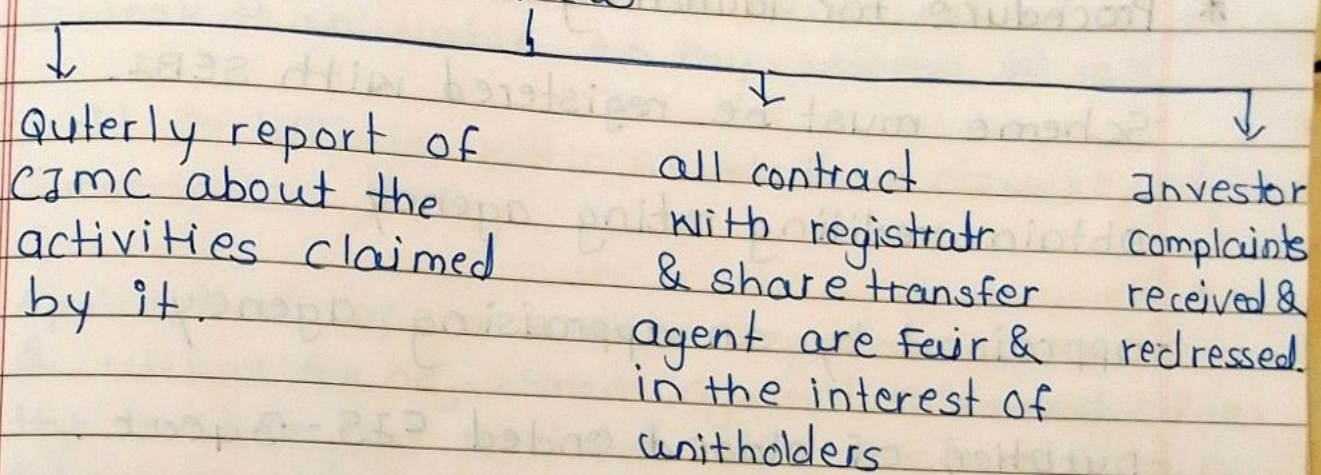
lec-5

* Trustee & their obligations:

- 1) Trustees holds the trust property for the benefit of unit holder
- 2) Person registered with SEBI as debenture trustee are only eligible to be appointed as ~~debenture~~ trustee.

CFS

4 Trustee shall review



5 Ensure that CIS to be rated by ~~crediting~~ Rating agency.

* Termination of trusteeship. JMP

- 1) Cease to be trustee under debenture trustee regulations 1993.
- 2) If the trustee is in course of ~~of~~ wound up.
- 3) 3/4th unit holder pass the resolution to remove the trustee & approved by SEBI.
- 4) Removal by SEBI if it is in the interest of unitholder.
- 5) Registration after giving of 3 months notice
- 6) Appointment of ~~a~~ new trustee within 3 months from termination if CMC failed to appoint then SEBI can appoint new trustee.

* Procedure for launching CFS.

- Scheme must be registered with SEBI.
- obtain crediting rating agency
- appraised by an appraising agency
- duration of closed ended CFS - 3 year.
- obtain adequate insurance policy for protection of CFS Property.
- No assured returns however indicative returns may be indicated.
- file copy of offer document to SEBI.
- In case no modification suggested by SEBI, within 21 days CMC may issue offer document to public.
- Advertisement shall be in conformity with code of conduct.
- Appraisal report shall form part of offer document & appraising agency has given written consent for inclusion the report.
- Offer period → not more than 90 days.
- refund of application money within 6 week from

closer of Subscription if failed to refund within 6 week than liable to pay interest @ 15%.

- unit certificate within 6 week from closure of Subscription Gst.

- Application money kept in separate bank account & utilize for adjustment against allotment after the trustee has received letter confirming min subscription has been achieved.

- fund of C2S utilise for the purpose of scheme.

* Investment & Segregation of fund.

- 1) - Investment in the object of C2S.
- 2) Segregate the asset of different C2S.
- 3) Cannot invest in another C2S.
- 4) Cannot invest in other scheme except permitted by SEBI & trustee.

* winding up of the scheme.

- Happening of event which, in the opinion of trustee requires wound up with prior approval of SEBI.

- 3/4th unit holder with SEBI approval SEBI may order wound up in the interest of unit holder.

- The purpose of C2S cannot be accomplished with approval of trustee, 3/4th unit holder & SEBI approval.

* Dispatch of warrant & proceeds

- Within 42 days from declaration of interim
- Redemption proceeds within 30 days from winding up or redemption.

* Periodic & continual disclosure

- 1) - Copy of audited financial statement including balance sheet & P&L A/c.
 - 2) - fil unaudited quarterly report.
 - 3) quarterly statement of changes in net asset liability in case of default.
- Contravenes any provision of Act.
 - furnish false or misleading info.
 - Does not co-operate in any inspection.
 - Failed to follow direction.
 - failed to resolve investor complaint.
 - failed to pay fees.
 - fails to make an application of listing.
 - SEBI may cancel or suspend the registration.

* Direction by the SEBI.

- SEBI in the inherent of unit holder may issue direction
- a) not to collect any money or not to launch CIS.
 - b) Prohibition from disposing of any property
 - c) Dispose of asset as per SEBI direction.
 - d) refund of any money or assets to unit holder.
 - e) Prohibiting the person from operating in capital market.