

Table B

Definitions of some terms used in the Hedge Fund Code

Defined Term	Definition
Collective Investment Fund	An arrangement which amounts to a Fund under Article 16 of the Collective Investment Law 2006 and which is not excluded under the Rules made under Article 17 set out under CIR 4.
Collective Investment Fund regime (CIF regime)	Collective Investment Fund Regime set out primarily in the Collective Investment Law 2004 and the Collective Investment Rules (CIR) 2004.
Constitution	In relation to a Fund: (a) which is in the form of a Body Corporate, the instrument of incorporation; (b) which is in the form of a Trust, the trust deed; (c) which is in the form of a Partnership, the partnership deed; or (d) adopting a form other than one specified in (a) to (c), any instrument creating the legal form of the Fund to which the Operator is a party setting out provisions relating to any aspect of the operation or management of the Fund.
Derivative	A Future or an Option (which are defined terms in the GLO Module).
DFSA	Dubai Financial Services Authority.
DIFC	Dubai International Financial Centre.
Domestic Fund	A Fund established or domiciled in the DIFC.
Financial Service	A financial activity prescribed in GEN section 2.2.
Fund	A Collective Investment Fund.
Fund Administrator	An Authorised Firm which is authorised under its Licence to Provide Fund Administration or a Person who is authorised or licensed by a Financial Service Regulator to provide such administration.
Hedge Fund	A Fund which has some or all of the following characteristics: (a) it has a broad mandate giving its Operator flexibility to shift strategy; (b) it is aimed at achieving absolute returns rather than returns relative to the market; (c) it employs some or all of the following techniques: (i) the pursuit of absolute returns or "alpha" rather than measuring their investment performance relative to the market; (ii) the use of short selling; (iii) the use of Derivatives for investment purposes; (iv) the use of economic or debt leverage as well as leverage embedded in financial instruments such as Derivatives; (v) the acquisition of distressed debt with a view to its realisation at a profit; or (vi) the acquisition "high yield" debt Securities; or (d) it charges performance-based fees in addition to a management fee based on the volume of assets under management.
Investment Manager	A Person who, acting only on behalf of a Client: (a) manages Investments in an account or portfolio on a discretionary basis under the terms of a discretionary mandate agreement; or (b) manages Investments in an account or portfolio on a non-discretionary basis under the terms of a non-discretionary management agreement.
Operator	The person, described under Article 12(3) of the Collective Investment Law 2006, who is responsible for the management of the property held for or within a Fund and who otherwise operates the Fund and, in relation to a Domestic Fund, is authorised under Licence granted by the DFSA to operate a Fund.
OTC derivative	Over the counter Derivative
Private Fund	Has the meaning given under article 54 of the Collective Investment Law 2006.
Prospectus	A document containing the information about a Security, by whatever name called and includes any supplementary documents.
Public Fund	Has the meaning given under article 46 of the Collective Investment Law 2006.
third party service provider	A Person employed by the Operator to carry out any activity relating to the operation of a CI Fund