

FUNDS-AXIS

FUNDWARE RULES BASED ON
EXPOSURE
FUNDS-AXIS PROCEDURE

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1. Rules based on Exposure

It is possible to write rules based on exposure, including:

- Commitment exposure
- AIFMD AUM Article 3 Exposure
- AIFMD Gross Exposure
- Notional exposure

FUND LEVEL SUMMARY						
1. The			Trust PLC			
Date: 30 December 2014						
Click on rule to view rule details						
Breach ID	Rule	Status	Breach Days	Exposure	Security / Issuer	
	AIF Limit : AIF Limit					
	P111: Commitment method leverage limit of 2:1 (200%)	Passed	1	108.2408 %		
	P90: Max 200% for Article 3 Exposure	Passed	1	112.3646 %	C-USD-80873 - Cash USD Bank of New York Mellon (BNY)	
	P90: Max 200% for Gross Exposure	Passed	1	116.7554 %	C-USD-80873 - Cash USD Bank of New York Mellon (BNY)	
	P90: Max 200% for Notional Exposure	Passed	1	116.7554 %	C-USD-80873 - Cash USD Bank of New York Mellon (BNY)	
	C-USD-80873 - Cash USD Bank of New York Mellon (BNY)			8.1664 %		
	012501-24 - Debentures			4.3908 %		
	032106-7381 - Y Clydesdale Loan			3.9864 %		
	27886R - IP Group PLC			3.9381 %		
	140406 - TSMC			2.2531 %		
	729665 - Harley-Davidson			2.2130 %		
	14737P - Wellpoint Inc			2.1905 %		

In each case, the results appearing in the Fund Level Summary should match those appearing in the Portfolio Exposure summary, from where there is full drill down to the underlying portfolio.

MoneyWare FundWare		Portfolio Exposures Summary Report											Client Logo	
Printed By: System Admin													Printed On: 07/06/2015 07:04:46 PM	
As on Date : From 30/12/2014 to 30/12/2014														
Date	Scheme Name	NAV Value Leverage Report	Uploaded NAV (Declared)	Net Exposure	Commitment Exposure	Total Commitment Exposure	Derivative Incremental Commitment Exposure	Article(3) Exposure	Article(3) Exposure EURO	Article(3) Exposure %	Notional Exposure	Notional Exposure %	Gross Leverage	Gross Leverage %
30 Dec 2014	1. The Invest Trust PLC	1,002,090,906.84	1,002,090,832.09	1,084,671,002.35	1,084,671,002.35	108.2400%	8.2400%	1,125,895,568.04	1,435,644,337.97	112.3600%	1,169,995,568.07	116.7600%	1,169,995,568.07	116.7600%

2. Writing the rules

2.1 Commitment Exposure Rules

(i) Without drill down from rule result

For Commitment Exposure, select the “Commitment Exposure” aggregation from the Rules Wizard. Most importantly, for denominator, you should select “% of Scheme Assets.” This is required in order to create the special calculations that appear within the Commitment Exposure rules.

And Holding Is For *	All Holdings - Scheme	Commitment Exposure
Excluding	<input type="checkbox"/> Pending Buy Orders <input type="checkbox"/> Pending Sell Orders <input type="checkbox"/> Pending Buy Trades <input type="checkbox"/> Pending Sell Trades	
Considering (for sell orders)	<input checked="" type="radio"/> Contractual <input type="radio"/> Saleable	
is *	> Value 250.0000 %	Of * % to Assets of Scheme
Where	[Select]	[Select] Value

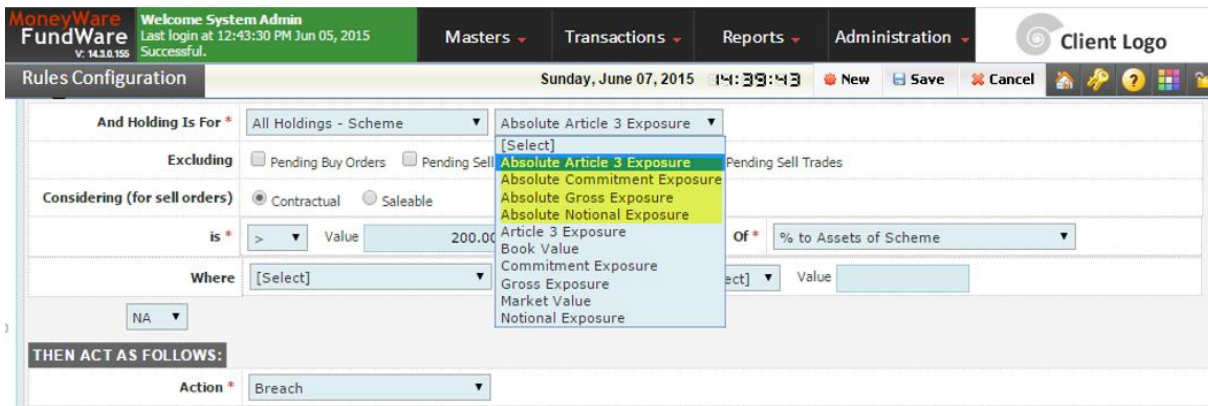
(ii) With click through to the Commitment Exposure Report

However, if you want to be able to click through to the Commitment Exposure report, then a different construction is required. You should instead use “Market Value” aggregation from the Rules Wizard. Importantly, for denominator, you should select “% of Scheme Global Exposure.” This rule construction looks erroneous and need cosmetic changes, but will have the correct result. It would produce the same result as approach (i) but with the drill down.

And Holding Is For *	All Holdings - Scheme	Market Value
Excluding	<input type="checkbox"/> Pending Buy Orders <input type="checkbox"/> Pending Sell Orders <input type="checkbox"/> Pending Buy Trades <input type="checkbox"/> Pending Sell Trades	
Considering (for sell orders)	<input checked="" type="radio"/> Contractual <input type="radio"/> Saleable	
is *	> Value 300.0000 %	Of * % to Scheme Global Exposure
Where	[Select]	[Select] Value

2.2 Other Exposure Rules

For AIFMD AUM Article 3 Exposure, AIFMD Gross Exposure, Notional exposure rules, simply select the relevant aggregation from the Rules Wizard. **For denominator, you should select % of Assets.** Note it is the “Absolute” version that will match up to the numbers in the Portfolio Exposures Summary report.



The screenshot shows the MoneyWare FundWare interface for Rules Configuration. The top navigation bar includes 'Masters', 'Transactions', 'Reports', and 'Administration'. The main configuration area is titled 'Rules Configuration' and shows the following settings:

- And Holding Is For ***: All Holdings - Scheme
- Excluding**: Pending Buy Orders, Pending Sell Trades
- Considering (for sell orders)**: Contractual, Saleable
- is ***: > Value 200.00
- Where**: [Select]
- Of ***: % to Assets of Scheme
- THEN ACT AS FOLLOWS:**
- Action ***: Breach

A dropdown menu is open for the 'And Holding Is For' field, showing the following options:

- [Select]
- Absolute Article 3 Exposure
- Absolute Commitment Exposure
- Absolute Gross Exposure
- Absolute Notional Exposure
- Article 3 Exposure
- Book Value
- Commitment Exposure
- Gross Exposure
- Market Value
- Notional Exposure