

## CHAPTER 8 Umbrella funds and sub-funds

### Segregated liability of investment company sub-funds

1405. (1) Notwithstanding any statutory provision or rule of law to the contrary, but subject to Schedule 17—

(a) any liability incurred on behalf of or attributable to any sub-fund of an umbrella fund shall be discharged solely out of the assets of that sub-fund; and

(b) no umbrella fund nor any director, receiver, examiner, liquidator, provisional liquidator or other person shall apply, nor be obliged to apply, the assets of any such sub-fund in satisfaction of any liability incurred on behalf of or attributable to any other sub-fund of the same umbrella fund;

whether such liability was incurred before, on or after 30 June 2005.

(2) Schedule 17 provides that subsection (1) shall not apply to an umbrella fund which was authorised and commenced trading (as that latter expression is to be read in accordance with that Schedule) before 30 June 2005 unless the conditions specified in that Schedule are satisfied.