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# Amendments have been introduced to regulations and legislative acts of KR on investment funds activity

## legislative acts on investment funds activity

On April 1, 2019, the President of the Kyrgyz Republic Sooronbay Jeenbekov signed the Law of the Kyrgyz Republic "On Amendments to Certain Legislative Acts on the Issues of Investment Funds Activities".

The law was adopted by the Jogorku Kenesh of the Kyrgyz Republic on February 20, 2019.

In order to improve the legislation of the Kyrgyz Republic on activities of investment funds, the adopted Law introduced changes and additions:

to the Law of the Kyrgyz Republic "On Investment Funds" dated July 26, 1999 No. 92;

to the Law of the Kyrgyz Republic "On Securities Market" dated July 24, 2009 No. 251

to the Law of the Kyrgyz Republic "On economic partnerships and companies" dated November 15, 1996 No. 60;

to the Law of the Kyrgyz Republic "On Joint-Stock Companies" dated March 27, 2003 No. 64.

One of the main changes is addition to the Law of the Kyrgyz Republic "On Investment Funds" dated July 26, 1999 No. 92 of the definition of "qualified investor". According to the innovation, *"a qualified investor is an individual or a legal entity, including a non-resident of the Kyrgyz Republic, which complies with requirements set forth by the legislation of the Kyrgyz Republic on the securities market and qualified investor. A qualified investor shall indicate its status as such upon signing of any documents aimed at investing its money in securities of investment funds."*

In addition, the following definition was added: *"An investment fund for qualified investors is a closed investment fund shares of which can only be owned by qualified investors."*

According to the lawmakers, the introduction of the institute of "qualified investor" will allow diversification of the domestic securities market and would allow creation of a new group of investors. In turn, the creation of more flexible and favorable working conditions for qualified investors would allow attraction of new participants to the stock market and in general will have a positive effect on market activity.

The law enters into force upon fifteen days expiration after the date of official publication.

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