

Chapter 6

Operating duties and responsibilities

Guidance notes on UK UCITS management company of UCITS schemes: Derivative Use Report (FSA042: UCITS)

Description	Guidance
Fund name	This is the name of the <i>scheme</i> or, where applicable, of the <i>sub-fund</i> as it appears on the FS Register.
PRN or LEI	For a <i>UCITS scheme</i> , this is the product reference number of the <i>scheme</i> or, where applicable, of the <i>sub-fund</i> which appears on the FS Register.
Derivative	A <i>forward</i> , a <i>future</i> , an <i>option</i> , a <i>swap</i> , a <i>warrant</i> or another type of <i>derivative</i> instrument.
Derivatives used for investment purposes	This means that <i>derivatives</i> are not being used solely in pursuit of <i>efficient portfolio management</i> .
Global exposure	Global exposure is calculated as either the incremental exposure and leverage generated through the use of <i>derivatives</i> , or the <i>market risk</i> of the <i>scheme property</i> , as set out in COLL 5.3.7R . <i>Market risk</i> is calculated using one of the stated risk measures.
Risk measures	For each <i>scheme</i> or, where applicable, <i>sub-fund</i> , information should be provided for only one of the risk measures (commitment approach, relative <i>VaR</i> or absolute <i>VaR</i>) indicated in the table.
Average leverage	In line with the CESR Guidelines (CESR/10-788), this is the mean of all leverage calculations over the past twelve <i>months</i> , leverage being calculated as the sum of the notional of the <i>derivatives</i> used.
Leverage limit	In line with Box 24 of the CESR guidelines (CESR/10-788), the usually expected or maximum expected level of leverage should be provided. Where these are not applicable, please provide the maximum leverage limit approved internally by the <i>authorised fund manager</i> (or leave blank if appropriate and provide an explanation in the comments box).