



Highlights of the Information Disclosure Implementation Rules from a Private Securities Fund Perspective

By Sandra Lu | Lily Luo | Yan Tao | Elaine Wang

To implement the *Measures for the Supervision and Administration of Information Disclosure of Private Investment Funds* (“**Information Disclosure Measures**”) issued by the China Securities Regulatory Commission (“**CSRC**”), and to further specify the information disclosure requirements for private investment funds, the Asset Management Association of China (“**AMAC**”) has drafted the *Implementation Rules for Information Disclosure of Private Investment Funds (Consultation Paper)* (“**Information Disclosure Implementation Rules**”) and the *Templates for Key Information Disclosure Content of Private Investment Funds (Consultation Paper)* (“**Key Content Templates**”). AMAC is currently seeking public comments on these documents, with the feedback period closing on 27 March 2026.

The Information Disclosure Implementation Rules elaborate on the relevant requirements set forth in the Information Disclosure Measures, and the Key Content Templates build upon this by providing model disclosure formats, serving as a highly practical guide for industry participants. Through a comparison with the Information Disclosure Measures, this article focuses on private securities investment funds (“**private securities funds**”) and highlights several noteworthy detailed provisions in the Information Disclosure Implementation Rules and the Key Content Templates to facilitate industry discussion.

I. Implementation Arrangements

According to the AMAC’s drafting notes, the Information Disclosure Implementation Rules will take effect on 1 September 2026, simultaneously repealing the *Measures for the Administration of Information Disclosure of Private Investment Funds* issued by the AMAC on 4 February 2016, with no transitional arrangements established. This means that, with effect from the effective date of the Information Disclosure Implementation Rules, the information disclosure practices of private investment funds (including both newly-launched and existing funds) shall comply with the new provisions.

In consideration of the need to align fund legal documents with actual practices, we advise, as a matter of prudence, that the information disclosure clauses in the fund contracts of existing funds be updated accordingly.

II. Refining NAV Disclosure Requirements

While reiterating that closed-ended private securities funds shall disclose their Net Asset Value (NAV) at least once a quarter and that the disclosure frequency of fund NAV for open-ended private securities funds shall not be lower than their dealing frequency, the Information Disclosure Implementation Rules introduce a further requirement: open-ended private securities funds shall disclose their NAV at least once a month prior to the commencement of subscription or redemption. This fills the gap in NAV disclosure during the period when subscription or redemption is not yet available, thereby achieving the lifecycle transparency of NAV disclosure.

III. Key Considerations in Periodic Reports

1. Portfolio Disclosure Requirements

Pursuant to Article 11 of the Information Disclosure Implementation Rules, a private securities fund shall disclose the asset class, amount, proportion and other details of its investments as at the end of the reporting period. Where the fund invests in equities, it shall also disclose the amount and proportion of the equity portfolio classified by industry; where it invests in bonds, it shall also disclose the principal amount, carrying value and proportion of the bond portfolio classified by bond type and credit rating; where it invests in derivatives, it shall also disclose the derivative type, the underlying assets, premium, margin, end-of-period contract market value, fair value change, and leverage level.

For a private securities fund that invests in other private funds or lawfully issued asset management products (excluding publicly offered securities investment funds), it shall also disclose information in respect of the invested asset management products, including the investment amount and proportion categorized by the primary investment strategy; and the name, investment strategy, investment amount and proportion of the top five asset management products by NAV exposure. On this basis, there are further look-through disclosure requirements for such investments, including:

- Information such as the asset class, amount, proportion of investments on a consolidated basis after look-through and the investment path as at the end of the reporting period;
- Where a private securities fund invests more than 90% of its fund assets in a single private fund managed by its own manager, the information disclosure report of that underlying fund shall be simultaneously disclosed.

In respect of the look-through disclosure requirements, the Information Disclosure Implementation Rules build upon and detail the Information Disclosure Measures, specifically supplementing the disclosure provisions for scenarios where a fund allocates a high proportion of its assets to a single fund managed by its own manager. In addition, the Key Content Templates further enumerate the specific matters required for look-through disclosure, clarifying that the core focus is on the investment amounts and proportions of various asset classes of the underlying fund, mainly covering equities, fixed income, futures and derivatives and other asset classes, rather than requiring a line-by-line disclosure of individual stocks or bonds held by the underlying fund.

It is worth noting that, considering the disclosure granularity required by the Key Content Templates for periodic reports, we understand that for looking through the investments into other private securities funds, upper-level managers can generally rely on the periodic reports provided by the underlying managers to substantially satisfy these requirements, without needing to source additional information. For investments in private asset management schemes, existing regulations already mandate that their quarterly reports include a portfolio report. In practice, these reports typically cover the data fields required by the Key Content Templates. Consequently, the look-through requirements will not significantly increase the reporting burden on upper-level managers.

In addition, we note that the Key Content Templates require the disclosure of “amount” information for each asset class in the “Fund Investments on a Look-through Basis” table. However, there may currently be divergent interpretations regarding the calculation basis for this amount, which could be understood either as directly reporting the underlying fund’s investment amount in each asset class, or alternatively, as reporting a prorated amount calculated by applying the private securities fund’s investment proportion to the underlying fund’s investments in each asset class. Considering the necessity of information disclosure and the objective of accurately reflecting actual investment exposure, we lean towards the latter methodology. We look forward to clarifications on the relevant calculation basis in the finalized Key Content Templates to avoid discrepancies in interpretation and implementation.

2. High-Concentration Investments and Liquidity-Restricted Assets

- (1) In respect of investment concentration limits, the *Guidelines for Operation of Private Securities Investment Funds* have set forth corresponding requirements: a single private securities investment fund shall not invest more than 10% of its NAV in the same bond, and shall not invest more than 25% of its NAV in the same single asset. From the perspective of risk disclosure, Article 13 of the Information Disclosure Implementation

Rules further stipulates that where the investment in the same bond exceeds 10% of the fund's NAV or the investment in other same single asset exceeds 25% of the fund's NAV (i.e., constituting a breach of the regulatory concentration limits), the detailed information of such investments shall be disclosed, including but not limited to the asset name, type, code (if any), industry classification (if any), investment amount and its proportion, and subsequent disposal plans. It should be noted that:

- Pursuant to the Key Content Templates, the determination of the same single asset shall comply with the relevant provisions of the Guidelines for Operation of Private Securities Investment Funds.
 - An exemption from this high-concentration disclosure applies to underlying assets that trigger a passive limit breach under Article 22 of the Guidelines for Operation of Private Securities Investment Funds, provided the fund is still within the permitted rectification period.
- (2) Article 15 of the Information Disclosure Implementation Rules requires that if a fund's aggregate liquidity-restricted assets exceed 20% of its NAV, the asset class, amount, proportion, valuation method and other relevant information shall be disclosed by the type of liquidity restriction.

In accordance with the Guidelines for Operation of Private Securities Investment Funds and the Key Content Templates, liquidity-restricted assets refer to assets that cannot be realized at a reasonable price, specifically including: newly issued shares with liquidity restrictions, shares from private placements, suspended stocks; restricted shares acquired through block trades, reverse repurchase agreements and bank time deposits (including negotiated deposits) with a remaining maturity of more than 10 trading days, asset-backed securities (notes), defaulted bonds and other similar assets.

Overall, on the one hand, fund managers shall pay attention to the diversification limits and requirements for liquidity-restricted assets as set forth in the Guidelines for Operation of Private Securities Investment Funds prior to making investments, and strengthen investment monitoring; on the other hand, if a breach of limits occurs, such breach shall be disclosed in the periodic reports.

3. Cross-Border Investment Disclosure

Article 16 of the Information Disclosure Implementation Rules sets forth detailed disclosure requirements for cross-border investments by private securities funds, with its core regulatory logic being the identification of offshore assets through a "look-through +

investment path” approach. Specifically, if a fund invests directly or indirectly in offshore assets, disclosure is required across the following dimensions:

- **Assets:** Investment size and proportion shall be broken down by offshore asset class and the country or region of the trading venue. According to the Key Content Templates, underlying asset categories on a look-through basis include bonds, equities, publicly offered funds, futures and derivatives, deposits, Chinese USD bonds, ETFs, and other asset classes. Notably, investments in offshore publicly offered funds are exempt from further look-through requirements.
- **Path:** The specific cross-border investment channels shall be detailed. These include equities traded via Stock Connect, cross-border total return swaps (TRS), over-the-counter (OTC) options, structured deposits, and other methods. Furthermore, if offshore assets are accessed via cross-border TRS, the counterparty’s name shall be disclosed. Where cross-border investments involve offshore asset management products, the specific product name, the manager’s name, and their basic profiles shall be disclosed.

4. Related-Party Transactions

Article 17 of the Information Disclosure Implementation Rules sets forth disclosure requirements for related-party transactions of private securities funds, explicitly mandating the disclosure of such elements as transaction date, the related party’s name, nature of the relationship, asset type, trade direction, transaction price, transaction amount, pricing basis and decision-making procedures.

For specific scenarios—where a fund invests more than 90% of its assets in private funds managed by its own manager, the Information Disclosure Implementation Rules allow the aggregated disclosure of investment amounts and balances grouped by the related party’s name. This arrangement accommodates the unique nature of the master-feeder fund structure. The Key Content Templates further emphasize that for private funds with a master-feeder structure managed by managers under the same actual controller, related-party transactions shall be disclosed on a look-through basis, meaning that the substance of underlying transactions still needs to be identified through look-through and the related-party relationship shall be disclosed.

5. Audit Requirements for Private Securities Funds

The Information Disclosure Measures promulgated by the CSRC stipulate that for private securities funds primarily investing in specific assets, their annual financial reports shall be audited by an accounting firm that complies with the provisions of the *Securities Law of the People's Republic of China* ("**Securities Law**"). The Information Disclosure Implementation Rules further specify the timing and conditions that trigger this audit requirement.

(1) Audit Trigger Timing

Pursuant to Article 22 of the Information Disclosure Implementation Rules, if a private securities fund falls under any of the circumstances listed in Item (2) below as of the end of any quarter during the current year, its annual financial report shall be audited by an accounting firm that complies with the provisions of the Securities Law.

(2) Clarification of Audit Trigger Conditions

No.	Investment Category	Trigger Threshold
1	Liquidity-restricted assets +NEEQ-listed shares	> 60% of fund NAV
2	OTC derivatives (open contract value)	> 60% of fund NAV
3	OTC derivatives (account equity)	> 20% of fund NAV
4	Offshore assets (excluding direct investments in offshore standardized assets)	> 60% of fund NAV
5	Private funds managed by other private securities fund managers	> 60% of fund NAV
6	Aggregate of Items 1, 2, 4, and 5 above	> 60% of fund NAV
7	Other circumstances as stipulated by the CSRC	

(3) Applicable Scope of Audit for Nested Investments

Regarding the applicable scope of the audit requirements in the context of nested investments, the Information Disclosure Measures and the Information Disclosure Implementation Rules explicitly mandate audits for private securities funds that primarily invest in private funds managed by other private fund managers. Based on a literal interpretation, if a fund primarily invests in other private securities funds managed by its own manager, or in private asset management schemes issued and managed by securities and futures institutions, it would not directly trigger this specific audit requirement.

However, the relevant rules also stipulate that funds primarily investing in liquidity-restricted assets shall also be audited. In this regard, there is a view that private funds and private asset management schemes may be deemed as liquidity-restricted assets, thereby falling within the audit scope. On this point, we note that the AMAC has defined “liquidity-restricted assets” in the footnotes to the quarterly and annual reports of the Key Content Templates. This definition does not explicitly include private securities funds and private asset management schemes, but retains a catch-all “other” category, leaving room for interpretation. We look forward to the clarification on this issue in the final version of the Information Disclosure Implementation Rules.

6. Clarification that the Information Disclosure Backup Platform is Not a Valid Disclosure Channel

Article 42 of the Information Disclosure Implementation Rules explicitly stipulates that the information disclosure backup platform shall not serve as an information disclosure channel. If a private fund manager only backs up information on the information disclosure backup platform without disclosing it through information disclosure channels, such act shall not constitute valid information disclosure to investors.

In previous practices, some managers treated the backup platform as the main information disclosure channel, relying on a 100% investor account opening rate on the platform as proof of fulfilling their disclosure obligations. This practice will no longer comply with the Information Disclosure Implementation Rules. Managers shall perform their information disclosure obligations through the information disclosure channels agreed in the fund contract, with the information disclosure backup platform serving solely its intended backup function.

IV. Other Types of Reports

1. New Dedicated Template for Liquidation Reports

In addition to enhancing the quarterly and annual reports for private securities funds, a notable highlight of the Key Content Templates issued by AMAC is the inaugural release of a dedicated template for liquidation reports. The introduction of this template effectively addresses historical inconsistencies in liquidation disclosures across the industry in practice and further standardizes the preparation of such reports.

2. Incorporation of the Custodian's Report into the Annual Report

The Information Disclosure Measures introduce the concept of the private fund custodian's report, while the Key Content Templates prescribe its specific format and content. Pursuant to the aforementioned provisions, the custodian's report will continue to be presented as an integral part of the fund's annual report; custodians are not required to prepare a standalone document.

The custodian's report primarily covers three aspects: first, a declaration by the custodian regarding its compliance and faithful performance of duties during the reporting period; second, an attestation concerning the fund's investment and operation compliance, NAV calculation, and profit distribution during the reporting period; and third, the custodian's review opinion on the fund's financial information presented in the annual report.

V. Special Impact on QDLP Funds

For QDLP funds investing in offshore funds (excluding investments in offshore publicly offered funds), the implementation of the aforementioned look-through disclosure and cross-border investment disclosure requirements relies on the close collaboration of offshore funds in multiple aspects, including: providing asset class information for the underlying assets; aligning with the disclosure frequencies and timelines required of QDLP funds; confirming whether local regulations allow the sharing of the granular information required for the QDLP managers' disclosures; and assessing whether the classification standards for offshore assets match domestic reporting methodologies.

Although QDLP funds currently invest primarily in offshore funds managed within the same corporate group, QDLP managers shall still proactively coordinate these efforts to ensure compliant and effective disclosures in accordance with the Information Disclosure Implementation Rules.

If you would like to know more information about the subjects covered in this publication, please contact:



Sandra Lu
+86 21 3135 8776
sandra.lu@llinkslaw.com



Lily Luo
+86 21 3135 8732
lily.luo@llinkslaw.com



Yan Tao
+86 21 3135 8755
yan.tao@llinkslaw.com



Elaine Wang
+86 21 3135 8752
elaine.wang@llinkslaw.com

SHANGHAI

19F, ONE LUJIAZUI
68 Yin Cheng Road Middle
Shanghai 200120 P.R.China
T: +86 21 3135 8666
F: +86 21 3135 8600

BEIJING

30F, Central Tower, China Overseas
Plaza, 8 Guanghuadongli,
Chaoyang District
Beijing 100020 P.R.China
T: +86 10 5081 3888
F: +86 10 5081 3866

SHENZHEN

18F, China Resources Tower
2666 Keyuan South Road,
Nanshan District
Shenzhen 518063 P.R.China
T: +86 755 3391 7666
F: +86 755 3391 7668

HONG KONG

Room 3201, 32/F, Alexandra
House
18 Chater Road
Central, Hong Kong
T: +852 2592 1978
F: +852 2868 0883

LONDON

1/F, 3 More London Riverside
London SE1 2RE
United Kingdom
T: +44 (0)20 3283 4337
D: +44 (0)20 3283 4323



www.llinkslaw.com



Wechat: LlinksLaw

WE LINK LOCAL LEGAL INTELLIGENCE WITH THE WORLD

This publication represents only the opinions of the authors and should not in any way be considered as legal opinions or advice given by Llinks. We expressly disclaim any liability for the consequences of action or non-action based on this publication. All rights reserved.

© Llinks Law Offices 2026