

AIFMD

Alternative Investment Funds Manager Directive

In answer to the financial crisis the European commission pursued the objective to subdue all actors and actions that imply considerable risks an adequate regulation. For this reason in 2009 the commission has published a draft of a guideline to regulate managers of alternative investment funds. This draft did obtain the formal approval by the European Council by the 27th of May 2011 und has to be implemented within two years after the announcement in the Gazette of the European Union. Until 16th of November 2011 further concretions through the new European Securities and Markets Authority are expected.

Besides the introduction of a European uniform regulatory framework for all managers of funds outside of the UCITS scope the following goals can be defined:

- Regulation of managers and product from third party countries throughout the EU
- Implementation of a obligatory license as well as the possibility of an application for an EU-passport to be able to sell alternative investment products to institutional investors throughout the EU
- Securing of increasing transparency and protective provision for investors adjusted to the chance/risk profile of the products
- Establishment of a regulatory framework for the prevention of systematic risks through monitoring of typical business risks

The guideline envisions extensive licensing and supervisory requirements for managers of alternative investment funds. This includes an adequate amount of equity, an appropriate risk and liquidity management, the obligation of continuous evaluation of assets, the protection of the money of investors in an account of an independent depository bank as well as wide disclosure and reporting obligations towards investors and the regulating authority and the qualification of the management.

<p>1. License License for administration, management and distribution of an AIF, equity requirements</p>	<p>2. Distribution EU-passport for professional investors, authorization of sales to small investors on a national level</p>	<p>3. Code of conduct Conflicting interests, risk management and liquidity management</p>
<p>4. Organization/ service provider Evaluation requirements, risk and liquidity management, depository bank, delegation and subdelegation</p>	<p>5. Transparency Information requirements towards investors, reporting towards regulatoring authorities</p>	<p>6. Additional regulations Requirements for leverage and the acquirement of substantial holdings, feeder and fund of funds</p>

Asset managers with total assets of all managed AIF smaller than EUR 100 million or a not leveraged amount of total assets smaller than EUR 500 million and without a cancelation period within the first five years are outside the scope of this guideline. Furthermore there are special regulations for closed-end funds.

To meet those new requirements, a comprehensive check of existing contract structures, business processes and intended controls as well as compensation structures is essential to be able to initiate the necessary next steps.



Our offer – Benefit from the professional consulting services of ifb

Implementation consulting
We offer selective and targeted consulting services for selected regulatory issues. This always complies with the requirements of the circular composed by CSSF. Defining your individual solution we also take the type, extent, complexity and size of your business into account.

Extensive analysis of your business
We analyze your organizational and process organization to filter and categorize the necessary adjustments to the AIFMD. Thus we ensure that your business fully complies with new regulatory requirements and you can concentrate on your daily business as far as possible..

Generation and implementation of a catalogue of countermeasures
Accordingly to the analysis of the business in cooperation with the affected departments we develop a catalogue of countermeasures of the organizational and legal modifications and estimate the time and costs needed as well as a prioritization of the individual issues.

Training/Coaching
In connection with event driven and risk based trainings or distribution of information we also offer training and coaching of the affected departments. We offer face-to-face instructions as well as refresher training. The certificates serve as a proof for required trainings.





Your contact

Michael Amberg
Michael.Amberg@ifb-group.com
Tel. +49 162 20 48 994

Cathrin Müller
Cathrin.Mueller@ifb-group.com
Tel. +49 173 56 61 938

ifb group
Bayenwerft 14
D-50678 Cologne
Tel +49 221 - 92 18 41 - 0
Fax +49 221 - 92 18 41 - 300
info@ifb-group.com
www.ifb-group.com

Why ifb group?

Five good reasons for ifb

1. We are experts within regulatory consulting – experience counts

All consultants can call on many years of experience and deep knowledge in regulatory consulting. We consult based on our long practical experience in credit and financial services institutions as well as a expertise in the asset management industry. We support you with any regulatory issue for example risk management, internal control system and regulatory reporting. Furthermore several of our consultants are lecturers and instructors at universities and private advanced educational institutes.

2. We work creative, efficient and outcome oriented

Cornerstones of our consulting services are creativity and outcome orientation. We define an individual approach for you and stand for an efficient implementation.

3. We offer professional continuity

ifb group allocates a core team during the project or assignment and ensures a high personnel continuity. We guarantee a constant contact person for the entire period.

4. We stand for a close cooperation

A close and open communication is important for a trustful cooperation. Therefore we previously determine goals and expectations together. The procedure and outcome are aligned promptly to ensure high transparency. Agreed time frames and due dates are of course mandatory.

5. We stand out due to our appropriate price-performance ratio

We offer high quality during the performance of the engagement through the allocation of experienced consultants for fair prices.

ifb group

In our capacity as a consulting and implementation partner, we help you overcome any challenges in terms of corporate management, controlling, risk management, compliance, accounting as well as process-related aspects of financial products. Our trademark is the close combination of our professional expertise and implementation excellence. This means that, according to need, we help you surmount the functional challenges – be it in terms of strategy and business concepts, their transformation into processes and IT systems or the subsequent implementation of commensurate IT and business intelligence solutions. More than 800 companies around the globe have been successfully relying on our solutions for many years.

