

AIFM License Application Assistance More complex than first anticipated



On 18 June 2013, the CSSF published its practical guidance in relation to the registration and authorisation of Alternative Investment Fund Managers (AIFM) established in Luxembourg, in accordance with the Luxembourg Law of 12 July 2013 on Alternative Investment Fund Managers (AIFM Law). To be authorised by the CSSF in accordance with the Luxembourg AIFM Law, management companies wishing to carry out AIFM activities must submit a detailed application file. Deloitte can assist you with the coordination, compilation and submission of this application..

AIFMD Licensing

The application questionnaire for the setup of a fully licensed AIFM requires the applicant to address multiple questions, complete tables and provide detailed information in appendix format to demonstrate compliance with the new AIFM requirements.

Authorisation will be granted based on many criteria including operating conditions, remuneration policy, risk management, liquidity management, valuation of assets, use of leverage, depositary compliance and supervision of delegated functions. Policies and procedures as well as overall organisation and reporting lines may also need to be revisited to ensure compliance with the new requirements.

The filing process involves challenges on many levels:

- Time consuming data collection
- Providing comprehensive information to the regulator
- Gaps identified will require updates to or setup of appropriate procedures and policies
- Your organisational setup and reporting lines may need modifications to be in line with the new regulatory requirements

How Deloitte can help you

- Our established methodology will simplify and assist you throughout the process
- Our interdisciplinary team will guide you through the complex maze of rules against which you need to establish compliance
- Market players with management companies in multiple European domiciles often setup a global AIFMD project structure. By working with us, you can leverage our experience of the Luxembourg application process for subsequent filings in other locations
- Our level of engagement can vary according to your needs and level of readiness: we can drive the entire process or just be involved for specific tasks – the decision rests with you

Gap analysis	Remediation plan	Production of regulatory filings & authorisation	Level of Deloitte's engagement
<ul style="list-style-type: none"> • Detailed regulatory health check across all AIFMD requirements with identification of key gaps • Analysis of individual regulatory requirements, e.g. governing bodies incompatibilities, transparency, valuation, risk management, delegation • General awareness workshop with indication of key areas of concern 	<ul style="list-style-type: none"> • Preparation, execution and coordination of an exhaustive remediation plan, based on gap analysis findings and in agreement with applicant AIFM • Remediation of specific gaps, e.g. setup of individual policies/procedures, remuneration principles, risk management review, conflict of interest management 	<ul style="list-style-type: none"> • Preparation and completion of the application questionnaire for the setup of a fully licensed AIFM, including drafting of appendix documents • Drafting specific documents, as agreed with applicant AIFM, e.g. to demonstrate conformity with selected articles of the AIFM Law • Quality review of the application questionnaire filed by the applicant AIFM 	
Analysis of the applicability of the proportionality principle			

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