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| MALTA FINANCIAL SERVICES AUTHORITY |
| **Authorisation Forms** |
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| **Form AA41: Self-Assessment for Fund Managers and Self-Managed Collective Investment Schemes applying for an AIFM licence** |
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| **High Level Guidelines** |
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| 1. General   This form, Form **AA41: Self-Assessment for Fund Managers and Self-Managed Collective Investment Schemes applying for an AIFM licence** (‘Application’), shall be duly filled in by entities licenced under the Investment Services Act (Chapter 370 of the Laws of Malta) which fall within the scope of the AIFM Directive and no longer qualify for an exemption in terms of Article 3 of the same Directive, as well as to those entities that choose to opt in pursuant to Article 3(4) of the same.  In this respect, the Applicant shall to the best of its knowledge, provide information, which is truthful, accurate and complete. The Applicant shall notify the MFSA immediately if the information provided changes in any respect either prior to or subsequent to authorisation.  The Applicant shall note that it is a criminal offence, under Article22(2) and 23 of the Act, to furnish information or to make a statement which one knows to be inaccurate, false or misleading in any material respect, or to recklessly furnish information or to make a statement which is inaccurate, false or misleading in any material respect, pursuant to any of the provisions of this Act or of any Regulations made or of any Rules issued thereunder, or any condition, obligation, requirement, directive or order made or given as aforesaid.  The Applicant is required to make reference, and where applicable comply with, the Act, the Regulations made, or Rules issued thereunder during the completion of the Application. The Applicant shall also refer to the respective National and/or European Regulatory Frameworks or other binding regulation as may be applicable.  The Applicant shall not tamper with, or modify in any manner, this Application or its respective Annexes. Should it transpire that the documents were tampered with, or modified in any manner, the Authority shall consider the Application to be invalid. Any potential improvements should be communicated to the MFSA for consideration.  The Authority may at its sole discretion request from the Applicant further information/ documentation.   1. Definitions   For the purposes of this Application, the definitions found on the [MFSA website](https://www.mfsa.mt/wp-content/uploads/2022/03/AX22-Funds-Application-Forms-Definitions.docx) identified below should be read in conjunction with the provisions of the Act and other respective national or European regulatory frameworks or other binding regulation as may be applicable.  In the event that any of the definitions contained hereunder conflict with a definition under the Act, the definitions set out in the Act or in any other such law shall prevail, unless otherwise specified herein.   1. Instructions   The Applicant is required to complete all the respective sections of the Application, as follows:   * 1. Section 1 – Applicant Details   2. Section2 – Business Models, Strategy and Activity   3. Section 3 – Governance   4. Section 4 – Risk and Liquidity Management   5. Section 5 – Valuation   6. Section 6 – Investment in Securitisation Positions   7. Section 7 – Other Operational Arrangements   8. Section 8 - Prudential   9. Declaration Form   Applicants are to note that further instructions in relation to the Application may be found on the Guidelines to the Authorisation Forms ([link](https://www.mfsa.mt/wp-content/uploads/2021/05/AG01-Applications-Guidelines.pdf)). It is noted that the Application should reflect the Applicant’s structure and method of operations at time of authorisation.  Following submission of the Application via the LH Portal, the Declaration Form should be printed and sent, originally signed, to the Authority. In the printed Declaration Form, the Applicant is reminded to enter the Application ID, which is provided automatically through the LH Portal upon on-line submission of the Application. It is to be noted that only this Declaration Form should be sent physically to the Authority. Further instructions can be found in the Declaration Form itself.  In order for the Application to be considered complete, the Applicant is required to have submitted, along with a duly filled Application, all the required documentation as identified within this Application.   1. Privacy Notice   The MFSA ensures that any processing of personal data is conducted in accordance with Regulation (EU) 2016/679 (General Data Protection Regulation), the Data Protection Act (Chapter 586 of the Laws of Malta) and any other relevant European Union and national law. For further details, you may refer to the MFSA Privacy Notice available on the MFSA webpage <https://www.mfsa.mt/privacy-notice/>.   1. Disclaimer   It is noted that the submission of this Application and/or its determination of ‘completeness’ shall not be construed as a granting of Authorisation by the MFSA. Furthermore, the Applicant is referred to Article 4(A) of the MFSA Act, wherein the granting of an Authorisation is a concession and a revocable privilege, and no holder thereof shall be deemed to have acquired any vested rights therein or thereunder. |

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| * 1. Applicant Details | | | | | | |
|  | **Applicant Person Type** | | | | | |
|  | Person Type | Select item | | | | |
|  | **Applicant – General Information and Identification Details** | | | | | |
|  | **Identification** | | | | | |
|  | Authorised Person Name | Enter text | | | | |
|  | Authorisation ID | Enter text | | | | |
|  | **Representation**  *Indicate the details of the external / internal representatives of the Applicant and their contact details, as applicable.* | | | | | |
|  | Type of Representation | | Select item | | | |
|  | Representative Entity Name *(if applicable)* | | Enter text | | | |
|  | Position | | Enter text | | | |
|  | Title | | Select item | | | |
|  | Name | | Enter text |  | Surname | Enter text |

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|  | **Resource Sharing** | |
|  | **Confirmation** | |
|  | Does the Applicant intend to share resources with other members within its Group Structure or other third parties, through Support Services Arrangements? | Select item |
|  | **Resource Sharing Arrangement**  *This sub-section is only applicable if the Applicant selects ‘Yes’ to Question 1.4.1.1* | |
|  | |  | | --- | | * 1. Resource Sharing Agreement | | |  |  |  |  |  | | --- | --- | --- | --- | --- | | Name of Entity | Enter text | | Relationship | Select item | | Provide a description of the resources being shared | | Enter text | | | | Explain how the Applicant will maintain independence | | Enter text | | | |   *(Add multiple as applicable)* | |

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|  | Representative’s  Business Email Address | Enter text | |
|  | Representative’s  Business Direct Number | Enter text |

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| * 1. Business Model, Strategy and Activity | | |
|  | **Current Authorisation** | |
|  | Specify the level of assets under management (‘AuM’) for AIFs by the Applicant (based on the most recently available NAV figures for the AIFs)[[1]](#footnote-1). | |
| Enter text | |
|  | Specify whether the Applicant is required to be authorised in terms of the Directive because the assets under management exceed the relevant threshold or whether the AIFM qualifies for an exemption as set out in the Directive but is opting in, pursuant to Article 3(4) of the Directive. | Select item |
|  | Specify whether the Applicant intends to continue providing all services as indicated in its current licence identifying any changes relating to investment services where applicable. | |
| Enter text | |
|  | **Attachment | Current and Proposed Organigram**  Submit the current organigram of the Applicant as well as the structure being proposed to effectively carry out the activities of an AIFM. | |
|  | In case of any new activities and/or activities currently undertaken by the Applicant that are not in line with the permitted activities applicable for AIFMs: | |
|  | 1. Outline the changes in terms of operational arrangements to be implemented by the Applicant, as applicable. | |
|  | Enter text | |
|  | 1. Outline whether the Applicant will be appointing additional staff to undertake licensable activities and/ or to hold senior positions which require prior authorisation by the MFSA. | Select item |
|  | If ‘*Yes*’, provide details of the relevant position to be held and submit the relevant Personal Questionnaire Form. | |
|  | Enter text | |
|  | **Financial Service Activity** | |
|  | Specify from the tables below the range of services that will be provided by the Applicant as well as the nature of the clients to be serviced by the Applicant. [Article 6(2) and (4) of the Directive detail the range of activities that an AIFM is permitted to undertake]. | |
|  | |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | |  | Core Activity | Non-Core Activities[[2]](#footnote-2) | | | | | Other Activities | | | |  | Management of AIFs | Management of UCITS Schemes[[3]](#footnote-3) | Reception and Transmission of Orders | Safekeeping & Administration in relation to shares or units of collective investment undertakings | Investment Advice | Discretionary Portfolio Management | Administration [[4]](#footnote-4) | Marketing | Activities related to the assets of the AIFs (as detailed in Annex 1 of the AIFMD) | | Transferable Securities | - | - | - | - | - | - | - | - | - | | Money Market Instruments | - | - | - | - | - | - | - | - | - | | Units in collective investment schemes | - | - | - | - | - | - | - | - | - | | Options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivative instruments, financial indices or financial measures which may be settled physically or in cash | - | - | - | - | - | - | - | - | - | | Options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event | - | - | - | - | - | - | - | - | - | | Options, futures, swaps, and any other derivative contracts relating to commodities, that can be physically settled provided that they are traded on a regulated market, within the meaning of the Financial Markets Act a Multilateral Trading Facility, or an Organised Trading Facility, except for wholesale energy products traded on an Organised Trading Facility that must be physically settled | - | - | - | - | - | - | - | - | - | | Options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled, are not for commercial purposes, are not included in article 6 of this Schedule, and, which have the characteristics of other derivative instruments | - | - | - | - | - | - | - | - | - | | Derivative instruments for the transfer of credit risk | - | - | - | - | - | - | - | - | - | | Rights under a contract for differences or under any other contract the purpose or intended purpose of which is to secure a profit or avoid a loss by reference to fluctuations in the value or price for property of any description or in an index or other factor designated for that purpose in the contract. | - | - | - | - | - | - | - | - | - | | Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this Schedule, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market, OTF, or an MTF | - | - | - | - | - | - | - | - | - | | Certificates or other instruments which confer property rights in respect of any instrument falling within this Schedule | - | - | - | - | - | - | - | - | - | | Foreign exchange acquired or held for investment purposes | - | - | - | - | - | - | - | - | - | | Emission allowances consisting of any Shares recognised for compliance with the requirements of Directive2003/87/EC (Emissions Trading Scheme) | - | - | - | - | - | - | - | - | - | | |
|  | In the case of dual authorisation in terms of Directive 2011/61/EU and Directive 2009/65/EC kindly indicate under which authorisation any intended non-core activity being applied for will be provided. | Select item |
|  | In case of any new activities which are not catered for in the current authorisation, kindly provide a detailed description as to how the identified additional financial service activities mentioned above will be carried out in practice in accordance with the relevant Regulations. | |
|  | Enter text | |
|  | Does the Applicant intend to make use of an on-line platform/application to offer its services & activities? | Select item |
|  | If ‘*Yes*’, please provide details. | |
|  | Enter text | |
|  | **Attachment | MFSA Annex – AX04** | |
|  | **Client base**  *Indicate the intended target market for the non-core activities being applied for (if applicable)* | |
|  | |  |  |  |  |  | | --- | --- | --- | --- | --- | |  | Reception and Transmission of Orders | Safekeeping & Administration in relation to shares or units of collective investment undertakings | Investment Advice | Discretionary Portfolio Management | | Retail Clients | - |  | - | - | | Professional Clients | - |  | - | - | | Collective Investment Schemes | - |  | - | - | | Eligible Counterparties | - |  | - | - | | |
|  | **Information on AIFs** | |
|  | **Funds under Management – Details of Funds**  *Provide details of the Funds which the Applicant manages or intends to manage* | |
|  | |  |  | | --- | --- | | * 1. Fund under Management | | | Name of Fund | Enter text | | Type | Select item | | Status of Fund | Select item | | Domicile | Select country | | Marketing basis | Select item | | Marketing Countries | |  | | --- | | Select country | | | Authorisation date | Enter date | | Name of Regulatory Body | Select item | | If ‘*Other*’:  Name of Regulatory Body | Enter text | | Regulatory Status | Enter text | | *Depositary Identification* | | | Name of Depositary | Enter text | | Depositary Type | Select item | | Domicile | Select country | | Authorisation date | Enter date | |  |  |     *(Add multiple as applicable)* | |
|  | **Attachment/s | MFSA Annex – AX09**  *Provide the respective information for each AIF managed by the Applicant.* | |
|  | Has the Applicant appointed/ intends to appoint a prime broker on behalf of its AIFs? | Select item |
|  | If ‘*Yes*’,   1. have the terms on which the Applicant uses the services of a Prime Broker been set out in a written contract and 2. does the contract provide for any possibility of transfer and reuse of AIF assets and provide that the custodian be informed of the contract? | |
|  | Enter text | |

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| * 1. Governance | | | | | |
|  | **Management Body** | | | | |
|  | **Management Body Structure**  *The responses provided in this sub-section should be in accordance with the document establishing and governing the Applicant’s Management Body.* | | | | |
|  | Indicate whether the Applicant intends to carry out any changes to its Management Body in order to carry out the activities of an AIFM. | | | | |
|  | Enter text | | | | |
|  | **Proposed members of the Management Body** | | | | |
|  | |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | * 1. Proposed Member of the Management Body | | | | | | | *Role within Management Body* | | | | | | | Type | Select item | | If ‘*Formed*’: Status | Select item | | | *Identification* | | | | | | | Title | Select item | | | | | | Name | Enter text | | Surname | Enter text | | | ID Type | Select item | | ID Number | Enter text | | | MFSA PQ Code | Enter text | | | | | | **Attachment | MFSA Annex – AX02** | | | | | | | Outline the respective focus area the person will be responsible for: | | | | | | | Enter text | | | | | | | *Other involvement/s within the Applicant* | | | | | | | Will the person be directly involved in any of the Applicant’s key functions? | | | | | Select item | | Type of function carried out | Enter text | | | | | | Will the person be directly involved in the provision of the services identified under P2-1.3 of this Application? | | | | | Select item | | Specify the role of the person in the provision of these services | Enter text | | | | | | *Legal Representation* | | | | | | | Will the proposed individual be vested with legal representation of the Applicant? | | | | | Select item | | *Base of Operations* | | | | | | | Will the proposed individual be based in Malta? | Select item | If ‘*No*’: Specify the country where the proposed individual is based | | | Select country | |  |  | | | | |   *(Add multiple as applicable)* | | | | |
|  | **Committees** | | | | |
|  | **Committees Reporting to the Management Body**  *The responses provided in this sub-section should be in accordance with the established Terms of Reference of the Applicant’s Committee/s.* | | | | |
|  | Does the Applicant intend to appoint any internal committees other than those already established? | | | | Select item |
|  | Does the Applicant intend to change the composition of any of its existing internal committees? | | | | Select item |
|  | If ‘*Yes*’: Identify the Committee/s and provide the respective details | | | | |
|  | |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | | * 1. Committee Details | | | | | | | | | *Type and mandate of Committee* | | | | | | | | | Type of Committee | Select item | | | | If ‘*Other*’:  Committee Type | Enter text | | | Outline the mandate, functions, and duties of the Committee | | | Enter text | | | | | | *Committee Members* | | | | | | | | | |  |  |  |  | | --- | --- | --- | --- | | * + 1. Committee Member | | | | | Member Name | Enter text | Member Surname | Enter text | | Nature of position | Enter text | MFSA PQ Code (if applicable)[[5]](#footnote-5) | Enter text | |  |  | | |   *(Add multiple as applicable)* | | | | | | | | | *Committee Structure* | | | | | | | | | Frequency of Meetings | | Select item | | If ‘*Other*’: Specify Frequency of Meetings | | | Enter text | | | Frequency of Reporting to the Management Body | | Select item | | If ‘*Other*’: Specify frequency | | | Enter text | | | Provide a description of the admission criteria and the election mechanism for the members of the committee | | | | | | | Enter text | | | What is the applicable minimum number of members for the Committee? | | | | | | | Enter text | | | Number of members required to constitute a quorum | | | | | | | Enter text | | | *Delegation to Third-Parties* | | | | | | | | | Will the Applicant delegate any of the Committee’s functions and duties? | | | | | | | Enter text | | | If ‘*Yes*’: Outline the functions and duties that will be delegated and identify to whom these will be outsourced. | | | | | | | Enter text | | |  | | | | | | | |   *(Add multiple as applicable)* | | | | |
|  | **Conflict of Interest** | | | | |
|  | Provide an outline of the policy and procedures in relation to the conflicts of interest | | | | |
|  | Enter text | | | | |
|  | Describe the controls and any other measures put in place to ensure the effective management of conflicts of interest. In this regard, also outline the organisational and administrative arrangements for managing and monitoring conflicts and for the segregation of operational tasks and responsibilities that may generate conflicts of interest. | | | | |
|  | Enter text | | | | |
|  | Does the Applicant foresee any conflicts of interest/s? | | | | Select item |
|  | If ‘*Yes*’: Identify and explain the conflict of interest/s foreseen and the respective mitigating measures | | | | |
|  | |  |  |  | | --- | --- | --- | |  |  |  | | No. | Conflict of Interest Identification & Description | Mitigating measure | |  | Enter text | Enter text | |  | | |   *(Add multiple as applicable)* | | | | |
|  | In circumstances where arrangements may not prove to be sufficient to prevent the risk of damage to investors, describe where the Applicant will be disclosing possible sources of conflicts of interests before undertaking business on behalf of investors. | | | | |
|  | Enter text | | | | |
|  | Indicate what arrangements are in place to identify, prevent, manage, and monitor potential conflict of interest situations in relation to the activities of the delegates, sub-delegates, external valuer, or counterparty. | | | | |
|  | Enter text | | | | |
|  | **Remuneration Function** | | | | |
|  | Provide an outline of the *Identified Staff* within the Applicant whose professional activities materially impact the risk profile of the Applicant or the AIF/s it manages and a description as to how such ‘Identified Staff’ were assessed and selected. | | | | |
|  | Enter text | | | | |
|  | If a renumeration committee will not be established, provide:  An indication by whom the tasks of remuneration will be performed; and  Details as to the reason why the Applicant does not need to establish a remuneration committee. The reason must be grounded in terms of the 'Proportionality Principle' according to the Applicant's size internal organisation and the nature, scope, and complexity of its activities. | | | | |
|  | Enter text | | | | |
|  | Explain how the Applicant’s rules on the structure of pay are consistent with sound and effective risk management and in line with the interests of the AIFM, AIFs and investors | | | | |
|  | Enter text | | | | |
|  | Explain:  how the remuneration policy ensures a balance between fixed and variable components of total remuneration;  the measurement of performance of the AIF as well as its structure; and  how variable remuneration is adjusted for risk, where appropriate | | | | |
|  | Enter text | | | | |
|  | Describe briefly the approach to be taken with regard to the remuneration of control functions as referred to in the ESMA Guidelines and an outline of the manner in which conflicts of interest are avoided. | | | | |
|  | Enter text | | | | |
|  | Describe the conditions that are in place in order to ensure that the employees engaged in the control functions are compensated independently of the business areas that they oversee and commensurately with their role within the Applicant. | | | | |
|  | Enter text | | | | |
|  | Indicate the remuneration disclosure arrangements that the Applicant will have in place. | | | | |
|  | Enter text | | | | |
|  | Please specify whether the Applicant intends to disapply any of the required Rules of the remuneration policy structure and indicate which Rules are intended to be disapplied, including details regarding how the proportionality assessment for each of the Rules was carried out. | | | | |
|  | Enter text | | | | |
|  | **Internal Audit** | | | | |
|  | **Internal Audit Function** | | | | |
|  | Provide an overview of the internal audit function structure, its resources and reporting procedures. Also provide a description of the professional experience of the identified person/s with regards to the proposed function. | | | | |
|  | Enter text | | | | |
|  | *Exception - Independence* *Derogation Request*  Does the Applicant intend to avail itself of a temporary derogation from the requirement to establish an internal audit function? | | | | Select item |
|  | If *‘Yes’*, provide the following information: | | | | |
|  | 1. Provide a justifiable explanation indicating why the Applicant is proposing to utilise this derogation given the nature, scale, and complexity of the Applicant. | | | | |
|  | Enter text | | | | |
|  | 1. Explain how the Applicant will ensure that this will not give rise to conflicts of interest. | | | | |
|  | Enter text | | | | |
|  | **Third-Party Outsourcing** | | | | |
|  | Does the Applicant intend to outsource all, or part of its Internal Audit Function to a Third-Party Outsourcing Provider? | | | | Select item |
|  | If ‘*Yes*’: Identify the Third-Party Outsourcing Provider/s. | | | | |
|  | |  |  | | --- | --- | | * 1. Third-Party Outsourcing Provider | | | Name of Third-Party Outsourcing Provider | Enter text | | Registration number  *(if applicable)* | Enter text | |  | |   *(Add multiple as applicable)* | | | | |
|  | **Attachment | MFSA Annex – AX03** | | | | |
|  | **Internal Audit Officer** | | | | |
|  | Title | Select item | | | |
|  | Name | Enter text |  | Surname | Enter text |
|  | Identification Document (‘ID’) Type | Select item |  | ID Number | Enter text |
|  | MFSA PQ Code (if applicable) | Enter text | | | |
|  | **Key Function Holders** | | | | |
|  | Identify any new Key Function Holders which require a PQ | | | | |
|  | |  |  |  |  | | --- | --- | --- | --- | |  | | | | | * 1. Key Function Holder | | | | | Title | Select item | | | | Name | Enter text | Surname | Enter text | | Identification Document (‘ID’) Type | Select item | ID Number | Enter text | | MFSA PQ Code | Enter text | | | | Position Title | Enter text | | | | Will the person be involved in the provision of the financial service? | | | Select item | | Type of function carried out | Enter text | | | | Reporting line | Select item | | | | Will the proposed individual be based in Malta? | Select item | If ‘*No*’: Specify the country where the proposed individual is based | Select country | |  | | | |   *(Add multiple as applicable)* | | | | |

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| * 1. Risk and Liquidity Management | | | | | |
|  | **Risk Management Function** | | | | |
|  | **General Details** | | | | |
|  | Provide an overview of the structure of the risk management function, its resources and reporting lines. | | | | |
|  | Enter text | | | | |
|  | Will the Applicant have a permanent risk management function which is functionally and hierarchically separated/ independent from the operating units? | | | | Select item |
|  | If *‘Yes’*, please describe the independent permanent risk management function of the Applicant to be established to oversee the implementation of the risk management policy and systems of the funds under management, by providing the following information: | | | | |
|  | * 1. The duties of the risk management function. | | | | |
|  | Enter text | | | | |
|  | * 1. Any other functions to be exercised by the risk management function. | | | | |
|  | Enter text | | | | |
|  | * 1. The safeguards put in place to ensure that conflicts of interests will not prejudice the independence of the risk management function. | | | | |
|  | Enter text | | | | |
|  | If *‘No’*, provide the following information: | | | | |
|  | * 1. A justifiable explanation indicating why the Applicant is proposing to utilise this derogation given the nature, scale, and complexity of the Applicant. | | | | |
|  | Enter text | | | | |
|  | * 1. Demonstrate that specific safeguards against conflicts of interest will allow for the independent performance of risk management activities and that the risk management process satisfies the requirements of Article 15 of the AIFMD and is consistently effective. | | | | |
|  | Enter text | | | | |
|  | **Delegation/ Third-Party Outsourcing** | | | | |
|  | Does the Applicant intend to outsource all, or part of its Risk Management Function to a Third-Party Outsourcing Provider? | | | | Select item |
|  | Specify which activity will be delegated. | | | | |
|  | Enter text | | | | |
|  | If ‘*Yes*’: Identify the Third-Party Outsourcing Provider/s. | | | | |
|  | |  |  | | --- | --- | | * 1. Third-Party Outsourcing Provider | | | Name of Third-Party Outsourcing Provider | Enter text | | Registration number  *(if applicable)* | Enter text | | details of the measures taken to effectively enable such monitoring | Enter text | |  | |   *(Add multiple as applicable)* | | | | |
|  | **Attachment | MFSA Annex – AX03** | | | | |
|  | **Risk Officer** | | | | |
|  | **Identification** | | | | |
|  | Title | Select item | | | |
|  | Name | Enter text |  | Surname | Enter text |
|  | Identification Document (‘ID’) Type | Select item |  | ID Number | Enter text |
|  | MFSA PQ Code | Enter text | | | |
|  | **Risk Management Framework** | | | | |
|  | Provide an outline of the Applicant’s risk management framework, explaining the Applicant’s high-level strategy for identifying and managing risks to its business, including money laundering and terrorist financing risks. | | | | |
|  | Enter text | | | | |
|  | Provide an outline of the Applicant’s top 5 anticipated risks, excluding AML/CFT risks, indicating the respective tolerance limits, and proposed monitoring and mitigating measures. | | | | |
|  | |  |  |  |  | | --- | --- | --- | --- | | No. | Anticipated Risk | Tolerance Limit | Mitigating Measure/s | |  | Enter text | Enter text | Enter text | |  | Enter text | Enter text | Enter text | |  | Enter text | Enter text | Enter text | |  | Enter text | Enter text | Enter text | |  | Enter text | Enter text | Enter text | | | | | |
|  | **Attachment | Risk Management Policy**  *Provide the Risk Management Policy which should address the requirements stemming from Article 15 of the AIFMD* | | | | |
|  | **Attachment | MFSA Annex – AX28** | | | | |
|  | **Leverage** | | | | |
|  | Indicate for each AIF to be managed by the Applicant, the maximum level of leverage authorised and the extent of the right to reuse collateral or guarantee that is/ could be granted under the leverage arrangement | | | | |
|  | Enter text | | | | |
|  | **Liquidity management** | | | | |
|  | Provide a detailed description of the liquidity management system that the Applicant will have in place for each fund to be managed by it – including details regarding how the Applicant will for each fund that it manages, ensure that the investment strategy, the liquidity profile, and the redemption policy are consistent and ensuring compliance with the relevant Directives and Regulations. | | | | |
|  | Enter text | | | | |

* 1. Valuation

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|  | **Valuation Function** | |
|  | **General Details** | |
|  | Kindly indicate whether the valuation function shall be carried out internally by the Applicant itself, or else whether external valuers shall be appointed. | Select item |
|  | **Internal Valuation Arrangements** | |
|  | Indicate by whom the valuation will be undertaken, demonstrating how the valuation task will be functionally independent from the portfolio management and the remuneration policy. | |
|  | Enter text | |
|  | Describe other measures that will be used to ensure that conflicts of interest are mitigated and that undue influence upon the employees undertaking the valuation task is prevented | |
|  | Enter text | |
|  | **Valuation Officer/s** | |
|  | |  |  |  |  | | --- | --- | --- | --- | |  | | | | | Title | Select item | | | | Name | Enter text | Surname | Enter text | | Identification Document (‘ID’) Type | Select item | ID Number | Enter text | |  | | | | |  | | | |     *(Add multiple as applicable)* | |
|  | **Attachment | CV of Valuation Officer/s** | |
|  | Demonstrate that the person/s who will be undertaking the valuation within the Applicant have the necessary expertise and competence to carry out such role | |
|  | Enter text | |
|  | **External Valuation Arrangements** | |
|  | Identify the External Valuer/s that will be appointed by the Applicant. | |
|  | |  |  | | --- | --- | | * 1. Third-Party Outsourcing Provider | | | Name of External Valuer | Enter text | | Registration number  *(if applicable)* | Enter text | | Nature and type of assets to be valued | Enter text | |  | |   *(Add multiple as applicable)* | |
|  | Demonstrate how the identified external valuers are independent from the AIF, the Applicant, and any other persons with close links to the AIF or the Applicant. | |
|  | Enter text | |
|  | Comment on the due diligence undertaken on the external valuer/s and demonstrate that:  the external valuer/s is/are subject to mandatory professional registration recognised by law or regulatory provisions or rules of professional conduct;  the external valuer/s can provide sufficient professional guarantees to be able to perform effectively the relevant valuation function;  the appointment of the external valuer/s complies with the requirements of Article 20(1) and (2) of the AIFMD as well the Commission Delegated Regulation adopted pursuant to Article 20(7). | |
|  | Enter text | |
|  | If the valuation function will be undertaken by the depositary of the AIF/s to be managed by the Applicant, demonstrate that there is a functional and hierarchical separation of the depositary functions from its tasks as an external valuer and provide also an outline of how potential conflict of interest are properly identified, managed, monitored and disclosed to the investors of the AIF. | |
|  | Enter text | |

|  |  |
| --- | --- |
| * 1. Investment in Securitisation Positions   *This section is only applicable to AIFMs that have any current investment in securitisation positions or otherwise intend to seek exposure to securitisation positions* | |
|  | **Investment in Securitisation Positions** |
|  | Indicate whether the Applicant has any current investment in securitisation positions or otherwise intends to seek exposure to securitisation positions |
|  | Enter text |
|  | Specify the AIF on behalf of which such securitisation exists or is otherwise sought and the rationale for such exposure |
|  | Enter text |
|  | **Exposure to a material value of credit risk of securitisation** |
|  | Outline what monitoring procedures are in place (commensurate with the risk profile of the relevant AIF in relation to the credit risk of a securitisation position) in order to enable the AIFM to monitor, on an on-going basis and in a timely manner, performance information on the exposures underlying such securitisation positions |
|  | Enter text |
|  | Outline what arrangements are in place to identify, measure, manage, control, and report the risks that arise because of mismatches between the assets and liabilities of the relevant AIF, concentration risk or investment risk arising from these instruments |
|  | Enter text |
|  | Indicate the percentage of material net economic interest retained by the originator, sponsor or original lender on an on-going basis as specifically disclosed to the AIFM |
|  | Enter text |
|  | **Stress-Testing** |
|  | Specify the frequency of stress testing of the securitisation positions in terms of Article 53(2) of the Commission Delegated Regulation |
|  | Enter text |

|  |  |  |  |
| --- | --- | --- | --- |
| * 1. Other Operational Arrangements | | | |
|  | **Transparency and Disclosure Requirements** | | |
|  | Detail the operational arrangements in terms of resources that are put in place by the Applicant to comply with its additional reporting and disclosure requirements.  *Note: The additional reporting and disclosure requirements include:*  *i) those that are required to be submitted to the MFSA (including the disclosure reporting requirements in respect of AIFs that employ leverage);*  *ii) those that are required to be disclosed to investors; and*  *iii) the additional disclosure requirements that are required to be included in the AIFM Annual Report.* | | |
|  | Enter text | | |
|  | **Other Outsourcing/Delegation Arrangements** | | |
|  | Does the Applicant intend to outsource/delegate any of its activities in connection with its regulated business other than those already identified throughout the application: | | Select item |
|  | If *‘Yes’*, fill in the below for every outsourcing/ delegation arrangement: | | |
|  | |  |  |  |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  | | --- | --- | | Name of the Outsourcing Provider | Enter text | | Registration number  *(if applicable)* | Enter text | | Regulatory status  *(if applicable)* | Enter text | | Activities to be outsourced/delegated | Enter text | | The monitoring arrangements that will be in place (including the frequency thereof) | Enter text | |  | | | |   *(Add multiple as applicable)* | | |
|  | **Attachment | MFSA Annex – AX03** | | |
|  | **Sub-Delegation** | | |
|  | Outline (if applicable) any sub-delegation arrangements, providing the following details:  name of the sub-delegate;  details of the type of authorisation;  location and registration status of the delegate; and  functions being sub-delegated | | |
|  | Enter text | | |
|  | Have the risk management or portfolio management functions been sub-delegated to a party whose interests may conflict with those of the Applicant or the investors of the AIF? | | Select item |
|  | If *‘Yes’*, outline any potential conflicts of interest and explain what arrangements are in place for such sub-delegate to satisfy the provisions outlined in Article 20(2)(b) of the Directive. | | |
|  | Enter text | | |
|  | If *‘No’*, explain how the existing sub-delegation arrangements are considered not to give rise to potential conflicts of interest. | | |
|  | Enter text | | |
|  | **Rationale for Delegation** | | |
|  | Provide a detailed description, explanation, and evidence of the objective reasons for the delegation arrangements | | |
|  | Enter text | | |
|  | Provide details justifying the extent of delegation of the Applicant with reference to the following criteria:  The types of assets the fund is invested in, and the importance of the assets managed under delegation for the risk and return profile of the fund;  the importance of the assets under delegation for the achievement of the investment goals of the fund;  the geographical and sectoral spread of the fund's investments;  the risk profile of the fund and the type of investment strategies pursued by the fund;  the type of tasks delegated in relation to those retained;  the configuration of delegates and their sub-delegates, their geographical sphere of operation and their corporate structure including whether the delegation is conferred on an entity belonging to the same corporate group as Applicant. | | |
|  | Enter text | | |
|  | **Monitoring/ control arrangements for delegated functions** | | |
|  | Indicate who is responsible within the Applicant for supervising the delegated functions to ensure that these are undertaken in compliance with applicable law and regulatory requirements. | | |
|  | Enter text | | |
|  | Provide a general overview of the methods and procedures for monitoring and reviewing on an on-going basis the services provided by the delegates. | | |
|  | Enter text | | |
|  | Provide details of the frequency of reporting in relation to the services provided by the delegates both in terms of reporting from the delegate to the Applicant and also internally to senior management / Board of Directors/ supervisory function. | | |
|  | Enter text | | |
| * 1. Prudential | | | |
|  | **Regulatory capital and own funds requirement** | | |
|  | In the case of internally managed AIFs, specify how the AIF satisfies the minimum initial capital requirement of €300,000 also with reference to Article 9(8) of the Directive. | | |
|  | Enter text | | |
|  | Where the portfolio value of the Applicant exceeds €250 million, show how the additional own fund requirements as specified in Article 9 of the Directive are satisfied and specify the types of assets in which the own funds are invested in accordance with Article 9(8) of the Directive | | |
|  | Enter text | | |
|  | If the Applicant partly satisfies its additional own funds requirements by way of guarantee, provide details relative to the guarantee, including information on the credit institution/insurer underwriting the guarantee and details on its registered office in accordance with Article 9(6) of the Directive. | | |
|  | Enter text | | |
|  | **Financial Information** | | |
|  | **Forecast Information** | | |
|  | **Attachment | Financial Projections**  *Provide forecast information on the Applicant at least on a* ***base case scenario basis****.* | | |
|  | *This Attachment should include:*   * 1. forecast accounting plans for the first year of operation following authorisation as an AIFM:      + forecast Statement of Financial Position;      + forecast Statement of Profit or Loss; and   2. planning assumptions for the above forecasts as well as explanations of the figures provided. | | |
|  | **Insurance and Indemnity** | | |
|  | **Professional Indemnity Insurance** | | |
|  | Specify how the Applicant covers potential liability risks caused through the negligent performance of activities for which it has legal responsibility - i.e., Professional Indemnity Insurance or additional Own Funds | Choose an item | |
|  | In case of additional own funds, specify the level of increased own funds including the % that this comprises of the value of the portfolios of AIFs managed.  *The minimum provision should at least be equal to 0.01% of the value of the portfolios of AIFs managed* | | |
|  | Enter text | | |
|  | Specify the types of assets in which the own funds are invested.  *Article 9(8) of the AIFMD requires the own funds of an AIFM, including additional own funds, to be invested in liquid assets or assets readily convertible to cash in the short term and not speculative positions* | | |
|  | Enter text | | |
|  | In case of a Professional Indemnity Insurance, indicate: | Select item | |
|  | Professional Indemnity Insurance Status | Select item | |
|  | Amount of comparable guarantee *(if applicable)* | € Enter text | |
|  | Cover *(limit of indemnity per claim)* | € Enter text | |
|  | Cover *(limit of indemnity in aggregate)* | € Enter text | |
|  | Excess *(overall annual limit)* | € Enter text | |
|  | Will the Professional Indemnity Insurance Policy be governed by Maltese Law? | Select item | |
|  | If ‘*No*’: Indicate country governing law | Enter text | |
|  | **Other Insurance** | | |
|  | Has the Applicant issued, or does the Applicant propose to issue, other insurance cover apart from any Professional Indemnity Insurance as specified in 8.3.1.4? | Select item | |
|  | If ‘*Yes*’: Provide details of any other insurance cover that the Applicant has obtained / intends to obtain | | |
|  | |  |  | | --- | --- | | * 1. Insurance Cover | | | Other Insurance Status | Select item | | Type of Insurance Arrangement | Enter text | | Cover  *(Limit of indemnity per claim)* | € Enter text | | Excess  *(Overall annual limit)* | € Enter text |   *(Add multiple as applicable)* | | |
|  | **Attachment | Professional Indemnity Insurance Renewal Cover**  *In case of a Professional Indemnity Insurance, provide a copy of the most recent renewal cover. This must be in accordance with Article 15 of Section 3 of Chapter II of the Commission Delegated Regulation.* | | |

| **Declaration Form** | | | |
| --- | --- | --- | --- |
| *Following submission of the Application, this Declaration Form should be printed and sent, originally signed, to the attention of* ***Authorisations, Investment Services Supervision Function, MFSA****. It is to be noted that only this form should be sent physically to the Authority and that should the Applicant submit the entire Application, only the version submitted via the LH Portal shall be maintained and used for the purposes of the MFSA’s authorisation processes.*  *This Declaration Form should be signed by the two signatories vested with legal representation of the Applicant.* | | | |
| The undersigned, on behalf of Applicant, declare that:   1. Application Submission and Authorisation Requirements    1. the Applicant has resolved to apply for authorisation with the MFSA for the activities provided for within this Application;    2. the Applicant has duly authorised the undersigned to complete and submit this Application to the MFSA;    3. the Applicant is aware of the requirements under the provisions of the Act and other respective national or European Regulatory Frameworks or other binding regulation as may be applicable; and    4. the Applicant shall at time of authorisation, should this be granted, be in adherence with the obligations stipulated under point 1 (c) above. 2. Information Provided to Authority    1. the information given in answer to the questions within the Application is complete and accurate to the best of our knowledge, information and belief and that there are no other facts relevant to this Application of which the Authority should be aware;    2. the Applicant has not tampered with, or modified in any manner, this Application or its respective Annexes, and understands that such tampering with, or modification in any manner of these documents will result in a refusal of this Application;    3. there are no inconsistencies between the provisions of the Constitutional Documents, the documents submitted with this Application (where applicable) and the information given in answer to the questions within the Application;    4. the MFSA will be notified immediately if the information given in answer to the questions within the Application changes and/or affects the completeness or accuracy the Application either prior to or subsequent to authorisation should this be granted; and    5. this Declaration Form corresponds to the Application submitted to the Authority via the LH Portal bearing the following ID:  |  |  | | --- | --- | | **Application ID**  *This ID is provided automatically by the MFSA through the LH Portal and is not required for the on-line submission of the Application. In this respect, following submission of this Application via the LH Portal the Application ID will be available on the submission page and also within the acknowledgement email.* | Enter text |  * 1. the following documentation as indicated in the below have been submitted together with this Application:  |  |  |  | | --- | --- | --- | | Checklist of documentation to be submitted with the Application | | | |  | Declaration by the governing body of the Applicant in line with the Authority’s circular dated 3 July 2020 with respect to the fitness and properness assessment of Committee Members involved with Investment Services Licence Holders and Collective Investment Schemes (as applicable) | Select item | |  | CV of Valuation Officer | Select item | |  | Financial Projections | Select item | |  | MFSA Annex – AX02 | Enter number of submissions | |  | MFSA Annex – AX03 | Enter number of submissions | |  | MFSA Annex – AX04 – Abridged ICT Questionnaire | Enter number of submissions | |  | MFSA Annex – AX09 – Managed AIFs Questionnaire | Enter number of submissions | |  | MFSA Annex – AX27 – AIFM Declarations | Select item | |  | MFSA Annex – AX28 – AIFMs Risk Management Policy Checklist | Select item | |  | Current Organigram | Select item | |  | Proposed Organigram following authorisation as an AIFM | Select item | |  | Personal Questionnaire/s (as applicable) | Enter number of submissions | |  | Professional Indemnity Insurance Renewal Cover | Select item | |  | Risk Management Policy | Select item | |  | Terms of Reference of Committees to be established or updated | Enter number of submissions |  1. Representatives and Disclosure    1. the MFSA is hereby being authorised to contact the representatives provide by the Applicant under Section 1 of this Application;    2. the MFSA is hereby being authorised to make such enquiries as it may consider necessary in connection with this Application; and    3. the MFSA is hereby being authorised to contact any or all of the above-named or any other person considered by the Authority to be relevant, both at the date of application and at any time in the future unless and until I/we rescind this authority in writing.      1. Privacy Notice    1. I/we have read and understood the [MFSA Privacy Notice](https://www.mfsa.mt/privacy-notice/)[[6]](#footnote-6) and the terms and conditions included therein. | | | |
| Signature 1 |  |  | |
| Name | Enter text | Surname | Enter text |
| Position | Enter text |
| Date | Enter date |
|  | |
| Signature 2 |  | | |
| Name | Enter text | Surname | Enter text |
| Position | Enter text |
| Date | Enter date |

1. Note: Please refer to Article 3(2) of the Directive and Article 2 *‘Calculation of total value of assets under management’* of the Commission Delegated Regulation. [↑](#footnote-ref-1)
2. Where the Applicant intends to provide any MiFID activities (which are allowed to be performed by an AIFM in terms of Art.6 of the AIFMD), the Applicant must ensure compliance with the organisational and conduct of business obligations as set out in MiFID II. The reply to Q2.1.4 & Q2.1.3 should demonstrate how the Applicant will be conducting such service/s. [↑](#footnote-ref-2)
3. Where the Applicant intends to undertake the additional management of UCITS, authorisation under Directive 2009/65/EC is required. [↑](#footnote-ref-3)
4. Where the Applicant intends to provide administration services, a Recognition Certificate in terms of Article 9A of the Investment Services Act is required and the respective Application Form would need to be filled in. [↑](#footnote-ref-4)
5. Refer to circular titled “Circular on the Fitness and Properness Assessment of Committee Members involved with Investment Services Authorised Persons and Collective Investment Schemes” dated 03 July 2020. [(link)](https://www.mfsa.mt/wp-content/uploads/2020/07/Circular-on-the-Fitness-and-Properness-Assessment-of-Committee-Members-involved-with-Investment-Services-Licence-Holders-and-Collective-Investment-Schemes.pdf) [↑](#footnote-ref-5)
6. For further information visit: <https://www.mfsa.mt/privacy-notice/> [↑](#footnote-ref-6)