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| MALTA FINANCIAL SERVICES AUTHORITY |
| **Authorisation Forms - Annex** |
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| **Annex AX10: Self-Managed AIFs Questionnaire** |
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| **High Level Guidelines** |
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| 1. **General**   This form, **Annex AX10:** **Self-Managed AIFs Questionnaire** (‘Annex’), shall be duly filled in by persons wishing to obtain authorisation from the MFSA to establish a Self-Managed AIF or a Self-Managed Retail AIF. This Annex shall be submitted as part of and in conjunction with the relevant Authorisation Application Form, as indicated therein.  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 material respect either prior to or subsequent to authorisation.  The Applicant is required to make reference, and where applicable comply with, the relevant 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 Annex or its respective Application. Should it transpire that the documents were tampered with, or modified in any manner, the Authority shall consider the submission 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**   Unless otherwise specified, terms used in this Annex shall have the same meaning assigned to them within the respective Application.   1. **Instructions**   In order for this Annex to be considered complete, the Applicant is required to complete all the respective sections under this Annex. It is noted that the information provided should reflect the Applicant’s structure and method of operations at time of authorisation.   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. Applicant Details | | |
| --- | --- | --- |
|  | **Applicant – Identification Details** | |
|  | Registered Name  *(if not yet Formed, provide proposed name)* | Enter text |
|  | Registered Number (*if applicable)* | Enter text |
|  | LEI Code  (*if applicable)* | Enter text |

| 1. Applicant Structure and Regulatory History | | |
| --- | --- | --- |
|  | **Other Controllers** | | | | |
|  | Does the Applicant have (i) persons who can exercise control through means other than having a qualifying shareholding; (ii) persons falling within the definition of ‘*Close Links’*; and/or (iii) persons falling within the definition of *‘Acting in Concert’*? | Select item | | | |
|  | **Other Controllers – Natural Persons** | | | | |
|  | |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | * 1. Other Controller – Natural Person | | | | | | | Title | Select item | | | | | | Name | Enter text | Surname | | Enter text | | | Date of Birth | Enter date | | | | | | Identification Document (‘ID’) Type | Select item | ID Number | | Enter text | | | ID Expiry Date | Enter date | Country of Issuance | |  | | | MFSA PQ Code | Enter text | | | | | | Aggregate Percentage Control | Enter text | | | | | | Indicate whether the person is (i) exercising control through means other than having a qualifying shareholding, (ii) a Close Link, or (iii) Acting in Concert | | | Select item | | | | | Provide an explanation indicating how the person is acting as an Other Controller | | | Enter text | | | | | Will the person be involved in the day-to-day running of the Applicant  *(or Group, if applicable)*? | | | | Select item | | | Explain the nature of the involvement | Enter text | | | | | |  | | | | |   *(Add multiple if applicable)* | | | | |
|  | **Other Controllers – Legal Persons** | | | | |
|  | |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | 1. Other Controller – Legal Person | | | | | | | | | | | Legal Person Form | | Select item | | If ‘Other’  Type of Form | | | Enter text | | | Registered Name | | Enter text | | | | | | | | | Registered Number | | Enter text | | | Date of Registration | | |  | | | Name of Registry | | Enter text | | | Country of Registration | | | Select country | | | Nature of activities | | Enter text | | | | | | | | | Aggregate Precentage Control | | Enter text | | | | | | | | | Indicate whether the person is (i) exercising control through means other than having a qualifying shareholding, (ii) a Close Link, or (iii) Acting in Concert | | Select item | | | | | | | | | Will the person be involved in the day-to-day running of the Applicant  *(or Group, if applicable)*? | | | | | | Select item | | | | | Explain the nature of the involvement | | | Enter text | | | | | | | |  |  | | | | | | | | |   *(Add multiple if applicable)* | | | | |
| 1. Business Model, Strategy and Activity | | | | |
|  | **Business Strategy** | | |
|  | **Organisational Structure** | | |
|  | **Attachment | Organigram**  Provide an organigram of the Applicant for the first three (3) years of operations | | |
|  | What are the staffing intentions and operational set up of the Applicant at start up stage versus the first three (3) years of operations? *(with reference to volume and nature of anticipated business* | | |
|  | Enter text | | |

| 1. Governance | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **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.* | | | | | | | | | |
|  | |  |  |  |  |  | | --- | --- | --- | --- | --- | | 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 | | Member Position in Applicant | Enter text | | | | Is the individual a voting member or a non-voting member? | Select item | | | | MFSA PQ Code (if applicable) | 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?  *(Applicant should fill in either Q.4.4 if delegation will occur to an individual or else to fill in applicable sections if delegated to a third-party entity* | | | | Select item | | If ‘*Yes*’: Outline the functions and duties that will be outsourced and identify to whom these will be outsourced. | Enter text | | | | |  | | | | | | | | | | | | | | |
|  | **Internal Control Framework** | | | | | | | | | |
|  | **Business Continuity Management (BCM)** | | | | | | | | | |
|  | Has the Applicant established a Business Continuity Plan? | | | | | | | | Select item | |
|  | If ‘No’: Provide rationale behind why the Applicant has not established a Business Continuity Plan | | | | | | | | | |
|  | Enter text | | | | | | | | | |
|  | Provide an outline of the policy and procedures in relation to the Business Continuity, including the arrangements for critical operations and the respective contingency plans which will be operationalised by the Applicant in the event of an event which may adversely affect its operations to ensure its functioning and satisfaction of its clients’ needs. | | | | | | | | | |
|  | Enter text | | | | | | | | | |
|  | Provide details of the procedures which the Applicant shall onboard to regularly test, review and update the adequacy and efficiency of is Business Continuity plans. | | | | | | | | | |
|  | Enter text | | | | | | | | | |
|  | Provide details of how the Applicant will deal with significant continuity events and disruptions, such as the failure of key systems; the loss of key data; the inaccessibility of the premises; and the loss of key persons. | | | | | | | | | |
|  | Enter text | | | | | | | | | |
|  | **Conflict of Interest** | | | | | | | | | |
|  | Provide an outline of the policy and procedures in relation to the conflicts of interest. In this respect, kindly indicate the arrangements that will be in place to identify, prevent, manage and monitor conflicts of interest. To also provide an outline of 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 | | | | | | | | | |
|  | Describe the controls and any other measures put in place to ensure the effective management of conflicts of interest | | | | | | | | | |
|  | Enter text | | | | | | | | | |
|  | Does the Applicant foresee any conflicts of interest/s (including inter alia within the Management Body and the Service Providers in relation to the services that will be provided to the Applicant)? | | | | | | | | 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 the case where the arrangements may not prove to be sufficient to prevent the risk damage to investors, kindly provide a description as to where the Applicant will be disclosing possible sources of conflicts of interest prior to undertaking business on behalf of investors. | | | | | | | | | |
| Enter text | | | | | | | | | |
|  | **Internal Audit** | | | | | | | | | |
|  | **Internal Audit Function** | | | | | | | | | |
|  | Provide an overview of the internal audit function structure, its resources and reporting procedures | | | | | | | | | |
| Enter text | | | | | | | | | |
|  | Explain how the Applicant intends to maintain the independence of the Internal Audit function | | | | | | | | | |
|  | 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 | |
|  | Date of Birth | | Enter date | | | | | | | | |
|  | Identification Document (‘ID’) Type | | Select item | |  | | ID Number | | | Enter text | |
|  | ID Expiry Date | | Enter date | |  | | Country of Issuance | | | Select country | |
|  | MFSA PQ Code | | Enter text | | | | | | | | |
|  | **Internal Audit Framework** | | | | | | | | | |
|  | Provide an outline of the Internal Audit policy including the respective scope of the Internal Audits and the frequency | | | | | | | | | |
|  | Enter text | | | | | | | | | |
|  | **Attachment | Internal Audit Programme**  *Provide the Internal Audit Programme, if available* | | | | | | | | | |
|  | **Key Function Holders** | | | | | | | | | |
|  | Identify the Key Function Holders which require a PQ *except Compliance Officer, Money Laundering Reporting Officer, Internal Auditor, ICT Managers and Risk Officer (the latter have been identified in other respective sections of this Application).* | | | | | | | | | |
|  | |  |  |  |  | | --- | --- | --- | --- | |  | | | | | * 1. Key Function Holder | | | | | Title | Select item | | | | Name | Enter text | Surname | Enter text | | Date of Birth | Enter date | | | | Identification Document (‘ID’) Type | Select item | ID Number | Enter text | | ID Expiry Date | Enter date | Country of Issuance | Select country | | 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 | | | | Explanation | 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)* | | | | | | | | | |
|  | **Third-Party Functionaries** | | | | | | | | | |
|  | **External Valuer** | | | | | | | | | |
|  | Does the Applicant intend to appoint an External Valuer? | | | | | | | | Select item | |
|  | Name of External Valuer | | Enter text | | | | | | | | |
|  | LEI Code *(if applicable)* | | Enter text | | | | | | | | |
|  | *Address* | | | | | | | | | |
|  | Number/Name | Enter text | |  | | Street/Road | | Enter text | | | |
|  | City/Town/Village | Enter text | |  | | Region/State  *(if applicable)* | | Enter text | | | |
|  | Post Code | Enter text | |  | | Country | | Select country | | | |

| 1. Risk | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Risk Management Function** | | | | | | |
|  | Is the risk management function hierarchically and functionally independent? | | | | | | Select item |
|  | If *‘No’*: Provide the following information: | | | | | | |
|  | * 1. Provide a justifiable explanation indicating why the Applicant is proposing to utilise this exemption given the nature, scale and complexity of the Applicant. | | | | | | |
|  | Enter text | | | | | | |
|  | * 1. Provide evidence 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 AIFMD and is consistently effective. | | | | | | |
|  | Enter text | | | | | | |
|  | If *‘Yes’*: Provide the following information: | | | | | | |
|  | * 1. Provide an overview of the structure of the risk management function, its resources and reporting lines. | | | | | | |
|  | Enter text | | | | | | |
|  | * 1. Explain how the Applicant intends to maintain the independence of the risk management function. | | | | | | |
|  | Enter text | | | | | | |
|  | **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 |
|  | 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** | | | | | | | |
|  | **Risk Officer** | | | | | | | |
|  | **Identification** | | | | | | | |
|  | Title | Select item | | | | | | |
|  | Name | Enter text |  | Surname | | Enter text | | |
|  | Date of Birth | Enter date | | | | | | |
|  | Identification Document (‘ID’) Type | Select item |  | ID Number | | Enter text | | |
|  | ID Expiry Date | Enter date |  | Country of Issuance | | Select country | | |
|  | MFSA PQ Code | Enter text | | | | | | |
|  | **Other Positions** | | | | | | | |
|  | Does the Risk Officer hold or intend to hold any other positions within the Applicant? | | | | Select item | | | |
|  | If ‘*Yes*’: Provide an explanation on the nature of the position/s | | | | | | | |
|  | Enter text | | | | | | | |
|  | **Risk and liquidity management** | | | | | | | |
|  | **Attachment | Risk Management Policy** | | | | | | | |
|  | The risk management policy shall identify all the relevant risks to which the Applicant shall be exposed. Kindly indicate in the below columns the page where the Applicant is proposing to address the following elements within the risk management policy. This list is not exhaustive and covers the minimum elements which must be addressed in the said policy | | | | | | | |
|  | | *Indicate where the following elements are addressed* | *Page* | | --- | --- | | 1. General organisation structure relating to the risk management function, including: | Enter text | | 1. Details on the role of the risk management function | Enter text | | 1. Identity of the individual(s) and entities involved in the risk management function, including the allocation of roles and responsibilities | Enter text | | 1. Details on the reporting lines (e.g. hierarchy structure of the risk management function, board of directors, investment committee) | Enter text | | 1. Details of the interaction between the individuals carrying out the risk management function with other parties | Enter text | | 1. Description of the delegated functions (where applicable) including | Enter text | | 1. Details of the functions being delegated to the third party | Enter text | | 1. Details of the monitoring and control arrangements to be carried out by the Applicant | Enter text | | 1. Identity of the individual within the Applicant responsible for monitoring the delegated function | Enter text | | 1. Conflicts of interest: The risk management policy shall include a description of the safeguards against conflicts of interest in particular: | Enter text | | 1. The nature of the potential conflicts of interest | Enter text | | 1. The remedial measures put in place | Enter text | | 1. The reasons why these measures should be reasonably expected to result in the independent performance of the risk management function | Enter text | | 1. How the Applicant expects to ensure that the safeguards are consistently effective | Enter text | | 1. Reporting requirements | Enter text | | 1. Details of the procedures, frequency and contents of the reporting obligations of the permanent risk management function to the board of directors | Enter text | | 1. Details of the procedures, frequency and contents of the reporting obligations of the permanent risk management to the individual(s) responsible for the risk management function and/or the individual monitoring the delegated risk management function | Enter text | | 1. Details to ensure compliance with the procedures and contents in the prospectus/ offering documentation in relation to the calculation of the global exposure | Enter text | | 1. Risk measurement and management | Enter text | | 1. The techniques, tools and arrangements that enable the Applicant to comply with Article 45 AIFMR | Enter text | | 1. The techniques, tools and arrangements that enable liquidity risk of the Applicant to be assessed and monitored under normal and exceptional liquidity conditions including through the use of regularly conducted stress tests in accordance with Article 48 AIFMR | Enter text | | 1. The risk limits set in accordance with Article 44 AIFMR and how these are aligned with the risk profile of the Applicant disclosed to investors in accordance with Article 23(4)(c) AIFMD | Enter text | | 1. Liquidity risk management including details of the liquidity management systems and procedures for the Applicant in line with the requirements prescribed in Article 16 AIFMD and Article 46 AIFMR, taking into account the investment strategy, liquidity profile and the redemption policy of the Applicant | Enter text | | 1. Operational/Professional liability risks including details of the internal operational risk management policies and procedures in place to identify, measure, manage and monitor appropriately operational risks including professional liability risks to which the Applicant is or could be reasonably exposed | Enter text | | | | | | | | |

| 1. Prudential | | | |
| --- | --- | --- | --- |
|  | **Regulatory capital, own funds and professional indemnity insurance covering professional liability risks** | | |
|  | Specify how the Applicant satisfies the minimum initial requirement of EUR 300,000 also with reference to Article 9(8) AIFMD. | | |
|  | Enter text | | |
|  | Where the portfolio value exceeds EUR 250 million, outline how the additional own fund requirements as specified in Article 9 AIFMD are satisfied and specify the types of assets in which the own funds are invested in accordance with Article 9(8) AIFMD. | | |
|  | Enter text | | |
|  | The Applicant will cover potential liability risks caused through the negligent performance of the activities for which it has legal responsibility through: | | Select item |
|  | Where the Applicant intends to cover potential liability risks through additional own funds, it shall specify the level of increased own funds including the % that this comprises of the value of the portfolio of Applicant – the minimum provision should at least be equal to 0.01% of the value of the portfolio of the Applicant | | |
|  | Enter text | | |
|  | Provide the type of assets in which the own funds will be invested.  *Note - Reference shall be made to Article 9(8) AIFMD which 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 | | |
|  | **Attachment | Own Funds**  Provide an explanation of the available funding sources for own funds and, where available, evidence of the availability of those funding sources. | | |
|  | *This Attachment should include:*   * 1. a summary of the use of private financial resources, including their availability and source;   2. a summary of access to financial markets, including details of financial instruments issued or to be issued;   3. a summary of any agreements and contracts entered into in respect of own funds, including, in relation to borrowed funds or to funds expected to be borrowed, the name of the lenders and the details of the facilities granted, the use of proceeds and, where the lender is not a supervised financial institution, information on the origin of the borrowed funds or on the funds expected to be borrowed. | | |
|  | **Professional Indemnity Insurance** | | |
|  | Has the Applicant issued, or does the Applicant propose to issue, a professional indemnity insurance covering the whole territory of the EU or some other comparable guarantee against liability arising from professional negligence? | | Select item |
|  | Professional Indemnity Insurance Status | Enter text | |
|  | 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? | Enter text | |
|  | If ‘*No*’: Indicate country governing law | Enter text | |
|  | **Other Insurance** | | |
|  | Has the Applicant issued, or does the Applicant propose to issue, other insurance covers apart from any professional indemnity insurance as specified above? | | Select item |
|  | If ‘*Yes*’: Provide details of any other insurance cover that the Applicant has obtained / intends to obtain | | |
|  | |  |  | | --- | --- | | 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)* | | |
|  | Claims / Complaints history | | |
|  | Has the Applicant ever filed any claims / complaints in relation to its Professional Indemnity Insurance or any other Insurance cover during the past 3 years? | | Select item |
|  | If ‘*Yes*’: Provide the respective case details and amount of claim | | |
|  | |  |  |  | | --- | --- | --- | |  | | | | No. | Case Details | Amount of Claim | |  | Enter text | Enter text | | *(Add multiple as applicable)* | | | | | |

| 1. Additional information | | |
| --- | --- | --- |
|  | **Remuneration policy** | |
|  | Provide an outline of the “identified staff” within the Applicant whose professional activities materially impact the risk profile of the Applicant and a description as to how “identified staff” were assessed and selected. | | |
|  | Enter text | | |
|  | Does the Applicant have a renumeration committee? | Select item | |
|  | 1. If “*Yes*”, kindly include the respective details in Section 4.1 | | |
|  | 1. If “*No*”: Provide an indication of the person by whom the tasks of remuneration will be performed and evidence in terms of the “Principle of Proportionality” why the Applicant does not need to establish a remuneration committee. The reason must be grounded in terms of the Applicant’s size, internal organisation and the nature, scope and complexity of its activities. | | |
|  | Enter text | | |
|  | Provide an overview of the manner in which the Applicant’s rules on the pay structure are consistent with sound and effective risk management and in line with the interests of the Applicant and its investors | | |
|  | Enter text | | |
|  | Outline: (a) the manner in which the remuneration policy ensures a balance between fixed and variable components of total remuneration; (b) the measurement of performance of the Applicant as well as its structure; and (c) the manner in which variable remuneration is adjusted for risk, where appropriate | | |
|  | Enter text | | |
|  | Provide a description of 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 which will ensure that the employees engaged in the control functions are compensated independently of the business area they oversee and commensurately with their role within the Applicant | | |
|  | Enter text | | |
|  | Indicate whether the Applicant intends to disapply any of the prescribed rules on the remuneration policy structure and which rules will be disapplied, together with details regarding the manner in which the proportionality assessment for each of the rules was carried out. | | |
|  | Enter text | | |
|  | **Investment in Securitisation Positions** | |
|  | Will the Applicant have investments in securitisation positions? | Select item | |
|  | If *“Yes”*, where the Applicant will have exposures to a material value of credit risk of securitisation the following information shall be provided: | | |
|  | 1. An outline of what monitoring procedures will be implemented commensurate with the risk profile of the Applicant in relation to the credit risk of a securitisation position in order to enable the Applicant to monitor, on an on-going basis and in a timely manner, performance information on the exposures underlying such securitisation positions | | |
|  | Enter text | | |
|  | 1. An outline of the arrangements in place to identify, measure, manage, control and report the risks that arise because of mismatches between the assets and liabilities of the Applicant, concentration risk or investment risk arising from these instruments | | |
|  | Enter text | | |
|  | 1. The percentage of material net economic interest retained by the originator, sponsor or original lender on an ongoing basis as specifically disclosed to the Applicant | | |
|  | Enter text | | |
|  | 1. Specify the frequency of stress testing of the securitisation positions in terms of Article 53(2) of the AIFMR | | |
|  | Enter text | | |
|  | **Valuation** | |
|  | The valuation function in respect of the Applicant will be undertaken by: | Select item | |
|  | If “the Applicant itself”, kindly provide the following information: | | |
|  | 1. Indicate by whom the valuation function will carried out demonstrating how this will be functionally and hierarchically independent from the portfolio management and remuneration policy   *Note: If the Applicant will be establishing a valuation committee, kindly include the relevant details in Section 4.1* | | |
|  | Enter text | | |
|  | 1. Provide a description of the other measures ensuring that conflicts of interest are mitigated and that undue influence upon the employees undertaking the valuation task is prevented | | |
|  | Enter text | | |
|  | If “External Valuer”, fill in Section 4.5.1 and provide the following information: | | |
|  | 1. The manner in which such valuer is independent from the Applicant and any other persons with close links to the Applicant | | |
|  | Enter text | | |
|  | 1. If the depositary is being proposed to be appointed as external valuer, show how the Applicant established that (provide details as necessary):  * it has functionally and hierarchically separated the performance of its depositary functions from its tasks as an external valuer; and * the potential conflicts of interest are properly identified, managed, monitored and disclosed to the investors of the Applicant. | | |
|  | Enter text | | |
|  | 1. The mandatory professional registration recognised by law or regulatory provisions or rules of professional conduct that the External Valuer is subject to | | |
|  | Enter text | | |
|  | 1. Details on the sufficient professional guarantees that can be provided by the External Valuer to be able to perform effectively the relevant valuation function | | |
|  | Enter text | | |
|  | 1. How the appointment of the External Valuer complies with the requirements prescribed in Articles 20(1) and (2) and the applicable provisions of AIFMR | | |
|  | Enter text | | |
|  | **Delegations of Functions** | |
|  | Outline to whom any functions will be delegated, including details for each delegate concerning the authorisation/regulatory and registrationn status of the delegate (distinguishing between portfolio management and risk management). Outline whether delegation is conferred on an entity belonging to the same group as the Applicant. | | |
|  | Enter text | | |
|  | Outline the due diligence which will be conducted before delegation | | |
|  | Enter text | | |
|  | Is the Applicant proposing to delegate the risk management or portfolio management function to a party whose interests may conflict with those of the investors of the Applicant | Select item | |
|  | 1. If “*Yes”:* Outline any potential conflicts of interest and explain what arrangements are in place for such delegate to satisfy the provisions outlined in Article 20(2)(b) AIFMD | | |
|  | Enter text | | |
|  | 1. If “No*”: E*xplain how the existing delegation arrangements are considered not to give rise to potential conflicts of interest | | |
|  | Enter text | | |
|  | Are the risk management or portfolio management functions being sub-delegated to a party whose interests may conflict with those of the investors of the Applicant | Select item | |
|  | 1. If “*Yes”: O*utline any potential conflicts of interest and explain what arrangements are in place for such delegate to satisfy the provisions outlined in Article 20(5)(b) AIFMD | | |
|  | Enter text | | |
|  | 1. If “*No”:* Explain how the existing delegation arrangements are considered not to give rise to potential conflicts of interest | | |
|  | Enter text | | |
|  | Who will be responsible within the Applicant for supervising the delegated functions to ensure that these are undertaken in compliance with the applicable law and regulatory requirements? | | |
|  | Enter text | | |
|  | Provide a general overview of the methods and procedures for monitoring and reviewing on an ongoing 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 in terms of reporting from the delegate to theApplicant and also internally to the senior management/ board of directors/ supervisory function | | |
|  | Enter text | | |
|  | Provide a detailed description, explanation and evidence of the objective reasons for the delegation arrangements | | |
|  | Provide details justifying the extent of delegation by the Applicant with reference to the following criteria: | | |
|  | 1. The types of assets the Applicant will invest in, and the importance of the assets managed under delegation for the risk and return profile of the Applicant | | |
|  | Enter text | | |
|  | 1. The importance of the assets under delegation for the achievement of the investment goals of the Applicant | | |
|  | Enter text | | |
|  | 1. The geographical and sectoral spread of the Applicant’s investments | | |
|  | Enter text | | |
|  | 1. The type of tasks delegated in relation to those retained | | |
|  | Enter text | | |
|  | 1. 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 the Applicant | | |
|  | Enter text | | |
|  | **Transparency and disclosure requirements** | |
|  | Detail the operational arrangements in terms of resources that are put in place by the Applicant to comply with the additional reporting and disclosure requirements for the Applicant  *Note - The Applicant is required to keep present that the additional reporting and disclosure requirements include: (i) those that are required to be submitted to the MFSA; (ii) those that are required to be disclosed to investors; and (iii) the additional disclosure requirements that are included in the annual report.* | | |
|  | Enter text | | |

| Checklist |
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|  |  |  |  |
| --- | --- | --- | --- |
| Checklist of Documentation to be Submitted with the Application | | | |
|  | Risk Management Policy document | Select item |
|  | Internal Audit Programme | Select item |
|  | Terms of Reference regulating the procedures of any established committee | Select item |
|  | 1. Confirmation from the portfolio manager(s) he/she/ they will: 2. operate in accordance with the investment objectives and policy described in the scheme’s offering document in general and the investment guidelines issued by the investment committee in particular; 3. report to the investment committee on a regular basis any transactions effected on behalf of the scheme; and 4. provide to the investment committee with any information as the investment committee may require from time to time | Select item |
|  | 1. Confirmation from the portfolio manager(s) / investment committee that they have appropriate resources available to them to ensure on-going access to the market information, which they would need to take account of in making investment management decision | Select item |
|  | 1. 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 |
|  | 1. Where the Applicant intends to cover potential professional liability risks by way of professional indemnity insurance, a copy of the cover note to the insurance policy is required [Q.6.1.3] | Select item |
|  | 1. A declaration by the Applicant confirming that it has in place appropriate and consistent procedures for a proper and independent valuation of the assets. | Select item |
|  | A declaration by the Applicant that it has a formal remuneration policy in place which is in line with the principles set out in Annex II AIFMD and the Guidelines on sound remuneration policies issued by ESMA | Select item |
|  | A declaration by the Applicant confirming that it has a conflict of interest policy which is in line with the requirements stipulated in Article 14 AIFMD and Article 31 AIFMR | Select item |
|  | A declaration by the Applicant confirming that it has in place appropriate and consistent procedures for a proper and independent valuation of the assets.  The declaration shall also confirm that the valuation policies:   1. Ensure a fair, appropriate and transparent valuation methodology for each type of asset, in accordance with applicable national law, with the prospectus/ offering documentation and instruments of incorporation of the scheme; 2. Provide for inputs, models and selection criteria for pricing and for market data sources; 3. Provide that prices be obtained from independent sources; 4. Address the competence and independence of personnel carrying out the valuation process; 5. Identify the obligations, roles and responsibilities of all parties involved in the valuation process.   The Applicant shall also confirm that it has verified that the method and frequency applied to the calculation and publication of the NAV is in accordance with Articles 72 and 74 AIFMR | Select item |
|  | A declaration outlining that the prospectus/ offering documentation of the scheme is in line with the transparency and disclosure requirements in accordance with Articles 22 and 23 AIFMD. | Select item |