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| MALTA FINANCIAL SERVICES AUTHORITY |
| **Authorisation Forms - Annex** |
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| **Annex AX28: AIFMs Risk Management Policy Checklist** |
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| **High Level Guidelines** |
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| 1. **General**   This form, **Annex AX28:** **AIFMs Risk Management Policy Checklist** (‘Annex’), shall be duly filled in by persons wishing to obtain authorisation from the MFSA to carry out financial services activities. This Annex shall be submitted as part of and in conjunction with the relevant Authorisation Application Form, as indicated therein.  This Annex primarily aims to act as a checklist for the Risk Management Policy of AIFMs.  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 the respective section, as applicable, under this Annex:   * ***Section 1*** - includes identification details of the Applicant; * ***Section 2*** – reference to the Risk Management Policy.   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 | | | | | |
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|  | **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 |
|  | Authorised Person ID *(if applicable)* | Enter text |  | Application ID (*if applicable)* | Enter text |

| 1. Risk Management Policy | | | | |
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| *Please provide a copy of the Risk Management Policy (“RMP”) and Indicate in the second column hereunder the page/s where the respective details are included in the document. All elements identified below need to be addressed in the RMP.* | | | | |
|  | | **General organisation structure relating to the risk management function, including:** | | |
|  | Details on the role of the risk management function | | Enter page | |
|  | Identity of the individual/s and entities involved in the risk management function, including the allocation of roles and responsibilities | | Enter page | |
|  | Details on the reporting lines (e.g. hierarchy structure of the risk management function, board of directors, investment committee etc.) | | Enter page | |
|  | Details of the interaction between the individuals carrying out the risk management function with other parties | | Enter page | |
|  | **Description of the delegated functions (if applicable), including** | | | |
|  | Details of the functions being delegated to the third party | | Enter page | |
|  | Details of the monitoring and control arrangements to be carried out by the AIFM | | Enter page | |
|  | The identity of the individual within the AIFM responsible for monitoring the delegated function | | Enter page | |
|  | | **Conflicts of Interest**  The risk management policy shall include a description of the safeguards against conflict of interest, in particular: | | |
|  | The nature of the potential conflicts of interest | | Enter page | |
|  | The remedial measures put in place | | Enter page | |
|  | The reasons why these measures should be reasonably expected to result in independent performance of the risk management function | | Enter page | |
|  | How the AIFM expects to ensure that the safeguards are consistently effective | | Enter page | |
|  | | **Reporting Requirements** | | |
|  | Details of the procedures, frequency and contents of the reporting obligations of the permanent risk management function to the board of directors | | Enter page | |
|  | 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 page | |
|  | Details to ensure compliance with the procedures and contents in the Prospectus and Annual Report in relation to the calculation of the global exposure | | Enter page | |
|  | | **Risk Measurement and Management** | | |
|  | The techniques, tools and arrangements that enable the AIFM to comply with Article 45 of the Commission Delegated Regulation | | Enter page | |
|  | The techniques, tools and arrangements that enable liquidity risk of the AIF 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 of the Commission Delegated Regulation | | Enter page | |
|  | The risk limits set in accordance with Article 44 of the Commission Delegated Regulation and how these are aligned with the risk profile of the AIF disclosed to investors in accordance with Article 23(4)(c) of the Directive | | Enter page | |
|  | | **Liquidity Risk Management** | | |
|  | Details of the liquidity management systems and procedures for the AIF in line with the requirements laid down in Article 16 of the Directive and Articles 46 to 49 of the Commission Delegated Regulation, taking into account the investment strategy, liquidity profile and the redemption policy of the AIF. | | | Enter page |
|  | | **Operational/ Professional Liability Risks** | | |
|  | 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 AIFM is or could be reasonably exposed | | | Enter page |