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| MALTA FINANCIAL SERVICES AUTHORITY |
| **Authorisation Forms - Annex** |
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| **Annex AX29: UCITS Management Companies Risk Management Policy Checklist** |
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| **High Level Guidelines** |
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| 1. **General**   This form, **Annex AX29:** **UCITS Management Companies 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 UCITS Management Companies (“ManCos”).  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 coloumn 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 process, 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. In particular, the terms of the interaction between the risk and the investment management functions in order to keep the UCITS risk profile under control and consistent with the UCITS investment strategy. | | 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 technical due diligence concerning the systems, methods and information to be used by the Delegate, including an assessment of any potential conflict of interests. | | Enter page | |
|  | Details of the monitoring and control arrangements to be carried out by the Applicant to ensure a proper and effective supervision on the carrying out of the outsourced activities including procedures for the periodic assessment of the Delegate’s governance, technical and business environment to the extent that it is material to the quality and the appropriateness of the risk management process. | | Enter page | |
|  | The identity of the individual/s within the Applicant 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 safeguards put in place against conflicts of interest to allow for an independent performance of the risk management activities. | | Enter page | |
|  | The reasons why these safeguards should be reasonably expected to result in independent performance of the risk management function. | | Enter page | |
|  | How the Applicant 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 and the senior management of the Applicant as well as the Depositary of the UCITS it manages. | | 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 | |
|  | | **Risk Measurement and Management** | | |
|  | The techniques, tools and arrangements that enable the Applicant to comply with Article 38 of the Commission Delegated Regulation. | | Enter page | |
|  | The techniques, tools and arrangements that enable the Applicant to comply with Article 40 of the Commission Delegated Regulation. | | Enter page | |
|  | The quantitative measures used to address the effects of market risk, credit risk (including issuer risk and counterparty risk) and liquidity risk. | | Enter page | |
|  | Information on the periodic appropriate stress tests and scenario analyses to be conducted in order to address risks arising from potential changes in market conditions that might adversely impact the value of the UCITS. | | Enter page | |
|  | The risk limits set in accordance with Article 40(2)(d) and Article 43 of the Commission Delegated Regulation and how these are aligned with the risk profile of the UCITS. | | Enter page | |
|  | | **Liquidity Risk Management** | | |
|  | Details of the liquidity management systems and procedures for the UCITS in line with the requirements laid down in Article 84(1) of the Directive and Article 40(3) of the Commission Delegated Regulation including the techniques, tools and arrangements in place that enable liquidity risk of the UCITS to be assessed and monitored under normal and exceptional liquidity conditions including through the use of regularly conducted stress tests. | | | Enter page |
|  | Details of the liquidity stress testing to be undertaken in line with the requirements laid down in ESMA’s Guidelines on liquidity stress testing in UCITS and AIFs. | | | 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 which may be material for each UCITS the Applicant manages. | | | Enter page |