

## Investment Funds Alert

December 19, 2012

### AIFMD Implementing Regulation

The European Commission has today adopted a delegated regulation supplementing the Directive on Alternative Investment Fund Managers (AIFMD). This is the much-delayed “Level 2” legislation, which provides detail on the implementation of the various framework obligations set out in the AIFMD.

The regulation is subject to a three-month scrutiny period by the European Parliament and the Council and will enter into force, provided that neither co-legislator objects, at the end of this period and the day following publication in the Official Journal. The rules set out in the regulation will be directly effective in each EU member state, so will apply to managers of alternative investment funds without modification or implementation by domestic regulators in the EU.

The content of the regulation will concern the:

- conditions and procedure for the determination and authorisation of AIFMs, including the capital requirements applicable to AIFMs
- operating conditions for AIFMs, including rules on remuneration, conflicts of interest, risk management, liquidity management, investment in securitisation positions, organisational requirements, rules on valuation
- conditions for delegation
- rules on depositaries, including the depositary’s tasks and liability
- reporting requirements and leverage calculation
- rules for cooperation arrangements.

The link below will direct you to the European Commission website setting out the text

[http://ec.europa.eu/internal\\_market/investment/alternative\\_investments/index\\_en.htm](http://ec.europa.eu/internal_market/investment/alternative_investments/index_en.htm)

In addition, the European Securities and Markets Authority (“ESMA”) has today issued two consultation papers on technical standards in relation to the AIFMD. These cover:

- key concepts of the AIFMD
- types of AIFMs.

The link below will direct you to the ESMA website setting out the two papers:

<http://www.esma.europa.eu/news/ESMA-clarifies-rules-alternative-investment-funds-and-their-managers?t=326&o=home>

We will be writing to you with a summary of the key provisions of the regulation shortly. In the meantime, if you have any questions, please get in touch with your usual contact at Akin Gump.

## Contact Information

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