

Corporate & Financial Weekly Digest

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FSA Issues Discussion Paper on Implementing AIFMD

On January 23, the UK Financial Services Authority (FSA) published a discussion paper (DP12/1) on the implementation of the EU Alternative Investment Fund Managers Directive (2011/61/EU) (AIFMD). The UK is required to transpose the AIFMD into UK Law by July 22, 2013.

In DP12/1, the FSA indicates that its objectives are (1) to develop a well-informed proportionate and effective regulatory policy in relation to AIFMD; and (2) to assist stakeholders towards "AIFMD-readiness." The FSA seeks comments on the following topics:

- How the AIFMD will be implemented in the UK.
- The scope of the AIFMD.
- Operating requirements on alternative investment fund managers (AIFMs) including general principles, organizational requirements, risk management, delegation and prudential requirements.
- Management requirements on AIFMs including valuation, liquidity management, use of leverage and securitization.
- Transparency issues such as annual reporting, disclosure to investors and reporting to the FSA.
- Requirements on Depositaries including duties such as the safekeeping of assets, oversight of administrative functions and the standard of liability.
- Requirements for marketing, including passporting notifications, private placement, marketing to retail investors and public offers of listed alternative investment funds (AIFs).
- Categories of AIFs and specialist regimes that apply to certain AIFs such as listed AIFs.

The consultation process under DP12/1 will run for a two-month period from January 23 to March 23, 2012. Responses should be submitted by March 23 at the latest.

DP12/1 is the first part of the UK's AIFMD implementation and consultation process. A consultation paper from the Treasury is expected to be issued in February.

For more information, click [here](#).

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