



## AIFM Directive: Update Q1 2011

Whilst the text of the AIFM Directive is now final, there is much detail remaining to be worked out before its transposition into EU law in 2013. Investment managers in Switzerland have many questions about its impact, both on their management operations and their offshore investment funds.

In a presentation hosted recently by Vischer in Zurich we considered some of the headline issues:

- The Directive is relevant to managers marketing non-UCITS funds in the EU. Those investment firms in Switzerland seeking to market EU funds (like Luxembourg SIFs) and non-EU funds (like Cayman Islands funds) will need to comply with the Directive post- 2013.
- The Directive imposes additional requirements on managers using EU national private placement schemes, and introduces an EU passport intended to replace those schemes in 2018. The Directive does not impose any requirements directly on investment funds, only on the manager.
- The Directive requires Switzerland to have “regulatory cooperation agreements” and “tax information exchange agreements” (“TIEAs”) with EU Member States. Without them, managers in Switzerland will be unable to market funds in the EU after 2013, whether by private placement or by EU passport.
- There are currently no easy “solutions” to the Directive for Swiss firms marketing non-UCITS in the EU. Managers should be aware that EU non-UCITS products, like Luxembourg SIFs, will be no easier (post- 2013) to market in the EU than a Cayman fund.
- The offshore fund domiciles have flexible regulatory regimes, and are negotiating TIEAs with EU Member States. They are well positioned to achieve by 2013 the level of cooperation required by the EU.

Appleby Switzerland will be pleased to provide guidance on any questions managers may have about the impact of the AIFM Directive on their offshore investment funds and management companies. Please [click here](#) to access our presentation.

Please [click here](#) to access our Switzerland capability statement.

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