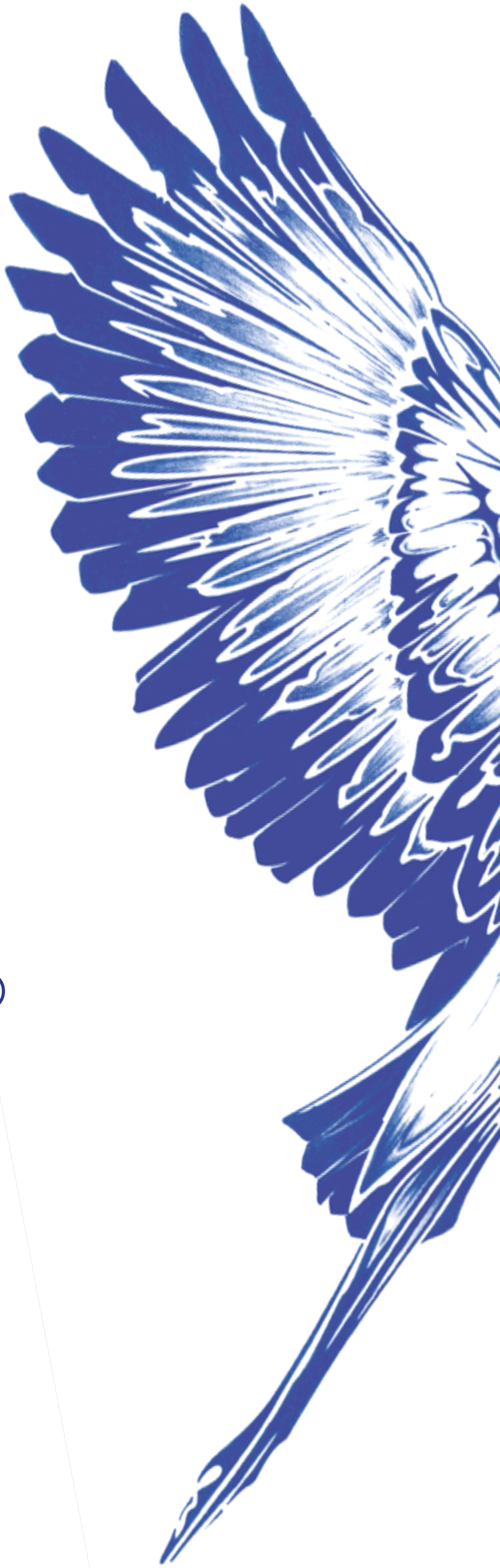
CLEVELAND & CO

External in-house counsel

UCITS V IMPACTS AND IMPLEMENTATION



WE PROVIDE SPECIALIST, FORWARD THINKING ADVICE IN THE FIELD OF INVESTMENT MANAGEMENT AND FINANCIAL SERVICES.

UCITS V

UCITS or Undertakings for Collective Investment in Transferable Securities account for around 75% of all collective investments by small investors in Europe and the total net assets in UCITS vehicles as of March 2015 have surpassed €9 trillion according to the European Fund and Asset Management Association. Given the significance and volume of UCITS in the European financial markets, UCITS V, the latest reform to the regulation will have a significant impact on a major part of the industry. UCITS V is planned to be implemented into practice on 18 March 2018 and as a result many firms and funds will need to reflect this transition in their fund documentation, contracts, reporting obligations and their general operations. Such a transition often involves the expenditure of numerous resources and could be very time consuming depending on the nature of the firm and the services it offers. Cleveland & Co has been preparing to help firms transition into the new legislative regime and implement the changes, which are to be introduced by UCITS V, efficiently and smoothly.

"UCITS is a strong and robust regulatory framework that has been carefully developed over a number of years, provides strong protection to retail investors and at the same time is a successful European export, we should do our best as policymakers to foster and encourage that product."

Steven Maijoor, Chair - ESMA

HOW WE CAN HELP

We offer a variety of legal services to our clients to help them transition to the new regulation as smoothly as possible. Our services range from light touch advice to full implementation. We will offer contractual templates that are drafted in compliance with UCITS V; implementation guides, giving directions on how to implement the changes yourself; legal advice on the upcoming directive; and full implementation services to a variety of businesses in the financial services industry. Cleveland & Co is here to help.

KEY UCITS V AREAS OF IMPACT

The revised version of UCITS will have an impact on a number of areas, including:

- Remuneration policies
- Depositary functions
- Reporting by depositaries
- Reporting by UCITS
- Sanctions
- Money market funds
- Feeder funds
- Borrowing limits
- Alignment with AIFMD
- Charity authorised investment funds
- Property authorised investment funds
- Non-UCITS retail schemes investing in feeder funds

WHO WILL BE AFFECTED

The changes in the above mentioned areas will need to be implemented by a wide range of financial services firms across the investment management and financial services industry. UCITS V will affect a wide variety of market participants, including UCITS management companies, AIFMs and depositaries of UCITS and AIFs, representative trade bodies, investors in authorised funds and their representatives, business advisers and consultants and any other advisers and distributors involved in or linked to the fund management industry in the UK. If you fall within any of these categories, or if you are unsure whether you will be affected by the changes, please get in touch so we can discuss how we can be of assistance to you.

ABOUT US

We operate as external in-house counsel, thereby offering an alternative to hiring internally or engaging a contractor. We work just like any other in-house counsel, using internal documentation, liaising directly with all relevant business people (including front office, middle and back office, business development, finance, risk, compliance and legal) and escalating matters to the head of the department as part of the client's usual process. Our expertise and previous in-house experience allow us to: understand the commercial realities and needs of our clients; and work with a cross section of industry professionals, from portfolio managers through to CEOs, in EMEA, Asia Pacific and North America. We provide all legal, commercial, practical and strategic advice across a full range of business lines specific to investment management and financial services. For further information please see:

www.cleveland-co.com/about-us/

CONTACT

EMMA CLEVELAND

Managing Director

+44.79.6387.8756
ecleveland@cleveland-co.com
www.cleveland-co.com