



Capital Markets Union - delivering one year after the 2020 CMU Action Plan

Everything you need to know about the new legislative
proposals:
AIFMD2, ELTIF2, ESAP, MiFIR

UCITS / AIFMD CONVERGENCE



Florence Stainier
Partner
Arendt & Medernach



Jasper Ronda
Senior Manager
Arendt Regulatory & Consulting



Alexandre Brajou
Manager
Arendt Regulatory & Consulting

Hello and welcome!

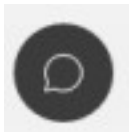
Let's enjoy an interactive session



Q&A

Q&A – please send your questions to the panelists

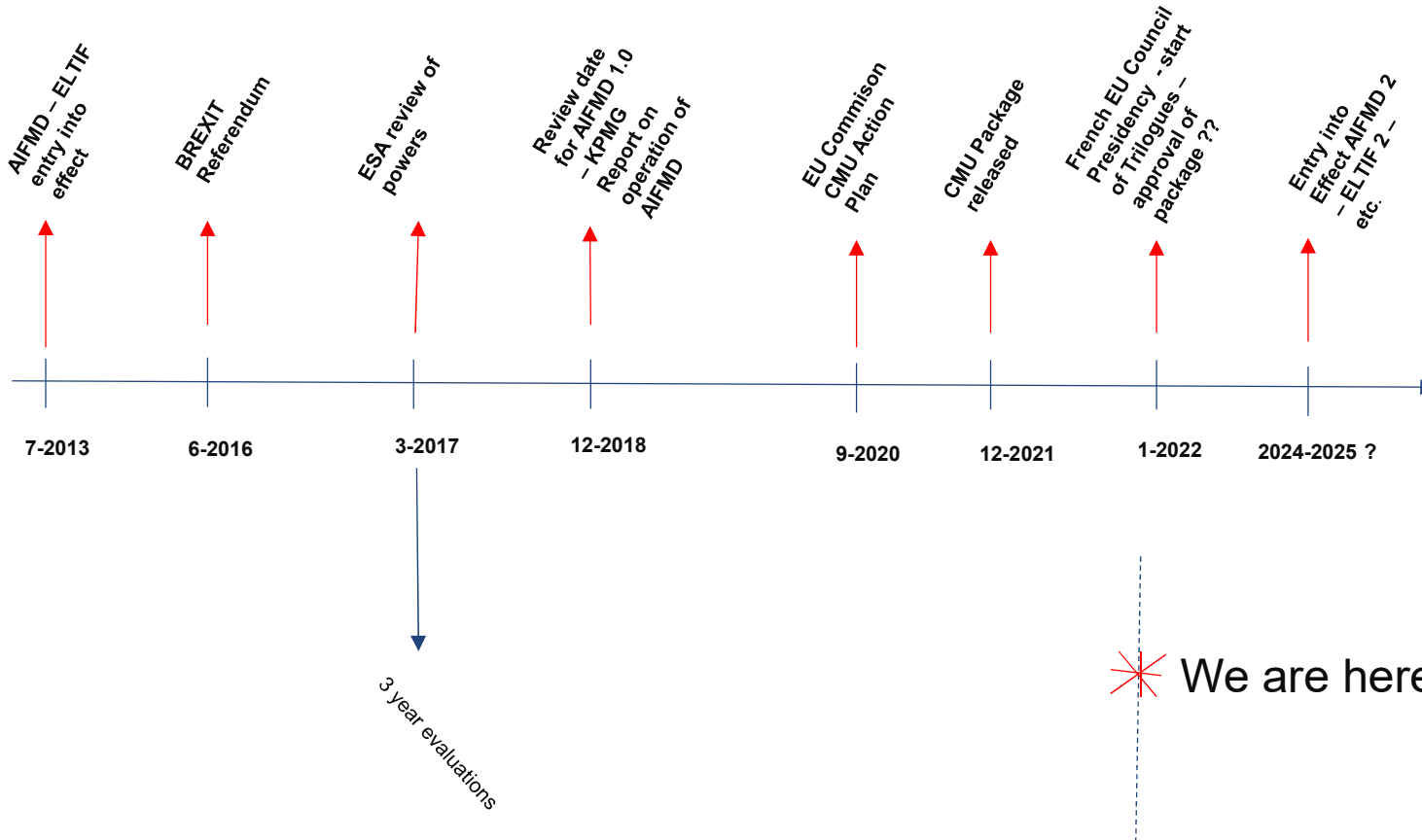
You can access the Q&A section by clicking on the 3 dots button in the toolbar at the bottom of your screen.



Chat – should you have technical issues, please write us in the chat

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Key Dates / Events / Timeline



Building Blocks



ESAP

AIFMD 2

Loan & Debt Funds

ELTIF 2

**AIFMD & UCITS
Convergence**

MifiD - MifiR

1. Recap of changes



2. Substance

Identical requirements for AIFM and UCITS ManCos

People

- 2 FTE committed or employed
- Location requirements

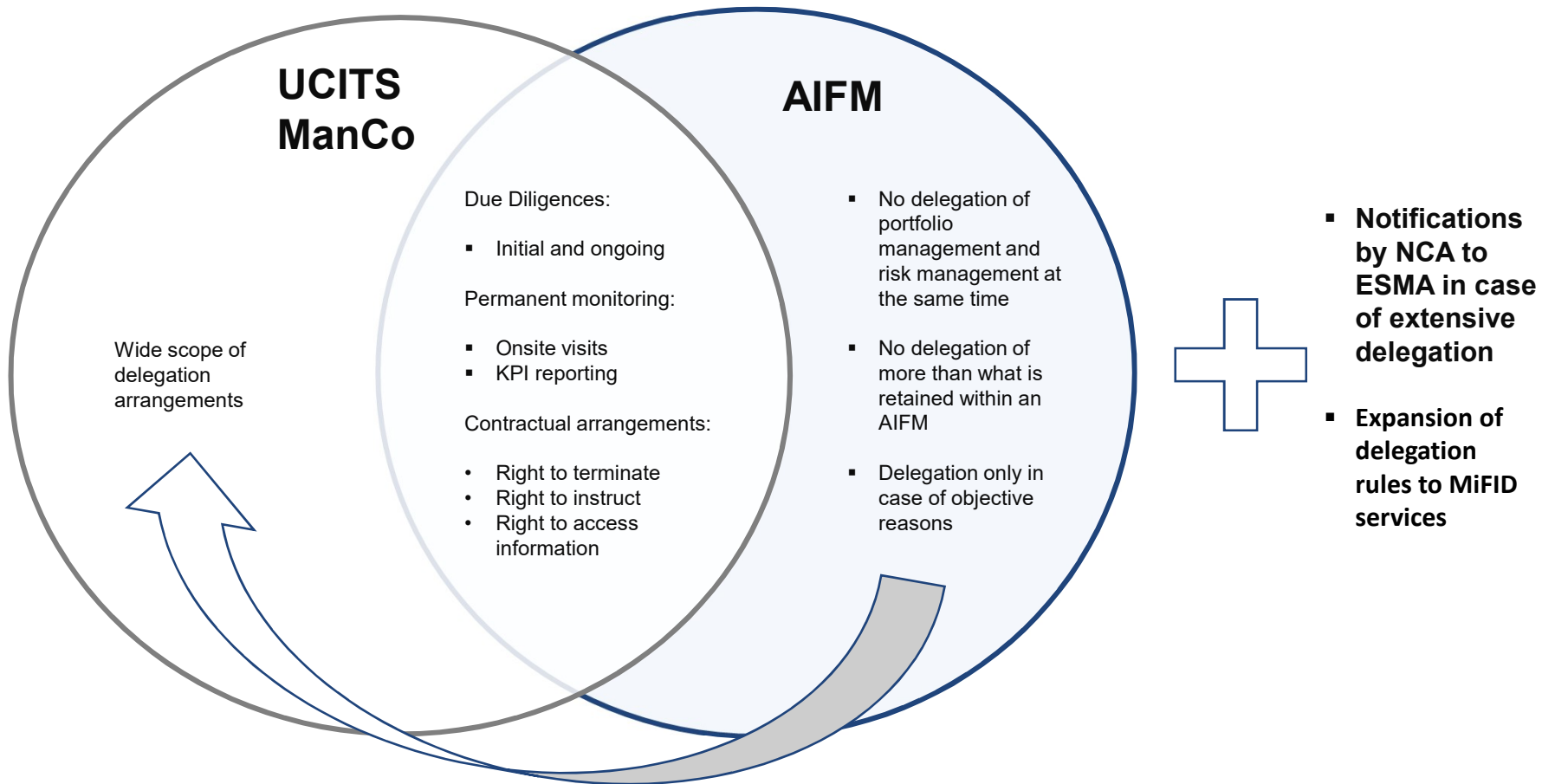
Organisation

- Content of application files and roll-out thereof in day-to-day life



Luxembourg IFM comply with these requirements if they comply with Circular 18/698

3. Delegation



4. Liquidity risk management

- Applicable to IFMs managing UCITS and open-ended AIFs
- At least one LMT has to be implemented
- Activation/deactivation at two levels:
 - IFMs
 - ESMA / NCAs
- Notification to the NCA in case of activation or deactivation by an IFM
- Regulatory Technical Standards (RTS)



Liquidity risk Management Tools (LMTs)

- Suspension of redemptions and subscriptions;
- Redemption gates;
- Notice periods;
- Redemption fees;
- Swing pricing;
- Anti-dilution levy;
- Redemption in kind;
- Side pockets.

5. Reporting and depositary

Depositary

- Central Securities Depositories included in custody chain
- Central Securities Depositories do not need to be subject to an ex-ante due diligence

Reporting

- Periodic disclosure on markets and instruments in which management companies trade on behalf of the UCITS



Preliminary findings

Next steps



- Review by the EU Parliament and the Council of the EU
 - EU Parliament
 - France taking the presidency in H1 2022, followed by the Czech Republic in H2 2022
- 24-months implementation timeline





Contact Us

Florence Stainier

T +352 40 78 78 543

florence.stainier@arendt.com

Jasper Ronda

T +352 26 09 10 7761

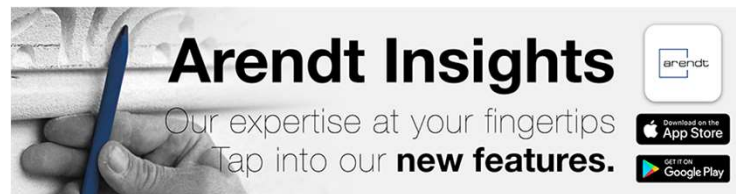
jasper.ronda@arendt.com

Alexandre Brajou

T +352 26 09 10 7783

alexandre.brajou@arendt.com

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