STATUTORY INSTRUMENTS

2018 No. 134

FINANCIAL SERVICES AND MARKETS

The Alternative Investment Fund Managers (Amendment) Regulations 2018

Made - - - - *1st February 2018*

Laid before Parliament *5th February 2018*

Coming into force in accordance with regulation 1

The Treasury are designated(**1**) for the purposes of section 2(2) of the European Communities Act 1972(**2**) in relation to financial services.

The Treasury make these Regulations in exercise of the powers conferred by section 2(2) of the European Communities Act 1972 and sections 1A(6)(d), 1L(2)(b), 22(1), 39(4)(b), 66A(4)(b), 168(4)(k), 204A(2)(b) and (4), 380(6)(a)(i) and (9), 382(9)(a)(i) and (12), 384(7)(a) and (10) of, and paragraph 23(2)(b) of Schedule 1ZA and paragraph 25 of Schedule 2 to, the Financial Services and Markets Act 2000(**3**).

Citation and commencement

1.—(1) These Regulations may be cited as the Alternative Investment Fund Managers (Amendment) Regulations 2018.

(2) These Regulations, apart from regulation 4, come into force on 1st March 2018.

(3) Regulation 4 comes into force on 2nd April 2018.

(**1**) S.I. 2012/1759.

(**2**) 1972 c. 68. Section 2(2) was amended by section 27(1)(a) of the Legislative and Regulatory Reform Act 2006 (c. 51) and the European Union (Amendment) Act 2008 (c. 7), Schedule, Part 1.

(**3**) 2000 c. 8. Sections 1A and 1L were inserted by section 6(1) of the Financial Services Act 2012 (c. 21). Section 39 was amended by paragraph 5(3) of Schedule 18 to the Financial Services Act 2012. Section 66A was inserted by section 32(2) of the Financial Services (Banking Reform) Act 2013 (c. 33). Section 168 was amended by paragraph 8 of Schedule 12 to the Financial Services Act 2012. Section 204A was inserted by paragraph 10 of Schedule 9 to the Financial Services Act 2012 and amended by paragraph 15 of Schedule 1 to the Alternative Investment Fund Managers Regulations 2013 (S.I. 2013/1773) and regulation 2 of the Undertakings for Collective Investment in Transferable Securities Regulations 2016 (S.I. 2016/255). Section 380 was amended by paragraph 19(3), and paragraph 19 of Schedule 9 to the Financial Services Act 2012, and paragraph 27 of Schedule 1 to the Alternative Investment Fund Managers Regulations 2013. Section 382 was amended by paragraph 21 and paragraph 21 of Schedule 9 to the Financial Services Act 2012 and paragraph 28 of Schedule 1 of the Alternative Investment Fund Managers Regulations 2013. Section 384 was amended by paragraph 15 of Schedule 5 to the Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2007 (S.I. 2007/126), paragraph 23 of Schedule 9 of the Financial Services Act 2012, paragraph 29 of Schedule 1 to the Alternative Investment Fund Managers Regulations 2013. Paragraph 23 of Schedule 1ZA was inserted by Schedule 3 to the Financial Services Act 2012. There are other amendments to these provisions but none is relevant here.

Amendments to the Alternative Investment Fund Managers Regulations 2013

2.—(1) The Alternative Investment Fund Managers Regulations 2013(**4**) are amended as follows.

(2) In regulation 2 (interpretation)—

(a) in the definition of "EuSEF Regulation" after "funds" insert "as amended by Regulation (EU) No 2017/1991 of the European Parliament and of the Council of 25 October 2017 amending Regulation (EU) No 345/2013 on European venture capital funds and Regulation (EU) No 346/2013 on European social entrepreneurship funds(**5**)";

(b) in the definition of "EuVECA Regulation" after "funds" insert "as amended by Regulation (EU) No 2017/1991 of the European Parliament and of the Council of 25 October 2017 amending Regulation (EU) No 345/2013 on European venture capital funds and Regulation (EU) No 346/2013 on European social entrepreneurship funds".

(3) In regulation 11 (applications for entry on register of small registered UK AIFMs), after paragraph (4) insert—

"(5) This regulation does not apply in relation to an application for registration as a EuSEF Manager or a EuVECA Manager.".

(4) In regulation 12 (determination of applications), after paragraph (1) insert—

"(1A) Paragraph (1) does not apply in relation to an application for registration as a EuSEF Manager or a EuVECA Manager (in respect of which see Article 15(4) of the EuSEF Regulation or Article 14(4) of the EuVECA Regulation).".

(5) In regulation 13 (procedure when refusing an application)—

(a) in paragraph (1), after "regulation 11(1)" insert ", Article 15 of the EuSEF Regulation or Article 14 of the EuVECA Regulation";

(b) after paragraph (2), insert—

"(3) Paragraph (2)(a) does not apply in relation to an application for registration as a EuSEF Manager or a EuVECA Manager (in respect of which see Article 15b of the EuSEF Regulation or Article 14b of the EuVECA Regulation).".

(6) In regulation 15(1) (small registered AIFMs ceasing to meet the requirements for registration), after "(4)(a)" omit "or (c)".

(7) In regulation 17(1) (grounds for revocation of registration)—

(a) for "Article 14" substitute "Article 15";

(b) for "Article 13" substitute "Article 14";

(c) in sub-paragraph (a), after "(4)" insert "(a) or (b)";

(d) in sub-paragraph (b), omit ", or a requirement imposed by the EuSEF Regulation or the EuVECA Regulation,".

(8) In regulation 18 (procedure on revocation)—

(a) in paragraph (1), after "17(1)(a) or (b)" insert ", or under Article 22 of the EuSEF Regulation or Article 21 of the EuVECA Regulation";

(b) in paragraph (2), for "the grounds mentioned in regulation 17(1)(a) or (b)" substitute "such grounds or under such an Article".

(9) After Part 3A (ELTIFs) insert—

(**4**) S.I. 2013/1773. There are amendments to this instrument but none is relevant to this regulation.
(**5**) OJ L293 10.11.2017 p.1.