



Expert assistance with the AIFMD license application process

I. Introduction

If you are seeking to obtain an Alternative Investment Fund Managers Directive (**AIFMD**) license, you will need expert legal advice. The fund regulatory team at Loyens & Loeff is market leading in AIFMD license applications in the Netherlands. We are well placed to guide you through the process with the Dutch regulator (**Netherlands Authority for the Financial Markets** or **AFM**) and competitively priced. You can read more about our capabilities and the service we provide below.

II. Experience and expertise

Over recent years we have assisted more than 40 fund managers with the preparation of their AIFMD applications. This includes fund managers operating across various asset classes, including private equity, real estate, infrastructure, fund of funds, debt and liquid assets. Notably, we have provided guidance to a significant number of private equity managers in the Netherlands during the license application process. Our help extends to both domestic Dutch managers, such as those exceeding the thresholds of the Dutch sub-threshold registration regime and foreign managers, wishing to relocate to the Netherlands.

With the extent and level of experience we have in handling AIFMD applications, we are adept at identifying potential issues early in the process. Our advice not only considers the technical legal aspects of compliance with the full AIFMD license regime, but also how best to implement these requirements into the day-to-day operations of a fund manager and the AFM expectations in this regard.

A diverse team

Our fund regulatory team responsible for the handling of license applications comprises 10 lawyers with diverse levels of seniority, ranging from junior lawyers to partners. This structure ensures constant availability of both the capacity and required expertise to efficiently manage the preparation of license applications..

As part of our broader investment management department, our fund regulatory team is strategically placed to provide comprehensive advice, incorporating considerations of fund structuring and other operational aspects relevant to fund managers.

How we can help

We typically start a license application project by performing a gap analysis and providing advice on the governance and structure of the fund manager to ensure

compliance with the AIFMD regulations. This involves assessing elements such as board composition and necessary functions e.g., compliance and risk management; regulatory capital and the remuneration structure for identified staff members.

An important part of the preparation is establishing the necessary AIFMD policies and procedures, such as those concerning conflicts of interest, risk management and remuneration policies etc. We offer template policies and procedures tailored to suit the specific operations of fund management businesses. These templates have been extensively reviewed and approved by the Dutch regulator in previous application. In our experience, clients find these templates to be an invaluable starting point in the application preparation process.

In addition, we assist in the preparation of all necessary license application forms and their accompanying annexes, including documentation demonstrating the expertise and integrity of board members. Using our extensive experience with numerous license applications, we have developed templates for most required annexes. These can serve as initial guides for preparation, streamlining the process and making it more time and cost efficient.

We also assist the review of fund documentation to ensure compliance with the full AIFMD regime, including the fund agreement and prospectus and also the review of delegation agreements and the depositary agreement.

Lastly, we are frequently asked to provide training for AIFM personnel on the implications of obtaining a full AIFMD license.

III. Process

Typically, it takes 2 - 3 months to prepare the AIFMD license application. However, we have demonstrated the ability to expedite the process where necessary or desired. For example, we have assisted several small managers who exceeded the AuM-threshold in preparing their AIFMD license within the mandated 30 days. Following submission of the application, the AFM generally takes between 8 and 12 months to review the filing. During this review period, the AFM usually poses various rounds of written questions, to which we assist in responding.

IV. Conclusion

Assisting with AIFMD license applications is a core activity for our fund regulatory team. With our extensive experience and the skills composition of our team, we are well positioned to assist fund managers through this process, providing competitive pricing for our services.

Should you wish to discuss our service offering in more detail with us, please feel free to contact us.

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