

Notice of sub-threshold AIFM exceeding AUM limit

Name of alternative investment fund manager (AIFM)

Firm reference number (FRN)

Legal entity identification code (LEI)

Purpose of this form

This form is only for existing sub-threshold AIFMs who are making a notification about the AUM exceeding the relevant threshold limit.

This form is therefore applicable to:

- small authorised UK AIFMs
- small registered UK AIFMs and
- RSEF managers and RVECA managers who may be both a small registered UK AIFM and/or a small authorised UK AIFM

where the value of assets under management exceeds:

- €500 million in total in cases where the portfolio of AIFs consist of AIFs that are unleveraged and have no redemption rights exercisable during a period of five years following the date of initial investment in each AIF or
- €100 million in total in other cases, including any asset acquired through the use of leverage.

For the purpose of the thresholds, an AIFM may be the AIFM of an AIF if it manages the AIF directly, or indirectly through a company with which the AIFM is linked by common management or control, or by a substantive direct or indirect holding. Furthermore, AUM should be calculated in accordance with article 2 of the AIFMD level 2 regulation.

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Purpose of this form

Your attention is drawn to the strict timeframes in which a notification must be submitted to the FCA.

- **Notification of temporary status** – without delay from when the AUM was first identified as temporarily above the sub-threshold limit.
- **Verification of temporary status – three months** from when the AUM was first identified as being temporarily above the sub-threshold limit.
- **Notification of permanent status** – both the notification and the application for full-scope AIFM authorisation should be sent without delay but, in any event, no later than **30 calendar days** from when the AUM was first identified as being permanently above the sub-threshold limit.

Failure to comply with these timeframes may result in the FCA commencing suspension or revocation of permission procedures against the AIFM.

When assessing whether AUM exceeds the sub-threshold limit on a temporary or permanent basis, the AIFM should consider anticipated subscription and redemption activity or, where applicable, capital draw-downs and distribution. However, anticipated market movements should not be used as part of this assessment. Further, the AIFM should have regard to the extent to which the threshold has been exceeded and the frequency of any previous occurrences in the last year when determining whether such basis is likely to be of a permanent nature.

Where an AIFM provides a satisfactory rationale for the situation being temporary, it is not required to notify the FCA at the point of resolution. Instead, it need only validate this by providing the total assets under management figure three months after the temporary situation was first identified. By contrast if, during the three-month verification period, the AIFM identifies the circumstances have changed such that the status has altered from being temporary to permanent it should make preparations for submitting a variation of permission application and, subsequently, ensuring all necessary arrangements and systems and controls will be in place at the point that the FCA determines the application.

In the case of a permanent status, during the interim period between submitting a variation of permission application for full-scope authorisation status and having the application determined by the FCA, the AIFM is permitted to carry on managing its AIFs without restriction. If the total value of assets under management falls below the relevant threshold during the interim period and before determination then the FCA may consider requests to withdraw the application on a case-by-case basis.

Words and phrases used in this form have the same meaning as in the FCA's Handbook, unless stated otherwise.

Sub-threshold AIFMs seeking authorisation to become a full-scope UK AIFM as a consequence of a permanent status will find the Variation of Permission application form on the FCA website at <http://www.fca.org.uk/uk-aifms>

Filling in the form

- 1** If you are using your computer to complete the form:
 - use the TAB key to move from question to question and press SHIFT TAB to move back to the previous question and
 - print out the form you have completed and sign the declaration.
- 2** If you are filling in the form by hand:
 - use black ink
 - write clearly and
 - sign the declaration.
- 3** If you think a question is not relevant to you, write 'not applicable' and explain why.
- 4** If you leave a question blank, do not sign the declaration without telling us why, we will have to treat the application as incomplete. This will increase the time taken to assess your application.
- 5** If there is not enough space on the forms, you may need to use separate sheets of paper. Clearly mark each separate sheet of paper with the relevant question number.
- 6** The form should be submitted by email to AIFMDFirmSupervisionTriage@fca.org.uk

Alternatively, you can post this application to the FCA at:

**Fund Authorisation Team
Asset Management Department
The Financial Conduct Authority
12 Endeavour Square
LONDON
E20 1JN**

1 Firm details

1.1 Contact details of the person we will get in touch with about this notification.

Title	
First names	
Surname	
Position	
Phone number (including STD code)	
Mobile number (optional)	
Fax number (including STD code)	
Email address	

1.2 Which of the following apply to the AIFM? (tick all that apply)

- Small authorised UK AIFM
- Small registered UK AIFM
- RSEF manager or RVECA manager

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Details of sub-threshold AIFM's AUM

2.1 What is the notice for?

- Temporary status – please answer sections A and B
- Three-month verification of temporary status – please answer sections A and C
- Permanent status – please answer sections A and D

Please note section A (questions 2.2 to 2.5) is mandatory for all notifications

SECTION A – AUM details

2.2 Total assets under management at valuation date (converted to €)

€

2.3 Valuation date (dd/mm/yyyy)

2.4 Which threshold is relevant to this notification?

For the purpose of this question, total AUM should be calculated in accordance with article 2 of the AIFMD level 2 regulation

- €500 million – total portfolio consists of AIFs unleveraged with no redemption rights exercisable during a period of five years following the date of initial investment in each AIF
- €100 million – total portfolio in all other cases, including any assets acquired through the use of leverage

2.5 Description of situation (this field will expand automatically)

SECTION B – AUM temporarily above sub-threshold limit

2.6 On what date was the AUM first identified as temporarily above the sub-threshold limit? (dd/mm/yyyy)

2.7 Please provide the reasons for regarding the status as temporary (this field will expand automatically)

2.8 You are obliged to submit a revised total assets under management valuation three months after the initial identification date to verify the situation has been resolved, or else submit a revised notification advising of a permanent status if this is identified earlier. Please tick the following box to confirm your understanding.

I confirm I understand my ongoing obligations in relation to AUM being temporarily above the sub-threshold limit

SECTION C – Verification of AUM three months after initial identification date

Please note section D should be completed instead of section C if AUM remains above the sub-threshold limit after a period of three months from the date of initial identification.

2.9 Please describe how the temporary status of AUM above sub-threshold limit has been resolved (this field will expand automatically)

2.10 On what date was the temporary status resolved? (dd/mm/yyyy)

2.11 Please agree to the following

- I confirm the value entered in question 2.2 is a true and accurate value of the AIFM's AUM on the valuation date – being three months after the temporary status was first identified.
- I confirm the previously reported situation has now been resolved

SECTION D – AUM permanently above sub-threshold limit

2.12 On what date was the AUM first identified as being permanently above the sub-threshold limit? (dd/mm/yyyy)

2.13 Please agree to the following

- I confirm the value entered in question 2.2 is a true and accurate value of the AIFM's assets under management on the valuation date
- I wish to notify of AUM being permanently above the sub-threshold limit
- I understand it will be necessary to apply for a variation of permission to become a full-scope UK AIFM in order to continue conducting this business
- I understand the variation of permission application must be submitted to the FCA no later than 30 days after the date when the permanent status was first identified.

3 Declaration

Warning

It is a criminal offence to knowingly or recklessly give us information that is false or misleading. If necessary, please seek appropriate professional advice before supplying information to us.

There will be a delay in processing the application if any information is inaccurate or incomplete. And failure to notify us immediately of any significant change to the information provided may result in a serious delay in the application process.

Data protection

For the purposes of complying with the Data Protection Act, the personal information in this form will be used by the FCA to discharge its statutory functions under the Financial Services and Markets Act 2000 and other relevant legislation. It will not be disclosed for any other purposes without the permission of the firm concerned.

The FCA processes personal data in line with the requirements of UK General Data Protection Regulation (GDPR) and the Data Protection Act 2018. For further information about the way we use the personal data collected in this form, please read our privacy notice available on our website:

<https://www.fca.org.uk/privacy>

Declaration

By submitting this notification form:

- **I confirm that I understand it is a criminal offence knowingly or recklessly to give the FCA information that is false or misleading in a material particular.**
- **I confirm that the information in this form is accurate and complete to the best of my knowledge and belief.**
- **I confirm that I am authorised to sign on behalf of the firm.**

Name	
Position	
Individual registration number (if applicable)	
Signature	
Date	