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DRAFT STATUTORY INSTRUMENTS

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**2018 No.**

The Alternative Investment Fund Managers  
(Amendment etc.) (EU Exit) Regulations 2018

PART 3

Amendment of EU delegated legislation

**Delegation of AIFM functions**

- 31.**—(1) Before Article 75, omit “(Article 20(1), (2), (4) and (5) of [Directive 2011/61/EU](#))”.
- (2) In Article 75(c), after “in accordance with” insert “the UK provisions which implemented”.
- (3) In Article 76—
- (a) in paragraphs 1 and 2, for “competent authorities” both times it appears, substitute “FCA”;
  - (b) in paragraph 1, for “Article 20(1)(a) of [Directive 2011/61/EU](#)” substitute “rule 3.10.2(2) (a) of the Investment Funds sourcebook”.
- (4) In Article 77(3), in the second subparagraph, for “Union” substitute “United Kingdom”.
- (5) In Article 78—
- (a) in paragraph 2—
    - (i) in the opening words, for “point (c) of Article 20(1) of [Directive 2011/61/EU](#)” substitute “regulation 26(1)(a) and (2) of the AIFM Regulations 2013, and rules 3.10.2(2)(c) and 3.10.7G of the Investment Funds sourcebook”;
    - (ii) in point (a) for “[Directive 2009/65/EC](#)” substitute “FSMA”;
    - (iii) in point (b), for “[Directive 2004/39/EC](#) to perform portfolio management” substitute “FSMA with permission under Part 4A of that Act to carry out the regulated activity of managing investments under article 37 of the Regulated Activities Order 2001”;
    - (iv) in point (c), for “[Directive 2006/48/EC](#) having the authorisation to perform portfolio management under [Directive 2004/39/EC](#)” substitute “FSMA with permission under Part 4A of that Act to carry out the regulated activity of managing investments under article 37 of the Regulated Activities Order 2001”;
    - (v) in point (d), for “[Directive 2011/61/EU](#)” substitute “the Financial Services and Markets Act 2000”;
  - (b) in paragraph 3—
    - (i) in the opening words, for “point (d) of Article 20(1) of [Directive 2011/61/EU](#)” substitute “rules 3.10.2(2)(d) of the Investment Funds sourcebook”;
    - (ii) in point (a), for “competent authorities of the home Member State of the AIFM” substitute “FCA”;
    - (iii) in point (b), in the opening words, for “competent authorities” substitute “FCA”;

- (iv) in point (b)(i), after “provided for in”, insert “the UK provisions which implemented”;
- (v) in point (b)(iv), after “requirements of” insert “the UK provisions which implemented”;
- (vi) in point (b)(v)—
  - (aa) after “requirements of” insert “the UK provisions which implemented”;
  - (bb) omit “and relevant national law”.
- (6) In Article 79—
  - (a) in point (a), for “competent authorities”, in both places, substitute “FCA”;
  - (b) in point (b), for “competent authorities of the AIFM” substitute “FCA”;
  - (c) in point (c)—
    - (i) for “competent authorities” substitute “FCA”;
    - (ii) after “requirements of” insert “the UK provisions which implemented”.
- (7) In Article 80(1), in the opening words, for “point (b) of Article 20(2) of [Directive 2011/61/EU](#)” substitute “rule 3.10.6(2) of the Investment Funds sourcebook”.
- (8) In Article 81—
  - (a) in paragraph 1 in the second subparagraph, for “point (a) of Article 20(4) of [Directive 2011/61/EU](#)” substitute “rules 3.10.4(1) of the Investment Funds sourcebook”;
  - (b) in paragraph 2, for “point (b) of Article 20(4) of [Directive 2011/61/EU](#)” substitute “rule 3.10.4(2) of the Investment Funds sourcebook”.
- (9) In Article 82—
  - (a) in paragraph 1, in point (d), in the second sentence, for “competent authorities” substitute “the FCA”;
  - (b) omit paragraphs 2 and 3.