

UCITS IV Management Company Diagnostic

Starting July 2011, UCITS IV implementing measures will introduce MiFID-like organisational and conduct of business rules and bring all Management Companies (ManCos) on the fast track to European harmonisation.

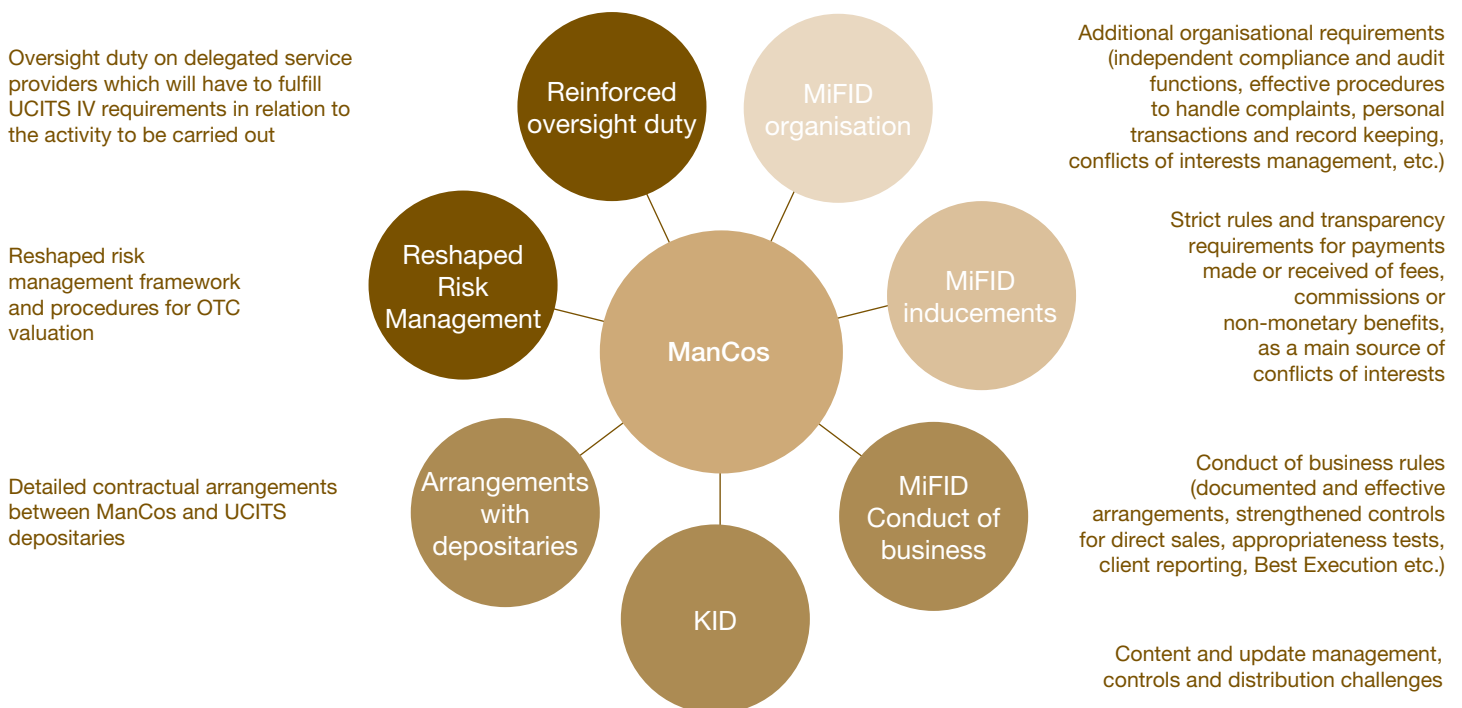


Although the European legal text is still under preparation, the Committee of European Securities Regulators’s (CESR) guidelines in relation to the Management Company Passport should end up to a large extent in the final implementing measures. These measures potentially imply a deep reset of ManCos governance and internal control mechanisms while MiFID-like transparency requirements (inducement rules) indirectly impact ManCos’ tax models, remuneration and distribution arrangements.

PwC has developed a focused approach to quickly identify and address regulatory, compliance issues and potential revenues impacts. This will allow you to adapt your organisation to the new requirements in the most efficient manner. Our Diagnostic Tool will provide you with a comprehensive assessment of where your organisation stands as to the new requirements and will provide insight on what alternatives exist to achieve compliance with minimum pain.

The Challenges

Besides offering a comprehensive pan-European framework for attracting and managing assets, the new regulation poses several challenges for ManCos:



The PwC Diagnostic

The PwC approach aims at identifying key gaps between your organisation’s current situation and future requirements, enabling you to start maturing adequate strategic decisions.

The tool is a catalogue of over 180 critical aspects, offering a to-the-point assessment of your organisational framework.

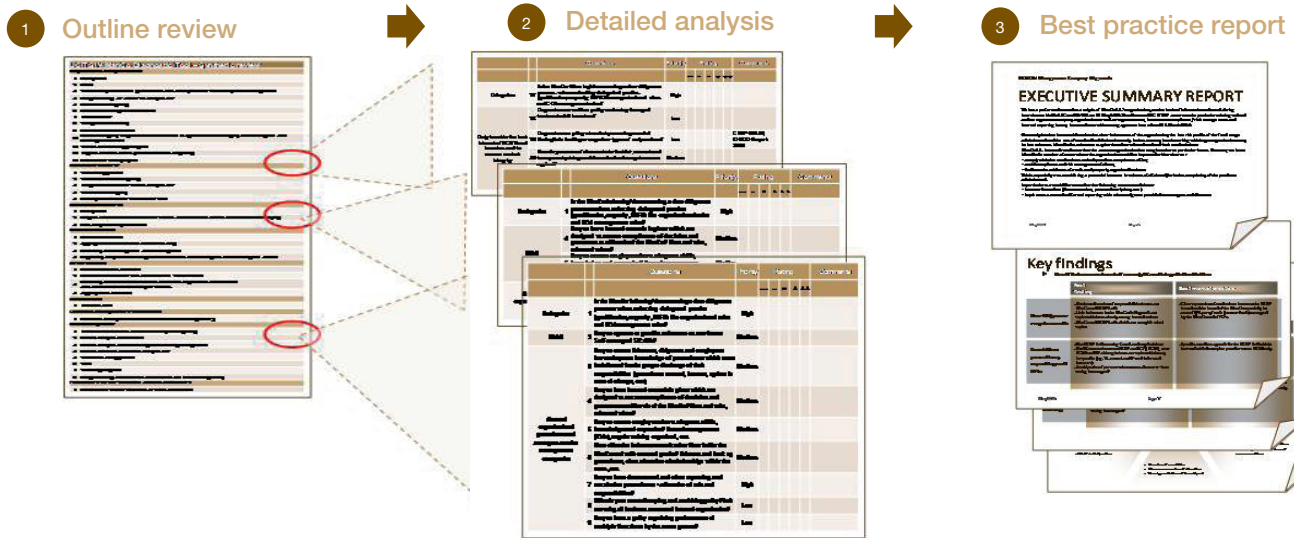
Questions are ranked according to priorities and themes, enabling you to:

- Focus on identifying specific regulatory, tax and organisational priorities;
- Leave secondary requirements for a later stage;
- Benefit from an “A la carte” tailored diagnostic that fits budget constraints.

What are the objectives of the PwC Diagnostic?

- Assessment of risks and gaps in your ManCo’s organisational framework;
- Mitigating your risks;
- Prioritising essential requirements;
- Proposing solutions for optimisation;
- Identifying key areas for improvement and key opportunities.

A focused approach



Challenges relevant for your organisation will be identified during workshop(s) conducted by our MiFID, Tax, Risk Management and UCITS IV experts.

The requirements in relation to identified areas of impact are reviewed in detail with relevant people.

You will be delivered an executive summary report, including possible solutions for implementation.

Further services

Other issues which are connected with additional UCITS IV implementation challenges may come out of the discussion during the workshop. Should the need arise, PwC will commit other dedicated UCITS IV tax and regulatory experts to provide you with further assistance on topics like:

- Strategic rationalisation of products and operations using UCITS IV Directive opportunities;
- Assistance in the structuring of a service offer in relation to the production and the dissemination of the Key Information Document (KID);
- Implementation of transparency rules (Inducements) and their impact on ManCo’s remuneration model and related tax consequences and opportunities;
- Outline review of depositary and custodian processes from a risk, regulatory and operational point of view.
- Project Management Assistance

Why PricewaterhouseCoopers Luxembourg?

PricewaterhouseCoopers Luxembourg (www.pwc.com/lu) has about 1,950 professionals from 53 different countries. PricewaterhouseCoopers (www.pwc.com) provides industry-focused assurance, tax and advisory services to build public trust and enhance value for its clients and their stakeholders. More than 163,000 people in 151 countries across our network share their thinking, experience and solutions to develop fresh perspectives and practical advice.

For further information, please contact the PricewaterhouseCoopers Luxembourg experts:

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