

# MALTA ALTERNATIVE INVESTMENT FUND

Malta Investment Funds

## GDP GROWTH

7.5%, IN 2018 (EC)

## MALTA FUNDS

580+ investment funds with combined NAV of €9.7billion

## FUND DOMICILE RECOGNITION

Rated No. 1 Europe's favoured fund domicile (Hedge Fund Review's 2013 and 2014 Service Provider Rankings)

## 25% ANNUAL GROWTH

25% Annual Growth

## TIMEZONE

Central European Time Zone  
(UTC+01:00)

## APPROACHABLE, SINGLE REGULATOR

Approachable, Single Regulator

## TOTAL ASSET VALUE UCITS

€2.4billion

## FINANCIAL SERVICES FRAMEWORK

EU and OECD approved



CHETCUTI CAUCHI  
ADVOCATES

[cclex.com/investment-funds](http://cclex.com/investment-funds)



## MALTA

Over the last two decades, Malta has established itself as an innovative and reliable financial services centre, hosting a variety of financial services businesses and structures including AIFs, UCITS, fund managers, fund administrators, forex brokers, payment services providers, investment advisors and insurance principals.

A number of factors have contributed to Malta's rapid growth in the sector, including the approachability of the Malta Financial Services Authority (MFSA), Malta's single regulator for financial services, and the high regulatory standards that the jurisdiction adheres to. Malta's appeal is also enhanced by its highly skilled workforce, multilingualism, extensive tax treaty network, and reliable IT infrastructure.

## LEGAL BASIS

Malta has been regulating investment funds since 1994 through the Investment Services Act as well as Investment Services Rules. The principal legislation governing Alternative Investor Funds ("AIFs") in Malta is the Investment Services Act, 1994 ("ISA") as subsequently amended. AIFs are a special class of collective investment schemes which fall within the provisions of the Act.

## LEGAL FORM

The local legal regime permits AIFs to be established using a variety of legal forms, each having characteristics suited for particular needs. A Maltese AIF may be set up as:

- A limited partnership or partnership en commandite;
- A unit trust, constituted by a trust deed between a management company and a trustee;
- A mutual fund;
- An investment company with variable share capital ("SICAV");
- An investment company with fixed share capital ("INVCO").

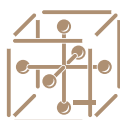
The most popular structure is the SICAV, usually established as an open-ended fund. SICAVs can also be established as umbrella funds.



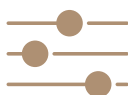
## BENEFITS



EU Passporting



Robust Regulatory Framework



Flexible Regulator



Structure Variants



Lower Setup and Ongoing Costs





## KEY REQUIREMENTS

Alternative Investment Funds (AIFs) fall within the remit of the AIFMD. AIFs are defined as collective investment undertakings which raise capital from a number of investors with a view of investing therein in accordance with a defined investment strategy, and which do not require authorisation under the UCITS Directive.

### REGULATORY REQUIREMENTS

#### SERVICE PROVIDERS

- Fund Manager – The management of the AIF can be carried out internally by the AIF (self-managed AIFM) or by appointing an AIFM management company.
- Custodian – An AIFM is required to appoint a single local independent custodian for each AIF under management (provided that until July 2017, the custodian need not be a Maltese entity).
- Auditor – An auditor which is approved by the MFSA will need to be appointed.
- Compliance Officer – This role is required to ensure compliance with the AIF obligations and requirements.
- Money Laundering Reporting Officer – A role required to ensure compliance with the AML/CFT obligations and requirements.

### CAPITAL

The minimum capital requirement for self-managed AIFs is €300,000.

### OFFERING DOCUMENTS

The MFSA requires that a AIF establishes its investment objectives, policies and restrictions as well as any risk factors within the offering documents of the AIF. Such documents are then reviewed and approved by the MFSA.



## KEY REQUIREMENTS



Approved Service  
Providers



Min. €300,000 for  
Self-Managed Funds



MFSA Approved  
Offering Documents



Settle Application/  
Supervisory Fee



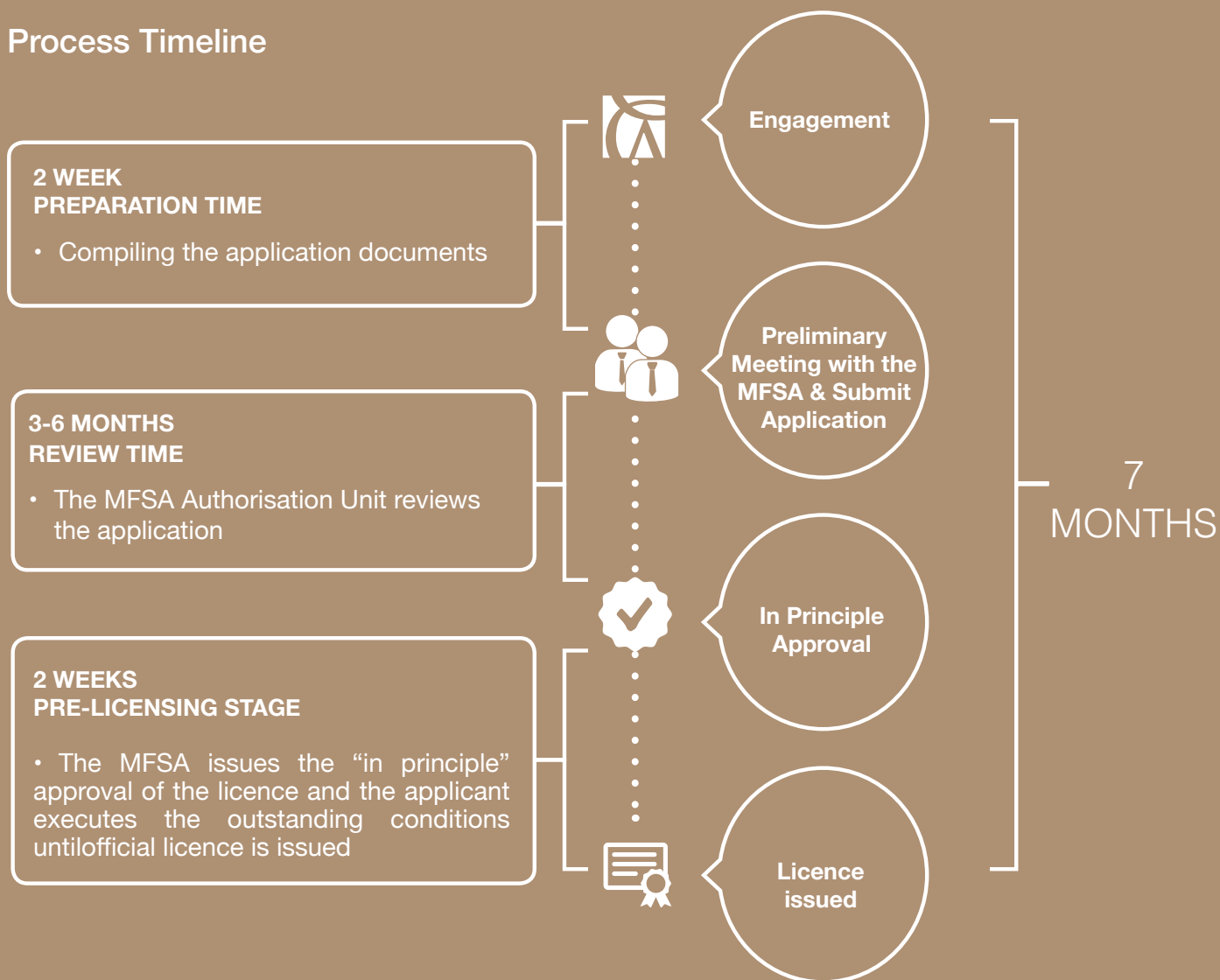
Fit & Proper  
Management and  
Shareholding



AIFM Management  
Company

# MALTA AIF LICENSING

## Process Timeline



## WHY WORK WITH US?



Problem Solving,  
Integrity, Honesty



Listed in various Listing  
Directories



We're lawyers:  
Lawyer - Client  
Privilege



15+ Years  
Experience in  
Financial Services



Malta-Cyprus  
Lawyers, Tax  
Advisors,  
Fiduciary Staff: 100+



Our Ethos:  
Big firm expertise,  
Small firm personal



**CHETCUTI CAUCHI**  
ADVOCATES

Malta  
Cyprus  
London  
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Hong Kong



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