

Chapter 10

Operating on a cross-border basis

10.4AIFM third country management

Application

10.4.1

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This section applies to a *full-scope UK AIFM* of a *non-UK AIF* that is not *marketed* in the *UK* to *UK* investors.

Applicable requirements

10.4.2

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A *full-scope UK AIFM* may manage a *non-UK AIF* subject to the satisfaction of certain conditions. If the *AIF* is not *marketed*, these conditions are that:

(1) the *AIFM* complies with the full requirements of *FUND*, other *rules* in the *Handbook* which, when made, implemented *AIFMD*, the *AIFMD level 2 regulation*, the *AIFMD UK regulation* in respect of that *AIF*, except ■ **FUND 3.3** (Annual reporting) and ■ **FUND 3.11** (Depositaries), the *AIFMD BTS* and any other binding technical standards made in connection with the *UK AIFM regime*; and

(2) (in accordance with regulation 33 of the *AIFMD UK regulation*) appropriate cooperation arrangements are in place between the *FCA* and the supervisory authorities of the country where the *non-UK AIF* is *established* in order to ensure an efficient exchange of information that allows *FCA* to carry out its duties in accordance with *FUND*, other *rules* in the *Handbook* which, when made, implemented *AIFMD*, the *AIFMD level 2 regulation* and the *UK AIFMD regulation*.

10.4.3

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As a result, a *full-scope UK AIFM* of a *non-UK AIF* that is not *marketed* is required to comply with:

(1) all of ■ **FUND 3** with the exception of ■ **FUND 3.3** (Annual report of an *AIF*), ■ **FUND 3.11** (Depositaries) and ■ **FUND 3.12** (Marketing in the *UK*); and

(2) such other provisions of the *FCA Handbook* as are applicable to a *full-scope UK AIFM*.

10.4.4

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If a *full-scope UK AIFM* wishes to market in the *UK* a that it manages, the *AIFM* must comply with the relevant requirements, as explained in ■ **FUND 10.5.3 G** to ■ **FUND 10.5.5 G** (Marketing of third country AIFs managed by full-scope UK AIFMs).