

STATUTORY INSTRUMENTS

2013 No. 1773

The Alternative Investment Fund Managers Regulations 2013

PART 7

Duties and powers of the FCA

Designation as competent authority

65. The FCA is responsible for all functions of the competent authority provided for in any ^{F1}... EU regulation made under the directive [^{F2}which forms part of retained EU law], in the EuSEF Regulation and in the EuVECA Regulation in the United Kingdom.

Textual Amendments

- F1** Words in reg. 65 omitted (31.12.2020) by virtue of [The Alternative Investment Fund Managers \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/328\)](#), regs. 1(3), **11(2)(a)** (as amended by S.I. 2019/325, reg. 58); 2020 c. 1, Sch. 5 para. 1(1)
- F2** Words in reg. 65 inserted (31.12.2020) by [The Alternative Investment Fund Managers \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/328\)](#), regs. 1(3), **11(2)(b)** (as amended by S.I. 2019/325, reg. 58); 2020 c. 1, Sch. 5 para. 1(1)

Requirement to notify ESMA of information required from AIFMs

^{F3}**66.**

Textual Amendments

- F3** Reg. 66 omitted (31.12.2020) by virtue of [The Alternative Investment Fund Managers \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/328\)](#), regs. 1(3), **11(3)** (as amended by S.I. 2019/325, reg. 58); 2020 c. 1, Sch. 5 para. 1(1)

Use of information by FCA ^{F4}...

67.—(1) The FCA must use the information it gathers under [^{F5}rules 3.4.2 to 3.4.6C of the Investment Funds sourcebook and Articles 110 and 111 of the Commission Delegated Regulation] in respect of AIFMs it supervises for the purposes of identifying the extent to which the use of leverage contributes to—

- (a) the build up of systemic risk in the financial system;
- (b) the risks of disorderly markets; or
- (c) the risks to the long-term growth of the economy.

^{F6}(2)

Status: Point in time view as at 31/12/2020.

Changes to legislation: The Alternative Investment Fund Managers Regulations 2013, PART 7 is up to date with all changes known to be in force on or before 05 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- F⁶(3)
- F⁶(4)

Textual Amendments

F4 Words in reg. 67 heading omitted (31.12.2020) by virtue of [The Alternative Investment Fund Managers \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/328\)](#), regs. 1(3), **11(4)(a)** (as amended by [S.I. 2019/325](#), reg. 58); 2020 c. 1, Sch. 5 para. 1(1)

F5 Words in reg. 67(1) substituted (31.12.2020) by [The Alternative Investment Fund Managers \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/328\)](#), regs. 1(3), **11(4)(b)** (as amended by [S.I. 2019/325](#), reg. 58); 2020 c. 1, Sch. 5 para. 1(1)

F6 Reg. 67(2)-(4) omitted (31.12.2020) by virtue of [The Alternative Investment Fund Managers \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/328\)](#), regs. 1(3), **11(4)(c)** (as amended by [S.I. 2019/325](#), reg. 58); 2020 c. 1, Sch. 5 para. 1(1)

Limits on leverage

- 68.**—(1) The FCA must—
- (a) assess the risks that the use of leverage by full-scope UK AIFMs with respect to the AIFs managed by them could entail;
 - (b) use the measures in paragraph (2), if they are necessary in order to ensure the stability and integrity of the financial system, to limit the extent to which the use of leverage by a full-scope UK AIFM with respect to the AIFs managed by it contributes to—
 - (i) the build up of systemic risk in the financial system; or
 - (ii) the risks of disorderly markets.
- (2) The measures are—
- (a) imposing limits on the level of leverage that such an AIFM may employ; or
 - (b) imposing other restrictions on the management of such an AIF.

- F⁷(3)
- F⁷(4)
- F⁷(5)
- F⁷(6)

(7) The FCA may use its powers under section 55J and 55L of the Act (variation or cancellation on initiative of regulator and imposition of requirements by the FCA) to impose limits on leverage or other restrictions on the management of an AIF, but this paragraph does not limit the powers of the FCA.

Textual Amendments

F7 Reg. 68(3)-(6) omitted (31.12.2020) by virtue of [The Alternative Investment Fund Managers \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/328\)](#), regs. 1(3), **11(5)** (as amended by [S.I. 2019/325](#), reg. 58); 2020 c. 1, Sch. 5 para. 1(1)

Exchange of information relating to potential systemic consequences of AIFM activity

- F⁸**69.**

Changes to legislation: The Alternative Investment Fund Managers Regulations 2013, PART 7 is up to date with all changes known to be in force on or before 05 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

Textual Amendments

- F8** Reg. 69 omitted (31.12.2020) by virtue of [The Alternative Investment Fund Managers \(Amendment etc.\) \(EU Exit\) Regulations 2019 \(S.I. 2019/328\)](#), regs. 1(3), **11(6)** (as amended by [S.I. 2019/325](#), reg. 58); 2020 c. 1, Sch. 5 para. 1(1)

Status:

Point in time view as at 31/12/2020.

Changes to legislation:

The Alternative Investment Fund Managers Regulations 2013, PART 7 is up to date with all changes known to be in force on or before 05 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.