

THE CYPRUS REGISTERED ALTERNATIVE INVESTMENT FUNDS (RAIF)

The Alternative Investment Funds Law 2018 (AIF Law) in place from 31 July 2018, introduces the concept of the Registered Alternative Investment Fund (RAIF). This is a game changing development that allows for the setup of an Alternative Investment fund within 3-5 weeks, under a lighter regulation and at a significantly lower cost.

RAIFs do not require the authorisation by the regulator CySEC (www.cysec.gov.cy) if they are managed by a Cyprus or an EU AIFM. The AIFM only has to notify the regulator of the new RAIF and list it in the RAIF register with CySEC. This reduces the time to market significantly. RAIFs are supervised by the AIFM. The AIFM supervision covers the initial fund documentation and the ongoing operations. The experience of the AIFM in setting up fund documentation and operating AIFs reduces significantly the costs to set up and maintain a RAIF. This flexibility and cost-efficiency make the Cyprus RAIF a very attractive vehicle for collective investments and holding of multiple classes of assets.

This publication should be used as a source of general information only. It is not intended to give a definitive statement of the law.

CYPRUS RAIFs AT A GLANCE

Registration	<ul style="list-style-type: none"> Cyprus Securities Exchange Commission (CySEC) Register by Alternative Investment Fund Manager (AIFM)
Legal Form	<ul style="list-style-type: none"> Common Fund (CF) Variable Capital Investment Company (VCIC) Fixed Capital Investment Company (FCIC) Limited Partnership with or without legal personality (LP)
Eligible Investors	<ul style="list-style-type: none"> NO RETAIL investors Well-informed investors Professional investors
Number of Investors	<ul style="list-style-type: none"> Unlimited number of (eligible) investors
Minimum Capital Requirements	<ul style="list-style-type: none"> No Capital requirements as It MUST be externally managed
Minimum AUM within 12 months	<ul style="list-style-type: none"> EUR 500,000 is the minimum assets under management required within 12 months
Fund Management	<ul style="list-style-type: none"> AIFM in Cyprus or in the EU If Limited Partnership closed ended fund investing in illiquid assets, then: <ol style="list-style-type: none"> UCITS Management Company MiFID compliant Investment Firm(IF) Sub-Threshold Manager (CY or EU)

ADVANTAGES OF RAIFs

Speed to Market	<ul style="list-style-type: none"> Registration by AIFM reduces the time for RAIF set up to 3-5 weeks ONLY
Cost of Set-up	<ul style="list-style-type: none"> AIFM prepares/reviews all Fund Documentation as the direct supervisor of the RAIF. This reduces costs significantly.
Compartments	<ul style="list-style-type: none"> Multiple compartments allowed
Initial Capital	<ul style="list-style-type: none"> A RAIF has no other limitations except it cannot be a Fund of Funds, Money Markets Fund or a Loan origination fund.
AUM	<ul style="list-style-type: none"> No limitation on value of Assets under Management
EU Passporting	<ul style="list-style-type: none"> A RAIF can passport its right for distribution across the European Union
Listing	<ul style="list-style-type: none"> Possible listing on recognize stock exchanges

WHAT WE CAN DO FOR YOU

We offer our clients a single point of contact for their fund structure needs. We guide our clients through the maze of options for a tailored funds solution.

ATG act as the co-ordinating party between the principals of the structure and all the professionals involved. We work with our clients to administer their funds as their trusted service partner.

Our services cover the full range of Fund Administration, Transfer Agency as well the initial set up advice on Licensing and redomiciliation of existing funds. We offer our services in Cyprus, the UK, Cayman Islands, and the BVI.

For a FREE Initial Consultation to discuss the specifics of your enquiry please contact Andreas Athinodorou on + 357 22057570 or andreas.athinodorou@atgfunds.com

OVERVIEW AND SET-UP

- Fund structuring considerations
- Tax and legal considerations for all parties involved
- Fund raising considerations
- Choice of fund jurisdiction
- Regulator work and coordination of all parties

TRANSFER AGENCY

- Investor enquiries handling
- Process fund subscriptions
- Process fund redemptions
- Handle capital calls
- Maintain corporate registries

FUND ADMINISTRATION AND ACCOUNTING

- Day to day fund administration
- Corporate Actions support
- Fund accounting
- Reconciliation of custodian and broker accounts
- NAV Calculations
- IFRS/GAAP reporting

REPORTING AND COMPLIANCE

- Reporting to investors
- Reporting to the fund manager
- Reporting to the regulator
- Tax and statutory compliance
- AML compliance

LISTING AND INVESTOR SERVICES

- Assist with Listing requirements
- Present fund opportunities to placement agents
- Participate in investor roadshows
- Investor Introductions