



AIFMD - New Regulatory Landscape for Alternative Investment Fund Managers



Benefits for clients:

- Strategic data-driven solution with complete transparency, drill-down and audit trail;
- Flexible, transparent, scalable, auditable and performance-driven product;
- All EEA AIFMD templates are supported, updated and monitored;
- Addresses evolving data (instances and versioning);
- Delivers multi-jurisdictional and multi-faceted reporting requirements from a single platform;
- Interface with fund managers' existing data structure/ processes
- Accommodates future compliance and reporting needs quickly and efficiently;

Alternative Investment Fund Managers Directive Challenges – Catalyst for Change

The Alternative Investment Fund Managers Directive (AIFMD) came into force on 21st of July 2011 and EU Member States will have to implement the Directive in local Member State law by 22nd of July 2013. The new regulatory reporting requirements affect a wide range of managers including hedge funds, private equity funds, real estate funds, retail non-UCITS, non-EU funds distributed/managed in the EU and non-EU managers distributing/managing funds in the EU. AIFMD's aim is to create a comprehensive EU regulatory and supervisory framework to reduce systemic risk, increase transparency and market integrity within the financial system.

Alternative investment firms will be compelled to reinforce their reporting, operational, technology and control infrastructures. The new requirements will also affect marketing strategies, portfolio manager remuneration and investment strategy. As a result, regulatory compliance will need to be approached from a strategic perspective given the spectrum of impacts ranging from governance, risk measurements and disclosure.

AxiomSL solution: global strategic data-driven integration

To meet these upcoming regulations, alternative investment firms need a robust capital and risk management framework combined with a flexible reporting solution. AxiomSL, the global leader in regulatory reporting solutions and risk management for over 20 years, provides a data-driven platform, which meets all filing requirements for hedge funds, private equity and other types of funds.

AxiomSL's strategic solution supports multi-jurisdictional regulatory reporting as it enables financial institutions to meet AIFMD, UCITS, FORM PF, FATCA and other regulations on a single data repository platform. This technology provides all the steps from: scoping & sourcing client existing data structures, to aggregations, calculations, and validation rules to filing the schedules. This transparent and scalable solution addresses complex funds and extensive disclosures for investment advisers and can be deployed in the Cloud, thereby reducing the requirements for extensive internal IT infrastructure.

The platform provides a dynamic dashboard which delivers a complete overview including status alerts for any unfinished sections to be completed prior to filing and a multi-level sign off controls to enable management review of completed report.

Solution: moving from silo systems to a central reporting repository

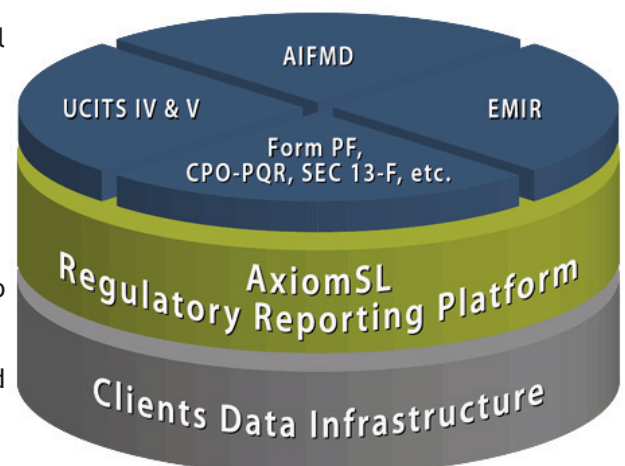
Alternative Investment Fund Managers (AIFM) have an abundance of data spread over multiple and diverse sources and the challenge is to find the exact information required by regulators within organizational *silo* systems. Piecemeal actions to cope with dynamic regulatory reporting requirements generate a silo effect as it requires more customization and integration effort to the existing IT systems. Patchwork solutions addressing regulatory reforms will hamper banks' ability to have a unified view of their process information.

AxiomSL's strategic data-driven platform has the ability to identify, capture, and integrate information from various fund administrators and disparate internal sources to prepare the AIFM regulatory filing while enforcing controls to manage compliance risk. It delivers full transparency with drill down capabilities from reports to original data sources and interfaces with a host of data management systems. It enables fund managers to organize the required information, reducing costly manual work and accelerating the report review, approval, and submission of controlled, high-integrity data to regulators. It is deployed either on a cloud-based or/and on-site environment.

AxiomSL's integrated solution delivers greater system flexibility by responding to today's complex demands, which include expanded data volumes and proliferation of regulatory reforms. This robust technology addresses the complexity of data gathering and mapping to meet any regulatory reporting requirements. It provides multi-jurisdiction capabilities and it is adaptable to quickly meet evolving and new regulations from a single platform.

Features:

- ◆ Robust data management capabilities with a comprehensive data dictionary;
- ◆ Interface with clients' existing data sources and workflow process without any data conversion;
- ◆ Seamless integration of sources data models to Visual Business Rules, aggregation results and reports;
- ◆ Complete workflow - for automated end to end processing;
- ◆ Flexibility and scalability in merging clients' data models;
- ◆ Funds scoping and aggregating all funds, positions, etc.;
- ◆ Analytical, Exception & Custom Reporting and features to build additional management reports;
- ◆ Complete audit trail of activity on the systems with time and date stamps and user name;
- ◆ Controls for data input (reconciliations, pre-defined values, data layout, etc.);
- ◆ Output subject to pre-defined regulatory validation checks;
- ◆ Fully controlled environment based on permissions and role;
- ◆ Variance analysis and suite of variance reporting options. ■



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