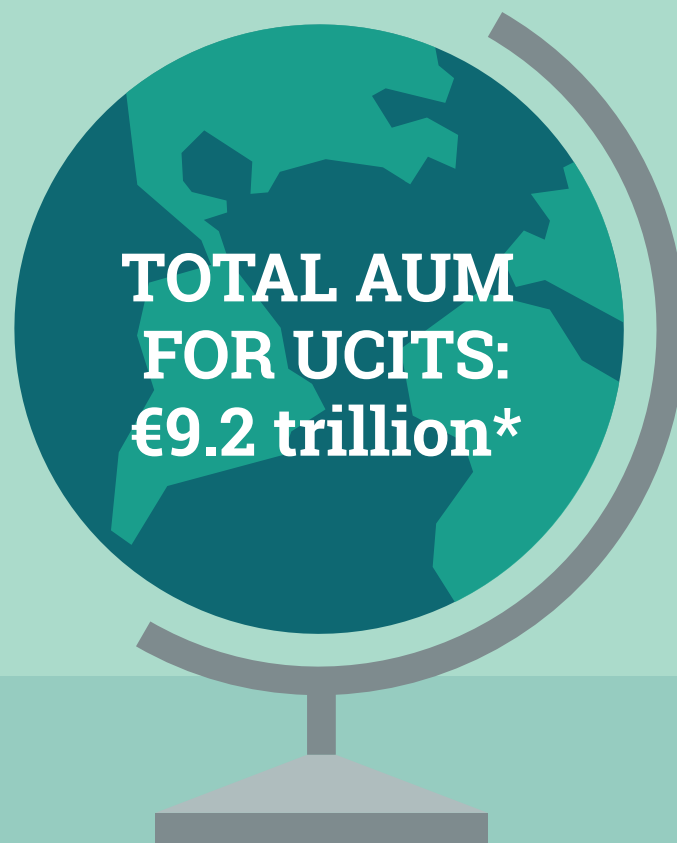


# DELEGATION UNDER UCITS BENEFITS INVESTORS IN THE EU AND AROUND THE WORLD

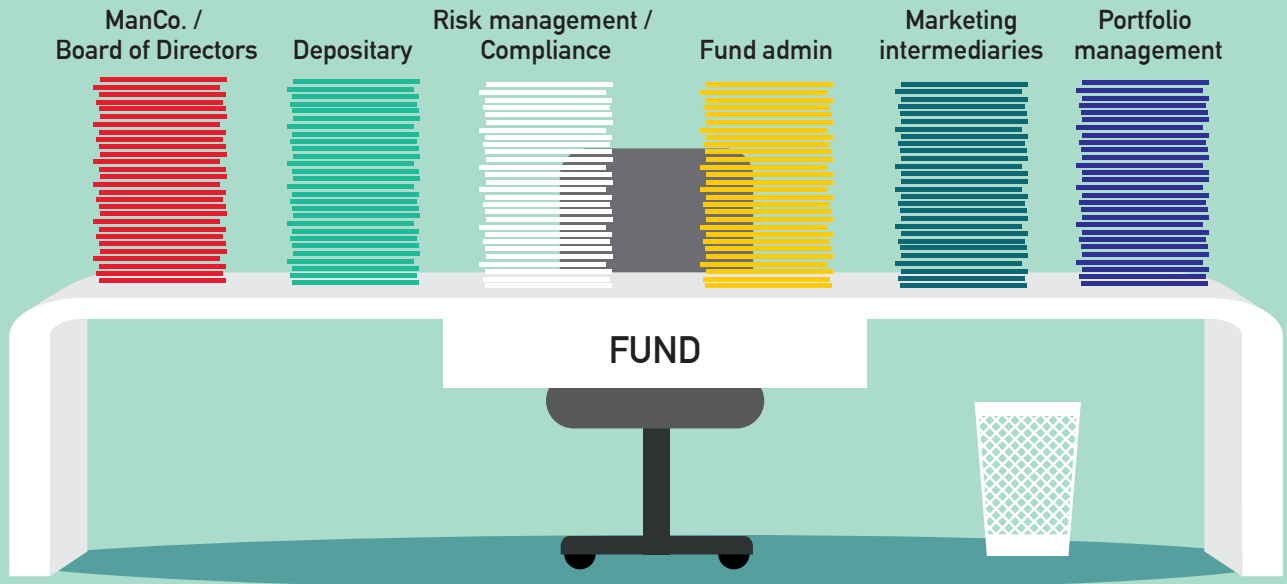
UCITS ARE COMPREHENSIVELY REGULATED SAVINGS  
VEHICLES THAT HELP INVESTORS SAVE AND FOSTER  
ROBUST CAPITAL MARKETS



\* Source: EFAMA, Q2 2017

UCITS are the only truly cross-border investment vehicle for EU and global markets and a leading example of European financial innovation.

# REGULATED FUNDS HAVE MANY COMMON COMPONENTS



US mutual fund



UCITS



Hong Kong-domiciled investment fund

■ ManCo. / Board of Directors

■ Depository

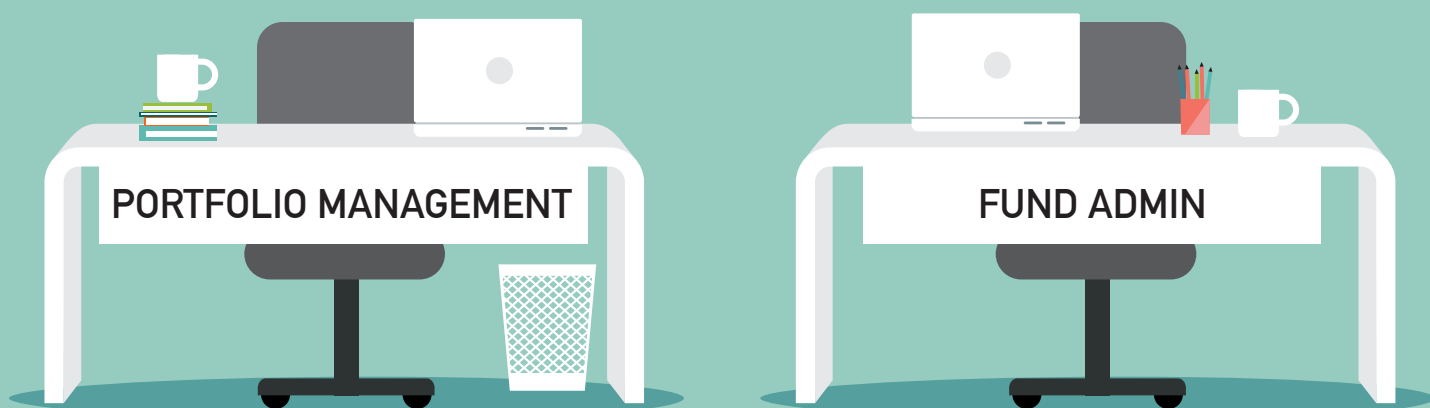
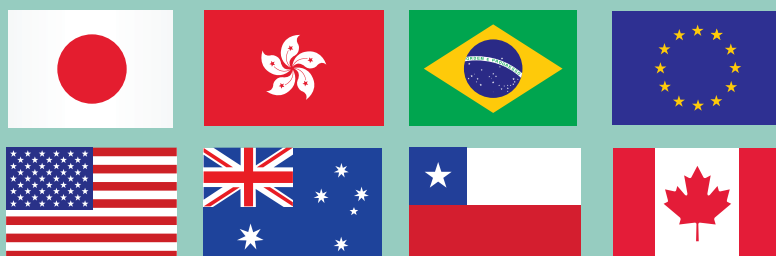
■ Fund admin

■ Marketing intermediaries

■ Portfolio management

■ Risk management / Compliance

# DELEGATION ENABLES UCITS TO ACCESS EXPERTISE TO OPERATE EFFICIENTLY AND EFFECTIVELY FOR THE BENEFIT OF INVESTORS IN THE EU AND WORLDWIDE



This is only an example of how delegation works under UCITS.  
There are many different arrangements not depicted in this illustration.

# SOUND RULES AT THE EU AND NATIONAL LEVEL OFFER ROBUST INVESTOR PROTECTION AND SUPERVISORY OVERSIGHT

## UCITS Directive

1. ManCo cannot delegate functions to the extent that it becomes a letter-box entity.
2. ManCo must have measures in place to effectively monitor delegates.



## Member State Law

1. Member State Authorities transpose Directive and expand and clarify standards for delegation.



For more information about delegation under UCITS, please contact ICI Global Managing Director, Europe, Patrice Bergé-Vincent at [patrice@iciglobal.org](mailto:patrice@iciglobal.org).

### ABOUT ICI GLOBAL

ICI Global carries out the international work of the Investment Company Institute, the leading association representing regulated funds globally. ICI's membership includes regulated funds publicly offered to investors in jurisdictions worldwide, with total assets of US\$27.5 trillion, as of 1 November 2017. ICI seeks to encourage adherence to high ethical standards, promote public understanding, and otherwise advance the interests of regulated investment funds, their managers, and investors. ICI Global has offices in London, Hong Kong, and Washington, DC.