

Submission Date

02/02/2023

ESMA_QA_671

Status: Answer Published

Additional Information

Level 1 Regulation

Alternative Investment Fund Managers Directive (AIFMD) Directive 2011/61/EU

Topic

Costs and fees

Additional Legal Reference

Section XV: ESMA's guidelines on performance fees in UCITS and certain types of AIFs

Subject Matter

Performance fees

Question

Question 6 [last update 28 May 2021]: How should the performance reference period be set in case of a merger where the receiving AIF is a newly established fund with no performance history and it is in effect a continuation of the merging AIF?

ESMA Answer

28-05-2021

Original language

In order to ensure that the merger is not conducted with the aim of resetting the performance reference period, in the case of a merger where the receiving AIF is a newly established fund with no performance history and the competent authority of the receiving AIF assesses that the merger does not substantially change the AIF's investment policy, the performance reference period of the merging AIF should continue applying in the receiving AIF.

Footnote: Based on the scope section of the guidelines, "In case Member States allow AIFMs to market to retail investors in their territory units or shares of AIFs they manage in accordance with Article 43 of the AIFMD, the guidelines also apply to AIFMs of those AIFs, except for: (a) closed-ended AIFs; and (b) open-ended AIFs that are EuVEECAs (or other types of venture capital AIFs), EuSEFs, private equity AIFs or real estate AIFs".