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Additional Information

Level 1 Regulation
Undertakings for Collective Investment in Transferable Securities Directive (UCITS) Directive 2009/65/EC

Topic
Disclosures

Subject Matter
Investment limits

Question
Pursuant to Article 55(1) of the UCITS Directive, a UCITS may acquire the units of UCITS or other collective investment undertakings referred to in Article 50(1)(e), provided that no more that 10% of its assets are invested in units of a single UCITS of other collective investment undertaking. Where the underlying UCITS or other collective investment undertaking is an

umbrella fund, should this limit be applied at the level of the umbrella or at the level of the individual sub-funds within the umbrella?

ESMA Answer

21-11-2016

Original language

[ESMA 34-43-392 UCITS Q&A, Section 1, 4b]

The limit set out in Article 55(1) applies at the level of the individual sub-funds in the UCITS or collective investment undertaking of which the units are to be acquired. Where an investment company or a management company is currently applying a different interpretation of this limit, it must at the earliest convenience adjust the funds' portfolios whilst acting with due skill, care and diligence in the best interest of the UCITS it manages.