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Additional Information

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

Topic
UCITS eligible assets and investment restrictions

Subject Matter
KIID Collateral management

Question
When assessing the diversification of the collateral, should re-invested cash collateral be aggregated with non-cash collateral?

ESMA Answer

01-10-2016

Original language

[ESMA 34-43-392 UCITS Q&A, section 3, Q&A 6k]

Yes. UCITS should aggregate non-cash collateral and re-invested cash collateral when assessing the diversification requirements of collateral received by UCITS.