



MAPLES
GROUP

REGULATORY COMPLIANCE SERVICES

Overview of Services

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REGULATORY COMPLIANCE SERVICES

Regulatory compliance has become a top priority for the financial services industry due to the increasing requirements of global regulators.

Investors and managers are demanding greater transparency and enhanced, more streamlined regulatory and analytical reports. As financial services firms gather more data for regulatory reporting, they are presented with greater operational and technological challenges.

In today's regulatory environment, clients are required to submit numerous reports to multiple regulatory bodies on a regular basis. Compliance with these obligations requires the aggregation, calculation, maintenance, reconciliation and submission of extensive data sets, which in turn requires stringent processes, advanced technological systems and significant time and

effort. Yet regulatory compliance should be viewed as a natural extension of corporate governance and can add real value – not just cost – to our clients and their investment operations.

The Maples Group's comprehensive, full service approach to regulatory compliance supports FATCA and CRS, AIFMD, Form PF, EMIR, Form CPO-PQR, UCITS and OPERA reporting requirements. Leveraging our best of breed technology and professional expertise in regulatory compliance, investor servicing and fund accounting and operations, we deliver reporting solutions needed by our clients to support their operations.

	Annex IV, Form PF, CPO-PQR	AIFMD Risk Reporting	UCITS Risk Reporting	EMIR
Data Aggregation	☑	☑	☑	☑
Data Validation	☑	☑	☑	☑
Data Reconciliation	☑	☑	☑	☑

REGULATORY REPORTING SOLUTIONS

AIFMD - Annex IV Reporting and Depository Solutions

The Maples Group provides flexible Alternative Investment Fund Managers Directive ("AIFMD") risk reporting, Annex IV reporting and depository solutions to ensure compliance with the AIFMD.

Annex IV Reporting Services

The European Union's ("EU") regulatory reporting template is commonly referred to as Annex IV. Supported by AQ Metrics' specialised AIFMD platform, we provide an integrated online portal which produces Annex IV reporting. Through the portal, shared by our team and the alternative investment fund manager ("AIFM"), the relevant data is aggregated, calculated, validated and populated into the Annex IV template.

Key Services

Initialisation

During initialisation, we will work with the AIFM to:

- Set up the specific parameters for each AIFM and alternative investment fund ("AIF") in our reporting solution for Annex IV reporting;
- Review and determine optimal data sources (administrator, AIFM, custodian, etc.);
- Initialise incremental data feeds for source data;
- Map data from source data categorisations to Annex IV compliant data categorisations; and
- Determine any risk calculations required using source data to fully populate Annex IV.

Quarterly report

On an ongoing basis, we will:

- Aggregate position and market data to produce the reporting relating to Annex IV;
- Assist in performing risk calculations required for the Annex IV report;
- Liaise with the AIFM to confirm mappings for new positions held in the portfolios;
- Produce the Annex IV report through an online portal using available data;
- Provide interface for review, approval and submission or issuance of Annex IV; and
- Store submissions, filings and provide audit trailing for reference related to Annex IV.

AIFMD RISK REPORTING SERVICES

AIFMD requires AIFMs to show that their risk management framework supports the AIFs they manage. The Maples Group provides AIFMD risk reporting services through our integrated online portal, Maples Connect.

Reporting has been developed to capture the specific requirements of AIFMD. Our team of data analysts source and map data into our reporting solutions, as well as reconcile and validate inputs and outputs.

Key Services

Our reporting is tailored to the specificities of AIFMD and includes:

- Investment guideline reporting: including compliance to all limits, exposures, concentrations and leverage;
- Exposure reporting: by instrument type, region, top ten sectors, risk country, absolute weights, long and short positions and exposures by issuer;
- Leverage reporting: including both the gross and commitment methods required by AIFMD;
- Scenarios analysis reporting: impact on portfolio of selected percentage moves;
- Liquidity reporting: time horizon on portfolio's ability to liquidate and details on most illiquid investment;
- Value at risk and stressed tested value at risk reporting: including historical scenarios; and
- Counterparty reporting: including exposures by counterparty and exposures by ratings.

Depository Services

Under AIFMD, EU AIFMs marketing non-EU AIFs to European investors under private placement regimes are required to comply with new depository obligations.

EU AIFMs must appoint one or more entity to perform certain depository duties ("Depo-Lite"). Non-EU AIFMs managing non-EU AIFs are not required to appoint a depository under AIFMD. However, some EU-member states are imposing stricter rules in order to market in their jurisdiction and requiring the appointment of an entity to perform Depo-Lite services.

Key Services

The Maples Group provides a flexible Depo-Lite solution, which can include any combination or all of the three functions:

- Cash-flow monitoring: oversight and reconciliation, review of significant transactions and monitoring discrepancies;
- Safe-keeping: holding of certain assets in custody, verification of ownership and maintenance of asset register; and
- Oversight: review of fund's rules and procedural documentation, ensure compliance with fund's rules revaluation, subs/reds, investment policies and monitoring of delegates.



FORM CPO-PQR REPORTING SERVICES

The Maples Group provides a complete integrated solution for Commodity Pool Operators (“CPOs”) needing to comply with reporting and recordkeeping requirements of the Commodity Futures Trading Commission (“CFTC”) and the National Futures Association (“NFA”).

The CFTC and NFA have implemented data aggregation and risk reporting requirements for registered CPOs. Form CPO-PQR requires registered advisors to provide manager, portfolio and risk information about their funds. This information includes investment strategy, asset classes, risk metrics, collateral, counterparty credit exposure, and the use and levels of leverage, among many other aspects of their operations.

Drawing on our resources and professional expertise, supported by AQ Metrics’ specialised platform, we provide an integrated portal that produces Form CPO-PQR reporting. Through a portal shared by our team and the investment manager, the relevant data will be populated into the template, reviewed and validated prior to submission.

Key Services

Through a secure portal, data is populated into the Form CPO-PQR template for review and validation by the CPO prior to submission to the NFA.

Our services include:

- Aggregate data to produce only the required reporting for relevant sections of Form CPO-PQR;
- Perform risk calculations required for Form CPO-PQR reports that are not available from data sources;
- Liaise with the CPO to confirm mappings for new positions held in the portfolios;
- Ensure data is accurate and consistent with all other regulatory filings and information;
- Produce Form CPO-PQR reports through an online portal;
- Provide interface for review, approval and submission or issuance of Form CPO-PQR; and
- Store submissions, filings and provide audit trailing for future reference related to Form CPO-PQR.

EMIR REPORTING AND RECONCILIATION SERVICES

The Maples Group provides an integrated portal that assimilates with trade repositories and performs the reconciliations required under the European Market Infrastructure Regulation ("EMIR").

EMIR is designed to increase the stability of the over-the-counter ("OTC") derivative markets throughout the EU states. EMIR applies to financial counterparties (banks, investment firms, insurance companies and reinsurers etc.) and non-financial counterparties to derivatives contracts in the EU, as well as to those trading outside the EU under certain circumstances.

Supported by AQ Metrics' specialised EMIR platform, we are able to provide an online portal that integrates with trade repositories and performs the reconciliations required under EMIR. Through a portal shared by our team and the manager, we will maintain the relevant trade, position and collateral data. Subsequently, trade information can be delivered to the Trade Repository and reconciliations can be performed against the counterparty.

Key Services

Data capture

- All trade related information for the OTC derivative trade;
- Key qualitative and quantitative data pertaining to the OTC derivative contract including trade date, effective date, scheduled maturity date, payment/settlement dates, notional value, underlying instruments, business day conventions, fixed rates, floating rates etc.;
- Collateral payments and movements; and
- Position valuation per the agreed methodology of the portfolio, fund or vehicle.

Reporting and reconciliation

- Reporting to the Trade Repository of the 90 required data fields;
- Reconciliation of the Trade Repository data against client data;
- Access to all current and historical reporting; and
- Ability to review and approve reporting before submission to the Trade Repository.

FATCA AND CRS SERVICES

The Maples Group provides seamless and flexible practical solutions to clients on all aspects of Foreign Account Tax Compliance Act ("FATCA") and the Common Reporting Standard for the Automatic Exchange of Financial Information in Tax Matters ("CRS") with respect to Cayman Islands, British Virgin Islands and Irish financial institutions ("FIs").

Under FATCA and CRS, hedge funds, private asset funds, CLOs and other structured products that constitute FIs are required to identify and report on relevant accounts held either by persons tax resident in a participating country or by non-financial entities ("NFEs") that have controlling persons tax resident in a participating country. With respect to US FATCA, where funds are not FIs but instead constitute certain types of NFE they may be required to identify to US withholding agents their controlling persons where those persons are US persons.

Leveraging our technology and expertise in regulatory compliance, investor servicing and fund accounting and operations, we can help clients with the full spectrum of FATCA and CRS compliance.

Key Services

- Register clients with the IRS and obtain a Global Intermediary Identification Number ("GIIN"), and/or register, notify and act as principal liaison with local authorities, as applicable;
- Classify, validate and remediate pre-existing accounts, including file reviews and obtain additional due diligence and forms as required;
- Carry out due diligence and classification of new accounts including obtaining forms and due diligence documentation for validation up front to facilitate compliance;
- Prepare and file reports that are compliant with applicable legal requirements; and
- Sponsoring entity services (under US and UK FATCA) – acting as sponsor and taking responsibility for FATCA compliance on behalf of the client, including performance of all initial and on-going due diligence to identify any reportable accounts, GIIN registration and reporting where applicable.

FORM PF REPORTING SERVICES

The Maples Group provides an integrated solution that assists in data identification, aggregation, verification, storage and filing of Form PF.

The purpose of Form PF is to assist the Financial Stability Oversight Council in monitoring risks to the US financial system arising from private fund activities. Drawing on our resources and professional expertise, and supported by AQ Metrics' specialised Form PF platform, we provide an integrated operational and technological solution that assists in data identification, aggregation, calculation, verification and storage. Through a secure online portal, data is populated into the Form PF template for review and validation by the manager prior to submission.

Key Services

Initialisation

During initialisation, our team will work with the manager to:

- Customise our online reporting solution to the fund structure;
- Review and determine optimal data sources;
- Initialise incremental data feeds for source data;
- Map data from source data categorisations to Form PF compliant data categorisations; and
- Determine any risk calculations required using source data to fully populate Form PF.

Reporting requirements

Managers are required to file Form PF at least annually. Quarterly filings are needed for larger fund managers. Whatever your requirements, we will:

- Aggregate data to produce only the required reporting for relevant sections of Form PF;
- Perform risk calculations required for Form PF reports that are not available from data sources;
- Liaise with the manager to confirm mappings for new positions held in the portfolios;
- Ensure data is accurate and consistent with all other regulatory filings and information;
- Produce Form PF reports through an online portal;
- Provide interface for review, approval and submission or issuance of Form PF; and
- Store submissions, filings and provide audit trailing for future reference related to Form PF.



UCITS RISK REPORTING SERVICES

Our team of data analysts provide an outsourced risk solution that delivers the systems, processes and professional expertise required to help managers achieve greater risk control and fulfil the quantitative and qualitative requirements of the UCITS directive.

The UCITS directive requires comprehensive daily risk reporting, including compliance and investment guidelines reporting, as well as leverage, liquidity, value at risk, stress testing and back-testing reporting. It is essential that managers are able to meet these risk measurement and reporting requirements in a streamlined process and at a reasonable cost.

UCITS funds and their managers therefore require meaningful reporting packages that can effectively consolidate data from multiple sources into daily reports in a consistent format for analysis by the investment manager and communication to regulators and investors.

Key Services

- Compliance and investment guidelines reporting: including compliance to all exposures, concentrations and global exposure limits contained in the directive;
- Global exposure reporting: including both the commitment method and value at risk. Gross leverage can be reported as required;
- Liquidity reporting: including time horizon on portfolio's ability to liquidate investments;
- Value at risk and back-testing reporting: including parametric, historical, Monte Carlo and user-specific scenarios and back-testing; and
- Stress testing: including historical and hypothetical scenarios.

OPERA REPORTING SERVICES

The Maples Group offers managers and investors a complete Open Protocol Enabling Risk Aggregation (“OPERA”) transparency reporting solution.

OPERA is a private sector initiative intended to promote transparency and standardise risk reporting procedures for the collection, collation and conveying of hedge fund risk information. While OPERA compliance is currently a voluntary initiative, more and more investors are exerting pressure on funds to comply with its protocol. In turn, OPERA is becoming a “must-have” for managers looking to attract high-level investors.

Drawing on our resources and professional expertise, supported by AQ Metrics’ specialised OPERA platform, we offer an integrated solution that provides managers and investors with an investor transparency report that is aligned and consistent with both the Open Protocol scheme and information reported to regulators.

Key Services

- Granularity: OPERA allows managers to provide exposure information at different levels of granularity depending on their preference and comfort level. The Maples Group solution uses AQ Metrics’ Scalable Calculation Engine to repurpose input data used for regulatory reporting, applying calculations specific to Open Protocol definitions to allow for the aggregation of the three differing levels of information;
- Risk reporting: we provide the detailed reporting of risk measurement required by OPERA, including equity exposure, sovereign and interest rate exposure, real assets and commodity exposure, value at risk, sensitivity and stress; and
- Timing: we provide reports on a monthly basis – or as frequently as the NAV is calculated.

CONTACTS

For further information on our services, please contact:

Americas

Mark Weir

+1 514 228 2217
mark.weir@maples.com

James Perry

+1 857 256 4327
james.perry@maples.com

Matthew DeAngelis

+1 646 918 5953
matthew.deangelis@maples.com

Asia

Eastern Fong

+852 3655 9005
eastern.fong@maples.com

Alvin Tay

+65 6436 6932
alvin.tay@maples.com

Europe

Christina McCarthy

+353 1 697 3224
christina.mccarthy@maples.com

Middle East

Fred Tabbal

+971 4 511 4201
fred.tabbal@maples.com



The Maples Group is a leading service provider offering a comprehensive range of legal services on the laws of the British Virgin Islands, the Cayman Islands, Ireland, Jersey and Luxembourg and is an independent provider of fiduciary, fund services, regulatory and compliance, and entity formation and management services. We distinguish ourselves with a client-focused approach, providing solutions tailored to your specific needs. Our global network of lawyers and industry professionals are strategically located in the Americas, Europe, Asia and the Middle East to ensure that clients gain immediate access to expert advice and bespoke support, within convenient time zones.



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