

**SECOND SUPPLEMENT TO THE
GIBRALTAR GAZETTE
No. 4135 of 18 December, 2014**

LEGAL NOTICE NO. 252 OF 2014.

INTERPRETATION AND GENERAL CLAUSES ACT

**FINANCIAL SERVICES (INVESTMENT AND FIDUCIARY
SERVICES) ACT**

**FINANCIAL SERVICES (ALTERNATIVE INVESTMENT FUND
MANAGERS) (AMENDMENT) REGULATIONS 2014**

In exercise of the powers conferred upon it by section 53 of the Financial Services (Investment and Fiduciary Services) Act as read with 23(g)(i) of the Interpretation and General Clauses Act , and in order to transpose, in part, into the law of Gibraltar Directive 2013/14/EU of the European Parliament and of the Council of 21 May 2013 amending Directive 2003/41/EC on the activities and supervision of institutions for occupational retirement provision, Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and Directive 2011/61/EU on Alternative Investment Fund Managers in respect of over-reliance on credit ratings, the Minister has made the following Regulations—

Title and commencement.

1. These Regulations may be cited as the Financial Services (Alternative Investment Fund Managers) (Amendment) Regulations 2014 and come into operation on 21 December 2014.

Amendment of Regulations.

2.(1) The Financial Services (Alternative Investment Fund Managers) Regulations 2013 are amended in accordance with this regulation.

(2) In regulation 4, after the definition of “control”, insert the following definition—

““credit rating agency” has the meaning given in Article 3(1)(b) of Regulation (EC) No 1060/2009 of the European Parliament

and of the Council of 16 September 2009 on credit rating agencies;”.

(3) In regulation 21, after subregulation (3) insert—

“(3A) AIFMs must not rely solely and mechanistically on credit ratings issued by credit rating agencies for assessing the creditworthiness of the AIF’s assets.

(3B) The FSC shall—

- (a) monitor the adequacy of credit assessment processes of AIFMs;
- (b) assess the use of references to credit ratings issued by credit rating agencies in the AIF’s investment policies; and
- (c) where appropriate, encourage mitigation of the impact of references referred to in paragraph (b);

taking into account the nature, scale and complexity of the AIF’s activities, and with a view to reducing sole and mechanistic reliance on credit ratings.”.

Dated 18th December, 2014.

A ISOLA,
Minister with responsibility for financial services.

EXPLANATORY MEMORANDUM

These Regulations transpose, in part, into the law of Gibraltar Directive 2013/14/EU of the European Parliament and of the Council of 21 May 2013 amending Directive 2003/41/EC on the activities and supervision of institutions for occupational retirement provision, Directive

2009/65/EC on the coordination of laws , regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) and Directive 2011/61/EU on Alternative Investment Fund Managers in respect of over-reliance on credit ratings.

