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CMS Guide to Passporting

Rules on Marketing Undertakings for Collective Investment in Transferable Securities in Europe

November 2019

Contents

The purpose of this guide is to provide a broad overview of the key elements of passporting regulations applicable to EEA UCITS Scheme in the countries covered in this guide. The guide makes no claims as to completeness and does not constitute legal advice.

Entities marketing a passported EEA UCITS Scheme may additionally need to comply with licence requirements in the relevant jurisdictions and these requirements are not covered in the guide. The information contained herein is no substitute for specific legal advice. If you have any queries regarding the issues raised or other legal topics, please get in touch with your usual contact or persons mentioned in this guide.

Introduction

The UCITS Directive was established to harmonise retail collective investment schemes in the EU through the introduction of a common investment vehicle known as a "**UCITS**". One of the key benefits of the UCITS Directive is that UCITS can be established and regulated in one EU member state and offered in others without the need for further authorisation by virtue of passporting rights under the UCITS Directive.

The purpose of this guide is to assist UCITS managers to understand the process and regulatory costs involved in exercising such passporting rights throughout Europe.

We are grateful to the numerous contributors to this guide. If you would like more information about passporting within the UCITS framework, you are welcome to get in touch with us or – with regard to particular jurisdictions – the contacts of the relevant contributor firms (detailed on pages 42 to 44).

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Greece

1. EEA UCITS Schemes

Law 4099 / 2012 implemented in the UCITS Directive Greece is applicable only to UCITS established within the EU member states. However, when enacting Law 4099 / 2012, the Greek legislature added a provision (Article 92) which is not included in the UCITS Directive. Article 92 provides, inter alia, that any undertaking for collective investments that is seated in a Non-EU member state needs to be licensed by the Hellenic Capital Market Commission ("**HCMC**") before making offerings in Greece.

Notification

Any UCITS authorised in another EU member-state intending to market units / shares in Greece must be previously notified to the HCMC by the relevant HMSA. HMSAs must transmit the following documentation to the HCMC:

(i) a notification letter containing information about the proposed arrangements for marketing units / shares in Greece, including details of each category of units / shares; (ii) the latest version of the KIID, translated into Greek; (iii) the latest version of the fund rules or instruments of incorporation, translated in Greek or English; (v) the latest version of the prospectus, translated in Greek or English; (v) the latest published annual report and biannual report, translated in Greek or English; (vi) the attestation from the supervisory authority; and (vii) proof that the HCMC filing fee has been paid.

The HCMC will inform the HMSA within five business days whether the file is complete (in which case the UCITS may begin the marketing of its units / shares in Greece), or incomplete.

Functionaries

The EEA Management Company intending to market units / shares of an EEA UCITS Scheme in Greece must appoint a paying agent and a distributor that will be responsible for the marketing.

The paying agent is the intermediary responsible for providing the financial services of a UCITS (receiving the cash equivalent funds for subscriptions and making payments for redemptions, making coupon and dividend payments, dealing with any settlement differences arising when switching between compartments) and it should be a credit institution domiciled either in Greece or in another country with a branch located in Greece.

The distributor is the intermediary responsible for providing the marketing services of the UCITS (processing subscription and redemption forms to the paying agent, supplying mandatory information to unit-holders / investors, reporting to the HCMC the statistical data of the UCITS marketed in Greece) and it may be a credit institution, management company, insurance company or investment firm that is domiciled either in Greece or in another country with a branch located in Greece.

An EEA Management Company intending to market units / shares of an EEA UCITS Scheme may appoint more than one paying agent and / or distributor.

Advertising & Promotion

A UCITS may be advertised in Greece provided that it complies with applicable Greek Law provisions on financial promotions of UCITS (Article 79 of Law 4099 / 2012).

2. Fees

EEA UCITS Schemes marketed in Greece are subject to a set filing fee. The amount per compartment or per UCITS with no compartments is EUR 1,000, plus 2.4% stamp duty. The fee is payable on the day the notification application is filed with the HCMC. EEA UCITS Schemes which are marketed in Greece on 30th June each year are subject to a set annual fee.

The amount per compartment or per UCITS with no compartments is EUR 1,000, plus 2.4% stamp duty. The fee is payable in July each year.

The EEA Management Company of the EEA UCITS Scheme is responsible for paying the above-mentioned fees to the HCMC.

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