

UCITS are licensed by the MFSA under the Investment Services Act.

## LICENSE REQUIREMENT

The establishment and operation of a UCITS fund requires a category 2 license or more under the Investment Services Act.

## LEGAL FORM

A UCITS Fund may be incorporated as a:

1. Investment company with an open-ended or closed-ended variable share capital (SICAV)
2. A contractual Fund
3. Limited Partnership whose share capital is divided into shares Unit Trust
4. Incorporated Cells (ICs) within a Recognised Incorporated Cell Company (RICC)

Moreover, a UCITS may also take the form of a multi-class fund whereby you have a single fund with multiple share classes, or an umbrella fund which has several sub-funds and share classes.

## TARGET INVESTORS

UCITS are open to all types of investors including retail, professional and eligible counter-parties.

## KEY REQUIREMENTS

1. At least 3 directors.
2. Fund Manager – The UCITS may be self-managed (carried out internally) or through the appointment of an UCITS Management company.
3. Establishing a risk-management function.
4. Auditor – approved by the MFSA.
5. Money Laundering Reporting Officer – A role required in order to be compliant in all AML/CFT obligations.
6. Compliance Officer – handling all internal compliance and adherence to the obligations and requirements set by the MFSA.
7. Custodian - A single local and independent licensed custodian is required for Assets under management.
8. Offering Documents – The MFSA must approve the Prospectus and Key Investor Information Document (KIID).
9. Administrator – An appointed administrator which does not need to be based in Malta is required to provide valuation, transfer agency and registrar services.

## CAPITAL REQUIREMENTS

Self-Managed UCITS funds must have a minimum share capital of €300,000.

However, UCITS Funds which are managed by a third-party fund manager have a minimum share capital requirement of €125,000.

## PASSPORTING

UCITS benefit from passporting rights to other EU countries.

## LISTINGS

UCITS Funds may apply for listing on the Malta Stock Exchange.

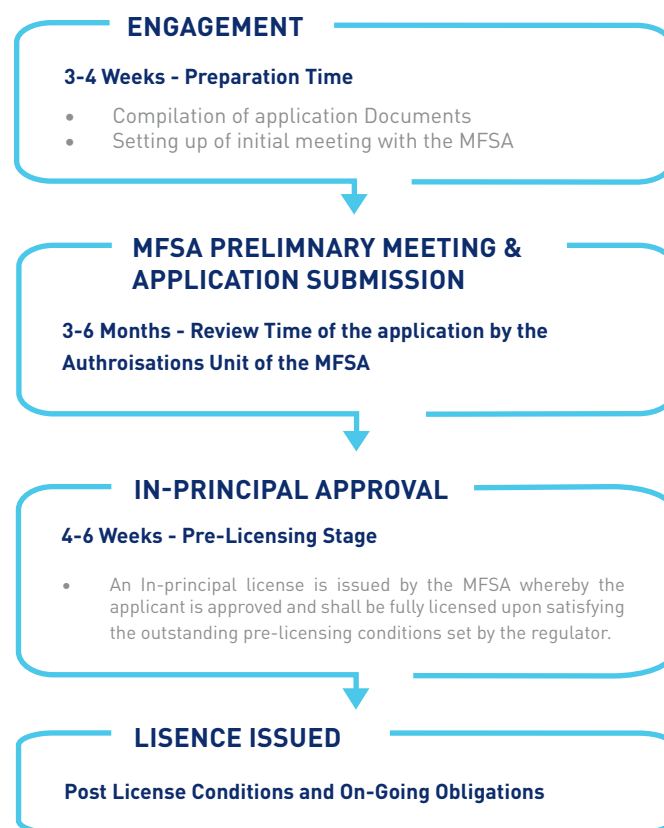
## TAXATION

UCITS are exempt from income and capital gains tax (excluding investment in immovable property).

## VAT

UCITS funds are exempt without credit.

## LICENSE APPLICATION PROCESS



	Application Fee	Annual Supervisory Fee
At Fund Level	€2,500	€3,000
Per sub-Fund (up to 15)	450	€500 (up to 15 scheme sub-funds).

For more information on UCITS, please contact Denia Ellul on [dellul@arqgroup.com](mailto:dellul@arqgroup.com). ARQ Group offers a number of complementary services including corporate structures, tax advice, residency & citizenship, compliance, legal service and accounting.