

Capital Markets Supervision

## National provisions governing the marketing requirements for AIFs

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This page contains information on the national laws, regulations and administrative provisions governing the marketing requirements referred to in Article 5(1) of [Regulation \(EU\) 2019/1156](#) of the European Parliament and of the Council of 20 June 2019 on facilitating cross-border distribution of collective investment undertakings.

### Marketing Requirements for AIFs

The AIFM Directive (2011/61/EC) is implemented into Finnish national law in the Act on Alternative Investment Fund Managers (162/2014).

**1. The format and content of marketing material, including the identification of the information and documents to be notified to the competent authority prior to the beginning of marketing**

Format and content of marketing material, including identification of such information is not prescribed by any regulation issued in Finland or by the FIN-FSA. Marketing materials and documents are not required to be notified to the FIN-FSA and they are not verified by the FIN-FSA prior to beginning of marketing in Finland. There is no prior authorisation for marketing communication required.

**2. Verification of marketing communications by the competent authority**

The FIN-FSA does not provide for the verification of AIF marketing communications.

**3. Reporting obligations in relation to marketing**

The FIN-FSA's regulatory framework does not contain any specific reporting obligations in relation to the marketing of EEA AIFs in Finland.

Third country AIFMs are subject to a reporting obligation according to the AIFM directive and the European Commission Regulation (2013/231). The reporting obligations under the AIFM Directive have been implemented in national legislation (Act on alternative investment fund managers (162/2014) and Ministry of Finance Decree on alternative investment fund managers (226/2014)). Chapter 6 of the FIN-FSA's regulations and guidelines 4/2014 on alternative investment fund managers includes regulations and guidelines on AIFMD reporting.

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The regulatory framework requires that alternative investment fund managers (AIFMs) regularly provide information for supervisory purposes both on themselves and on the alternative investment funds (AIFs) they manage. The purpose of AIFMD reporting is to effectively monitor and prevent systemic risk and market disruptions.

The reporting obligation applies to AIFMs that are established in a third country (non-EEA country), which market in Finland the AIFs they manage.

### **4. Passporting regime**

EEA AIFMs may market their units in Finland in accordance with the notification procedure according to Article 32 of the AIFM directive (2011/61/EC) and Chapters 12 and 19, section 5 of the AIFM Act.

#### **Notification procedure**

Authorised EEA AIFMs may market AIFs under their management to professional investors in Finland. An EEA AIFM must submit a notification letter and the annex documents to the competent authority of its home country. The notification letter is to be drafted in English. The competent authority of the home country inspects the material and submits it in an electronic format to the FIN-FSA (AIFM.notifications(at)fiva.fi).

The marketing of an AIF may begin when the manager has received an announcement to that effect from the competent authority of its home state.

#### **Marketing to non-professional**

If EEA AIFMs intend to market AIFs under their management also to non-professional investors in Finland, they must also observe the provisions of chapter 13 of the AIFM Act in their marketing. In this case the notification is submitted to FIN-FSA directly. The marketing of an AIF may begin when the manager has received an announcement to that effect from FIN-FSA.

#### **Registered EEA AIF Managers, chapter 19, section 5, subsection 4 of AIFM Act, Article 32 AIFMD**

A registered EEA AIFM may market units of an AIF, which is established in an EEA state, in Finland to professional investors after submitting a written notification to the FIN-FSA. The notification must include a statement indicating that:

In the marketing of AIFs, the manager of AIFs will comply with the provisions of chapter 12, sections 2 - 11 of the AIFM Act;

With respect to each AIF under its management, the AIFM complies with the provisions laid down in chapter 5, section 4, chapter 11, sections 1 and 2 as well as chapter 1, section 8 and chapter 18.

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The marketing of an AIF may begin when the manager has received an announcement to that effect from the FIN-FSA.

**5. De-notification of arrangements made for marketing  
(Chapter 19, section 6 of AIFM Act, Article 32 a of AIFMD)**

Authorised EEA AIFMs

An EEA AIFM that has submitted the notification referred to in section 5 subsection 1 on the marketing in Finland of an EEA AIF may cease the marketing in Finland of the AIF referred to in the notification by notifying this to the supervisory authority of their home Member State. The notice of cessation shall take into account the conditions set out in Article 32a of the AIFM Directive.

Registered EEA AIFMs

A registered AIFM who, in accordance with section 5 subsection 4 of the AIFM Act, has notified the marketing in Finland of units or shares of an EEA AIF managed by it, may cease the marketing in Finland of the AIF referred to in the notification, subject to that which is set out in subsections 1–5 on the cessation of marketing of an EEA AIF. Registered EEA AIFMs shall submit to the FIN-FSA a notification on the cessation of marketing containing the information referred to in subsection 1 paragraphs 1–3.

**6. Distribution of funds established in a third country under the national private placement regime**

An AIFM established in a third country may market units of an AIF, whether established in an EEA state or a third country, in Finland to professional investors after submitting a written notification to the FIN-FSA. The notification must include a statement indicating that

- With respect to each AIF under its management, the third-country AIFM complies with the provisions laid down in chapter 7, section 3, chapter 11, sections 1 and 2, chapter 12, section 2-8, chapter 17, section 3 of the AIFM Act, and, with respect to each AIF referred to in chapter 1, section 8, subsection 1, the provisions of chapter 18;
- Appropriate cooperation arrangements for the purpose of systemic risk oversight and in line with international standards are in place between the FIN-FSA, the competent authorities of the home country of the AIF, the AIFM and the competent authorities of the third country where the AIF is established, in order to ensure an efficient exchange of information that allows the FIN-FSA to carry out its duties in accordance with the AIFM Act.
- Memorandums of understanding on AIFM cooperation signed by FIN-FSA

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- The third country where the AIFM or the AIF is established is not listed as a Non-Cooperative Country and Territory by the Financial Action Task Force (FATF) (Financial Action Task Force) - High-risk and non-cooperative jurisdictions
- The third country where the AIF is established has signed an agreement with Finland which fully complies with the standards laid down in Article 26 of the OECD Model Tax Convention on Income and on Capital and ensures an effective exchange of information in tax matters.
- In addition, the FIN-FSA must be provided information on the AIFM and any fund managed by it and marketed in Finland for the purposes of the AIFMD reporting obligation by using AIFMD reporting obligation notification form.
- Invoicing details: email address of the contact person and the postal address of the management company/fund

The notification should at least include the following information and/or annexes :

- the latest private placement memorandum of the AIF and possible supplements;
- limited partnership agreement for the AIF;
- the wrapper related to the disclosure to investors pursuant to articles 23 of the AIFMD;
- a confirmation that the AIFM is under supervision of the relevant home country supervisory authority
- a completed AIFMD reporting obligation notification form

**Notification procedure**

The AIFM must submit to FIN-FSA a notification and relevant annexes on the commencement of marketing in Finland.

The marketing of an AIF may commence when the manager has received an announcement to that effect from the FIN-FSA. Changes in the information included in the notification must also be notified to the FIN-FSA.

**7. Termination of marketing of AIFs marketed in Finland by third-country AIFMs**

According to Chapter 20, section 5 a of the AIFM Act, An AIFM established in a third country that has made a notification referred to in chapter 20 section 3 of the AIFM Act on the marketing in Finland of an EEA AIF or a third-country AIF may cease marketing the AIF referred to in the notification in Finland, if:

- a blanket offer is made to repurchase or redeem, free of any charges or deductions, all such AIF units or shares held by investors in Finland, which is publicly available for at least 30 working days, and is addressed, directly or through financial intermediaries, individually to all investors whose identity is known;

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- the third-country AIFM has made a notification of its intention to cease marketing in Finland the units or shares of an EEA AIF or a third-country AIF, which has been published by means of a publicly available medium, which is customary for the marketing of the said AIF and suitable for a typical AIF investor, and
- any contractual arrangements with financial intermediaries or agents are modified or terminated with effect from the date of cessation of marketing in order to prevent any new or further, direct or indirect, offering or placement in Finland of the units or shares of an EEA AIF or a third-country AIF.

That which is provided for the obligation to make a repurchase or redemption offer shall not apply to closed-ended AIFs

- The third-country AIFM shall submit to the FIN-FSA a notification containing the information referred to in paragraphs 1–3.
- The third-country AIFM shall cease any new or further, direct or indirect, offering or placement of units or shares of an EEA AIF or a third-country AIF to investors in Finland as of the date on which that it has submitted a notification of the cessation of marketing of the said AIF.
- The third-country AIFM shall submit the documents and information referred to in chapter 11 section 1 and chapter 12 sections 4–6 of the AIFM Act to those investors who still hold shares in an EEA AIF or a third-country AIF.
- A third-country AIFM may not pre-market in Finland units and shares of an EEA AIF or third-country AIF or similar investment strategies or investment ideas in Finland for a period of 36 months from the date on which it notifies that it has ceased to market the said fund in Finland.

## **8. Distribution of open-ended AIFs and of closed-ended AIFs**

The FIN-FSA's regulatory framework does not contain any specific provisions related to the distribution of open-ended or closed-ended AIFs.

## **9. Other rules governing marketing of AIFs applicable within Finland**

AIFMs must ensure compliance with the following national regulations when marketing AIFs in Finland:

- Chapter 12 of the Act on alternative investments fund managers when marketing AIFs in Finland on good securities market practice.
- Act on Financial Supervisory Authority ([878/2008](#)) Chapter 37 c regarding submission of key information documents referred to in regulation (EU) No 1286/2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs) to the Financial Supervisory Authority.

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**Other requirements\***

In addition to the provisions referred to above, which are set out specifically for the marketing of AIFs, there may be other legal provisions that may apply when marketing them in Finland, although they are not specifically designed for the marketing of AIFs, depending on the individual situation of those involved in the marketing of shares or units of AIFs. Marketing in Finland may trigger the application of other requirements, such as

- Securities Markets Act ([746/2012](#)) Chapter 1 section 2 on good securities market practice
- Consumer Protection Act ([38/1978](#)) chapter 2 and 6 a, where relevant.

**Disclaimer:** The following is a non-exhaustive list of national laws that could be applicable and the FIN-FSA is not liable for any omission in that list. Supervision of the requirements deriving from these laws is not under the supervision of the FIN-FSA. The applicability of these requirements, and any other legal requirements, should be assessed before marketing or investing in an AIF. Where uncertainty exists, those marketing or investing in AIFs should obtain independent advice as to the applicable requirements to their individual situation.