



Distribution of funds in Germany for Swiss Asset Managers – ACOLIN Europe GmbH's Tied Agency Service

Your objective

- You want to distribute your investment funds in Germany cross-border from Switzerland

Your challenge

- Although your funds are licensed for distribution in Germany, you may not address investors actively cross-border from Switzerland if you do not have a distribution license in Germany
- High administrative and financial expenditures for setting up a regulated branch office to allow you to directly distribute
- You do not have the distribution network established which you need for that market

Enter new markets thanks to our liability umbrella

Although your funds are licensed for distribution in Germany, you are unsure on how to sell them to the German market because you do not have a distribution license for Germany?

With our liability umbrella, ACOLIN helps you to distribute your funds in Germany. The notification process to the BaFin enables you to omit the authorization procedure required for setting up an independent, regulated branch office. Under ACOLIN's liability umbrella, you will succeed in entering the market quickly, incurring only little financial and administrative expenditures.

Market and distribution know-how from the experts

ACOLIN carries out training to prepare you on being a tied agent for country-specific conditions:

- Thorough introduction to the German Banking Act (Gesetz über das Kreditwesen KWG) and the German Securities Trading Act (Wertpapierhandelsgesetz WpHG)
- Comprehensive market and distribution expertise from our professional staff
- Extensive network and fully developed infrastructure
- Savings of time and resources

As a tied agent in Germany you act solely under ACOLIN's liability umbrella and report all your distribution activities to ACOLIN Europe GmbH.

How ACOLIN can support you

- Under the liability umbrella of ACOLIN Europe GmbH you are allowed to distribute your funds as a tied agent from Switzerland cross-border in Germany acting in the name of your brand, but under ACOLIN's liability
- We will have your personal notification submitted to the register of tied agents of the Federal Financial Supervisory Authority (BaFin)
- We can minimize your administrative and financial expenditures
- ACOLIN trains tied agents who must be a company or employed by a company that is either FINMA-regulated or has a distributors' license in Switzerland

Availability of your funds

In addition, you will benefit from ACOLIN's Distribution-Network Management (DNM) service to which our «Tied Agency Service» is coupled (see next page).

Notification process (EU passporting) of the tied agent to further European countries

In the event that you want to distribute your funds in other EU/EAA countries, an establishment within the EU is required.

With an establishment within the EU you can be passported to other European countries within a given deadline according to the «country of origin» principle.

What is meant by Tied Agency Service?

Article 2 section 10 of the German Banking Act governs the use of liability umbrellas:

- In principle, anyone wishing to distribute funds in Germany needs a regulatory authorization issued by the BaFin in order to be allowed to act as a distributor
- ACOLIN Europe GmbH is a financial service provider authorized by art. 32 KWG and can therefore make the liability umbrella available pursuant to art. 2 sect. 10 KWG
- Notification: pursuant to art. 24a III 3 KWG, the following data must be reported to the BaFin:
 - State in which the distributor intends to provide the cross-border service
 - Business plan specifying the activities planned
 - Intention to make use of tied agents in this state

What are the advantages of acting as a Tied Agent, compared to an Independent Financial Adviser pursuant to § 34 f GewO?

Pursuant to § 2, section 10 KWG, a tied agent is permitted to provide professional investment brokerage and investment advice under ACOLIN Europe GmbH's liability umbrella without requiring an individual license according either to KWG (German Banking Act) or to GewO (Trade, Commerce and Industry Regulation Act).

While independent financial advisers may also provide professional investment brokerage and investment advice pursuant to § 34 f GewO, they are obligated to hold a business license issued by the competent authority that will also audit their reliability. Furthermore, they must establish their business in the Federal Republic of Germany.

Your benefits as a Tied Agent:

- No obligation to establish business in Germany, therefore no minimum capital required
- No obligation to obtain a license, to report to or to notify supervisory authorities on your own behalf
- No costly (annual) auditing of business processes
- No liability to external business partners, but only to ACOLIN as in an internal relationship
- Better access to markets, no limitations in terms of financial instruments
- Flexible organisation of your own activities, no organisational «overhead»
- Manageable administrative expenses and reasonable reporting and documentation duties

Some more attractive services offered by ACOLIN

Global Fund Registration

Your fund is not yet licensed in the EU? ACOLIN is happy to help you register your funds in several European countries. Our own team of experts informs you on the local distribution requirements and carries out international registrations quickly and efficiently.

Information office in Germany

ACOLIN acts as an information office in Germany. All funds licensed for public distribution in Germany require a local information office. ACOLIN undertakes this task for you.

- Access to the whole of the ACOLIN distribution network or only to selected distribution channels (DNM)
- Lower entry barriers
- Ensuring the targeting of your specific investment groups with platforms, banks, pools, insurance companies, and asset managers
- Data management – we make your funds visible
- Commission & retro management – saving you time and money
- Forwarding of fund information to distribution partners – making sure they can sell your fund

We make your funds visible

With the ACOLIN distribution network, you gain Europe-wide access to more than 1'900 banks, platforms and insurers with countless branches and offices, as well as thousands of financial advisors and asset managers.

Distribution-Network Management*

To find out more about our DNM services, please refer to the DNM service sheet.

* Our «Tied Agency Service» is directly coupled to the DNM service.