

# CROSS-BORDER MARKETING COMPLIANCE SOLUTIONS

“Market Smart” with GSC Sales Road Maps<sup>®</sup>



# CROSS-BORDER MARKETING COMPLIANCE SOLUTIONS

## YOUR NEEDS



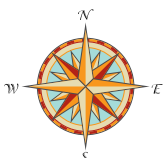
### SALES ROAD MAP®

**Global Sales Compliance Ltd.®** provides a user-friendly, cost-effective service that helps the financial services industry expand its business globally in compliance with local regulations.

We provide compliance guidance on regulations, legal requirements and sales practices to companies that market investment products & services in foreign jurisdictions.

This practical guidance is contained in our "Sales Road Maps®", a ready-reference tool summarizing bespoke legal advice to quickly address key issues (in 70+ countries):

- What are local private placement rules and how do we implement them based on our products and business model?
- What are local AIFMD requirements?
- What are the product requirements?
- What are permitted sales practices?
- What are the licensing requirements?
- What are prohibited marketing techniques (Do's and Dont's)?
- Marketing Presentation review and country specific disclaimer language
- Risk Assessment (sanctions)



### CLIENT FEEDBACK

We designed GSC's "Sales Road Maps®" to address our Client needs. This is what our AIFMs, asset managers, third party marketing platforms and financial institution Clients have told us:

#### **Sales & Marketing says:**

"I'm getting on a plane in 5 minutes to market hedge funds in Germany. Don't give me legalese; just give me do's and don'ts so I can easily follow the rules!"

#### **Legal & Compliance says:**

"In today's environment of increased regulation, we cannot afford to market our products in multiple jurisdictions and not know what the local requirements are. The risks are just too high."

#### **CEOs say:**

"I've put my hard-earned personal capital into my business. I don't want to see my franchise and reputation at risk "simply" because my marketing teams don't know the local regulations. We need practical guidance fast."

# CROSS-BORDER MARKETING COMPLIANCE SOLUTIONS

## OUR SERVICE

"MARKET SMART" WITH



SALES ROAD MAP<sup>®</sup>

### Your Challenge

AIFMs, Asset Managers and Financial Institutions want to do one thing: **build their fund distribution business globally.**

Business opportunities are increasingly generated across overseas jurisdictions. Local regulations governing product marketing "dos" and "don'ts" must be investigated, yet it takes time and substantial legal budgets to understand local requirements. These requirements differ country by country and frequently change.

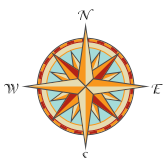
### Our Solution

GSC's bespoke Sales Road Maps<sup>®</sup> meet these challenges by providing up-to-date key guidelines on private placement and AIFMD requirements in 70+ jurisdictions globally.

We cover the private placement marketing and sale of Alternative Investment Funds (AIFs) including hedge funds, private equity, real estate, managed futures, structured products, securities, "Managed Accounts" (discretionary account management services) and UCITs Funds.

### Our bespoke service comprises:

- Sales Road Map<sup>®</sup> + Sales Road Map E-Manual<sup>®</sup>
- Onsite training
- Backup Legal Advice
- All compliance filings/notifications required
- Review of Marketing Presentations and Disclaimer Language



### Sample GSC Sales Road Map<sup>®</sup>

Sales Road Map<sup>®</sup>: EEA Country X Archives

Company Name	Check ✓
<b>Client Business Model</b>	<ul style="list-style-type: none"> <li>• Client X Business Model is cross-border marketing from their UK FCA licensed vehicle for private placement marketing into EEA country X under the AIFMD Transitional Period.</li> </ul>
<b>MIFID PASSPORT</b>	<ul style="list-style-type: none"> <li>• Client X has passported the following Outward Services under MIFID into EEA Country X: x, y, z.</li> </ul>
<b>AIFMD</b>	<p><b>Alternative Investment Fund Manager Directive (AIFMD):</b></p> <ul style="list-style-type: none"> <li>• EEA Jurisdiction X has implemented AIFMD locally by the deadline of 22 July 2013.</li> <li>• EEA Jurisdiction X will implement all provisions of the AIFM Directive in addition to the following "gold-plating provisions":               <ol style="list-style-type: none"> <li>X</li> <li>XY</li> <li>XYZ</li> </ol> </li> <li>• The EEA Jurisdiction's private placement regime will remain in place until 22 July 2014.</li> <li>• Non-EEA AIFMs can utilise the Transitional Period available in EEA Jurisdiction X.</li> </ul>
<b>Product Offering</b>	<ul style="list-style-type: none"> <li>• This Sales Road Map is based on Client X's flagship products, several non-UCITs closed end funds.</li> </ul>
<b>Private Placement</b>	
<b>Private Placement Exemptions</b>	<ul style="list-style-type: none"> <li>• These private placement exemptions below apply to the Transitional Period in EEA Country X from July 22, 2013-July 21, 2014.</li> <li>• Client X Funds can be marketed on a private placement basis under the following exemptions under the local regulations:               <ol style="list-style-type: none"> <li>1. Unlimited offers to "Qualified Investors"</li> <li>2. Offers to 149 or less persons (individuals or institutions)</li> <li>3. Unlimited offers with a minimum investment of EUR 100,000</li> </ol> </li> </ul>
<b>To Do Items (Product)</b>	<ul style="list-style-type: none"> <li>• There is no requirement to register Client X Funds with the EEA Country X Regulator so long as marketing is carried out under private placement exemptions.</li> </ul>
<b>Disclaimer Language</b>	<ul style="list-style-type: none"> <li>• Affix the following EEA Country X disclaimer language to marketing presentations and offering documents (PPMs):                "This (PPM) has not been filed with or approved by the (local Regulator) or any other regulatory authority in the (EEA Country X). The (LP Interests) have not been offered or sold and may not be offered, sold or delivered directly or indirectly in EEA Country X, unless in compliance with Chapter x or Chapter y of the (EEA country regulator) and executive orders issued pursuant thereto as amended from time to time and the (local regulations on AIFMs) and executive orders issued pursuant thereto as amended from time to time."</li> </ul>

GLOBAL SALES COMPLIANCE | SALES ROAD MAP<sup>®</sup> 3

Sales Road Map<sup>®</sup>: EEA Country X Archives

Company Name	Check ✓
<b>Sales Practices</b>	
<b>Investor Qualification Criteria</b>	<ul style="list-style-type: none"> <li>• "Qualified Investors" are defined as:               <ol style="list-style-type: none"> <li>1. Credit institutions, Investment firms, other authorised or regulated financial institutions</li> <li>2. Insurance companies</li> <li>3. Collective investment schemes (including UCITs) &amp; their management companies</li> <li>4. Pension funds and management companies of such funds</li> <li>5. Commodity and commodity derivatives dealers</li> <li>6. Locals</li> <li>7. Other institutional investors</li> <li>8. Large business entities that meet at least 2 of the following criteria:                   <ol style="list-style-type: none"> <li>(i) balance sheet EUR 20MM</li> <li>(ii) annual turnover EUR 40MM (or)</li> <li>(iii) own funds EUR 2MM</li> </ol> </li> </ol>               (etc.)             </li> </ul>
<b>Prohibited Marketing Techniques</b>	<ul style="list-style-type: none"> <li>• Cold calling and cold e-mailing to solicit products to retail investors is also prohibited; however it is possible to "cold call" EEA Country X "Qualified Investors".</li> </ul>
<b>Regulatory Changes</b>	<ul style="list-style-type: none"> <li>• Counsel advises Client X to update the EEA Country X legal advice by EOY 2013 due to the fact that AIFMD implementation in EEA Country X is a developing process.</li> </ul>
<b>Sanctions</b>	
<b>EEA Country X Regulator</b>	<ul style="list-style-type: none"> <li>• It is a criminal offense to offer Client X products without a prospectus (if required) violating the Prospectus Order.</li> <li>• Criminal sanctions are in the form of fines and up to 1 year imprisonment.</li> <li>• Violations of the requirements to register non-UCITs funds where necessary are subject to fines and possible imprisonment.</li> <li>• It is likely Country X regulator will contact the UK FSA to order a stop to the marketing activity in Country X.</li> <li>• These sanctions could apply to the legal entity making the offer, company executives (CEO), as well as individual salespersons.</li> </ul>

GLOBAL SALES COMPLIANCE | SALES ROAD MAP<sup>®</sup> 3

This Sales Road Map<sup>®</sup> document is provided for illustrative purposes/general guidance only. Although the Sales Road Map<sup>®</sup> is a summary of bespoke legal advice obtained for the GSC client, this document itself does not constitute legal advice and should not be taken as such. This document is only intended for the GSC requesting client and may not, under any circumstances, be relied on by any third party. GSC disclaims any liability for use by any third party of this Sales Road Map<sup>®</sup>.

# CROSS-BORDER MARKETING COMPLIANCE SOLUTIONS

## WHY CHOOSE GLOBAL SALES COMPLIANCE®

### Our Experience:

- Local regulations continuously change. We have tracked these rules for over 2 decades in 70+ countries and have long-term relationships with a pre-vetted, trusted legal counsel network worldwide.
- We have extensive experience in the establishment of sales practices to support a global, multi-product distribution platform.
- GSC “operationalizes” complex marketing regulations to fit the client’s bespoke circumstances, delivering a customized GSC Sales Road Map® to fit the client’s product/service offering and business (licensing) model in compliance with regulations in each jurisdiction. Like a bespoke tailored suit.

### Save Time:

- We bring a ready-made solution. To recreate our knowledge base would require an investment of millions (\$/£/EUR) in legal fees and over 2 decades of in-depth analysis.
- We save you time needed to interpret legal advice and manage local Counsels.

### Save Costs:

- Our ready-made solution saves significant legal costs over law firm distribution surveys.
- Clients can choose the jurisdictions they want in a series of bespoke retainers managed by GSC.
- Clients receive fully customized deliverables, applicable to their products, services and business model.

- We save Client headcount costs to hire internal legal & compliance staff to manage cross-border marketing regulations.

### Business-Friendly Approach:

- We interpret regulatory and legal jargon and provide “dos and don’ts” action items and flag potential roadblocks that can save your business from wasting time and precious resources.
- Investment in a marketing compliance platform to support cross-border fundraising is a key contributor to Client AUM/ Committed Capital Growth. See [GSC Client Advisory 5-Key Success Stories](#)

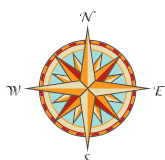
### Who We Are:

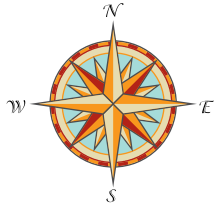
**Cathy Brand, Founder & CEO,  
Global Sales Compliance Ltd®.**

- Over 30 years’ experience in asset management & AIFM industry specialized in global fund & financial services distribution, product development and regulatory compliance.
- 25+ years of banking experience in Europe (Zurich-Geneva-London) at global institutions: Citigroup Alternative Investments, UBS & Zurich Financial Services

### Meet The Team:

[www.globalsalescompliance.com](http://www.globalsalescompliance.com)





**GLOBAL**  
SALES  
COMPLIANCE®

For information on the full range of our services,  
please visit our website.

Please contact us for more information

**Global Sales Compliance Ltd.®**

64 Southwark Bridge Road

London SE1 0AS

United Kingdom



+44 (0) 207 118 1195



+44 (0) 776 482 3924



Cathy@gscompliance.com



[www.globalsalescompliance.com](http://www.globalsalescompliance.com)