Undertakings for collective investment in transferable securities UCITS

1993/0453(COD) - 20/07/1994 - Modified legislative proposal

The amended proposal incorporated the majority of the amendments tabled by the European Parliament and contained many changes with respect to the original proposal: - Ucits could currently invest up to 25% of their assets in deposits with credit institutions; furthermore, the scope of the directive was extended to include funds that placed all of their assets in deposits with credit institutions and master-feeder funds; - the entire text of the definition of "transferable securities" included in the directive on investment services was included in the directive; - it was established that derivative instruments were neither transferable securities nor money market instruments; - Ucits were free to choose a depositary established in another Member State if it was approved under the directive on investment services or the second banking directive; - procedures were introduced with a view to organising the supervision of depositaries offering their services to unit trusts and investment companies within the framework of cross-border activities; - in general, the money market instruments should be admitted to official listing on a stock exchange or dealt in on regulated markets, or issued or guaranteed by public institutions or high-level bodies; the instruments issued by an undertaking the securities of which had been admitted to official listing on a stock market or dealt in on other regulated markets, as well as instruments issued by an establishment subject to prudential supervision could also be admitted; - Ucits had the possibility of investing a certain proportion of their assets in deposits with credit institutions (25% of their assets); - the concept of "pure cash funds" was introduced, which were authorised to place all their assets in deposits with credit institutions, subject to diversification of their investments; - the threshold of 10% of the voting rights for the acquisition of shares from a single issuer through a management or investment company was changed to a "presumption" of significant influence; - the concepts of master fund and feeder fund were introduced; it was proposed that the Member States should authorise a Ucits fund (feeder fund) to invest its assets in units issued by one single Ucits (master fund); - the delineation of responsibilities was clarified for cases where the depositary was a credit institution or investment company that was not established in the Member State of the Ucits.