# Ucits V checklist

The checklist below provides an overview for fund managers and their depositaries in order to comply with Ucits V*

<table>
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<th>Duties</th>
<th>Fund Manager</th>
<th>Depositary</th>
<th>Key tasks to accomplish</th>
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</table>
| Remuneration policy to frame adequate individual risk-taking behaviors and sound management | ✓ | ✓ | ▪ Update the remuneration policies and processes; define the universe of in-scope roles  
▪ Update remuneration section in Key Investor Information Document (KIID) and prospectus with reference to details on website  
▪ Update annual reports with prescribed breakdowns of total compensation |
| Sanctions | ✓ | ✓ | ▪ Check adequacy of procedures for employees to report breaches internally through an independent channel |
| Depositary’s eligibility and independence | ✓ | ✓ | ▪ Check the compliance with independence requirements between the fund manager and the depositary  
▪ Obtain confirmation of depositary compliance with eligibility criteria |
| Depositary relationships | ✓ | ✓ | ▪ Update all depositary agreements and Service Level Agreements (SLAs) with Ucits V standards  
▪ Implement the information flows to the depositary/from the fund manager |
| Safekeeping standards | ✓ | ✓ | ▪ Address the impact of the strict liability regime (with no discharge option) on overall risk and capital  
▪ Segregate Ucits assets into dedicated omnibus accounts with external sub-custodians  
▪ Seek updated legal opinions confirming asset protection in case of sub-custodian bankruptcy in local markets  
▪ Arrange for periodic reporting on assets in safekeeping including assets not in custody  
▪ Arrange for the disclosure of safekeeping delegation chains in prospectus and websites  
▪ Implement information flows for ownership verification and record keeping of other assets |
| Cash monitoring | ✓ | ✓ | ▪ Implement information flows for cash reconciliation and significant cash flow monitoring on all Ucits bank accounts |

The legislative timeline

- **2012**
  - July: Commission Proposal of level 1 text
- **2014**
  - August: Publication of level 1 text
- **2015**
  - February: Political agreement reached
  - September: Publication of level 2 text (to be confirmed)
- **2016**
  - March: Entry into application
  - March: All depositaries must comply with eligibility criteria
- **2018**
  - November: ESMA advice to the European Commission

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