



### THOUGHT PIECE

#### The Proposed Professional Investor Fund (PIF)

In December 2022, amendments were included in the Financial Services and Markets Bill ("FSMB") to allow the creation of a new form of professional investor fund (or PIF, as the unauthorised co-ownership AIF is likely to become known), which could be a good structure for investment in real estate.

Experts believe the structure will make the UK a more attractive place for property funds, and provide the flexibility of an unauthorised structure without the need to use offshore equivalents. As an unauthorised vehicle it should be quick to set up and easier to maintain than its authorised counterpart, the CoACS (Co-ownership Authorised Contractual Schemes).

It is anticipated that the PIF will be a wholly new type of vehicle for the UK and will be created by a contract between an AIFM and a depository. It will be open to professional investors and will require a full scope AIFM to be appointed to manage it, as well as needing a UK depository to provide oversight and custodial functions. Marick Capital Ltd has the FCA permissions to act as depository of unauthorised AIFs.

The tax treatment of the PIF is yet to be confirmed by the Government but it is hoped that the PIF would be transparent for income (similar to a partnership) and any gains made by the PIF on disposal of investments would not be subject to tax. It is anticipated that the issue and transfer of units in the PIF would not be subject to stamp duty or SDLT and the PIF would be able to register for VAT.

#### MARICK CAPITAL :

##### FCA BESPOKE SERVICES

Marick Capital provide efficient and client / investor friendly FCA authorised administrative services primarily to real estate funds.

##### Operator

Establish, operate and wind up unauthorised collective investment schemes

##### Small authorised AIFM

Manage unauthorised AIFs

##### Depository

Act as depository of unauthorised AIFs

##### Trusts

Act as Trust Manager to UK Unit Trusts

### OTHER CURRENT ISSUES

#### Anti-Greenwashing

It is anticipated that the FCA will publish its final rules on anti-greenwashing on 30 June 2023, which are expected to state that sustainability-related claims must be clear, fair and not misleading. This follows the FCA's consultation paper on sustainability disclosure requirements (SDR) and investment labels, which was published in October 2022. The proposals include rules on using sustainable investment labels, qualifying criteria that firms must meet to use a label, product and entity-level disclosures, and naming and marketing rules.

#### GDPR

The UK government is to reform UK data protection and digital information legislation by replacing GDPR with a 'bespoke British system of data protection'. This follows the publication in 2022 of the draft Data Protection and Digital Information Bill which was subsequently put on hold. Next steps are currently unclear but Michelle Donelan, Secretary of State for digital, culture, media and sport, announced at the Conservative Party Conference 2022 that "Our new data protection plan will focus on growth, on common sense, on helping to prevent losses from cyber attacks and data breaches, while also protecting data privacy".

### FUND FOCUS

In a joint venture between Barnet Council and Related Argent, Brent Cross Town will be a new neighbourhood in northwest London - a visionary development designed around the core values of social connectivity, sustainability, health and wellness. This will be a net zero carbon town. Marick Capital provides the operator role to Argent and Related Argent for nine limited partnerships.

*"As well as responding efficiently and professionally to our requirements, we appreciate Marick Capital's knowledge of the compliance issues that are relevant to our Partnerships."*

David Scudder, Company Secretary, Argent



Claremont Park, Brent Cross Town