

Qualifying Investor Alternative Investment Fund

What is a Qualifying Investor Alternative Investment Fund (QIAIF)?

The QIAIF is a regulated investment fund targeted at sophisticated or institutional investors. To qualify as a QIAIF, a fund must have a minimum initial subscription requirement of €100,000 per investor and may only be marketed to “qualifying investors”, meaning persons who are classified as a professional client under MiFID. A QIAIF comes within the definition of alternative investment fund (“AIF”) in the Alternative Investment Fund Managers Directive (“AIFMD”) and is therefore required to designate an alternative investment fund manager (“AIFM”). The AIFM may be either an EU or a non-EU manager.

Key features

A QIAIF allows for pooling of assets.

A QIAIF is not subject to any investment restrictions and the range of eligible assets for a QIAIF is not restricted. Accordingly, QIAIFs can be established as hedge funds, real estate funds, private equity funds, master-feeder funds etc.

There is no requirement to distribute income, and thus QIAIFs can be established either as distributing funds or accumulating funds.

A QIAIF is exempt from Irish taxes and at the same time may be able to take advantage of Ireland’s extensive network of double taxation treaties.

Under AIFMD a QIAIF can avail of a marketing passport and, subject to a straight forward notification procedure, may be distributed to profession investors in the EEA.

*Dublin, London
& New York*



Taxation

A QIAIF is exempt from Irish income tax and Irish corporation tax and is not subject to Irish tax on its income or gains.

Investors (other than Irish resident investors) may receive distributions and may redeem or transfer their units, without any Irish withholding tax arising.

No capital duty is payable on the issue of units. No Irish transfer taxes are payable on the transfer of units. A QIAIF established as an ICAV, an investment limited partnership or a common contractual fund will be treated as being tax transparent.

Legal structures

QIAIFs may be established as:

- An Irish collective asset management vehicle (ICAV);
- An investment company;
- A unit trust;
- An investment limited partnership; or
- A common contractual fund.

The most common legal structure for QIAIFs has been the investment company and unit trusts, however, the ICAV, which was first introduced in March 2015, is likely to be the preferred legal structure.

Fast track authorisation

QIAIFs can be authorised within 24 hours of receipt of a completed application by the Central Bank subject to the following requirements:

- service providers to the QIAIF (investment manager, directors, depositary and administrator) must already be approved by the Central Bank;
- confirmation must be supplied regarding compliance with the authorisation criteria; and
- an application must be filed no later than 3pm on the day before the proposed date of authorisation.

What others say about us...

Our Investment Funds team

"top-quality level of service."

Chambers & Partners Europe, 2016

Our Investment Funds team

"The team has a commercial mindset, and an understanding of the business side as well as the legal side of cases."

Chambers & Partners Europe, 2015

*For more information,
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