



## Book III - Service providers

### Title I bis - Asset management companies of AIFs

#### Chapter III - Organisational rules

##### Section 11 - Risk management

## General regulation of the AMF

### Article 318-42 into force since 03 January 2018

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#### Article 318-42

The asset management company shall set a maximum level of leverage which they may employ on behalf of each AIF they manage as well as the extent of the right to reuse collateral or any guarantee that could be granted under the leveraging arrangement, taking into account, inter alia:

- 1 • The type of the AIF;
- 2 • The investment strategy of the AIF;
- 3 • The sources of leverage of the AIF;
- 4 • Any other interlinkage or relevant relationships with other financial services institutions, which could pose systemic risk;
- 5 • The need to limit the exposure to any single counterparty;
- 6 • The extent to which the leverage is collateralised;

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7 • The asset-liability ratio;

8 • The scale, nature and extent of the activity of the asset management company on the markets concerned.

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