Translation of Liechtenstein Law

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Ordinance
of 20 December 2005
on the Asset Management Act (Asset Management Ordinance; VVO)

Pursuant to Article 6(5), Article 7(6). Article 7a(10), Article 7c(10), Article 10(4), Article 12(5), Article 14(4), Article 16(10), Article 20(5), Article 25(4), Article 28(3), Article 29i(5), Article 35(4), Article 37a(8), Article 37b(7), Article 37c(5), Article 37d(2), and Article 66 of the Law of 25 November 2005 on Asset Management (Asset Management Act; VVG), LGBl. 2005 No. 278, as amended, the Government issues the following ordinance:[1]

I. General provisions

Article 1[2]

Object and purpose

1) This Ordinance, implementing the Asset Management Act, lays down detailed rules on:

a) the taking up, pursuit, and supervision of the activities of asset management companies; and

b) the supervision of investment firm groups on a consolidated basis.

2) It also serves to transpose and implement the following EEA legislation:

a) Directive 2014/65/EU on markets in financial instruments[3];

1 Preamble amended by LGBl. 2025 No. 150.
2 Article 1 amended by LGBl. 2024 No. 184.

b) Directive (EU) 2019/2034 on the prudential supervision of investment firms[4,5];

c) Commission Delegated Directive (EU) 2017/593 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits[6];

d) Regulation (EU) No 600/2014 on markets in financial instruments[7];

e) Regulation (EU) 2019/2033 on the prudential requirements of investment firms[8].[9]

3) Repealed[10]

4) The version in force of the EEA legislation referred to in this Ordinance follows from the promulgation of the decisions of the EEA Joint Committee in the Liechtenstein Law Gazette in accordance with Article 3(k) of the Promulgation Act.

Commented [JH1]: "2011/61/EU, 2014/59/EU" statt "2011/61/EU, 2013/36/EU, 2014/59/EU" im Originaltext

3 Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (OJ L 173, 12.6.2014, p. 349)

4 Directive (EU) 2019/2034 of the European Parliament and of the Council of 27 November 2019 on the prudential supervision of investment firms and amending Directives 2002/87/EC, 2009/65/EC, 2011/61/EU, 2013/36/EU, 2014/59/EU and 2014/65/EU (OJ L 314, 5.12.2019, p. 64)

5 Article 1(2)(b) shall enter into force at the same time as the EEA Joint Committee Decision incorporating Directive (EU) 2019/2034 into the EEA Agreement.

6 Commission Delegated Directive (EU) 2017/593 of 7 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits (OJ L 87, 31.3.2017, p. 500)

7 Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (OJ L 173, 12.6.2014, p. 84)

8 Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on the prudential requirements of investment firms and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014 (OJ L 314, 5.12.2019, p. 1)

9 Article 1(2)(e) shall enter into force at the same time as the EEA Joint Committee Decision incorporating Regulation (EU) 2019/2033 into the EEA Agreement.

10 Article 1(3) repealed by LGBl. 2025 No. 150.

Article 2[11]

Definitions and designations

1) For the purposes of this Ordinance, the following definitions apply:

a) "sustainability factors" means sustainability factors as defined in Article 2(24) of Regulation 2019/2088[12];

b) "research" means research material or services concerning one or several financial instruments or other assets, or the issuers or potential issuers of financial instruments, or as covering research material or services closely related to a specific industry or market such that it informs views on financial instruments, assets or issuers within that industry or market. Research shall also comprise material or services that explicitly or implicitly recommend or suggest an investment strategy and provide a substantiated opinion as to the present or future value or price of financial instruments or assets, or otherwise contain analysis and original insights and reach conclusions based on new or existing information that could be used to inform an investment strategy and be relevant and capable of adding value to the asset management company's decisions on behalf of clients being charged for that research.

2) The designations of persons used in this Act shall be understood to mean all persons regardless of their gender, unless the designations of persons refer expressly to a specific gender.

11 Article 2 amended by LGBl. 2025 No. 150.

12 Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (OJ L 317, 9.12.2019, p. 1)

II. Licences[13]

Article 3[14]

Programme of operations

In addition to the information specified in Article 6(1)(a) of Commission Delegated Regulation (EU) 2017/1943[15], a programme of operations as referred to in Article 6(1)(e) of the Act must include:

a) information on the total number of employees, including their workload in terms of full-time equivalents, and the office premises;

b) information on the rules governing signatures.

Article 4[16]

Repute, fitness and properness, signature authority

1) As evidence of the good repute and the fitness and properness of the members of the senior management and management body as well as of the good repute of the proposed acquirer of a direct or indirect qualifying holding in an asset management company, the following in particular must be submitted to the FMA:

a) documented and signed curricula vitae;

b) current criminal register extracts; and

c) written statements on any pending criminal and administrative criminal proceedings, pending disciplinary measures, as well as on freedom from debt collection and bankruptcy proceedings in Liechtenstein and abroad.

2) The FMA shall be notified in writing of any changes to the information referred to in paragraph 1(c) without delay once the persons concerned become aware of them.

13 Title preceding Article 3 amended by LGBl. 2024 No. 184.

14 Article 3 amended by LGBl. 2025 No. 150.

15 Commission Delegated Regulation (EU) 2017/1943 of 14 July 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to regulatory technical standards on information and requirements for the authorisation of investment firms (OJ L 276, 26.10.2017, p. 4)

16 Article 4 amended by LGBl. 2025 No. 150.

3) As evidence of the good repute of the asset management company, the information referred to in paragraph 1(b) and (c) in particular must be submitted to the FMA. Paragraph 2 shall apply *mutatis mutandis*. The asset management company is required to notify the FMA without delay upon becoming aware of:

a) changes that concern the asset management company itself; and

b) changes relating to members of the senior management and management body and shareholders with qualifying holdings.

4) When assessing fitness and properness, the FMA shall take into account the investment services or ancillary services of the asset management company covered by the scope of the licence.

5) The FMA may stipulate that senior managers must sign jointly in twos in order to ensure that the business is conducted properly.

Article 5[17]

Repealed

Article 6[18]

Repealed

Article 7[19]

Repealed

Article 8[20]

Repealed

17 Article 5 repealed by LGBl. 2017 No. 432.
18 Article 6 repealed by LGBl. 2024 No. 184.
19 Article 7 repealed by LGBl. 2007 No. 280.
20 Article 8 repealed by LGBl. 2017 No. 432.

III. Rights and duties

Article 9[21]

Delegation of activities

1) Main activities within the meaning of Article 12(2) of the Act are activities referred to in Article 3(1) of the Act, unless they are provided only on an auxiliary basis.

2) Repealed[22]

3) Repealed[23]

Article 10[24]

Organisational requirements[25]

The FMA may require an asset management company to submit organisational and business rules if this appears necessary in particular due to the client structure, the amount of assets under management, or the number of employees.

21 Article 9 amended by LGBl. 2007 No. 280.
22 Article 9(2) repealed by LGBl. 2021 No. 413.
23 Article 9(3) repealed by LGBl. 2021 No. 413.
24 Article 10 amended by LGBl. 2017 No. 432.
25 Article 10 heading amended by LGBl. 2024 No. 184.

Article 10a[26]

Repealed

Article 11[27]

Repealed

Article 12[28]

Client classification

In accordance with Annex 1 of the Act, the asset management company shall classify each of its clients as:

a) a retail client;

b) a professional client; or

c) an eligible counterparty.

Article 12a[29]

Incentives

1) Asset management companies paying or being paid any fee or commission or providing or being provided with any non-monetary benefit in connection with the provision of asset management to the client shall ensure that all the conditions set out in Article 16(4)(b) and Article 16(7) and (8) of the Act and requirements set out in paragraphs 2 to 8 are met at all times.

2) Fees, commissions or non-monetary benefits shall be considered to be designed to enhance the quality of the relevant service to the client if the following conditions are met:

a) They are justified by the provision of an additional or higher level service to the relevant client, proportional to the level of incentives received, in particular:

26 Article 10a repealed by LGBl. 2024 No. 184.
27 Article 11 repealed by LGBl. 2025 No. 150.
28 Article 12 amended by LGBl. 2017 No. 432.
29 Article 12a amended by LGBl. 2025 No. 150.

1. the provision of non-independent investment advice on and access to a wide range of suitable financial instruments including an appropriate number of instruments from third party product providers having no close links with the asset management company;
2. the provision of non-independent investment advice combined with either: an offer to the client, at least on an annual basis, to assess the continuing suitability of the financial instruments in which the client has invested; or with another ongoing service that is likely to be of value to the client such as advice about the suggested optimal asset allocation of the client;
3. the provision of access, at a competitive price, to a wide range of financial instruments that are likely to meet the needs of the client, including an appropriate number of instruments from third party product providers having no close links with the asset management company, together with either the provision of added-value tools, such as objective information tools helping the relevant client to take investment decisions or enabling the relevant client to monitor, model and adjust the range of financial instruments in which they have invested, or providing periodic reports of the performance and costs and charges associated with the financial instruments; or
4. if access to investment advice is made possible by the on-site availability of qualified advisors who are able to provide clients personally with investment services and investment advice.

b) It does not directly benefit the recipient asset management company, its shareholders or employees without tangible benefit to the relevant client.

c) It is justified by the provision of an ongoing benefit to the relevant client in relation to an ongoing incentive.

3) Fees, commissions or non-monetary benefits shall not be considered acceptable if the provision of relevant services to the client is biased or distorted as a result of the fee, commission or non-monetary benefit.

4) Asset management companies shall fulfil the conditions set out in paragraphs 2 and 3 on an ongoing basis as long as they continue to pay or receive the fee, commission or non-monetary benefit.

5) Asset management companies shall hold evidence that any fees, commissions or non-monetary benefits paid or received by the asset management company are designed to enhance the quality of the relevant service to the client:

a) by keeping an internal list of all fees, commissions and non-monetary benefits received by the asset management company from a third party in relation to the provision of investment or ancillary services; and

b) by recording how the fees, commissions and non-monetary benefits paid or received by the asset management company, or that it intends to use, enhance the quality of the services provided to the relevant clients and the steps taken in order not to impair the asset management company's duty to act honestly, fairly and professionally in accordance with the best interests of the client.

6) In relation to any payment or benefit received from or paid to third parties, asset management companies shall disclose to the client the following information:

a) Prior to the provision of the relevant investment or ancillary service, the asset management company shall disclose to the client information on the payment or benefit concerned in accordance with Article 16(7) of the Act. Minor non-monetary benefits may be described in a generic way. Other non-monetary benefits received or paid by the asset management company in connection with the investment service provided to a client shall be priced and disclosed separately.

b) Where an asset management company was unable to ascertain on an ex-ante basis the amount of any payment or benefit to be received or paid, and instead disclosed to the client the method of calculating that amount, the firm shall also provide its clients with information of the exact amount of the payment or benefit received or paid on an ex-post basis.

c) At least once a year, as long as (ongoing) incentives are received by the asset management company in relation to the investment services provided to the relevant clients, the asset management company shall inform its clients on an individual basis about the actual amount of payments or benefits received or paid. Minor non-monetary benefits may be described in a generic way.

7) In implementing the requirements set out in paragraph 6, asset management companies shall take into account the rules on costs and charges set out in Article 16(1)(e) of the Act and in Article 50 of Commission Delegated Regulation (EU) 2017/565[30].

30 Commission Delegated Regulation (EU) 2017/565 of 25 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive (OJ L 87, 31.3.2017, p. 1)

8) When more asset management companies are involved in a distribution channel, each asset management company providing an investment or ancillary service shall comply with its obligations under paragraph 6 to make disclosures to its clients.

Article 12b[31]

Incentives for independent investment advice and portfolio management

1) Asset management companies providing investment advice on an independent basis or portfolio management shall:

a) return to clients any fees, commissions or any monetary benefits paid or provided by any third party or a person acting on behalf of a third party in relation to the services provided to that client as soon as reasonably possible after receipt. All fees, commissions or monetary benefits received from third parties in relation to the provision of independent investment advice and portfolio management shall be transferred in full to the client;

b) set up and implement a policy to ensure that any fees, commissions or other monetary benefits paid or provided by any third party or a person acting on behalf of a third party in relation to the provision of independent investment advice and portfolio management are allocated and transferred to each individual client;

c) inform clients about the fees, commissions or any monetary benefits transferred to them, in particular through the periodic reporting statements provided to the client.

2) Asset management companies providing investment advice on an independent basis or portfolio management shall not accept non-monetary benefits that do not qualify as minor. The following benefits shall qualify as acceptable minor non-monetary benefits:

a) information or documentation relating to a financial instrument or an investment service, where such information or documentation is generic in nature or personalised to reflect the circumstances of an individual client;

b) written material from a third party that is commissioned and paid for by a corporate issuer or potential issuer to promote a new issuance by the company, or where the third party firm is contractually engaged and paid by the issuer to produce such material on an ongoing basis, provided that the relationship is clearly disclosed in

31 Article 12b amended by LGBl. 2025 No. 150.

the material and that the material is made available at the same time to any banks and EEA credit institutions referred to in Article 4(1)(74) or (75) of the Asset Management Act, investment firms under the Investment Firms Act, and asset management companies wishing to receive it or to the general public;

c) participation in conferences, seminars and other training events on the benefits and features of a specific financial instrument or an investment service;

d) hospitality of a reasonable de minimis value, such as food and drink during a business meeting or a conference, seminar or other training events mentioned under subparagraph (c); and

e) other minor non-monetary benefits capable of enhancing the quality of service provided to a client and, having regard to the total level of benefits provided by one entity or group of entities, are of a scale and nature that are unlikely to impair compliance with the duty of an asset management company to act in the best interest of the client.

3) Acceptable minor non-monetary benefits shall be reasonable and proportionate and of such a scale that they are unlikely to influence the asset management company's behaviour in any way that is detrimental to the interests of the relevant client.

4) Disclosure of minor non-monetary benefits must be made prior to the provision of the relevant investment or ancillary services to clients. Minor non-monetary benefits may be described in a generic way.

Article 12c[32]

Incentives in relation to research

1) The provision of research by third parties to asset management companies providing portfolio management or other investment or ancillary services to clients shall not be regarded as an incentive if it is received in return for either of the following:

a) direct payments by the asset management company out of its own resources;

b) payments from a separate research payment account controlled by the asset management company, provided the following conditions relating to the operation of the account are met:

32 Article 12c amended by LGBl. 2025 No. 150.

1. The research payment account is funded by a specific research charge to the client.
2. As part of establishing a research payment account and agreeing the research charge with their clients, the asset management company sets and regularly assesses a research budget as an internal administrative measure.
3. The asset management company is held responsible for the research payment account.
4. The asset management company regularly assesses the quality of the research purchased based on robust quality criteria and its ability to contribute to better investment decisions.

2) Where an asset management company makes use of the research payment account referred to in paragraph 1(b), it shall provide the following information to clients:

a) before the provision of an investment service to clients, information about the budgeted amount for research and the amount of the estimated research charge for each of them;

b) annual information on the total costs that each of them has incurred for third party research.

3) Where an asset management company operates a research payment account, the asset management company shall be required, upon request by its clients or the FMA, to provide a summary of the providers paid from this account, the total amount it was paid over a defined period, the benefits and services received by the asset management company, and how the total amount spent from the account compares to the budget set by the asset management company for that period, noting any rebate or carry-over if residual funds remain in the account. For the purposes of paragraph 1(b)(1), the specific research charge shall:

a) only be based on a research budget set by the asset management company for the purpose of establishing the need for third party research in respect of investment services rendered to its clients;

b) not be linked to the volume and/or value of transactions executed on behalf of the clients.

4) Every operational arrangement for the collection of the client research charge, where it is not collected separately but alongside a transaction commission, shall indicate a separately identifiable research charge and shall fully comply with the conditions set out in paragraph 1(b) and paragraph 2.

5) The total amount of research charges received may not exceed the research budget.

6) The asset management company shall agree with clients, in the asset management agreement or general terms of business, the research charge as budgeted by the asset management company and the frequency with which the specific research charge will be deducted from the resources of the client over the year. Increases in the research budget shall only take place after the provision of clear information to clients about such intended increases. If there is a surplus in the research payment account at the end of a period, the asset management company must have a process to rebate those funds to the client or to offset it against the research budget and charge calculated for the following period.

7) For the purposes of paragraph 1(b)(2), the research budget shall be managed solely by the asset management company and shall be based on a reasonable assessment of the need for third party research. The allocation of the research budget to purchase third party research shall be subject to appropriate controls and senior management oversight to ensure it is managed and used in the best interests of the clients. Those controls include a clear audit trail of payments made to research providers and how the amounts paid were determined with reference to the quality criteria referred to in paragraph 1(b)(4). The asset management company may not use the research budget and research payment account to fund internal research.

8) For the purposes of paragraph 1(b)(3), the asset management company may delegate the administration of the research payment account to a third party, provided that the arrangement facilitates the purchase of third party research and payments to research providers in the name of the asset management company without any undue delay in accordance with the asset management company's instruction.

9) For the purposes of paragraph 1(b)(4), asset management companies shall establish all necessary elements in a written policy and provide it to their clients. It shall also address the extent to which research purchased through the research payment account may benefit clients' portfolios, including, where relevant, by taking into account investment strategies applicable to various types of portfolios, and the approach the asset management company will take to allocate such costs fairly to the various clients' portfolios.

10) An asset management company providing execution services shall identify separate charges for these services that only reflect the cost of executing the transaction. The provision of each other benefit or service

by the same asset management company to EEA credit institutions as referred to in Article 4(1)(75) of the Asset Management Act or to investment firms established in the EEA shall be subject to a separately identifiable charge. The supply of and charges for those benefits or services shall not be influenced or conditioned by levels of payment for execution services.

11) The provision of research by third parties to asset management companies providing portfolio management or other investment or ancillary services to clients shall be regarded as fulfilling the obligations under Article 14(1) of the Act, if:

a) before the execution or research services have been provided, an agreement has been entered into between the asset management company and the research provider, identifying the part of any combined charges or joint payments for execution services and research that is attributable to research;

b) the asset management company informs its clients about the joint payments for execution services and research made to the third party providers of research; and

c) the research for which the combined charges or the joint payment is made concerns issuers whose market capitalisation for the period of 36 months preceding the provision of the research did not exceed 1 billion euros or the equivalent in Swiss francs, as expressed by end-year quotes for the years when they are or were listed or by the own-capital for the financial years when they are or were not listed.

Product governance obligations for manufacturers[33]

Article 12d[34]

a) Principle

1) Asset management companies that create, develop, issue and/or design financial instruments (manufacturers) shall comply, in a way that is appropriate and proportionate, in particular with the requirements set out in paragraph 2 and Articles 12e to 12k, taking into account the nature of the financial instrument, the investment service and the target market for the product.

33 Heading preceding Article 12d inserted by LGBl. 2025 No. 150.
34 Article 12d amended by LGBl. 2025 No. 150.

2) They shall establish, implement and maintain procedures and measures to ensure the manufacturing of financial instruments complies with the requirements on proper management of conflicts of interest, including remuneration. In particular, asset management companies manufacturing financial instruments shall ensure that the design of the financial instrument, including its features, does not adversely affect end clients or does not lead to problems with market integrity by enabling the asset management company to mitigate and/or dispose of its own risks or exposure to the underlying assets of the product, where the asset management company already holds the underlying assets on own account.

Article 12e[35]

b) Client and market protection

1) Asset management companies must analyse potential conflicts of interest each time they manufacture a financial instrument.

2) Asset management companies shall consider whether the financial instrument may represent a threat to the orderly functioning or to the stability of financial markets before deciding to proceed with the launch of the product.

3) Asset management companies shall ensure that relevant staff involved in the manufacturing of financial instruments possess the necessary expertise to understand the characteristics and risks of the financial instruments they intend to manufacture.

Article 12f[36]

c) Compliance

1) Asset management companies shall ensure that the management body has effective control over the product governance process. They shall ensure that the compliance reports to the management body systematically include information about the financial instruments manufactured by them, including information on the distribution strategy. The reports shall be made available to the FMA on request.

35 Article 12e amended by LGBl. 2025 No. 150.
36 Article 12f amended by LGBl. 2025 No. 150.

2) Asset management companies shall ensure that the compliance function monitors the development and periodic review of product governance arrangements in order to detect any risk of failure by the asset management company to comply with the obligations set out in Articles 12d to 12k.

3) Where they collaborate, including with entities which are not licensed or authorised in accordance with Article 5 of the Asset Management Act, Article 24 of the Banking Act, Article 5 of the Investment Firms Act, or Directive 2014/65/EU or third-country firms, to create, develop, issue and/or design a product, they shall outline their mutual responsibilities in a written agreement.

Article 12g[37]

d) Target market determination and fitness test

1) Asset management companies shall identify at a sufficiently granular level the potential target market for each financial instrument and specify the types of client with whose needs, characteristics and objectives, including any sustainability related objectives, the financial instrument is compatible. As part of this process, the asset management companies shall identify any groups of clients with whose needs, characteristics and objectives the financial instrument is not compatible, except where financial instruments consider sustainability factors. Where asset management companies collaborate with other asset management companies, investment firms under the Investment Firms Act, or banks or EEA credit institutions under Article 4(1)(74) or (75) of the Asset Management Act to manufacture a financial instrument, only one target market needs to be identified.

2) Asset management companies manufacturing financial instruments that are distributed through other asset management companies, investment firms under the Investment Firms Act, or banks or EEA credit institutions under Article 4(1)(74) or (75) of the Asset Management Act shall determine the needs and characteristics of clients for whom the product is compatible based on their theoretical knowledge of and past experience with the financial instrument or similar financial instruments, the financial markets and the needs, characteristics and objectives of potential end client.

3) Asset management companies shall undertake a scenario analysis of their financial instruments which shall assess the risks of poor

37 Article 12g amended by LGBl. 2025 No. 150.

outcomes for end clients posed by the product and in which circumstances these outcomes may occur. They shall assess the financial instrument under negative conditions covering what would happen if, in particular:

a) the market environment deteriorated;

b) the manufacturer or a third party involved in manufacturing and/or functioning of the financial instrument experiences financial difficulties or other counterparty risk materialises;

c) the financial instrument fails to become commercially viable; or

d) demand for the financial instrument is much higher than anticipated, putting a strain on the asset management company's resources and/or on the market of the underlying instrument.

4) Asset management companies shall determine whether a financial instrument meets the identified needs, characteristics and objectives of the target market, including by examining all of the following elements:

a) The financial instrument's risk/reward profile is consistent with the target market.

b) The financial instrument's sustainability factors, where relevant, are consistent with the target market.

c) The financial instrument design is driven by features that benefit the client and not by a business model that relies on poor client outcomes to be profitable.

Article 12h[38]

e) Charges

Asset management companies shall consider the charging structure proposed for the financial instrument, including by examining the following:

a) The financial instrument's costs and charges are compatible with the needs, objectives and characteristics of the target market.

b) Charges do not undermine the financial instrument's return expectations, in particular where the costs or charges equal, exceed or remove almost all the expected tax advantages linked to a financial instrument.

38 Article 12h amended by LGBl. 2025 No. 150.

c) The charging structure of the financial instrument is appropriately transparent for the target market, such as that it does not disguise charges or is too complex to understand.

Article 12i[39]

f) Provision of information to distributors

Asset management companies shall ensure that:

a) the provision of information about a financial instrument to distributors includes information about the appropriate channels for distribution of the financial instrument, the product approval process and the target market assessment and is of an adequate standard to enable distributors to understand and recommend or sell the financial instrument properly;

b) the sustainability factors of the financial instrument are presented in a transparent manner, and distributers are provided with the relevant information to duly consider any sustainability related objectives of the client or potential client.

Article 12k[40]

g) Review

1) Asset management companies shall review the financial instruments they manufacture on a regular basis, taking into account any event that could materially affect the potential risk to the identified target market. They shall consider whether the financial instrument remains consistent with the needs, characteristics and objectives, including any sustainability related objectives, of the target market and if it is distributed to the target market, or reaches clients with whose needs, characteristics and objectives the financial instrument is not compatible.

2) Asset management companies shall review financial instruments prior to any further issue or re-launch, if they are aware of any event that could materially affect the potential risk to investors and at regular intervals to assess whether the financial instruments function as intended. They shall determine how regularly to review their financial instruments based on relevant factors, including factors linked to the complexity or the innovative nature of the investment strategies pursued.

39 Article 12i inserted by LGBl. 2025 No. 150.
40 Article 12k inserted by LGBl. 2025 No. 150.

3) Asset management companies shall also identify crucial events that would affect the potential risk or return expectations of the financial instrument, in particular:

a) the crossing of a threshold that will affect the return profile of the financial instrument; or

b) the solvency of certain issuers whose securities or guarantees may impact the performance of the financial instrument.

4) When events as referred to in paragraph 3 occur, they shall take appropriate action which may consist of:

a) the provision of any relevant information on the event and its consequences on the financial instrument to the clients or the distributors of the financial instrument if the asset management company does not offer or sell the financial instrument directly to the clients;

b) changing the product approval process;

c) stopping further issuance of the financial instrument;

d) changing the financial instrument to avoid unfair contract terms;

e) considering whether the sales channels through which the financial instruments are sold are appropriate where the asset management company becomes aware that the financial instrument is not being sold as envisaged;

f) contacting the distributor to discuss a modification of the distribution process;

g) terminating the relationship with the distributor; or

h) informing the FMA.

Product governance obligations for distributors[41]

Article 12l[42]

a) Principle

1) When deciding the range of financial instruments issued by themselves or other firms and services they intend to offer or recommend to clients, asset management companies shall comply, in a way that is

41 Heading preceding Article 12l inserted by LGBl. 2025 No. 150.
42 Article 12l inserted by LGBl. 2025 No. 150.

appropriate and proportionate, with the relevant requirements laid down in paragraph 2 and Articles 12m and 12n, taking into account the nature of the financial instrument, the investment service and the target market for the product.

2) Asset management companies shall also comply with the requirements set out in the Act and this Article as well as Articles 12m and 12n when offering or recommending financial instruments manufactured by entities that are not subject to Directive 2014/65/EU. Those asset management companies shall have in place effective arrangements to ensure that they obtain sufficient information about these financial instruments from these manufacturers.

Article 12m[43]

b) Target market determination and fitness test

1) Asset management companies shall have in place adequate product governance arrangements to ensure that products and services they intend to offer or recommend are compatible with the needs, characteristics, and objectives, including any sustainability-related objectives, of an identified target market and that the intended distribution strategy is consistent with the identified target market. Asset management companies shall appropriately identify and assess the circumstances and needs of the clients they intend to focus on, so as to ensure that clients' interests are not compromised as a result of commercial or funding pressures. As part of this process, groups of clients must be identified for whose needs, characteristics and objectives the product or service is not compatible, except where financial instruments consider sustainability factors.

2) Asset management companies must ensure that they obtain from manufactures that are subject to the Asset Management Act, the Banking Act, the Investment Firms Act, or Directive 2014/65/EU information to gain the necessary understanding and knowledge of the products they intend to recommend or sell in order to ensure that these products will be distributed in accordance with the needs, characteristics and objectives of the identified target market.

3) Asset management companies must take all reasonable steps to ensure they also obtain adequate and reliable information from manufacturers not subject the Asset Management Act, the Banking Act, the Investment Firms Act, or Directive 2014/65/EU to ensure that

43 Article 12m inserted by LGBl. 2025 No. 150.

products will be distributed in accordance with the characteristics, objectives and needs of the target market. Where relevant information is not publicly available, the distributor shall take all reasonable steps to obtain such relevant information from the manufacturer or its agent. Acceptable publicly available information is information which is clear, reliable and produced to meet regulatory requirements, such as the disclosure obligations under the provisions of securities prospectus legislation or the Disclosure Act. This obligation is relevant for products sold on primary and secondary markets and shall apply in a proportionate manner, depending on the degree to which publicly available information is obtainable and the complexity of the product.

4) Asset management companies shall use the information obtained from manufacturers and information on their own clients to identify the target market and distribution strategy. This shall also apply even if the target market was not defined by the manufacturer. When an asset management company acts both as a manufacturer and a distributor, only one target market assessment shall be required.

5) When deciding the range of financial instruments and services that they offer or recommend and the respective target markets, asset management companies shall maintain procedures and measures to ensure compliance with all applicable requirements under the Act and this Ordinance including those relating to disclosure, assessment of suitability or appropriateness, incentives and proper management of conflicts of interest. In this context, asset management companies shall take particular care when distributors intend to offer or recommend new products or there are variations to the services they provide.

6) Asset management companies shall periodically review and update their product governance arrangements in order to ensure that they remain robust and fit for their purpose, and take appropriate actions where necessary.

7) Asset management companies shall review the investment products they offer or recommend and the services they provide on a regular basis, taking into account any event that could materially affect the potential risk to the identified target market. Asset management companies shall assess at least whether the product or service remains consistent with the needs, characteristics and objectives, including any sustainability-related objectives, of the identified target market and whether the intended distribution strategy remains appropriate. Asset management companies shall reconsider the target market and/or update the product governance arrangements if they become aware that they have wrongly identified the target market for a specific product or service or that the product or service no longer meets the circumstances of the identified target market,

in particular where the product becomes illiquid or very volatile due to market change.

Article 12n[44]

c) Compliance

1) Asset management companies shall ensure their compliance function oversees the development and periodic review of product governance arrangements in order to detect any risk of failure to comply with the obligations set out in Articles 12l and 12m and this Article.

2) Asset management companies shall ensure that relevant staff possess the necessary expertise to understand the characteristics and risks of the products they intend to offer or recommend and the services provided as well as the needs, characteristics and objectives of the identified target market.

3) Asset management companies shall ensure that the management body has effective control over the asset management company's product governance process to determine the range of investment products that they offer or recommend and the services provided to the respective target markets. Asset management companies shall ensure that the compliance reports to the management body systematically include information about the products they offer or recommend and the services provided. The compliance reports shall be made available to the FMA on request.

4) As distributors of financial products, asset management companies shall ensure distributors provide manufacturers with information on sales and, where appropriate, information on the above reviews to support product reviews carried out by manufacturers.

5) Where asset management companies under the Asset Management Act, investment firms under the Investment Firms Act, banks or EEA credit institutions under Article 4(1)(74) or (75) of the Asset Management Act, or banks under Article 4(1) of the Banking Act work together in the distribution of a product or service, the asset management company with the direct client relationship has ultimate responsibility to meet the product governance obligations set out in Articles 12l and 12m and this Article. However, an intermediary asset management company shall:

44 Article 12n inserted by LGBl. 2025 No. 150.

a) ensure that relevant product information is passed from the manufacturer to the final distributor in the chain;

b) if the manufacturer requires information on product sales in order to comply with their own product governance obligations, enable them to obtain it; and

c) apply the product governance obligations for manufacturers, as relevant, in relation to the service they provide.

Article 13[45]

Exception for credit agreements relating to residential immovable property

If a credit agreement relating to residential immovable property, which is subject to the provisions concerning creditworthiness assessment of consumers laid down in the Mortgage and Real Estate Credit Act or Directive 2014/17/EU[46], has as a prerequisite the provision to that same consumer of an investment service in relation to mortgage bonds specifically issued to secure the financing of and having identical terms as the credit agreement relating to residential immovable property, in order for the loan to be payable, refinanced or redeemed, that service shall not be subject to the obligations set out in Articles 14(3), 15, 16(1)(b), 18 and 19 of this Act.

Article 14[47]

Reporting

1) Domestic asset management companies and domestic branches of foreign asset management companies must prepare a report in accordance with the form provided by the FMA every six months as of 30 June and 31 December and submit it to the FMA within two months of the applicable cut-off date.

2) The audit firms of domestic branches of foreign asset management companies shall audit the branches once a year with regard to compliance

45 Article 13 amended by LGBl. 2025 No. 150.

46 Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010 (OJ L 60, 28.2.2014, p. 34)

47 Article 14 amended by LGBl. 2024 No. 184.

with the code of conduct and the duty to keep and retain records in accordance with Articles 14 to 19, 20(1) and 22 of the Act as well as Articles 20 to 23, 25 and 26 of Regulation (EU) No. 600/2014 and submit the report to the FMA no later than six months after the end of the FMA's fiscal year.[48]

Article 14a[49]

Reporting requirement regarding the remuneration policies

Asset management companies shall submit the information referred to in Article 29i(1) and (2) of the Act to the FMA by 15 June of each year.

Article 14b[50]

Disclosure under Part Six of Regulation (EU) 2019/2033

1) For the purposes of Part Six of Regulation (EU) 2019/2033, the date of publication of the annual accounts for class 2 asset management companies and class 3 asset management companies that meet the conditions set out in Article 46(2) of that Regulation shall be the date on which the duly approved annual financial statements are submitted to the Office of Justice, but no later than the day before the end of the twelfth month following the balance sheet date.

2) Asset management companies as referred to in paragraph 1 must without delay notify the FMA in writing of the disclosure of information under Part Six of Regulation (EU) 2019/2033, including the media through which the disclosure is made.

48 Article 14(2) amended by LGBl. 2025 No. 150.
49 Article 14a amended by LGBl. 2025 No. 150.
50 Article 14b inserted by LGBl. 2025 No. 150.

IV. Auditors and audit firms[51]

Article 15[52]

Recognition of auditors and audit firms

1) Auditors are qualified for the purposes of Article 37a of the Act if they possess the knowledge necessary – in light of the services offered by the asset management company under Article 3 of this Act – for auditing the asset management company.[53]

2) Pursuant to Article 37a of the Act, audit firms shall ensure that the audit is carried out properly by performing their auditing and reporting activities in an appropriate and permanent manner, in particular by ensuring appropriate substitution rules.[54]

3) Auditors and audit firms authorised in another Member State in accordance with Directive 2006/43/EC[55] and wishing to carry out auditing and reporting activities in Liechtenstein under the Act must regularly carry out activities comparable to auditing and reporting activities under the Act for the benefit of supervisory authorities of other Member States.

4) The FMA may provide further details regarding the requirements for the qualification of an auditor by issuing guidelines or communications.[56]

Article 15a[57]

Evidence furnished to FMA

1) Auditors shall furnish the FMA with evidence of qualification.

51 Title preceding Article 15 amended by LGBl. 2024 No. 184.
52 Article 15 amended by LGBl. 2024 No. 184.
53 Article 15(1) amended by LGBl. 2025 No. 150.
54 Article 15(2) amended by LGBl. 2025 No. 150.
55 Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC (OJ L 157, 9.6.2006, p. 87)
56 Article 15(4) inserted by LGBl. 2025 No. 150.
57 Article 15a amended by LGBl. 2024 No. 184.

2) Audit firms shall furnish the FMA with evidence that audits are carried out properly.

3) The FMA shall publish on its website a list of auditors and audit firms which are recognised for the purposes of Article 37a of the Act and Article 15 of this Ordinance.[58]

4) The FMA may provide further details regarding the evidence to be furnished to it pursuant to paragraphs 1 and 2 by issuing guidelines or communications.[59]

Article 15b[60]

Audit specifications

1) The FMA may, after consulting the Liechtenstein Association of Auditors, provide mandatory audit forms for asset management companies.

2) The FMA may further specify the principle of risk-oriented auditing as well as the form and content of the annual audit report by issuing guidelines.

Article 15c[61]

Duties of the audit firm[62]

1) The fees received from an audit mandate may not exceed an average of 20% of the audit firm's total annual fees.[63]

2) The audit firms are required:[64]

a) to notify the FMA of any changes to the articles of association and regulations as well as any changes to the composition of its governing bodies and the responsible auditors;[65]

b) to entrust the audit management only to auditors who have been notified to the FMA and meet the necessary requirements;

58 Article 15a(3) amended by LGBl. 2025 No. 150.
59 Article 15a(4) inserted by LGBl. 2025 No. 150.
60 Article 15b inserted by LGBl. 2017 No. 432.
61 Article 15c inserted by LGBl. 2017 No. 432.
62 Article 15c heading amended by LGBl. 2024 No. 184.
63 Article 15c(1) amended by LGBl. 2024 No. 184.
64 Article 15c(2) introductory phrase amended by LGBl. 2024 No. 184.
65 Article 15c(2)(a) amended by LGBl. 2024 No. 184.

c) to report the responsible auditor to the FMA before the beginning of the audit; and[66]

d) to submit the business report to the FMA each year.

3) The FMA may request information on the reasons for the departure of members of the senior management and responsible auditors notified to the FMA.[67]

Article 15d[68]

Change of audit firm

1) The application for approval of an intended change of audit firm must be justified by the asset management company.

2) The application referred to in paragraph 1 must as a general rule be co-signed by the existing audit firm. If the asset management company and the audit firm cannot agree on the reasons for the change, the existing audit firm must make a separate notification under Article 37c of the Act.[69]

3) After a lapse or legally effective revocation of the recognition of an audit firm, the asset management company must appoint a new audit firm without delay and at the latest within one month. In exceptional cases, the FMA may, upon request, extend this deadline by a reasonable amount. The appointment of the new audit firm is governed by Article 10(1)(a) of the Act.

4) If an audit firm does not properly conduct the supervisory audit of an asset management company, the FMA may require the asset management company to appoint another audit firm for the following audit period.

Article 15e[70]

Extraordinary audit

1) The FMA may, for the purpose of conducting an extraordinary audit in accordance with Article 41(3)(b) of the Act, mandate a

66 Article 15c(2)(c) amended by LGBl. 2024 No. 184.
67 Article 15c(3) amended by LGBl. 2025 No. 150.
68 Article 15d amended by LGBl. 2024 No. 184.
69 Article 15d(2) amended by LGBl. 2025 No. 150.
70 Article 15e inserted by LGBl. 2017 No. 432.

recognised audit firm as referred to in Article 37a of the Act in conjunction with Article 15 of this Ordinance.[71]

2) The FMA may require the asset management company to make an advance payment on costs.

Article 15f[72]

Notification duties

Notifications as referred to in Article 37c(1) of the Act shall be made to the FMA without delay upon verification of the circumstances.

Article 15g[73]

Audit reports

1) The audit reports are the confidential, detailed reports of the audit firm on the supervisory audit of the management company and the investment undertakings under its management. They are not for publication.[74]

2) The FMA shall define the content and structure of the audit report.

Article 16[75]

Repealed

71 Article 15e(1) amended by LGBl. 2025 No. 150.
72 Article 15f amended by LGBl. 2025 No. 150.
73 Article 15g inserted by LGBl. 2017 No. 432.
74 Article 15g(1) amended by LGBl. 2024 No. 184.
75 Article 16 repealed by LGBl. 2017 No. 432.

Article 17[76]

Repealed

Articles 18 to 21[77]

Repealed

V. Transitional and final provisions[78]

Article 22

Transitional provision

For trust companies that have a licence under the Trustee Act (TrHG) at the time of entry into force of the Asset Management Act, the FMA shall grant facilitations in respect of Article 3(d).

Article 23

Entry into force

This Ordinance shall enter into force at the same time as the Asset Management Act of 25 November 2005.

The Government:
signed *Otmar Hasler*
Prime Minister

76 Article 17 repealed by LGBl. 2025 No. 150.
77 Articles 18 to 21 repealed by LGBl. 2009 No. 280.
78 Title preceding Article 22 amended by LGBl. 2025 No. 150.

Annex 1[79]

79 Annex 1 repealed by LGBl. 2025 No. 150.

Annex 2[80]

80 Annex 2 repealed by LGBl. 2025 No. 150.

Transitional provisions

950.41 Asset Management Ordinance (VVO)

Liechtenstein Law Gazette
Year 2007 No. 280 published on 31 October 2007

Ordinance
of 16 October 2007
amending the Asset Management Ordinance

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III.
Transitional provisions

The new law shall apply to procedures pending at the date of entry into force[81] of this Ordinance.

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81 Entry into force: 1 November 2007.

Liechtenstein Law Gazette
Year 2009 No. 256 published on 2 October 2009

Ordinance
of 29 September 2009
amending the Asset Management Ordinance

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III.
Transitional provision

The new law shall apply to supervisory procedures pending at the date of entry into force[82] of this Ordinance.

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82 Entry into force: 2 October 2009.Entry into force: 3 December 2019 (LGBl. 2019 No. 318).

Liechtenstein Law Gazette
Year 2017 No. 432 published on 22 December 2017

Ordinance
of 12 December 2017
amending the Asset Management Ordinance

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III.
Entry into force

1) Subject to paragraphs 2 to 5, this Ordinance shall enter into force on 3 January 2018.

2) Article 1(2)(a) and (c) shall enter into force at the same time as the EEA Joint Committee Decision incorporating Directive 2014/65/EU[83] and Regulation (EU) No 600/2014.[84]

3) Article 1(2)(b) shall enter into force at the same time as the EEA Joint Committee Decision incorporating Commission Delegated Directive (EU) 2017/593.[85]

4) Article 1(2)(d) and (e) shall enter into force at the same time as the EEA Joint Committee Decision incorporating Directive 2013/36/EU and Regulation (EU) No 575/2013.[86]

5) Article 12c(2) shall enter into force at the same time as the EEA Joint Committee Decision incorporating Directive 2014/17/EU[87].

83 Entry into force: 3 December 2019 (LGBl. 2019 No. 318).
84 Entry into force: 3 December 2019 (LGBl. 2019 No. 318).
85 Entry into force: 3 December 2019 (LGBl. 2019 No. 319).
86 Entry into force: 1 January 2020 (LGBl. 2019 No. 343).
87 Entry into force: 1 November 2021 (LGBl. 2021 No. 332).

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Liechtenstein Law Gazette
Year 2021 No. 413 published on 17 December 2021

Ordinance
of 14 December 2021
amending the Asset Management Ordinance

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II.

Transitional provision

Article 9(2) and (3) shall apply to outsourcing agreements concluded under the law hitherto in force at the earliest six months after entry into force[88] of this Ordinance.

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88 Entry into force: 1 January 2022.

Liechtenstein Law Gazette
Year 2022 No. 373 published on 16 December 2022

Ordinance
of 13 December 2022
amending the Asset Management Ordinance

. . .

III.

Entry into force

This Ordinance shall enter into force at the same time as Decision of the EEA Joint Committee No 249/2022 of 23 September 2022 amending Annex IX (Financial Services) to the EEA Agreement.[89]

. . .

89 Entry into force: 15 December 2022 (LGBl. 2023 No. 5).