**Via Email: fsra.consultation@adgm.com**

30 January 2026

Financial Services Regulatory Authority
Abu Dhabi Global Market
ADGM Square
Al Maryah Island
PO Box 111999
Abu Dhabi, UAE

**Re: Consultation Paper No. 12 of 2025; Proposed Enhancements to the FSRA's Funds Framework**

Dear Sir or Madam:

MFA[1] appreciates the opportunity to provide comments to the Financial Services Regulatory Authority ("**FSRA**") of the Abu Dhabi Global Market ("**ADGM**") in response to the consultation regarding the FSRA's proposed enhancements and refinements of the regulatory regime applicable to alternative investment funds ("**AIFs**") (the "**Consultation**").[2] We appreciate the FSRA's holistic review of ADGM's funds framework and strongly support proportional, risk-based regulation for AIFs offered to sophisticated, often institutional, investors.

We support the goals of creating streamlined regimes for smaller managers (the Consultation referrers to them as sub-threshold fund managers ("**STFMs**")) and institutional-only fund managers ("**IFMs**"), facilitating employee investment through employee investment vehicles ("**EIVs**") and into other funds managed by their employer. We further support, with suggested modifications, the policy objectives supporting enhanced accountability for foreign fund managers ("**FFMs**"), with targeted refinements to ensure flexibility for a variety of strategies, including private credit and specialist strategies, and to align with analogous regulatory regimes where AIF managers currently operate (e.g., the UK Alternative Investment Fund Managers Regulations, the EU Alternative Investment Fund Management Directive ("**AIFMD**"), and the US federal securities laws governing private fund managers) and longstanding industry practices and

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1 Managed Funds Association ("**MFA**"), based in Washington, D.C., New York City, Brussels, and London, represents the global alternative asset management industry. MFA's mission is to advance the ability of alternative asset managers to raise capital, invest it, and generate returns for their beneficiaries. MFA advocates on behalf of its membership and convenes stakeholders to address global regulatory, operational, and business issues. MFA has more than 180 fund manager members, including traditional hedge funds, private credit funds, and hybrid funds, that employ a diverse set of investment strategies. Member firms help pension plans, university endowments, charitable foundations, and other institutional investors diversify their investments, manage risk, and generate attractive returns throughout the economic cycle.

2 ADGM, FSRA, Consultation Paper No. 12 (24 Nov. 2025), avail. at https://adgmen.thomsonreuters.com/sites/default/files/net_file_store/Consultation_Paper_No._12_of_2025_-_Funds_Review.pdf.

fund structures. Our specific recommendations are summarised below, with detailed responses to relevant consultation question provided in the attached Appendix.

The global asset management industry has grown considerably, and AIFs (referred to in the U.S. as private funds) offering a wide array of investment strategies comprise a growing and integral part of the global asset management industry and of MFA's membership. MFA members are increasingly viewing Abu Dhabi and the broader region as an important touchpoint with institutional investors, with numerous members opening offices in the region to better serve the investment needs of institutional investors.

A summary of MFA's comments to the Consultation is as follows:

- **STFM Framework**: MFA supports a streamlined regulatory framework for managers of smaller funds. We recommend the FSRA avoid blanket leverage caps or capital requirements and instead adopt a disclosure-driven, guardrail-based approach to leverage risks. Transition processes for managers growing out of the STFM framework should include a reasonable grace period and grandfathering of existing fund terms.
- **IFM Framework:** We support IFM eligibility limited to institutional-only qualified investor funds ("**QIFs**") with a USD 5 million minimum subscription. We recommend removing the limitation on natural person investors for those that (a) can meet the investment minimum and (b) employees of the IFM as discussed below. Given the profile of investors and operational resilience, exemptions from any EBCM and PII as discussed in the Annex are appropriate.
- **EIVs**: MFA endorses formally exempting EIVs from fund status and minimum subscription/client classification rules, while limiting participation to employees of the fund. We recommend expanding employee eligibility beyond senior investment personnel to further align the interests of employees with other fund investors. The employee investment should be permitted in existing, investor-facing funds without conditioning employee investment on creation and management of a separate EIV.
- **FFM Framework**: MFA appreciates the FSRA's goals in seeking a stronger nexus and accountability for FFMs managing ADGM-domiciled funds: closed-ended QIFs only, UAE-resident director, ADGM-based fund administrator and CSP, submission to ADGM laws and courts, and host-manager prohibition. We recommend calibrated implementation with grandfathering for existing funds, targeted exceptions to the Eligible Custodian requirement where these are impractical, and allowance for administrators in Recognised/Zone 1 jurisdictions where equivalent access and supervision can be assured.
- **Specialist Funds and Miscellaneous Changes:** MFA supports the FSRA's review of whether separate frameworks for specialist classes of funds are necessary. Since the specialist frameworks have been in place for some time now, it is appropriate for the FSRA to consider whether these strategies merit separate regulatory treatment or whether these increasingly mainstream investment strategies should be enveloped into the broader regulatory infrastructure. MFA strongly supports the latter.

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MFA supports the FSRA's objectives to modernise and calibrate the funds framework. We would welcome the opportunity to discuss these recommendations and provide further detail regarding our comments to the Consultation and look forward to the second consultation paper expected later this year. MFA appreciates the opportunity to provide these comments to the FSRA of the ADGM in response to the Consultation. If you have any questions about these comments, or if we can provide further information, please do not hesitate to contact Jeff Himstreet (jhimstreet@mfaalts.org) or the undersigned (rhailey@mfaalts.org).

Yours sincerely,

/s/ Rob Hailey

Managing Director
Head of EMEA Government Affairs
MFA

**Annex – Responses to Consultation Questions**

**Question 1:** **Do you agree with the proposal to introduce a streamlined regulatory framework for Fund Managers of smaller Funds?**

**Answer:** MFA supports the proposal to introduce a streamlined regulatory framework for managers of smaller funds, with appropriate modifications. A proportional, streamlined regime for smaller AIF managers will lower barriers to entry, align ADGM with peer markets, and improve regulatory clarity without compromising investor protection. We appreciate that the STFM is modelled on the sub-threshold regime of AIFMD, as many MFA member firms have experience with the UK/EU regimes. Many U.S.-based advisers also have experience with the exempt reporting adviser regime in the U.S.

On that point, it appears that the Consultation and the underlying regulatory structure was modelled after AIFMD. MFA suggests that consideration also be given to the U.S. Investment Advisers Act of 1940 ("**Advisers Act**") when developing the regulatory environment for investment managers to private funds (the U.S. equivalent of AIFs. The Advisers Act is based on the underlying premise that the manager is a fiduciary to its client – the private fund. This fiduciary obligation imposes a mandate to identify and address conflicts of interest through prevention, mitigating controls, disclosure, and other means. The Advisers Act also imposes detailed restrictions on marketing, trading, and custody of client assets, in addition to detailed recordkeeping and disclosure requirements. The Advisers Act, we suggest, is worth consideration as the ADGM moves forward with the Consultation.

We support codifying a lighter-touch framework for closed-ended Exempt Funds and qualified investor funds ("**QIFs**") managed by sophisticated sponsors, provided core prudential, disclosure, and governance safeguards remain intact. MFA also suggests the FSRA consider whether limiting the applicability of the STFM framework to closed-end QIFs or Exempt Funds is necessary, particularly on a long-term basis. A concerted global effort is underway to expand the availability of alternative assets in fund investments, such as an allocation within a UCITS fund or a U.S. fund registered under the Investment Company Act of 1940 ("**1940 Act**").

While the proposed $200 million threshold does not appear unreasonable, we encourage the FSRA to revisit the limit periodically to ensure that its regulatory resources are appropriately allocated and that over time the limit does not become unnecessarily low for managers. We have seen in other jurisdictions where a regulatory threshold that appeared reasonable in year one is left unchanged for several years, resulting in a burdening of regulatory resources since even a modestly-sized manager would be considered "small" and leaving a host of modestly-sized managers that no longer meet the "small" manager definition and thus are subject to the full range of regulatory oversight. The effect is a disproportionate strain on regulatory resources given the limited operations and risks of the manager.

**Question 4:** **What is your view on the imposition of a leverage limit of 100% of Fund NAV on Funds managed by STFMs?**

**Answer:** MFA does not support a hard leverage cap for STFMs or any other AIF that is offered to institutional investors. A uniform cap may unduly constrain multi-strategy funds and other strategies where secured borrowing is intrinsic to the investment model. Rather than impose an arbitrary, inflexible blanket cap, MFA recommends a risk-based approach consistent with its fiduciary obligations by requiring disclosure of leverage use in offering documents, implementing appropriate risk management controls, and setting policy, risk management, and contractually based guardrails (e.g., senior secured borrowing, asset coverage tests, concentration and covenants). We also note that the counterparty providing the leverage – typically a dealer or a bank – is subject to their own leverage and lending limits.

It is important to consider that different types of market participants use leverage in different ways. The alternative asset management industry has exhibited consistent and modest use of leverage over time, as exhibited in reporting on Form PF submissions in the U.S. and the UK Financial Conduct Authority hedge fund surveys.[3] With respect to private credit in particular, the U.S. Federal Reserve concluded in its 2023 Financial Stability Report that, "the financial stability vulnerabilities posed by private credit funds appear limited. Most private credit funds use little leverage and have low redemption risks, making it unlikely that these funds would amplify market stress through asset sales."[4]

Leverage moreover does not lend itself well to accurate measurement that is calibrated based on the purpose and use of the leverage, which will dramatically affect its risks to the counterparties and the broader markets. Gross notional exposure ("**GNE**"), for example, presents an incomplete view of a firm's risk because the same gross exposure amount can have very different risks depending on the characteristics of the position.[5] GNE furthermore is not marked to market and therefore often presents an artificially and dramatically inflated risk metric.

Leverage calculations also may not consider the risk-mitigating effects of offsetting exposures that can be netted and collateral and margin securing the leveraged trade. Different asset classes, duration (*i.e.*

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3 Financial Conduct Authority, *Hedge Fund Survey* (2015), available at http://www.fca.org.uk/static/documents/hedge-fund-survey.pdf.

4 Federal Reserve, *Financial Stability Report*, 47 (2023), available at https://www.federalreserve.gov/publications/files/financial-stability-report-20241122.pdf.

5 As stated by the Bank of England, "GNE is not informative about the potential losses and liquidity demands that a fund could face" with respect to synthetic leverage because GNE does not consider the sensitivity of derivatives to different risk factors, offsetting exposures to derivative positions, or the purpose of a derivative exposure to increase or hedge risk. *See* Bank of England, *Public Comment on IOSCO Report: Leverage*, 4 (2018), available at https://www.iosco.org/library/pubdocs/615/pdf/Bank%20of%20England.pdf.

longer tenors generally are higher risk), and clearing status also will considerably affect the risks posed with the use of leverage.

It is important to recognise that, for alternative asset managers, leverage is often employed as part of hedging transactions that moderate the overall risk of the fund's portfolio and thus do not present any of the purported financial stability risks. For example, alternative asset managers commonly invest capital raised from investors in long debt and equity positions and rely on derivatives to hedge against currency or interest rate risks. As a result, the net exposure in the portfolio is far less than the combined gross exposure of all the individual positions. In addition, private credit funds provide diverse and flexible funding to operating companies that is important to the overall growth of the economy.

Alternative asset managers use leverage to free up capital that they can invest in businesses of all sizes. Moreover, alternative asset managers are active participants in the primary and secondary markets, using leverage to finance their investment, trading arbitrage and hedging activities, which cumulatively enhance price discovery and market efficiency. The use of leverage, in a way that is prudently risk managed, helps facilitate these important activities, which, in turn, are key to maintaining market stability and growing the real economy.

Arbitrary leverage caps can also hamper a STFM's investment strategy or prove more costly to fully implement it absent the prudent use of leverage. MFA therefore opposes strict caps on leverage for AIF managers, including SFTMs.

**Question 5:** **Do you have any comments on the proposed process for transitioning between the STFM and 'full scope' Fund Manager frameworks?**

**Answer:** MFA supports well-defined opt-in and transition mechanics to ease the transition from the STFM framework to a "full scope" fund manager framework. We request operational clarity regarding several items:

(i) a defined observation/grace period (e.g. 180 days) when commitments are expected to exceed USD 200 million;
(ii) guidance on calculating "committed capital" across parallel vehicles, co-invests, and feeders;
(iii) a streamlined variation-of-permission workflow; and
(iv) explicit grandfathering so existing fund terms are not destabilised while a fund is raising investor capital.

**Question 6: Do you have any comments on the proposed framework for STFMs?**

**Answer:** MFA does not support a base capital requirement ("**BCR**") for SFTMs. The Consultation proposes a BCR of USD 50,000, no EBCM, governance relief (no mandatory Finance Officer/internal audit), mandatory PII, and investor disclosure.

It would be ill-suited to seek to apply bank-like prudential regulations to alternative asset managers. Alternative asset managers do *not* take deposits, investments are not guaranteed by government backstops, and they operate with long-term capital on behalf of professional investors. We have noted elsewhere that imposing a one-size-fits-all capital framework on investment firms "ignores that reality and discourages firms from doing business" in the jurisdiction.[6] Alternative managers also pose no risk to consumers or market stability and we note that excessive capital burdens create a competitive mismatch with other global financial centres (including the US). MFA urges ADGM to further sharpen its focus on proportionate regulation tailored to firm size, complexity, and investor base: applying full-scale prudential rules across the board would impose unnecessary cost and complexity on smaller professional fund managers. Applying bank-like capital buffers to alternative asset managers would undermine ADGM's goal of fostering a competitive, internationally aligned funds centre. ADGM's goals would be better realised in favour of a calibrated, risk-sensitive regime.

MFA has similarly opposed "gold-plated" minimum capital requirements on AIF managers in the EU and UK. Such requirements would impose disproportionate burdens on managers whose business models are fundamentally different from those of banks and insurers, without delivering meaningful systemic risk mitigation.[7] AIFs already operate under robust investor-driven governance and disclosure frameworks, consistent with the AIF manager's fiduciary obligation to the AIF. AIF risk profiles simply do not warrant bank-like prudential standards. Imposing rigid capital thresholds would stifle innovation, reduce investor choice, and limit access to alternative investment strategies, particularly for smaller managers, thereby undermining capital formation and market efficiency. We have consistently advocated for a proportional approach that calibrates requirements based on fund size, strategy, and investor sophistication, rather than a one-size-fits-all regime.[8]

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6 Managed Funds Association, *MFA Urges FCA to Remove Bank-Style Capital Rules for Asset Managers*, (June 12, 2025), avail. at https://www.mfaalts.org/press-releases/mfa-urges-fca-to-remove-bank-style-capital-rules-for-asset-managers/. *See also* Letter from MFA to FCA, FCA Consultation Paper CP25/10 – Definition of capital for FCA investment firms (12 Jun. 2025), avail. at https://www.mfaalts.org/wp-content/uploads/2025/06/FCA-CP25-10.pdf.

7 MFA, Comment Letter on European Commission Consultation on Macroprudential Framework for Non-Bank Financial Intermediaries, at pp. 3-4 (Oct. 22, 2024), avail. at https://www.mfaalts.org/wp-content/uploads/2025/01/MFA-EC-Comment-Letter-re-NBFI-Consultation-22Nov24-FINAL-1.pdf.

8 *Id.* at 6-7.

**Question 9:** **Do you agree with the proposal to introduce a streamlined regulatory framework for IFMs?**

**Answer:** MFA strongly supports a streamlined IFM framework for institutional-only funds. The combination of high minimum subscriptions, institutional governance standards, and highly sophisticated investors justifies measured prudential relief while maintaining appropriate regulatory supervisory visibility. We do recommend additional modifications to the licensing process and ongoing regulatory obligations to reflect the sophistication of AIF investors.

MFA recommends removing the artificial requirement that the investor base be limited to institutions. If a natural person investor has demonstrated sufficient sophistication – such as meeting applicable asset or investment thresholds or working through a family office or financial advisor – and can meet the fund's investment minimum, MFA believes they should be permitted to invest in the IFM.

MFA further encourages the FSRA to apply greater flexibility on which types of legal entity within ADGM are eligible to hold a license. It is understood, for example, that limited partnerships without separate legal personality are currently unable to be licensed. This restriction does not reflect the organizational structure of today's complex, multi-entity fund structures, and MFA encourages ADGM and the FSRA to consider expanding the types of legal structures eligible for registration.

The Consultation also presents an opportunity for the FSRA to clarify the scope of activities permitted under a Category 3C license for discretionary fund management. There appears to be a lack of clarity about whether order execution activities may be conducted under a Category 3C license, specifically if the actual investment decision is made outside the ADGM.

MFA also recommends that the FSRA reconsider the mandatory internal audit requirement, particularly for firms only dealing only with institutional investors. For fund managers that only deal with institutional investors, the mandatory internal audit requirement creates additional considerable costs and bureaucracy that are disproportionate to the risk.

The Consultation also provides an opportunity for the FSRA to explore a more principles-based approach to licensing conditions. As an example, we are unsure the regulatory purpose advanced by reviewing internal and external audit engagement terms as part of the licensing process. Approval conditions should be tailored to reflect the nature and scale of the regulated activity being conducted. As currently applied, certain requirements appear disproportionate for smaller or more limited operations in the context of a global fund manager.

As discussed below, MFA further recommends that employees of the fund or its manager be permitted to invest in the IFM without requiring the manager to incur the expense and operational costs of creating and managing a separate fund vehicle solely for employees.

**Question 10:** **Do you agree with the proposed eligibility criteria for IFMs? Is the proposed minimum subscription amount of $5 million appropriate in the context of a Fund targeting exclusively institutional investors?**

**Answer:** MFA recommends that the FSRA consider shifting its focus away from the minimum investment size and towards the qualifications of the underlying investor. The USD 5 million minimum subscription appears intended to act as a reasonable proxy for institutional participation. We recommend explicit treatment of nominee, aggregator, and sovereign-linked special purpose vehicles to confirm that indirect holdings by institutions remain eligible.

As we discuss above in our response to Question 9, a more appropriate indicator of investor eligibility would be to focus on the assets and sophistication of the investor, rather than a minimum subscription amount. A U.S. private fund, for example, may have a USD 1 million investment minimum but only be available to persons that are "qualified purchasers" under the 1940 Act, which generally for natural persons requires at least $5 million in investments.[9]

**Question 11:** **Do you have any comments on the proposed framework for IFMs?**

**Answer:** MFA does not support minimum capital requirements for IFMs, as noted in our response to Question 6. While we appreciate the reduced EBCM (6/52 AAE) and exemption from PII for IFMs, bank-like requirements such as minimum capital requirements are misplaced. Unlike banks, AIFs do not accept deposits and investor redemption rights are strictly limited by contract. Given the lower conduct risk profile and the practical ability of institutional investors to replace managers, we believe minimum capital requirements simply are ill-suited and unwarranted. We note that the U.S. SEC does not impose capital requirements on IFMs or other asset managers.

Enhanced disclosure of wind-down/transition arrangements in offering documents may be appropriate, depending on strategy, as may be disclosure of material changes to investment operations.

**Question 12:** **Do you have any comments on the proposed process for transitioning between the IFM and 'full scope' Fund Manager frameworks?**

**Answer:** MFA agrees with well-defined and simple frameworks for a fund to opt-in to the IFM either upon launch or if it transitions to an IFM. If an IFM intends to manage funds in a manner that would cause it to

[9] *See* 1940 Act, §2(a)(51) (definition of "qualified purchaser"), avail. at https://www.govinfo.gov/content/pkg/COMPS-1879/pdf/COMPS-1879.pdf.

become ineligible for the IFM, we support a simple notification to the FSRA that the fund intends to be subject to the full scope of the FSRA fund rules.

**Question 13:** **What is your view on extending the proposed IFM framework to a limited subset of investment managers? Do you agree with the proposed eligibility criteria for such investment managers?**

**Answer:** MFA supports extending IFM-like relief to investment managers acting solely for affiliated or other fund managers that target institutions, provided the investment manager (i) holds no client money or assets; (ii) operates under robust outsourcing oversight and conflicts controls; and (iii) maintains transparent service agreements delineating responsibilities between the ADGM fund manager and the affiliated or other fund investment manager.

If a fund manager can meet (i) through (iii) above, MFA recommends extending the IFM framework beyond mere affiliates: an unaffiliated manager acting as a sub-manager of the ADGM fund manager should be eligible for the IFM framework, as client assets are held with the custodian of the ADGM fund manager. The FSRA would have visibility into, and supervision of, the ADGM manager including the assets that are managed by the sub-manager. It therefore appears unnecessary to limit the extension of the IFM regulatory structure to affiliates of the ADGM manager.

**Question 14:** **Do you agree with the proposal to facilitate investment in Exempt Funds and QIFs by Employee Investment Vehicles?**

**Answer:** MFA supports the goals of enabling employee investment through EIVs. EIV participation aligns interests, aids retention, and is valued by institutional investors when properly governed. Investors appreciate that employees have "skin in the game" and an ownership stake in the QIF. MFA recommends two important changes to the proposed EIV regime as discussed in our response to Question 15 below to remove barriers for employee participation in QIFs managed by their employer.

**Question 15:** **Do you agree with the proposed Employee Investment Vehicle participant criteria and the associated proposed obligations on the Fund Manager?**

**Answer:** While we agree with the EIV concept and fully support aligning fund manager employee interests with investor interests, MFA recommends expansion of (i) the class of employees permitted to invest and the (ii) nature of the fund itself.

First, we are concerned that the limitation for EIV participation on "senior" "front-office" employees is vague and unduly restrictive. Many large AIF managers have hundreds, and in some cases thousands, of employees. Many of these employees are highly educated individuals but are not "directly involved in

the investment strategy or in providing investment advice to the Fund Manager" in respect of the underlying Fund."[10] Risk officers, investor service professionals, marketing staff, information security professionals, and compliance officers are all educated, sophisticated individuals but not "directly involved in the investment strategy" of the fund. The U.S. definition of a "knowledgeable employee" also is unduly narrow and fails to capture the private fund manager professionals that should be eligible to invest in the funds managed by the employer.[11]

MFA recommends that the FSRA expand the scope of employees eligible for the EIV regime to employees or directors of the fund manager. The AIF manager is best positioned to determine which of its employees are suitable investors of the fund without limiting it to portfolio managers, traders, and other "front office" personnel.

Second, we believe there may be more efficient ways to support the Consultation's objectives than requiring the fund manager to incur the considerable expense of establishing a separate fund solely to accommodate employee investment. The Consultation currently limits employee participation to separate entities that the AIF manager has established solely for employee investment.

The mandatory creation of a separate fund introduces a host of compliance issues and expenses for the manager. Creation of a new fund also is costly and, as noted above, unnecessary. The EIV would follow the same investment strategy of an existing, investor-facing fund. By creating a separate vehicle that would be managed side-by-side with the existing, investor facing fund. The manager would be faced with the challenge of managing the much smaller EIV in a manner consistent with the larger investor-facing fund. Operation and management of a separate fund pursuing the same investment strategy as the investor-facing fund is unnecessary for the FSRA to accomplish its goals in permitting EIVs at the outset – to foster employee investment.

MFA therefore recommends that eligible employees, as determined by the AIF, be permitted to invest alongside institutional investors in the IFM without independently meeting the eligibility criteria of the IFM. The alignment of interests between the institutional investor and the fund manager is strongest when the eligible employees are investing in the same fund alongside the institutional investor, rather than investing in a separate vehicle following the same investment strategy.

**Question 16: Do you agree with the proposed revisions to the Foreign Fund Manager framework?**

**Answer:** MFA supports strengthening the FFM framework to enhance accountability and investor protection but recommends calibrated implementation. We believe, however, that the proposed requirement that the

[10] Consultation, *supra* note 2, at ¶35.

[11] 1940 Act Ruld 3c-5 (definition of "knowledgeable employee"), avail. at: https://www.law.cornell.edu/cfr/text/17/270.3c-5.

fund administrator be based in the Abu Dhabi is unnecessary where equivalent access and supervision can be assured. Meetings often times are virtual and we caution against a rigid requirement that the administrator be physically present in Abu Dhabi. Non-ADGM fund administrators in Recognised/Zone 1 jurisdictions, for example, should be permitted.

MFA does not oppose providing clear service-of-process arrangements via ADGM-licensed CSPs or ADGM jurisdiction under the choice of law provisions in applicable agreements. MFA recommends a substantial grace period to accommodate the necessary contractual amendments.

MFA suggests that it is not necessary in all circumstances for a FFM to appoint a local eligible custodian. The Consultation notes that it often a domestic custodian is impractical or the expenses and burdens of establishing a domestic custodial relationship is unjustified given the limited assets. MFA therefore supports adopting targeted exceptions where an Eligible Custodian is impractical and/or unnecessary.

**Question 17:** **Do you have any comments on the FSRA's Private Credit Fund framework? Are any specific changes to the framework merited?**

**Answer:** We recommend that FSRA consider whether it is necessary to continue to maintain separate regulatory regimes for specialist classes of funds, including private credit funds and climate- or sustainability-based AIFs or whether they should be incorporated into the general FSRA AIF ecosystem.