



Asset Management & Investment Funds Update

June 2022

Central Bank Clarifies UCITS and AIF Authorisation Procedures

On 19 May 2022, the Central Bank published new website guidance aimed at clarifying and enhancing the transparency of its authorisation processes and procedures (the Guidance). This Guidance, some of which represents a change to existing Central Bank authorisation processes (in respect of non-EU third party approvals), forms part of a wider Central Bank project to review UCITS and QIAIF authorisation processes over the course of 2022.

Non-EU Investment Manager, Discretionary Adviser, AIFM Applications

The Guidance amends and extends the existing regulatory guidance for the approval of UCITS and AIF investment managers and investment advisers by setting out a new online process for the clearance of non-EU based investment managers. The new process involves the submission of applicant details (similar to that required under the existing process) via the Central Bank's ONR, and, as an additional measure, an attestation from the fund manager as to the due diligence it has carried out on the applicant including, at a minimum:

1. Confirmation of the regulatory status and background of the investment manager to ensure they are appropriately regulated and supervised and are not subject to legal proceedings.
2. Confirmation that a review of the financial information has been completed to ensure the investment manager has the required level of share capital and has no contingent liabilities.
3. Confirmation that a review of the resources, systems and procedures of the investment manager have been completed to ensure that they are sufficient to adequately carry out all the functions delegated to it; and
4. A confirmation that they are in a position to effectively monitor the investment manager's compliance with the relevant fund documentation and all regulatory and legislative requirements in this regard.

In addition, the list of jurisdictions with comparable regulatory regimes has been extended to include Abu Dhabi, Qatar, South Korea and the UK. The Guidance also applies the above clearance process for non-EU investment managers to both non-EU discretionary investment advisers and non-EU AIFMs.

Derogation requests

The Guidance clarifies the process for UCITS and QIAIFs to request a derogation from, as applicable, the Central Bank UCITS Regulations and the AIF Rulebook, including a non-exhaustive list of the information which must be submitted to the Central Bank as part of the request and, in the case of the QIAIF guidance, details of commonly granted derogation requests.

Next Steps

Fund management companies should take note of the new Guidance which is immediately effective and accessible [here](#) on the Central Bank's website.

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