




Asset Management & Investment Funds Update






October 2022






Key Dates & Deadlines: Q4 2022

Date	Source	Summary	Action/Impact
23 September		MiFID - sustainability preferences Revised ESMA Suitability Guidelines published with an effective date of six months post the publication of translations of the guidelines on ESMA's website. See article on topic in this month's update for further details.	Fund managers with MiFID top-up licences should review their compliance approach for MiFID sustainable preference rules (effective 2 August 2022) for any necessary revisions to align, in due course, with ESMA guidelines.
30 September		SFDR Level 2 - disclosure templates ESMA, together with the other ESAs, published revised draft SFDR disclosure templates reflecting the addition of fossil fuel gas and nuclear activities to the Taxonomy. Other technical changes have also been made to the templates to take account of clarifications from the Commission and correct typographical errors in the questions/instructions in the templates. The Commission must now confirm the effective date of the revised templates. See article on topic in this month's update for further details.	As the Commission may require use of the revised templates from 1 January 2023, fund managers should take account of the revised templates published by the ESAs as part of the Level 2 compliance preparations.
Q4 (revised forward from 13 September)		AML - beneficial ownership Deadline for ICAVs, ILPs, CCFs and unit trusts to file beneficial owners' identity verification details (PPSN or	Relevant fund vehicles to collect PPSNs and CBI reference numbers (issued as part of PCF approval process) for beneficial owners. For

		<p>CBI reference number) with the Central Bank as Registrar of the Register of Beneficial Ownership of Certain Financial Vehicles. See here for further details.</p>	<p>those beneficial owners without a PPSN/CBI reference number, a verification of identity process is available to obtain a CBI reference number.</p>
<p>19 October (extended from 7 October)</p>		<p>Outsourcing - registers</p> <p>Markets firms (including fund management companies) with a PRISM rating of Medium Low or above (or its equivalent) are required to submit their outsourcing register, prepared using the relevant regulatory template, via the ONR. See here for further details.</p>	<p>Relevant fund managers to complete mapping of all outsourcing relationships and finalise outsourcing register template for submission to the Central Bank. Fund managers not subject to the filing requirement are equally required to prepare an outsourcing register which must be made available on request from the Central Bank.</p>
<p>November 2022 (exact date to be confirmed)</p>		<p>Corporate Sustainability Reporting Directive (CSRD)</p> <p>Reporting standards for the proposed CSRD are expected to be published. CSRD reporting rules are expected to be effective from 1 January 2024 (using 2023 data) for companies already subject to the NFRD, from 1 January 2025 (using 2024 data) for large non-NFRD companies and from 1 January 2026 (using 2025 data) for listed SMEs. See here for further details.</p>	<p>Fund managers should consider the scope and impact of being subject to the extensive sustainability reporting standards under CSRD. CSRD is intended to align with SFDR and the EU Taxonomy but will represent a not insignificant additional reporting obligation for in-scope companies.</p>
<p>1 December</p>		<p>SFDR Level 2 – Central Bank fast-track process</p> <p>Filing deadline for Article 8 and 9 funds for pre-contractual disclosures required under SFDR Level 2 rules. See article on topic in this month's update for further details.</p>	<p>Fund managers of Article 8 and 9 funds must update offering documents to take account of the Level 2 rules, including the requirement to publish the relevant pre-contractual template annexed to Level 2, and prepare to file updated documents with the Central Bank in accordance with published guidance for the regulatory fast-track process for noting such documents.</p>
<p>27 December</p>		<p>GDPR – new third country SCCs</p> <p>A new version of the standard contractual clauses (SCCs) for the transfer of personal data outside of the EEA was published in June 2021, with the previous version repealed from 27 September 2021. Organisations have until 27 December 2022 to transition existing sets of the 'old' SCCs over to the 'new' SCCs, after which date the 'old' SCCs will no longer be deemed to provide appropriate safeguards. See here for further details.</p>	<p>Fund managers should advance reviews of existing sets of 'old' SCCs to identify those which need to transition to the new SCCs.</p>

<p>30 December</p>		<p>SFDR – fund PAI disclosures</p> <p>SFDR compliance deadline for pre-contractual disclosure of any fund-level consideration of principal adverse impacts (PAIs) including whether and how PAIs are assessed at fund level and confirmation that fund annual reports contain reporting on any identified PAIs. See here for further details.</p>	<p>Fund managers should consider/address fund PAI disclosure ahead of the deadline, noting such disclosures can be included in the Central Bank's fast-track process for the year-end SFDR Level 2 compliance deadline.</p>
<p>31 December</p>		<p>SFDR – PAI reporting (assessment date)</p> <p>Fourth and final calculation date for the 2022 assessment of the PAIs of investment decisions under SFDR Article 4(1)(a), (3) or (4). See here for further details</p>	<p>Fund managers should consider/address how relevant data is to be captured given that the first PAI reference period applies during 2022 for PAI Reporting by 30 June 2023.</p>
<p>31 December</p>		<p>COVID-19 – flexibility measures</p> <p>Interim company law flexibility measures introduced under the Companies (Miscellaneous Provisions) (COVID-19) Act 2020 expire. At the moment plcs are permitted concessions in relation to virtual meetings and manner of executing documents under seal. The expiration date of these measures has been extended on several occasions with the latest extension to the end of the year. See here for further details.</p>	<p>Fund managers utilising the flexibility measures to take note of the current expiration date.</p>
<p>31 December</p>		<p>PRiIPs – for UCITS</p> <p>Following several extensions, the PRiIPs transitional period for UCITS comes to an end on 31 December 2022 and from 1 January 2023 UCITS made available (sold) to EEA retail investors must publish a PRiIPs KID. See article on topic in this month's update for further details.</p>	<p>UCITS fund managers should advance preparations for the PRiIPs compliance deadline from when UCITS must produce:</p> <ul style="list-style-type: none"> • a PRiIPs KID for EEA-based retail investors • either a PRiIPs KID or UCITS KIID for professional investors and non-EEA based retail investors • a UCITS KIID for any UK investors (under UK UCITS KIID rules).
<p>31 December</p>		<p>Outsourcing – ESMA Cloud Outsourcing Guidelines</p> <p>End of transitional period for compliance of existing cloud outsourcing arrangements with the ESMA Cloud Outsourcing Guidelines (effective for new arrangements since July 2021) which set out guidance for the governance and risk management</p>	<p>Fund managers should consider/address compliance of existing arrangements with the Cloud Outsourcing Guidelines, whether as part of work programmes implementing the Central Bank Cross-Industry Guidance on Outsourcing or separately, but in any event prior to the end of the transitional period for compliance of existing arrangements</p>

		<p>of cloud service provider arrangements and third-party outsourcing arrangements where the third party relies significantly on a cloud service provider. The Central Bank Cross-Industry Guidance on Outsourcing, issued with immediate effect on 17 December 2021, incorporates the ESMA Cloud Outsourcing Guidelines. See here for further details.</p>	<p>with the Guidelines. Firms are required to notify their competent authority if the review of existing cloud outsourcing arrangements of critical or important functions is not finalised by 31 December 2022 and confirm the measures planned to complete the review or the possible exit strategy.</p>
<p>1 January 2023</p>		<p>Performance fees – multi-manager funds</p> <p>Central Bank deadline for multi-manager UCITS' and RIAIFs' compliance with ESMA Q&A on performance fees which precludes the payment of performance fees to individual managers if overall the fund has underperformed. See here for further details.</p>	<p>Impacted fund managers should advance preparations to transition existing performance fee structures into compliance with the terms of ESMA UCITS Q&A (Section XI, Q&A 5) and ensure any necessary amendments to performance fee disclosures in offering documents are finalised ahead of the 1 January 2023 deadline.</p>
<p>1 January 2023</p>		<p>SFDR Level 2 - effective date</p> <p>SFDR Level 2 sets out additional disclosure obligations in respect of:</p> <ul style="list-style-type: none"> • fund managers' disclosure of the PAIs of its investment decisions on sustainability factors under SFDR Article 4 • fund disclosures of environmental or social (E/S) characteristics under SFDR Articles 8, 10 and 11 • fund disclosures of sustainable investment objectives under SFDR Articles 9, 10 and 11 <p>See here for further details.</p>	<p>Advance preparations for any disclosure of entity-level PAIs and Article 8/9 product-level green/social characteristics/objectives using the mandated disclosure templates appended to SFDR Level 2 and by reference to the website disclosure rules in Chapter IV, SFDR Level 2.</p>
<p>2023 (date dependent on publication date of relevant financial report)</p>		<p>SFDR Level 2 – fund annual report disclosures</p> <p>SFDR Level 2 financial report disclosure rules take effect from 1 January 2023 and must be addressed in annual reports published after this date irrespective of the relevant financial or reference period. See here for further details.</p>	<p>Fund managers must ensure annual financial statements published after 1 January 2023 for funds subject to SFDR Article 8 or 9 incorporate the relevant SFDR Level 2 disclosure template, completed in accordance with Chapter V, SFDR Level 2.</p>

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