

Fund Management Company Guidance – Designated and Monitored Email Address

Introduction

The Central Bank of Ireland (the **Central Bank**) published “Fund Management Companies – Guidance (December 2016)” which sets out new guidance for UCITS management companies, AIFMs, self-managed UCITS and internally managed AIFs (each a **Fund Management Company**) and aims to streamline the managerial functions into six categories over a transition period up to 1 July 2018.

Designated and Monitored Email Address

Part V “Operational Issues” introduces a new requirement for Fund Management Companies to maintain a designated email address. The Central Bank wants to ensure that there is an effective and efficient line of communication between the Central Bank and Fund Management Company which will allow the Central Bank to, among other purposes:

- send letters, including formal letters, to the Fund Management Company or investment fund;
- request meetings;
- issue surveys or requests for information;
- disseminate industry letters and notes; and
- more generally act as a portal for other Fund Management Companies/supervisory related communication activities (collectively **Central Bank Communications**).

The designated email address will also assist Fund Management Companies in complying with Section 22 of the Central Bank (Supervision and Enforcement) Act 2013, Regulation 123 of the UCITS Regulations 2011 and Regulation 48 of the AIFM Regulations 2013 which regulate Fund Management Companies to respond to Central Bank Communications within the timely manner.

Requirements

The designated email address is required to:

- a) be approved by the directors of the Fund Management Company as the designated email address;
- b) be continuously monitored and checked on at least a daily basis for Central Bank Communications.
- c) have appropriate security, data protection and privacy processes and procedures to ensure it complies with all applicable laws, regulations, conditions and rules;
- d) have sufficient capacity to accommodate a regular level of communication from the Central Bank;
- e) be monitored by a person with the relevant expertise to ensure that Central Bank Communications are correctly considered and, where required, forwarded to the relevant party to address the content of the communication; and
- f) address Central Bank Communications received at the email address within the time frame provided in the relevant communication.

A Fund Management Company may choose to maintain a single email address for the Fund Management Company and all investment funds under management or as separate dedicated email addresses for the Fund Management Company and for each investment fund under management.

The Central Bank has emphasised that all Central Bank Communications should be addressed within the time frame provided in the relevant communication. Adherence to such time frames and the quality of information received will be a principal means by which the Central Bank can assess, evidence and establish:

- (i) the control and resources of a Fund Management Company;
- (ii) the quality of oversight and governance provided by the directors and Designated Persons; and
- (iii) the fitness and probity of directors and Designated Persons.

Updates and changes

Changes to a designated email address must be communicated to the Central Bank via the Online Reporting System as a “Regulatory Report” within five business days.

Timeline

The Central Bank is engaging directly with Fund Management Companies to request that the designated email address is communicated to it (via the email address CP86email@centralbank.ie) before 28 April 2017.

How A&L Goodbody can help

We are working closely with our clients in relation to the requirement to have a designated and maintain email address and the impact of CP86 more generally. In the meantime, if you have any queries, please contact one of the partners listed or your usual contact at A&L Goodbody.

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