

A Summary of the Impact of CP86 on Existing and New FMCs¹ - February 2017

CP86 Key Requirements	FMCs authorised before Nov 1 2015	FMCs authorised between 1 November 2015 and 30 June 2017	FMCs authorised after 30 June 2017
1. The rationale for board composition to be outlined in the business plan/programme of activity.	Only new FMCs are subject to this requirement in the authorisation process. However, it is suggested as good practice to include the rationale for board composition when the UCITS business plan and AIFMD programme of activity is next updated for existing FMCs.	Applicable from the date of authorisation.	Applicable from the date of authorisation.
2. Separate time commitments and a separate letter of appointment for designated persons (“DPs”).	For existing DPs to FMCs, compliance will be required by 1 July 2018. For new DPs to existing FMCs compliance is now required.	Applicable from the date of authorisation.	Applicable from the date of authorisation.
3. Streamlined six managerial functions for both UCITS management companies and AIFMs.	Compliance required by 1 July 2018.	Applicable from the date of authorisation.	Applicable from the date of authorisation.
4. An organisational effectiveness role to be performed by an independent director who doesn’t perform any of the six managerial functions.	Compliance required by 1 July 2018.	Applicable from the date of authorisation.	Applicable from the date of authorisation.
5. Delegate oversight consistent with CBI ² guidance.	Effective and applies to all existing FMCs.	Applicable from the date of authorisation.	Applicable from the date of authorisation.
6. Effective supervision and rules on the location of directors and designated persons.	Compliance required by 1 July 2018.	Compliance required by 1 July 2018.	Applicable from the date of authorisation.
7. The CBI deems a director to be high risk if the director	This is effective and applies to all existing FMCs.	Applicable from the date of authorisation.	Applicable from the date of authorisation.

¹ Fund Management Companies

² Central Bank of Ireland

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holds more than twenty directorships and an annual time commitment in excess of two thousand hours. Funds with such directors are subject to greater scrutiny.			
8. Maintain and monitor a dedicated e-mail address for correspondence with the CBI.	Compliance required by 30 June 2017.	Compliance required by 30 June 2017.	Applicable from the date of authorisation.
9. Retrievability of records (FMCs must ensure that records can be retrieved on an immediate basis to meet CBI requests for documentation).	Compliance required by 1 July 2018.	Compliance required by 1 July 2018.	Applicable from the date of authorisation.
10. Procedural matters (related to the organisation of FMCs and the application process for authorisation of FMCs).	Effective and applies to all existing FMCs.	Applicable from the date of authorisation.	Applicable from the date of authorisation.