

ASSET MANAGEMENT AND INVESTMENT FUNDS

## COVID-19: Practical Considerations for Irish Fund Management Companies

### Periodic Filings - Central Bank announces flexibility measures

20 April 2020

In light of the challenges that the current COVID-19 restrictions may pose for investment funds and fund management companies in preparing and submitting their periodic reports within the prescribed regulatory timeframes, ESMA [requested](#) that national regulators exercise regulatory forbearance, where possible, regarding these deadlines. On a dedicated [webpage](#) published last week, the Central Bank confirmed that it would be allowing investment funds and fund

service providers some flexibility around the filing of their periodic reports and other scheduled regulatory returns.

The Central Bank expects investment funds to adhere to the submission deadlines where possible. However, if the publication of the audited annual and semi-annual financial statements will be delayed beyond the normal regulatory deadlines, the fund or its fund management company should promptly

inform the Central Bank of this. Investors should also be informed as soon as practicable of the delay, including the reasons for the delay and, to the extent possible, the estimated publication date. The Central Bank notes that where the financial statements are usually published on the fund's website, then the notification of the delay should also be published on the website. The relevant filing must then be made within the permitted extension period as follows:

FUND TYPE	RETURN AND APPLICABLE PERIOD	EXTENSION PERIOD
UCITS	Annual audited financial statements referring to a year-end occurring on or after 31 December 2019 but before 1 April 2020	2 months
	Annual audited financial statements referring to a year-end occurring on or after 1 April 2020 but before 1 May 2020	1 month
	Annual audited financial statements referring to a year-end occurring on or after 1 April 2020 but before 1 May 2020	1 month
AIFs	Annual audited financial statements referring to a year-end occurring on or after 31 December 2019 but before 1 April 2020	2 months
	Annual audited financial statements referring to a year-end occurring on or after 1 April 2020 but before 1 May 2020	1 month
	Semi-annual financial statements referring to a reporting period ending on or after 31 January 2020 but before 1 April 2020	1 month

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Similarly, the Central Bank will allow fund management companies flexibility in respect of their scheduled filings,

including annual audited financial statements, semi-annual financial statements and capital adequacy returns,

provided that the relevant return is submitted within the extended timeframe.

RETURN	APPLICABLE PERIOD	EXTENSION PERIOD
Annual Audited Financial Statements	Submissions falling due from April to July 2020 inclusive	2 months
Semi-annual Financial Statements	Reporting dates March to May 2020	1 month
Capital Adequacy/Minimum Capital Requirement	Reporting dates March to May 2020	1 month

### Further Measures

To assess the effects of COVID-19 on the financial sector, the Central Bank may require additional targeted information from both investment firms and fund service providers, including fund management companies. The Central Bank intends to be measured and pragmatic in terms of the type and frequency of additional data requests, but it does expect these data requests to be complied with in an expedient manner.

The Central Bank has also clarified its expectations regarding the implementation of risk mitigation programmes (“RMPs”). Any firm subject to a RMP is expected to comply with the relevant implementation dates. Firms can engage directly with their usual supervisors where they have difficulties in relation to meeting specific RMP submission dates and explain why this

is the case. These submissions will be considered on a case-by-case basis.

Additionally, the Central Bank is postponing any updates to its regulatory policy framework in respect of investment firms, funds and fund management companies. In particular, the Central Bank is delaying the publication of its feedback statement on its recent consultation on the treatment, correction and redress of errors in investment funds (“CP130”).

### Next Steps

Funds and fund management companies that are in a position to make their filings within the existing regulatory deadlines should do so. Where this deadline cannot be met, funds or their fund management companies should:

- notify the Central Bank;

- inform investors of the delay, including the reasons for the delay and, to the extent possible, the estimated publication date. Where it is usual practice to publish the financial statements via a website, then the notification of the delay should be published on this website; and
- ensure that the delayed return is submitted to the Central Bank within the relevant extension period.

Finally, ESMA in its statement noted that funds that are required to make a disclosure under the Market Abuse Regulation must continue to disclose any inside information as soon as possible.

If you have any questions on, or would like to discuss, the matters mentioned in this briefing in more detail please do not hesitate to contact a member of our team.

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