



CBI Brexit update on location requirement for directors and designated persons

Central Bank of Ireland's Brexit update on location requirement for directors and designated persons of fund management companies

The Central Bank of Ireland has issued a [Notice of Intention](#) in relation to the location requirement for directors and designated persons of Irish UCITS management companies and AIFMs (the "**Notice**"). The Notice refers to the Effective Supervision Requirement introduced as part of CP86. The text of the requirement is set out in the Annex to the Notice. It requires that a minimum number of directors and designated persons be EEA-resident (e.g. at least half of the managerial functions should be performed by at least two EEA-resident designated persons).

In the event of a hard Brexit, this confirmation clarifies the Central Bank will not immediately move to treat the UK as a third country for the purposes of this requirement and will not require UK based directors and designated persons to be replaced by EEA based ones.

The Central Bank has made it clear that this would be a temporary measure while it considers whether the UK is a country to be determined as meeting the Effective Supervision Requirement in the event of a hard Brexit.