



Banc Ceannais na hÉireann  
Central Bank of Ireland

Eurosystem

# Feedback Statement

## Consultation Paper 162:

Consultation on proposed amendments to  
the Central Bank Alternative Investment  
Fund Rulebook (AIF Rulebook)

May 2026

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# 1. Introduction

Consultation Paper 162 (CP162) sets out the Central Bank of Ireland's (Central Bank) proposed amendments to the Central Bank Alternative Investment Fund Rulebook (AIF Rulebook).

First introduced in 2013, the AIF Rulebook forms an important part of the Central Bank's implementation of the Alternative Investment Fund Managers Directive (AIFMD) by consolidating into a single document the conditions that the Central Bank imposes on Irish authorised Alternative Investment Funds (AIFs), Alternative Investment Fund Managers (AIFMs), and their depositaries.

Following a review of AIFMD by the European Commission (EC), a revised AIFMD was published in the Official Journal of the European Union in 2023, entering into force in April 2024. The revised AIFMD introduces new obligations related to delegation, liquidity management tools, loan origination, reporting and depositaries.

Building on the Capital Markets Union, in 2023 the EC launched the Savings and Investment Union (SIU), a key initiative to better connect European (EU) citizens' savings with productive investments. The SIU's goal is to foster economic growth and competitiveness by reducing regulatory burdens and improving the accessibility of financial products. This includes streamlining administrative procedures, removing unnecessary barriers, and ensuring regulatory rules are necessary, effective and proportionate.

Cognisant of the changes taking place within the investment funds sector, the Minister for Finance in 2023 announced a review of the sector – the Department of Finance Funds Sector 2030 review (the DoF Review). The key objective of the DoF Review was to “*ensure that Ireland maintains its leading position in asset management and funds servicing; and that the framework for the sector is resilient, future-proofed, supportive of financial stability and a continued example of international best-practice*”.

The final report of the DoF Review contained several recommendations to achieve this objective. Pivotal for the investment funds sector was a recommendation “*to support further*

*growth of private assets” whereby “the Central Bank of Ireland should review its AIF Rulebook and associated requirements that impact on the establishment of private asset funds in Ireland”.*

In light of these significant developments at both the European and domestic level, and the rapid pace of change of the investment funds sector, the Central Bank initiated a review of the AIF Rulebook to align the national regulatory framework with the revised AIFMD, to respond to the recommendations set out in the Department of Finance Review and to ensure consistency with broader policy initiatives, such as the SIU. The Central Bank further recognised that the investment management industry has undergone considerable change since the AIF Rulebook was introduced and updates are necessary to take account of market developments, enhance regulatory effectiveness and provide additional clarity regarding the Central Bank’s expectations for regulated AIFs and related fund service providers.

Stakeholders were invited to provide observations and comments on the proposed amendments to the AIF Rulebook with a closing date for comments of 5 November 2025.

In all 15 responses were received and these are available at the following link: <https://www.centralbank.ie/publication/consultation-papers/cp162-consultation-on-proposed-amendments-to-the-central-bank-alternative-investment-fund-rulebook-aif-rulebook>

## 2. Central Bank Response

Overall, respondents were supportive of the proposed amendments to the AIF Rulebook. Where relevant, the Central Bank has updated the proposals set out in CP162 to take account of points raised in the submissions received. In addition, some further minor clarifications have been included.

### Section I: Definitions

#### Question 1:

##### Central Bank Proposal

The Central Bank proposed updates to the Definitions section of the AIF Rulebook to update, include or remove definitions as required.

## **Feedback**

The majority of respondents agreed with the proposed definitions updates. However, minor clarifications were suggested to certain parts of the text.

With respect to the definition of “Governing Documents”, one respondent stated that under the current definition it is implied that duplicative disclosures in the constitutional document and the prospectus may always be required and that it should be clarified that disclosures may be in either document as appropriate.

### **Central Bank Response:**

With respect to the definition of “Governing Documents” it has been clarified that disclosures may be made in the constitutional document and/or the prospectus.

A definition for “Authorised AIFM” has also been included in the AIF Rulebook.

## **Section II: Rulebook Introduction**

### **Question 2:**

#### **Central Bank Proposal**

The Central Bank proposed amendments to the definitions of the main fund types, the numbering of the relevant sections and title of chapters.

## **Feedback**

Respondents supported the proposed change without amendment.

### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### **Question 3:**

#### **Central Bank Proposal**

The Central Bank proposed the deletion of the AIF Management Company chapter.

## **Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Section III: Chapter 1 – Retail Investor AIF Requirements****Question 4:****Central Bank Proposal**

The Central Bank proposed the removal of an obsolete footnote and to provide for an amendment where the AIF Management Company chapter is referenced.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

The Retail Investor AIF chapter is being amended to align with the requirements of AIFMD II.

**Section IV: Chapter 2 – Qualifying Investor AIF Requirements****Question 5:****Central Bank Proposal**

The Central Bank proposed an amendment where a Qualifying Investor AIF operates a capital commitment mechanism, to provide for those Qualifying Investor AIFs to account for the contribution of the committed capital towards the minimum subscription amount.

**Feedback**

The majority of respondents agreed with the proposed changes. However, there were two proposed clarifications to: (i) clarify that the €100,000 subscription was a minimum subscription amount; and (ii) that the minimum capital commitment/minimum subscription amount can be achieved through the aggregate of a unitholder's investments and/or capital commitments in each of the sub-funds of an umbrella Qualifying Investor AIF.

**Central Bank Response:**

The Central Bank will clarify that the subscription amount is referring to the minimum amount.

The Central Bank does not propose to provide any further clarification at this time and will proceed as consulted upon.

**Question 6:****Central Bank Proposal**

The Central Bank proposed an amendment to grant an exemption from the minimum subscription requirement for Qualifying Investors AIFs to now include: (i) the AIFM or other legal entity within the AIFM's group; and (ii) those entities that provide advisory services (both discretionary and non-discretionary) to the AIFM.

**Feedback**

The majority of respondents agreed with the proposals, with a suggested clarification in respect of the certification required from prospective unitholders.

**Central Bank Response:**

The Central Bank agrees with the feedback and this provision will be amended in the AIF Rulebook.

**Question 7:****Central Bank Proposal**

The Central Bank proposed an amendment to reference 'debt securities' where a Qualifying Investor AIF issues such instruments on a private basis to a lending institution to facilitate financing arrangements.

**Feedback**

Overall respondents agreed with the proposed revisions subject to two specific amendments to revise the reference to "debt securities" and to broaden the reference to "lending institution" to include "other debt providers".

**Central Bank Response:**

The Central Bank agrees with the proposed amendments.

**Question 8:****Central Bank Proposal**

The Central Bank proposed removing the general restriction on Qualifying Investor AIFs granting loans and acting as guarantor to align with the new EU loan origination framework under AIFMD II.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 9:****Central Bank Proposal**

The Central Bank proposed amendments to the prohibition on a Qualifying Investor AIF from acquiring or from appointing an AIFM to acquire shares carrying voting rights that would enable it to exercise significant influence over the management of an issuing body.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 10:****Central Bank Proposal**

The Central Bank proposed an amendment to include reference to “or other legal entity” to the list of related parties that can manage an investment fund in which the Qualifying Investor AIF can invest.

**Feedback**

Respondents agreed with the proposed changes with one suggested amendment to clarify that the relevant provision related to the charging of fees is disapplied in circumstances where investment is made by a feeder fund into a related master fund, provided that investors in the feeder fund are not subject to a preliminary/initial/redemption charge.

**Central Bank Response:**

The Central Bank agrees that this clarification should be included.

**Question 11:****Central Bank Proposal**

The Central Bank sought to clarify that a Qualifying Investor AIF must ensure that its AIFM provides depositaries access to all necessary information to allow them to verify the calculation of the performance fee.

**Feedback**

Respondents disagreed with the changes proposed and suggested amendments to requirements related to the depositary/approved competent person having to verify the calculation of performance fees.

**Central Bank Response:**

The Central Bank has updated the requirement such that the Qualifying Investor AIF shall ensure that the depositary or a competent person appointed by the AIFM and who is approved by the depositary, verifies that procedures have been effectively implemented to ensure that any performance fees payable and accrued pursuant to the Qualifying Investor AIFs performance fee payment cycle, are calculated in accordance with the governing documents of the Qualifying Investor AIF.

**Question 12:**

**Central Bank Proposal**

The Central Bank proposed an amendment to the procedures for changing the maximum annual fee charged to a Qualifying Investor AIF.

**Feedback**

Respondents were generally in agreement with the proposed changes, while suggesting the deletion of the reference to “limited partnership agreement” as it is already covered by the term “constitutional document”.

**Central Bank Response:**

The Central Bank agrees with the feedback and this provision will be amended in the AIF Rulebook.

**Question 13:****Central Bank Proposal**

The Central Bank sought feedback on clarifications in relation to requirements on the maximum charge relating to the redemption or repurchase of units.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 14:****Central Bank Proposal**

The Central Bank sought feedback on clarifications to the process for remuneration of parties that charge fees to a Qualifying Investor AIF.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### Question 15:

#### **Central Bank Proposal**

The Central Bank proposed to remove the current requirement to specify the procedure to be followed within the constitutional document of the Qualifying Investor AIF for the replacement of the AIFM/management company. A further clarification is being added that the AIFM/management company/ general partner of a Qualifying Investor AIF may not be replaced without the prior approval of the Central Bank.

#### **Feedback**

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### Question 16:

#### **Central Bank Proposal**

The Central Bank proposed amendments to: (i) remove the current requirement to specify the procedure to be followed within the constitutional document of the Qualifying Investor AIF for the replacement of the depositary; and (ii) include a clarification that the approval of the Central Bank must be attained prior to the appointment of a depositary.

#### **Feedback**

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### Question 17:

#### **Central Bank Proposal**

The Central Bank sought feedback on the removal of the ability to issue bearer securities by investment funds.

### **Feedback**

All respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### **Question 18:**

#### **Central Bank Proposal**

The Central Bank sought feedback on a revision to the text to refer to “its” instead of “their” in relation to partly paid units.

### **Feedback**

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### **Question 19:**

#### **Central Bank Proposal**

The Central Bank proposed clarifications to requirements related to subscriptions in specie and on the treatment of assets by the depositary.

### **Feedback**

Respondents requested a clarification be made in relation to subscription in specie for “other assets” that cannot be held in custody. Respondents noted that a depositary’s obligations under Regulation 21(8)(b) of the AIFM Regulations are triggered at the point of exchange rather than before the assets are transferred as part of a subscription in specie.

#### **Central Bank Response:**

The Central Bank agrees with the feedback and this provision will be amended in the AIF Rulebook.

#### Question 20:

##### **Central Bank Proposal**

The Central Bank sought feedback on proposals to distinguish between the process where there is an exchange of assets from instances where there is an in specie redemption of assets as defined under Directive (EU) 2024/927.

##### **Feedback**

Respondents disagreed with the existing provisions in the constitutional document section of the AIF Rulebook in relation to redemptions in specie. One respondent suggested that each of the three bullet point conditions set out in paragraph 10 should be deleted.

##### **Central Bank Response:**

The Central Bank agrees with the feedback and this provision will be amended in the AIF Rulebook.

#### Question 21:

##### **Central Bank Proposal**

The Central Bank sought feedback on terminology to distinguish between the concept of an in specie of assets where there is a 'winding up' and a redemption in specie under Directive (EU) 2024/927.

##### **Feedback**

Respondents proposed that Central Bank provisions for the exchange of assets on a winding up should be deleted in favour of a disclosure regime which would include details of the operation of the distribution/exchange of assets mechanism.

##### **Central Bank Response:**

The Central Bank agrees with the feedback and the provision will be amended to distinguish between “a distribution of assets on a winding up” and that of “a redemption in specie” under Directive (EU) 2024/927.

The “exchange of assets” term used to describe this mechanism in the consultation paper will be amended to “distribution of assets on a winding-up”.

#### **Question 22:**

##### **Central Bank Proposal**

The Central Bank sought feedback on the removal of a duplicative reference in the AIF Rulebook that appears in the Companies Act 2014.

##### **Feedback**

Respondents supported the proposed change without amendment.

##### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

#### **Question 23:**

##### **Central Bank Proposal**

The Central Bank sought feedback on the removal of limitations that are placed on Investment Limited Partnerships from temporarily suspending the calculation of the NAV.

##### **Feedback**

Respondents supported the proposed change without amendment.

##### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

#### **Question 24:**

##### **Central Bank Proposal**

The Central Bank sought feedback on revisions whereby the term “withdrawal” is updated and the term “partners” is replaced by reference to “unitholders”.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 25:****Central Bank Proposal**

The Central Bank sought feedback on a clarification to the concept of “redemption fee” to distinguish it from the use of similar mechanisms as LMTs.

**Feedback**

Respondents supported the proposed change with one proposed amendment to delete paragraph 1(b) as it could be considered to prescribe a gating threshold.

**Central Bank Response:**

The Central Bank does not agree with this perspective. Paragraph 1(b) sets out liquidity characteristics for open-ended Qualifying Investor AIFs that distinguish them from Qualifying Investor AIFs with other liquidity characteristics. The Central Bank will proceed with the proposed changes as originally consulted upon.

**Question 26:****Central Bank Proposal**

The Central Bank sought feedback on an amendment to clarify that the period of time referred under the payment of redemption proceeds is 90 calendar days.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 27:****Central Bank Proposal**

The Central Bank sought feedback on an amendment to clarify that the extension to the days allowable under the payment of settlement proceeds is an additional 5 calendar days.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 28:****Central Bank Proposal**

The Central Bank sought feedback on the removal of requirements referencing the establishment of side pocket classes given the LMT provisions set out in AIFMD.

**Feedback**

A single respondent did not agree with the proposed changes noting that the establishment of a side pocket should be contingent on the liquidity profile of the asset, and that allowing a side pocket to be established could have an impact on the operation of a fund. The respondent felt it important that if side pockets are established, that the appropriate investor protections are in place.

**Central Bank Response:**

The Central Bank notes that the current obligations in respect of the creation of a side pocket are unchanged and the requirements continue to apply. On this basis, the Central Bank intends to proceed with the proposed amendment as set out in the consultation paper.

**Question 29:****Central Bank Proposal**

The Central Bank sought feedback on amendments to clarify the requirements surrounding the creation of share classes to incorporate the current Central Bank guidance and to align with AIFMD requirements.

## **Feedback**

While generally agreeing with the proposed amendments, respondents had a number of suggestions on specific elements of the provision.

Respondents suggested that it should be made clear that provisions related to the distribution of capital gains/losses to unitholders set out in paragraph 2 are also subject to each of the provisions in the related subsequent paragraphs.

An amendment was suggested to include a reference to “subscriptions” alongside the reference to “capital commitments” to ensure that relevant provisions are equally applicable in both scenarios.

Minor amendments were suggested for paragraph 6(a) and 6(b) to align with best markets practices around disclosure and notifications to unitholders.

Respondents felt that paragraph 6(c) should be deleted given the existing maintenance of records obligations under AIFMD.

For paragraph 7, respondents requested clarification that a unitholder may participate in one or more existing investments (without being required to participate in future investments) or in one or more future investments (without being required to participate in all future investments).

### **Central Bank Response:**

The Central Bank agrees that it should be clarified that provisions that follow paragraph 2 are applicable to the distribution of capital gains/losses to each unitholder, and this will be reflected in the AIF Rulebook.

The Central Bank will clarify that “subscriptions” should also be included alongside the reference to “capital commitments” to ensure the relevant provisions are equally applicable.

The updated AIF Rulebook will incorporate the best practice language suggested for paragraphs 6(a) and 6(b).

The Central Bank agrees that there are existing relevant provisions within AIFMD with respect to recording and retention obligations, and accordingly, paragraph 6(c) will be deleted.

The Central Bank agrees that existing references in paragraph 7 should be amended to provide greater clarity around unitholder options.

### **Question 30:**

#### **Central Bank Proposal**

The Central Bank sought feedback on the removal of provisions in the AIF Rulebook on side pocket arrangements for holding illiquid assets.

#### **Feedback**

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### **Question 31:**

#### **Central Bank Proposal**

The Central Bank sought feedback on proposals to provide for the establishment of charity share classes.

#### **Feedback**

The majority of respondents agreed with the changes proposed.

One respondent suggested that a clarification should be included to exclude Sharia-compliant funds to avoid any uncertainty with respect to the ordinary, day-to-day activities carried out in the management of their investments.

#### **Central Bank Response:**

The Central Bank agrees with the point raised in relation to Sharia-compliant funds and their ordinary operating activities. This will be clarified in the AIF Rulebook.

### Question 32:

#### **Central Bank Proposal**

The Central Bank sought feedback on a clarification that sub-funds of Qualifying Investor AIFs must comply with the requirements that the Qualifying Investor AIF is subject to.

#### **Feedback**

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### Question 33:

#### **Central Bank Proposal**

The Central Bank sought feedback on a clarification that where the Qualifying Investor AIF is an umbrella Qualifying Investor AIF it shall, as appropriate, provide in its constitutional document that separate records will be maintained for each sub-fund.

#### **Feedback**

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### Question 34:

#### **Central Bank Proposal**

The Central Bank sought feedback on the deletion of a duplicate provision on sub-funds complying with requirements to which an umbrella Qualifying Investor AIF is subject.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 35a:****Central Bank Proposal**

The Central Bank sought feedback on provisions for the establishment of wholly owned subsidiaries and for co-investment in investment vehicles, (collectively termed “intermediary investment vehicles”).

**Feedback**

The majority of respondents supported the proposed changes, with two specific points being raised.

With respect to the rule where a Qualifying Investor AIF establishes a wholly-owned subsidiary and the requirement for its constitutional document to restrict its ability to act other than in a manner consistent with the investment objective and policy of the Qualifying Investor AIF, respondents found the requirement to be disproportionate. Alternative text was proposed that provides for this requirement to only apply in instances where “control” of a subsidiary as defined in AIFMD is not achieved.

Respondents noted that text referencing “effective due diligence” should be replaced with “appropriate due diligence” in line with both section 1d and Article 15(3)(a) of AIFMD.

**Central Bank Response:**

The Central Bank agrees with the feedback related to a wholly owned subsidiary of a Qualifying Investment AIF to include restrictive provisions in its constitutional document. The AIF Rulebook will be amended to reflect this approach.

The Central Bank agrees with the proposal to amend relevant text to “appropriate due diligence” to align with both section 1d and Article 15(3)(a) of AIFMD. This attestation will be included in the application form and as such will be deleted from the AIF Rulebook.

### **Question 35b:**

#### **Central Bank Proposal**

In respect of the requirements set out in relation to ensuring that an AIFM conducts appropriate due diligence of intermediary investment vehicles prior to investment, and ensuring that the AIFM has documented policies and procedures in place in relation to its due diligence, oversight and active monitoring of intermediary investment vehicles, the Central Bank sought additional information as to how an AIFM will satisfy these requirements.

#### **Feedback**

Respondents referenced existing obligations in AIFMD regarding due diligence and risk management.

#### **Central Bank Response:**

The Central Bank has noted the feedback provided.

### **Question 36:**

#### **Central Bank Proposal**

The Central Bank sought feedback on the addition of “Unitholders” to the list of entities subject to the requirements under the provisions directed at “Dealings by management company, general partner, depositary, AIFM, investment manager or by delegates or group companies of these”.

#### **Feedback**

The majority of respondents agreed with the changes proposed subject to certain clarifications.

Respondents suggested that a differentiation should be included to make clear that the “delegate or group companies” requirements do not extend to transactions with unitholders.

Respondents suggested a clarification that the appointment of service providers is not considered a transaction subject to dealing rules.

Respondents requested an amendment to the footnote to clarify that subscriptions/redemptions would include any in specie (or equivalent) dealings.

**Central Bank Response:**

The Central Bank agrees that delegates or associated companies of unitholders should not be included in the list of entities subject to dealing rules. This requirement will be amended in the AIF Rulebook.

The Central Bank agrees that it is necessary to clarify that the appointment of service providers to carry out services are not transactions subject to dealing rules. The Central Bank will update the AIF Rulebook to reflect this.

**Question 37:**

**Central Bank Proposal**

The Central Bank sought feedback on amendments to: (i) reflect that changes to the name of the Qualifying Investor AIF or any of its sub-funds require pre-notification to the Central Bank; and (ii) to remove the requirement to notify the Central Bank where a Qualifying Investor AIF invests in the units of another sub-fund within the same umbrella by way of transfer for consideration.

**Feedback**

Respondents agreed with the proposed amendments but suggested the removal of the obligation to notify the Central Bank of changes to previously filed material agreements entered with third parties.

**Central Bank Response:**

The Central Bank agrees and will remove the obligation in the AIF Rulebook to notify it of changes to the terms of agreements entered into with third parties that have already been filed.

**Question 38:****Central Bank Proposal**

The Central Bank sought feedback on an amendment to provide an immediate notification to the Central Bank when breaches and errors occur.

**Feedback**

Respondents expressed concerns with the term “immediately” in reference to notifications to the Central Bank.

**Central Bank Response:**

The Central Bank will revert to the existing term “promptly”.

**Question 39:****Central Bank Proposal**

The Central Bank sought feedback on an amendment to ensure that the commencement of the initial offer period for a Qualifying Investor AIF cannot occur prior to the authorisation of the Qualifying Investor AIF.

**Feedback**

Respondents suggested the purpose of the proposed addition language of “or occur” was unclear.

**Central Bank Response:**

The Central Bank agrees and will revert to the existing text in the AIF Rulebook.

**Question 40:****Central Bank Proposal**

The Central Bank sought feedback on: (i) the deletion of paragraphs related to disclosures on subscriptions, repurchases and redemptions as such requirements are already included under AIFMD; (ii) a new provision providing for the return to investors of subscription proceeds within 3-months if the Qualifying Investor AIF has not issued units following the closure of the initial offer period; and (iii) the deletion of a provision that a Qualifying Investor AIF can launch share classes at a fixed price after the initial offer period where it has been confirmed to the Central Bank that the interests of existing shareholders in the Qualifying Investor AIF are not prejudiced.

### **Feedback**

Respondents generally agreed with the changes. Where subscription proceeds need to be returned, respondents suggested that there may be circumstances where it is difficult to return monies to an investor within the Central Bank's proposed 3-month timeframe. Respondents requested additional clarifications to reflect this and to make the return of monies subject to applicable laws and regulations.

#### **Central Bank Response:**

The Central Bank believes that a 3-month timeframe from the expiry of the initial offer period is sufficient to allow for the return of monies where the Qualifying Investor AIF has failed to issue units. The Central Bank agrees that this should be subject to applicable laws and regulations and this has been included in the AIF Rulebook.

#### **Question 41:**

##### **Central Bank Proposal**

The Central Bank sought feedback on the deletion of footnote 21 as it references the deleted Chapter 4 - AIF Management Company Requirements.

### **Feedback**

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 42:**

**Central Bank Proposal**

The Central Bank sought feedback on clarifying requirements in relation to the resignation of a director of a Qualifying Investor AIF investment company.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 43:**

**Central Bank Proposal**

The Central Bank sought feedback on the deletion of requirements for suspensions as such provisions will be aggregated into a new, single section of the Qualifying Investor AIF chapter on LMTs.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 44:**

**Central Bank Proposal**

The Central Bank sought feedback on amendments to obligations in relation to the replacement of a depositary.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 45:****Central Bank Proposal**

The Central Bank sought feedback on amendments to obligations in relation to the replacement of a fund service providers.

**Feedback**

With respect to the notification to the Central Bank of the replacement of fund service providers, respondents suggested an amendment to include a reference to “investment company” to address instances where the Qualifying Investor AIF is internally managed.

**Central Bank Response:**

The Central Bank agrees with the proposed amendment to clarify the requirement for internally managed Qualifying Investor AIFs and this will be reflected in the AIF Rulebook.

The Central Bank will also update the provision to replace the term “fund administrator” with “fund administration company”.

**Question 46:****Central Bank Proposal**

The Central Bank sought feedback on amendments to monthly and quarterly reporting requirements.

**Feedback**

Respondents agreed in principle with the proposed update but noted that changes should be subject to appropriate industry engagement and suggested that this be reflected in the AIF Rulebook.

**Central Bank Response:**

The Central Bank does not agree that operational or process matters such as industry engagement that are outside of regulatory requirements should be included in the AIF Rulebook.

**Question 47:****Central Bank Proposal**

The Central Bank sought feedback on amendments to voting procedures for changes to investment objectives or effecting a material change to investment policies.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 48:****Central Bank Proposal**

The Central Bank sought feedback on an additional point (p) requiring “Information on any additional relevant details regarding the valuation of assets”.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 49:****Central Bank Proposal**

The Central Bank sought feedback on liquidity mismatch requirements arising from investment in other investment funds.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 50:****Central Bank Proposal**

The Central Bank sought feedback on updated requirements to include that the procedures and conditions for “subscriptions” are included in the prospectus with respect to dealing processes.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 51:****Central Bank Proposal**

The Central Bank sought feedback on proposals to distinguish between an “in specie” and an “exchange of assets” where such activities are not an LMT under Directive 2024/927, its draft regulatory technical standards and guidelines on LMTs.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

To align with language elsewhere in the AIF Rulebook, terminology will be amended from “exchange of assets” to “distribution of assets”.

**Question 52:****Central Bank Proposal**

The Central Bank sought feedback on: (i) an amendment to the AIF Rulebook to include “AIFM” when referencing “management company”; and (ii) the deletion of the requirement to disclose the amount of the prescribed capital of the AIFM/management company/general partner as under AIFMD as the AIFM is already required to maintain the necessary level of minimum regulatory capital and such capital may change over time.

**Feedback**

Respondents noted that these paragraphs appear to apply to non-corporate structures and only refer to the management company of a contractual fund (i.e., a unit trust or a CCF) and the general partner of an ILP. Respondents suggested the reversal of the proposed changes in paragraphs 1 and 2 as they believe that the AIFM should not be included - notwithstanding that the AIFM might be the manager/GP of the fund whereby these disclosures would be necessary in its capacity as manager/GP.

**Central Bank Response:**

The Central Bank does not agree that this section only applies to unincorporated entities. While the Central Bank notes that the requirement in section “vi. Information concerning investment managers and other service providers”, would capture an AIFM, the Central Bank in this section is specifying the information that must be included by a Qualifying Investor AIF in respect of its AIFM.

**Question 53:****Central Bank Proposal**

The Central Bank sought feedback on an amendment to include “AIFM” when referencing “management company”, and for clarification purposes, to include “management company” when referencing “AIFM”.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 54:****Central Bank Proposal**

The Central Bank sought feedback on an amendment to include a reference to both committed and subscribed amounts when detailing prescribed subscription requirements in the prospectus.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 55:****Central Bank Proposal**

The Central Bank sought feedback on a requirement to add “Unitholders” to the entities subject to “Conflicts of Interest” provisions.

**Feedback**

The majority of respondents agreed with the proposal subject to certain clarifications.

Respondents suggested that a distinction should be made regarding “unitholders” to clarify that the “delegate or group companies” requirements does not extend to conflicts with unitholders.

Respondents suggested that text on addressing conflicts of interests should change from “going to be resolved” to “might be resolved”.

**Central Bank Response:**

The Central Bank agrees that delegates or associated companies of unitholders should not be included in the list of entities subject to conflict rules. This requirement will be amended in the AIF Rulebook.

The Central Bank agrees that the current consultation language on addressing conflicts is too definitive and this will be amended in the AIF Rulebook.

**Question 56:****Central Bank Proposal**

The Central Bank sought feedback on disclosure rules for umbrella Qualifying Investor AIFs.

**Feedback**

Respondents suggested that “Unit Trusts” should also be included in the list of legal entity types set out.

**Central Bank Response:**

The Central Bank agrees with the inclusion and language will be amended in the AIF Rulebook.

**Question 57:****Central Bank Proposal**

The Central Bank sought feedback on amendments to disclosures on warehousing arrangements.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 58:****Central Bank Proposal**

The Central Bank sought feedback on the deletion of requirements for investment in intermediary investment vehicles as they have already been provided for elsewhere in the AIF Rulebook.

### **Feedback**

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### **Question 59:**

#### **Central Bank Proposal**

The Central Bank sought feedback on the deletion of requirements for financial resources of investment companies.

### **Feedback**

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### **Question 60:**

#### **Central Bank Proposal**

The Central Bank sought feedback on the deletion of the 10% redemption proceeds threshold as the relevant threshold is determined by the AIFM and disclosed in the Qualifying Investor AIF's redemption policy in the prospectus.

### **Feedback**

Respondents agreed with the proposal but suggested that a footnote was included to confirm that the retention of redemption proceeds is distinct from the Redemption Gates LMT provided for under Annex V of Directive (EU) 2011/61/EU.

#### **Central Bank Response:**

The Central Bank agrees that the retention of such redemption proceeds should not be considered an activation of a redemption gates as provided for under Annex V of Directive (EU) 2011/61/EU. This will be clarified in the AIF Rulebook.

#### **Question 61:**

##### **Central Bank Proposal**

The Central Bank sought feedback on updates to annual and half-yearly reporting requirements.

##### **Feedback**

Respondents supported the proposed change without amendment.

##### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

#### **Question 62:**

##### **Central Bank Proposal**

The Central Bank sought feedback on updates to information in the annual report.

##### **Feedback**

The majority of respondents suggested that a distinction should be made regarding “unitholders” to clarify that the “delegate or group companies” requirements does not extend to transactions with unitholders.

##### **Central Bank Response:**

The Central Bank’s agrees that delegates or associated companies of unitholders should not be included in the list of entities subject to dealing rules. This will be clarified in the AIF Rulebook.

#### **Question 63:**

##### **Central Bank Proposal**

The Central Bank sought feedback on updates to information in the half-yearly report.

### **Feedback**

The majority of respondents suggested that a distinction should be made regarding “unitholders” to clarify that the “delegate or group companies” requirements does not extend to transactions with unitholders.

#### **Central Bank Response:**

The Central Bank agrees that delegates or associated companies of unitholders should not be included in the list of entities subject to dealing rules. This will be clarified in the AIF Rulebook.

#### **Question 64:**

##### **Central Bank Proposal**

The Central Bank sought feedback on updates to provisions for the selection, disclosure and operation of LMTs.

### **Feedback**

Respondents had a number of comments with respect to the section on LMT’s.

To avoid potential ambiguity, respondents requested that a confirmation be included that this section only applies to open-ended Qualifying Investor AIFs or open-ended Qualifying Investor AIFs with limited liquidity.

Respondents requested that the requirement for the Qualifying Investor AIF to disclose in its governing documents the terms and conditions under which all LMT can be activated or deactivated should be amended to provide only for LMTs listed in Annex V of Directive 2011/61/EU 99.

Respondents indicated that the Central Bank’s proposal requiring AIFMs to consider selecting at least one quantitative-based LMT and at least one anti-dilution tool to be disproportionate and requested that this element of the provision be deleted.

Respondents suggested the deletion of the requirement to notify the Central Bank where any LMTs are activated or deactivated as notification requirements already exist under AIFMD.

Respondents suggested deleting Side Pockets and Suspension requirements as they consider them to be unnecessary duplications of regulatory requirements.

On Redemption Gates, respondents noted that the requirements set out are overly restrictive and should be deleted.

**Central Bank Response:**

The Central Bank agrees to clarify that this section only applies to open-ended Qualifying Investor AIFs or open-ended Qualifying Investor AIFs with limited liquidity.

The Central Bank does not agree with the suggestion to disclose only those LMTs that are listed in Annex V of Directive 2011/61/EU 99. The Central Bank's policy intention is to ensure that unitholders are informed of all LMTs that may be utilised by the Qualifying Investor AIF including where additional LMTs not included in Annex V are provided for.

The Central Bank does not agree with the proposal to delete the provision to consider selecting at least one quantitative-based LMT and at least one anti-dilution tool as the requirement is to only "consider, where appropriate" selecting at least one quantitative-based and one anti-dilution LMT. This represents a proportionate approach that seeks to accommodate investor protection and prudential considerations, and is at the discretion of the AIFM of the Qualifying Investor AIF to determine. This aligns with the Financial Stability Board (FSB) and International Organisation of Securities Commissions (IOSCO) revised policy recommendations to address structural vulnerabilities from liquidity mismatch in investment funds to support the greater and consistent use of LMTs with the aim of achieving a significant strengthening of liquidity management by AIFMs compared to current practices.

The Central Bank agrees with the deletion of the requirement to notify the Central Bank of the use of LMTs given the introduction of daily reporting requirements for LMTs by the Central Bank. However, the Central Bank will require the immediate notification where the

LMT under point 1 of Annex V of Directive 2011/61/EU is activated or deactivated in accordance with Article 46 (2)(j) of Directive 2011/61/EU.

The Central Bank does not agree with the deletion of the paragraphs relating to Side Pockets and Suspensions. The Central Bank deems these provisions as necessary to support effective management, oversight and supervision of Qualifying Investor AIFs and their activities. On this basis, the Central Bank will include these requirements in the AIF Rulebook.

The Central Bank does not agree with the position that requirements for Redemption Gates are overly restrictive and believes the requirements are an appropriate protective measure to ensure the fair treatment of all unitholders and to mitigate against first mover risks. On this basis the Central Bank will include this requirement in the AIF Rulebook.

#### **Question 65:**

##### **Central Bank Proposal**

The Central Bank sought feedback on the deletion of requirements for Money Market Funds (MMFs) as requirements are now set out under Regulation (EU) 2017/1131.

##### **Feedback**

Respondents supported the proposed change without amendment.

##### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

#### **Question 66:**

##### **Central Bank Proposal**

The Central Bank sought feedback on stress testing requirements for Money Market Funds as detailed under Article 28 of Regulation (EU) 2017/1131.

##### **Feedback**

Respondents supported the proposed change without amendment.

##### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 67:**

**Central Bank Proposal**

The Central Bank sought feedback on a proposal to update the AIF Rulebook to clarify reporting requirements for MMFs to the European Central Bank.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 68:**

**Central Bank Proposal**

The Central Bank sought feedback on disclosure requirements for closed-ended Qualifying Investor AIFs at the end of the closed-ended period.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 69:**

**Central Bank Proposal**

The Central Bank sought feedback on the deletion of provisions for closed-ended funds issuing units other than at NAV as these are covered elsewhere in the AIF Rulebook.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

#### Question 70:

##### **Central Bank Proposal**

The Central Bank sought feedback on proposals to simplify requirements related to a Qualifying Investor AIF seeking: (i) to amend the duration of the closed-ended Qualifying Investor AIF; (ii) to change the investment objective or make material changes to the investment policy of the closed-ended Qualifying Investor AIF; (iii) to amend the maximum charge relating to the redemption or repurchase of units or the maximum annual fee; and (iv) to amend voting and notifications requirements where unitholders can exit the Qualifying Investor AIF prior to implementation of any changes.

##### **Feedback**

Respondents suggested the addition of “or otherwise exit” in relation to the means by which unitholders can exit a closed-ended Qualifying Investor AIF.

##### **Central Bank Response:**

The Central Bank agrees with the point raised but believes the term “or otherwise exit” is too broad. Instead, the AIF Rulebook will be amended to reflect that a realistic opportunity to exit the Qualifying Investor AIF must be available.

#### Question 71:

##### **Central Bank Proposal**

The Central Bank sought feedback on the deletion of the Loan Origination section.

##### **Feedback**

All respondents agreed with the deletion of the “Loan Origination” requirements in the AIF Rulebook. However, certain respondents requested grandfathering provisions for existing loan originating Qualifying Investor AIFs be included.

##### **Central Bank Response:**

The Central Bank will proceed with the deletion of the “Loan Origination” requirements.

Processes and procedures to apply to AIFMs currently managing loan originating Qualifying Investor AIFs are contained in “Markets Update: Issue 1 2026”. Interested parties can access the relevant Markets Update on the Central Bank’s website. See section: “AIFMD II authorisation extensions”.

## Question 72:

### **Central Bank Proposal**

The Central Bank sought feedback on the intention to extend the list of requirements for registered AIFMs to include: (i) Regulation 13(1)(f) which requires authorised AIFM to treat all investors fairly; and (ii) Regulation 24(2) which requires authorised AIFM to inform investors of any arrangement made by the depositary to contractually discharge itself of liability and of any changes with respect to depositary liability without delay.

It is also proposed to apply this Part III of the Qualifying Investor AIF chapter of the AIF Rulebook to Qualifying Investor AIFs with non-EU AIFMs.

In each case, a requirement has been included limiting the appointment of a Registered AIFM or a non-EU AIFM to closed-ended loan originating Qualifying Investor AIFs.

### **Feedback**

Respondents supported the proposed change without amendment.

Respondents generally supported the Central Bank’s proposal to permit non-EU AIFMs to manage closed-ended loan-originating Qualifying Investor AIFs but requested that this flexibility be extended to open-ended loan-originating Qualifying Investor AIFs.

### **Central Bank Response:**

The Central Bank does not support permitting non-EU AIFMs to manage open-ended loan originating funds at this time. ESMA published the draft RTS on open ended loan-originating AIFs in October 2025 which have not yet been adopted by the European Commission. The

draft RTS also impose specific obligations on the AIFM and these will need to be considered further for non-EU AIFMs.

Chapter 2, Part III of the AIF Rulebook is imposed directly on registered AIFMs under Regulation 4(8) of Directive (EU) 2011/61/EU, which permits the Central Bank to impose certain requirements on registered AIFMs.

For the purpose of imposing these rules on non-EU AIFMs which are not covered under Regulation 4(8) of Directive (EU) 2011/61/EU, the Central Bank will do so by introducing a corresponding separate set of conditions for non-EU AIFMs in the AIF Rulebook.

## Section V: Chapter 3 – Alternative Investment Fund Manager Requirements

### Question 73:

#### Central Bank Proposal

The Central Bank sought feedback on the deletion of those provisions of Part A of chapter 3 that are no longer applicable as the relevant transition timeframe has passed and all requirements for AIFMs are now consolidated under chapter 4.

#### Feedback

Respondents supported the proposed change without amendment but proposed the inclusion of a transitional framework for the implementation of the revised AIF Rulebook, including a 12-month grandfathering period for existing Irish-authorized AIFs and their AIFMs.

#### **Central Bank Response:**

The revised AIFMD does not provide for a transition period.

### Question 74:

#### Central Bank Proposal

The Central Bank sought feedback on the deletion of those provisions of Part A of chapter 3 that are no longer applicable as the relevant transition timeframe has passed and all requirements for AIFMs are now consolidated under chapter 4 of the AIF Rulebook.

### **Feedback**

Respondents had no comments on the proposed deletion. However, respondents questioned the requirement to notify the Central Bank of “any proposed change in direct or indirect ownership or in qualifying holdings” in an AIFM, particularly where there is a small increase/decrease. Respondents cited that the current approach is at odds with the approach prescribed in the UCITS Regulations and MiFID Regulations.

#### **Central Bank Response:**

Feedback on this matter was received in relation to the deleted Part A of the Chapter 3. The matter is also contained in the existing Part B of Chapter 3 and is addressed that context.

The matter of ownership for an AIFM is a material consideration for the Central Bank and will continue to be subject to requirements as detailed in the AIF Rulebook.

#### **Question 75:**

##### **Central Bank Proposal**

The Central Bank sought feedback on the deletion of those provisions of Part A of chapter 3 that are no longer applicable as the relevant transition timeframe has passed and all requirements for AIFMs are now consolidated under chapter 4.

### **Feedback**

Respondents supported the proposed change without amendment but did propose the inclusion of a transitional framework for the implementation of the revised AIF Rulebook, including a 12-month grandfathering period for existing Irish-authorized AIFs and their AIFMs.

#### **Central Bank Response:**

The revised AIFMD does not provide for a transition period.

**Question 76:****Central Bank Proposal**

The Central Bank sought feedback on a proposed update to financial reporting by AIFMs, where they will now be required to produce half-yearly reports covering the second half of the financial year.

**Feedback**

The respondents disagreed with the changes proposed as there could be an increased reporting burden.

**Central Bank Response:**

The Central Bank will revert to the existing provisions.

**Question 77:****Central Bank Proposal**

The Central Bank sought feedback on organisational requirements of AIFMs to include: (i) that the AIFM to the AIF from which a performance fee will be paid must ensure that the depositary receives all necessary information regarding the calculation of performance fees in advance of any such fees being paid; (ii) that the AIFM must have in place and implement policies and procedures to effectively monitor the activities of subsidiaries and co-investment vehicles; (iii) that the AIFM of a Qualifying Investor AIF should consider selecting at least one quantitative-based LMT and at least one anti-dilution tool when selecting the two minimum mandatory LMTs required by the requirements of Annex V of Directive 2011/61/EU; and (iv) provisions are included providing for the return to investors of subscription proceeds in the event that the AIF does not issue units in respect of such proceeds following the closure of the initial offer period.

**Feedback**

Respondents disagreed with the changes proposed and suggested amendments to requirements related to the depositary/approved competent person having to verify the calculation of performance fees.

One respondent also expressed a view that the depositary obligation to independently verify performance fees should be firmly upheld and entrenched within the regulatory infrastructure of the fund, given the independence of the Depositary is intrinsic to a valid performance fee verification.

With respect to the safekeeping obligations, including assets held through conduit entities or other vehicles, respondents suggested revising the language to avoid conflating the roles of the AIFM as investment manager and the depositary as custodian of the Qualifying Investor AIF's assets.

Respondents indicated that the Central Bank's proposal requiring AIFMs to consider selecting at least one quantitative-based LMT and at least one anti-dilution tool to be disproportionate and requested that this element of the provision be deleted.

A majority of respondents suggested that there may be circumstances where it may be difficult to return monies to an investor within the Central Bank's proposed 3-month timeframe. Respondents requested additional clarifications to reflect this and to make any return of monies subject to applicable laws and regulation.

**Central Bank Response:**

The Central Bank has updated the requirement such that the AIF shall ensure that the depositary or a competent person appointed by the AIFM and who is approved by the depositary, verifies that procedures have been effectively implemented to ensure that any performance fees payable and accrued pursuant to the AIFs performance fee payment cycle, are calculated in accordance with the governing documents of the AIF.

It is not the Central Bank's intention to conflate the role of the AIFM with the safekeeping functions of the depositary. Rather, the objective is to ensure that where investments are made by the AIFM, including where assets are held or controlled through intermediary investment vehicles, that the AIFM has appropriate governance, oversight and monitoring arrangements in place. This requirement is focused on ensuring that such investments are managed in line with the Qualifying Investor AIF's investment strategy and risk profile at all

times, and does not extend to, or duplicate, the depositary's safekeeping responsibilities. The AIF Rulebook has been revised to reflect this policy intention.

The Central Bank does not agree with the proposal to delete the provision to consider selecting at least one quantitative-based LMT and at least one anti-dilution tool as the requirement is to only "consider, where appropriate" selecting at least one quantitative-based and one anti-dilution LMT. This represents a proportionate approach that seeks to accommodate investor protection and prudential considerations, and is at the discretion of the AIFM of the Qualifying Investor AIF to determine. This aligns with the Financial Stability Board (FSB) and International Organisation of Securities Commissions (IOSCO) revised policy recommendations to address structural vulnerabilities from liquidity mismatch in investment funds to support the greater and consistent use of LMTs with the aim of achieving a significant strengthening of liquidity management by AIFMs compared to current practices.

The Central Bank believes that a 3-month timeframe from the expiry of the initial offer period is sufficient to allow for the return of monies where the Qualifying Investor AIF has failed to issue units, and therefore does not agree with the proposal to make the provision more open-ended but agree that this should be subject to relevant laws and regulations. The AIF Rulebook will reflect the consulted upon text.

#### **Question 78:**

##### **Central Bank Proposal**

The Central Bank sought feedback on proposals to clarify the requirements in relation to the impact of a director resignation on the AIFM.

##### **Feedback**

Respondents supported the proposed change without amendment.

##### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

#### **Question 79:**

##### **Central Bank Proposal**

The Central Bank sought feedback on the deletion of rules related to the holding of investor monies as AIFMs are included in scope of the Investor Money Regulations.

### **Feedback**

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### **Question 80:**

#### **Central Bank Proposal**

The Central Bank sought feedback on proposals to providing greater clarity in relation to the timing of notifications to the Central Bank in respect of breaches, legal proceedings, situations, events, fines, and visits by another supervisory authority.

### **Feedback**

Respondents expressed concern about the use of the term “immediately” in reference to notifications to the Central Bank.

#### **Central Bank Response:**

Based the on feedback received in relation to the use of the term “immediately” the Central Bank will revert to the existing term “promptly”.

### **Question 81:**

#### **Central Bank Proposal**

The Central Bank sought feedback on the proposal to update this section to include the correct citation of the relevant Act, namely the Companies Act 2014.

### **Feedback**

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.



## Section VI: Chapter 4 – Alternative Investment Fund Management Company Requirements

### Question 82:

#### Central Bank Proposal

The Central Bank sought feedback on the deletion of Chapter 4 – Alternative Investment Fund Management Company Requirements.

#### Feedback

The majority of respondents agreed with the proposed deletion of this chapter.

Respondents sought clarification in respect of financial requirements for Unit Trusts considering the provision of Section 4 of the Unit Trust Act 1990.

Respondents also sought clarification on where governance and director fitness requirements for AIF management companies will be set out in the future.

#### **Central Bank Response:**

The Central Bank will proceed with the deletion of Chapter 4 – Alternative Investment Fund Management Company Requirements as consulted upon.

With respect to the comment on governance and director fitness requirements for AIF management companies, the Central Bank proposes to issue a Q&A covering this matter.

## Section VII: Chapter 5 - AIF Depositary Requirements

### Question 83:

#### **Central Bank Proposal**

The Central Bank sought feedback on the proposal to amend the “Introduction” of Chapter 5 to clarify that reference is to AIFs (plural) rather than AIF (singular).

#### **Feedback**

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### Question 84:

#### **Central Bank Proposal**

The Central Bank sought feedback on amendments to reporting requirements by depositaries.

#### **Feedback**

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### Question 85:

#### **Central Bank Proposal**

The Central Bank sought feedback on the proposal to delete certain requirement for depositaries where a Qualifying Investor AIF proposes to invest more than 50% of net assets in another investment fund.

#### **Feedback**

Respondents agreed with the proposed changes but suggested that the changes be extended to include the Retail Investor AIF chapter as these depositary tasks are not required under

the AIFMD and the removal of the requirements would establish a level playing field and promote consistency.

**Central Bank Response:**

The Central Bank agrees that targeted changes to the Retail Investor AIF Chapter are necessary to ensure alignment with the revised AIFMD.

**Question 86:****Central Bank Proposal**

The Central Bank sought to clarify an AIFM's obligations to provide depositaries with access to all necessary information to allow them to verify the calculation of performance fees.

**Feedback**

Respondents disagreed with the proposed changes and suggested amendments to requirements related to the depositary / approved competent person having to verify the calculation of performance fees were requested.

One respondent also expressed a view that the depositary obligation to independently verify performance fees should be retained given the independence of the Depositary is intrinsic to a valid performance fee verification.

Respondents noted that the reference to competent person was not captured in one instance in the consultation's draft text.

**Central Bank Response:**

The Central Bank has updated the requirement such that the AIF shall ensure that the depositary or a competent person appointed by the AIFM and who is approved by the depositary, verifies that procedures have been effectively implemented to ensure that any performance fees payable and accrued pursuant to the AIFs performance fee payment cycle, are calculated in accordance with the governing documents of the AIF.

The Central Bank acknowledges that the relevant provision did not reference "competent person" and this will be addressed in the AIF Rulebook update.

**Question 87:****Central Bank Proposal**

The Central Bank sought feedback on proposals to delete reporting exclusions to the Central Bank for depositaries of their non-Irish authorised fund businesses.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 88:****Central Bank Proposal**

The Central Bank sought feedback on proposals to make provision within the AIF Rulebook for entities to act as a depositary as set out under Regulation 22(3) (b) of the AIFM Regulations. The AIF Rulebook will be updated to set out the Central Bank's requirements for firms seeking authorisation as a DAoFI in accordance with the previously published guidance.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

## Section VIII: Chapter 6 – European Long-Term Investment Fund Requirements

### Question 89:

#### Central Bank Proposal

The Central Bank sought feedback on the use of the term “ELTIF” as per the definitions section of the AIF Rulebook.

#### Feedback

Respondents supported the proposed change without amendment.

#### **Central Bank Response:**

The Central Bank will proceed with the proposed changes.

### Question 90:

#### Central Bank Proposal

The Central Bank sought feedback where an ELTIF issues notes on a private basis to a lending institution to facilitate financing arrangements. The Central Bank observed that there is a lack of clarity in reference to “notes” and proposes to use the term “debt securities” instead.

#### Feedback

The respondents were generally in agreement with the proposed revisions subject to two specific amendments to revise the reference to “debt securities” and to broaden the reference to “lending institution” to include “other debt providers” that may issue debt instruments on a private basis.

#### **Central Bank Response:**

The Central Bank agrees with the proposed revision to remove the term “debt securities” and intends to replace it with “debt instruments” and to include “other debt providers”.

**Question 91:****Central Bank Proposal**

The Central Bank sought to clarify that an ELTIF must ensure that the manager of the ELTIF provides depositaries access to all necessary information to allow them to verify the calculation of the performance fee.

**Feedback**

Respondents disagreed with the changes proposed and suggested amendments to requirements related to the depositary/approved competent person having to verify the calculation of performance fees were requested.

Respondents noted that there are references to “manager”, but this is an undefined term referring to the manager of the ELTIF. Respondents requested that the term is defined to align with the definition in Article 2(12) of Regulation (EU) 2015/760.

**Central Bank Response:**

The Central Bank has updated the requirement such that the ELTIF shall ensure that the depositary or a competent person appointed by the manager of the ELTIF and who is approved by the depositary, verifies that procedures have been effectively implemented to ensure that any performance fees payable and accrued pursuant to the ELTIFs performance fee payment cycle, are calculated in accordance with the governing documents of the ELTIF.

The Central Bank will include a definition of “manager of the ELTIF” per Article 2(12) of Regulation (EU) 2015/760.

**Question 92:****Central Bank Proposal**

The Central Bank sought feedback on an amendment to the procedures for changing the maximum annual fee charged to an ELTIF.

**Feedback**

Respondents were generally in agreement with the proposed changes with a majority suggesting the deletion of the reference to “limited partnership agreement” as it is covered by the term “constitutional document”.

**Central Bank Response:**

The Central Bank agrees that that the reference to “limited partnership agreement” was unnecessary and therefore this will be amended in the AIF Rulebook.

**Question 93:**

The Central Bank sought feedback on clarifications to the process for providing for remuneration of the parties that are empowered to charge fees to an ELTIF.

**Feedback**

All respondents agreed with the proposed changes, but it was noted that the definition of “manager of the ELTIF” as raised previously would need to be considered.

**Central Bank Response:**

The Central Bank will include a definition of “manager of the ELTIF” per Article 2(12) of Regulation (EU) 2015/760.

**Question 94:****Central Bank Proposal**

The Central Bank sought feedback on clarifications to the processes for voting on amendments to maximum redemption or repurchase charges.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 95:****Central Bank Proposal**

The Central Bank sought feedback on amendments to: (i) remove the current requirement to specify the procedure to be followed within the constitutional document for the replacement of the depositary and the manager of the ELTIF; and (ii) include a clarification that the approval of the Central Bank must be attained prior to the appointment of a depositary.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 96:****Central Bank Proposal**

The Central Bank sought feedback on amendments to clarify requirements on unitholder voting rights.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 97:****Central Bank Proposal**

The Central Bank sought feedback on amendments to clarify the requirements in relation to the creation of share classes to incorporate the current Central Bank guidance and to align with AIFMD requirements regarding the granting of preferential treatment to unitholders.

**Feedback**

While generally agreeing with the proposed amendments, respondents had a number of suggestions on specific elements of the provision.

Respondents suggested that it should be made clear that provisions related to the distribution of capital gains/losses to unitholders set out in paragraph 2 are also subject to each of the provisions in the related subsequent paragraphs.

An amendment was suggested to include a reference to “subscriptions” alongside the reference to “capital commitments” to ensure that relevant provisions are applicable in both scenarios.

Minor amendments were suggested for paragraph 6(a) and 6(b) to align with best markets practices around disclosure and notifications to unitholders.

Respondents felt that paragraph 6(c) should be deleted given the existing maintenance of records obligations under AIFMD.

For paragraph 7, respondents requested clarification that a unitholder may participate in one or more existing investments (without being required to participate in future investments) or in one or more future investments (without being required to participate in all future investments).

**Central Bank Response:**

The Central Bank agrees it should be clarified that provisions that follow paragraph 2 are applicable to the distribution of capital gains/losses to each unitholder, and this will be reflected in the AIF Rulebook.

The Central Bank will clarify that “subscriptions” should also be included alongside the reference to “capital commitments” to ensure that the relevant provisions are equally applicable.

The updated AIF Rulebook will incorporate the best practice language suggested for paragraphs 6(a) and 6(b).

The Central Bank agrees that there are existing relevant provisions within AIFMD with respect to recording and retention obligations and accordingly, paragraph 6(c) will be deleted.

The Central Bank agrees that existing language for paragraph 7 should be amended to provide greater clarity around unitholder options.

#### **Question 98:**

##### **Central Bank Proposal**

The Central Bank sought feedback on amendments to provisions in relation to side pockets updated to reflect requirements as per Directive (EU) 2024/927.

##### **Feedback**

Respondents suggested deleting Side Pockets requirements as they consider them to be unnecessary duplications of regulatory requirements.

##### **Central Bank Response:**

The Central Bank does not agree with the deletion of the paragraph relating to Side Pockets. The Central Bank deems this provision as necessary to support effective management, oversight and supervision of the ELTIF and their activities. On this basis, the Central Bank will include this requirement in the AIF Rulebook.

#### **Question 99:**

##### **Central Bank Proposal**

The Central Bank sought feedback on the proposal to establish charity share classes.

##### **Feedback**

The majority of respondents agreed with the changes proposed.

One respondent suggested that a clarification should be included to exclude Shariah-compliant funds to avoid any uncertainty with respect to the ordinary, day-to-day activities carried out in the management of their investments.

**Central Bank Response:**

The Central Bank agrees with the point raised in relation to Sharia-compliant funds and their ordinary operating activities. This will be clarified in the AIF Rulebook.

**Question 100:****Central Bank Proposal**

The Central Bank sought feedback on an amendment to clarify that an umbrella ELTIF, which is an investment company, shall, in its prospectus, include the words: "An umbrella fund with segregated liability between sub-funds".

**Feedback**

Respondents suggested that Unit Trusts should be included in the list of legal entity types set out.

**Central Bank Response:**

The Central Bank agrees and this will be reflected in the AIF Rulebook.

**Question 101:****Central Bank Proposal**

The Central Bank sought feedback on the addition of "Unitholders" to the list of entities subject to the requirements under the provisions directed at 'Dealings by management company, general partner, depositary, AIFM, investment manager or by delegates or group companies of these'.

**Feedback**

The majority of respondents agreed with the proposal subject to certain clarifications.

Respondents suggested that a distinction should be made regarding "unitholders" to clarify the "delegate or group companies" requirements do not extend to transactions with unitholders.

Respondents suggested a clarification that the appointment of service providers is not considered a transaction subject to dealing rules.

Respondents requested an amendment to the footnote to clarify that subscriptions/redemptions would include any in specie (or equivalent) dealings.

**Central Bank Response:**

The Central Bank agrees that delegates or associated companies of unitholders should not be included in the list of entities subject to dealing rules. This requirement will be amended in the AIF Rulebook.

The Central Bank agrees that it is necessary to clarify that the appointment of service providers to carry out services are not transactions subject to dealing rules. The Central Bank will update the AIF Rulebook to reflect this.

**Question 102:**

**Central Bank Proposal**

The Central Bank sought feedback on the proposal to delete the requirement to notify the Central Bank where an ELTIF invests in the units of another sub-fund within the same umbrella, by way of transfer for consideration.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 103:**

**Central Bank Proposal**

The Central Bank sought feedback on an amendment to provide greater clarity on requirements related to the communication of breaches and errors to the Central Bank.

**Feedback**

Respondents expressed concerns with the term “immediately” in reference to notifications to the Central Bank.

**Central Bank Response:**

The Central Bank will revert to the existing term “promptly” and this will be reflected in the AIF Rulebook.

**Question 104:****Central Bank Proposal**

The Central Bank sought feedback on updates to; (i) the minimum subscription requirements for Qualifying Investor ELTIFs; and (ii) exemptions to these requirements.

**Feedback**

The majority of respondents agreed with the proposed changes.

With respect to minimum investments two proposed clarifications were sought: (i) to make it clear that the €100,000 subscription was a minimum subscription amount; and (ii) that the minimum capital commitment/minimum subscription can be achieved through the aggregate of a unitholder’s investments and/or capital commitments in each of the sub-funds of an umbrella ELTIF.

A clarification was also sought in respect of the certification processes required from prospective unitholders.

**Central Bank Response:**

The Central Bank will clarify that the subscription amount is referring to the minimum amount.

The Central Bank does not propose to provide any further clarification and will proceed as consulted upon.

The Central Bank has considered the certification process highlighted by respondents and will remove the requirement for prospective unitholders to certify that they are availing of the exemption, and that they are aware that the Qualifying Investor ELTIF is marketed solely to qualifying investors.

**Question 105:****Central Bank Proposal**

The Central Bank sought feedback on clarifying requirements in relation to the resignation of a director of an ELTIF investment company.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 106:****Central Bank Proposal**

The Central Bank sought feedback on updates to suspensions, as referenced in Directive (EU) 2024/927.

**Feedback**

Respondents suggested to delete suspension requirements as they consider them to be unnecessary duplications of regulatory requirements.

**Central Bank Response:**

The Central Bank does not agree with the deletion of the paragraph relating to Suspensions. The Central Bank deems these provisions as necessary to support effective management, oversight and supervision of ELTIFs and their activities. On this basis the Central Bank will include these requirements in the AIF Rulebook.

Under Suspensions, paragraph 3, the reference to Article 46(j) of Directive 2011/61/EU will be updated to Article 46(2)(j) of Directive 2011/61/EU.

**Question 107:****Central Bank Proposal**

The Central Bank sought feedback on updates to provisions for the selection, disclosure and operation of LMTs.

**Feedback**

Respondents had a number of comments with respect to the section on LMT's.

To avoid potential ambiguity, respondents requested that a confirmation be included that this section only applies to open-ended Qualifying Investor ELTIFs or open-ended Qualifying Investor ELTIFs with limited liquidity.

Respondents requested that the requirement for the Qualifying Investor ELTIF to disclose in its governing documents the terms and conditions under which all LMT can be activated or deactivated should be amended to provide only for LMTs listed in Annex V of Directive 2011/61/EU 99.

Respondents indicated that the Central Bank's proposal requiring AIFMs to consider selecting at least one quantitative-based LMT and at least one anti-dilution tool to be disproportionate and requested that this element of the provision be deleted.

Respondents suggested the deletion of the requirement to notify the Central Bank where any LMTs are activated or deactivated as notification requirements already exist under AIFMD.

**Central Bank Response:**

The Central Bank agrees to clarify that this section only applies to open-ended ELTIFs or open-ended ELTIFs with limited liquidity.

The Central Bank does not agree with the suggestion to disclose only those LMTs that are listed in Annex V of Directive 2011/61/EU 99. The Central Bank's policy intention is to ensure that unitholders are informed of all LMTs that may be utilised by the ELTIF including where additional LMT not included in Annex V are provided for.

The Central Bank does not agree with the proposal to delete the provision to consider selecting at least one quantitative-based LMT and at least one anti-dilution tool as the requirement is to only “consider, where appropriate” selecting at least one quantitative-based and one anti-dilution LMT. This represents a proportionate approach that seeks to accommodate investor protection and prudential considerations, and is at the discretion of the manager of the ELTIF to determine. This aligns with the Financial Stability Board (FSB) and International Organisation of Securities Commissions (IOSCO) revised policy recommendations to address structural vulnerabilities from liquidity mismatch in investment funds to support the greater and consistent use of LMTs with the aim of achieving a significant strengthening of liquidity management by managers of ELTIFs compared to current practices.

The Central Bank agrees with the deletion of the requirement to notify the Central Bank of the use of LMTs given the introduction of daily reporting requirements for LMTs. However, the Central Bank will require that immediate notification where the LMT under point 1 of Annex V of Directive 2011/61/EU is activated or deactivated in accordance with Article 46 (2)(j) of Directive 2011/61/EU.

#### **Question 108:**

##### **Central Bank Proposal**

The Central Bank sought feedback on requirements related to the operation of redemption gates to ensure the fair treatment of all unitholders in the event of a redemption gate being activated.

##### **Feedback**

On Redemption Gates, respondents noted that the requirements set out are overly restrictive and should be deleted.

##### **Central Bank Response:**

The Central Bank does not agree with the position that requirements for Redemption Gates are overly restrictive and believes the requirements are an appropriate protective measure to ensure the fair treatment of all unitholders and to mitigate against first mover risks. On this basis the Central Bank will include this requirement in the AIF Rulebook.

**Question 109:****Central Bank Proposal**

The Central Bank sought feedback on changes for clarification purposes to include “AIFM” when referencing “management company” and “general partner” in the context of the replacement of a depositary.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 110:****Central Bank Proposal**

The Central Bank sought feedback on changes to include “AIFM” and “general partner” when referencing “management company” in the context of the replacement of the management company/general partner or third party.

**Feedback**

With respect to the notification to the Central Bank of the replacement of fund service providers, respondents suggested an amendment to include a reference to “investment company” to address instances where the ELTIF is internally managed.

**Central Bank Response:**

The Central Bank agrees with the proposed amendment to clarify the requirement for internally managed ELTIFs and this will be reflected in the AIF Rulebook.

The Central Bank will also update the provision to replace the term “fund administrator” with “fund administration company”.

**Question 111:****Central Bank Proposal**

The Central Bank sought feedback on amendments to monthly and quarterly reporting requirements.

**Feedback**

Respondents agreed in principle with the proposed update but noted that changes should be subject to appropriate industry engagement and suggested that this be reflected in the AIF Rulebook.

**Central Bank Response:**

The Central Bank does not agree that operational or process matters such as industry engagement that are outside of regulatory requirements should be included in the AIF Rulebook.

**Question 112:****Central Bank Proposal**

The Central Bank sought feedback on amendments to simplify requirements related to an ELTIF seeking to: (i) amend the duration of the ELTIF; (ii) change the investment objective or make material changes to the investment policy of the ELTIF; or (iii) amend the maximum charge relating to the redemption or repurchase of units or the maximum annual fee.

**Feedback**

Respondents suggested the addition of “or otherwise exit” in relation to the means by which unitholders can exit an ELTIF.

Respondents suggested that the Central Bank include provisions for reasonable notice periods where changes to the duration of an ELTIF are made where there is an opportunity for unitholders to redeem.

**Central Bank Response:**

The Central Bank agrees with the point raised but believes the term “or otherwise exit” is too broad. Instead, the AIF Rulebook will be amended to reflect that a realistic opportunity to exit the ELTIF must be available.

The Central Bank notes that requirements providing for reasonable notice periods where there are material changes are covered in ELTIF Chapter, Section 3, Prospectus requirements of the AIF Rulebook.

The Central Bank will amend the footnote to refer to “ELTIF”.

**Question 113:****Central Bank Proposal**

The Central Bank sought feedback on an amendment to clarify voting requirements where the ELTIF wishes to change its investment objectives or effect a material change to its investment policies, as disclosed in the prospectus.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 114:****Central Bank Proposal**

The Central Bank sought feedback on an additional point (I) requiring “Information on any additional relevant details regarding the valuation of assets”.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 115:****Central Bank Proposal**

The Central Bank sought feedback on proposals to differentiate between an ‘in specie’ and an ‘exchange of assets’ where such activities are not an LMT under Directive 2024/927, its draft regulatory technical standards and guidelines on LMTs.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

To align with the Qualifying Investor AIF chapter, the Central Bank will use the term, “distribution of assets” instead of “exchange of assets” and otherwise will proceed with the proposed changes.

**Question 116:****Central Bank Proposal**

The Central Bank sought feedback on: (i) an amendment to the AIF Rulebook to include “AIFM” when referencing “management company”; and (ii) the deletion of the requirement to disclose the amount of the prescribed capital of the AIFM/management company/general partner as under AIFMD the AIFM is already required to maintain the necessary level of minimum regulatory capital, and such capital may change over time..

**Feedback**

Respondents noted that these paragraphs appear to apply to non-corporate structures and only refer to the management company of a contractual fund (i.e., a unit trust or a CCF) and the general partner of an ILP. Therefore, respondents suggest the reversal of the proposed changes in paragraphs 1 and 2 as they believe that the manager of the ELTIF should not be included.

**Central Bank Response:**

The Central Bank does not agree that this section only applies to unincorporated entities. While we note that the requirement in section “v. Information concerning investment

managers and other service providers”, would capture an AIFM, the Central Bank in this section is being prescriptive on the specific information that must be included by an ELTIF in respect of its AIFM.

**Question 117:**

**Central Bank Proposal**

The Central Bank sought feedback on: (i) an update for clarification purposes to include “AIFM” when referencing “management company”; and (ii) a clarification to include “management company” when referencing an “AIFM”.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 118:**

**Central Bank Proposal**

The Central Bank sought feedback on a reference noting that prominent risk warnings in the prospectus requirements risk disclosure section are to be in “bold text”.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 119:**

**Central Bank Proposal**

The Central Bank sought feedback on a requirement to add “Unitholders” to the entities subject to “Conflicts of Interest” provisions.

**Feedback**

The majority of respondents agreed with the proposal subject to certain clarifications.

Respondents suggested that a distinction should be made regarding “unitholders” to clarify that the “delegate or group companies” requirements does not extend to conflicts with unitholders.

Respondents suggested that text on addressing conflicts of interests should change from “going to be resolved” to “might be resolved”.

**Central Bank Response:**

The Central Bank agrees that delegates or associated companies of unitholders should not be included in the list of entities subject to conflict rules. This requirement will be amended in the AIF Rulebook.

The Central Bank agrees that the current consultation language on addressing conflicts is too definitive and this will be amended in the AIF Rulebook.

**Question 120:****Central Bank Proposal**

The Central Bank sought feedback on amendments to disclosures on warehousing arrangements.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 121:****Central Bank Proposal**

The Central Bank sought feedback on the deletion of requirements for financial resources of investment companies.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 122:****Central Bank Proposal**

The Central Bank sought feedback on proposed clarifications to the annual/half-yearly reporting requirements.

**Feedback**

Respondents supported the proposed change without amendment.

**Central Bank Response:**

The Central Bank will proceed with the proposed changes.

**Question 123:****Central Bank Proposal**

The Central Bank sought feedback on updates to information in the annual report.

**Feedback**

The majority of respondents suggested that a distinction should be included regarding “unitholders” to clarify that the “delegate or group companies” requirements does not extend to transactions with unitholders.

**Central Bank Response:**

The Central Bank's agrees that delegates or associated companies of unitholders should not be included in the list of entities subject to dealing rules and agrees with the clarification. This will be clarified in the AIF Rulebook.

**Question 124:****Central Bank Proposal**

The Central Bank sought feedback on updates to information in the half-yearly report.

**Feedback**

The majority of respondents suggested that a distinction should be included regarding "unitholders" to clarify that the "delegate or group companies" requirements does not extend to transactions with unitholders.

**Central Bank Response:**

The Central Bank's agrees that delegates or associated companies of unitholders should not be included in the list of entities subject to dealing rules and agrees with the clarification. This will be clarified in the AIF Rulebook.

## Section IX: Other Feedback

**Question 125:****Central Bank Proposal**

The Central Bank invited respondents to raise any additional issues or considerations not explicitly addressed in this consultation. Stakeholders were provided with the opportunity to comment more broadly and to highlight matters they consider relevant to the effective application of the AIF framework.

**Feedback**

Several respondents provided feedback on the AIF Rulebook in respect of the following elements:

- AIFMD II Transition Guidance/Transitional Period
- Outsourcing

- Unregulated Funds
- Retail Investor AIFs

### **AIFMD II Transition Guidance / Transitional Period**

In their submission respondents sought supervisory guidance from the Central Bank on the process and timelines for Irish-authorized AIFMs transitioning to the AIFMD II regime, with a particular focus on the treatment of existing loan-originating activities. It was noted that a significant cohort of Irish AIFMs already originate loans through LO-QIAIFs under approved programmes of activity and the current AIF Rulebook. For these firms, the respondents noted, that the introduction of the new activity of “originating loans on behalf of an AIF” represents a technical alignment of permissions rather than a substantive change to business model or risk profile. It was suggested that a proportionate and streamlined filing process limited to redlined amendments to the programme of activity and a senior management attestation would promote regulatory continuity, supervisory efficiency and legal certainty, while avoiding the risk of any interruption to existing permitted activities.

The submission further proposes a transitional framework for the implementation of the revised AIF Rulebook, including a 12-month grandfathering period for existing Irish-authorized AIFs, with optional early adoption on a per-fund basis. This approach would allow AIFMs to balance time-critical initiatives with the need for appropriate governance, investor engagement and documentation updates, including constitutional amendments, prospectus revisions and policy updates. Respondents pointed out that while certain clarificatory or operational measures may reasonably apply on a day-one basis, other provisions, particularly those that require unitholder or contractual changes, should be eligible for phased implementation without undermining investor protection or prudential oversight. This mirrors the transitional approach adopted during the initial implementation of AIFMD.

Finally, respondents identifies a range of specific disclosure, governance and constitutional amendments that would be suitable for inclusion within the proposed transition window, including updates to prospectuses, conflicts and preferential treatment disclosures, valuation-related information, and amendments reflecting structural or operational clarifications under the revised AIF Rulebook. It is suggested that, where possible, these changes be coordinated with the implementation of AIFMD II liquidity management tool requirements to avoid duplicative documentation updates. In addition, the submissions

requested that closed, dormant or wind-down AIFs be afforded permanent grandfathering relief, recognising that requiring such funds to update documentation would impose costs without delivering commensurate regulatory or investor protection benefits.

### **Outsourcing**

In their submission respondents made reference to Article 20(6a) (as inserted into AIFMD by AIFMD II).

Respondents suggested that to avoid a potential mismatch between EU and domestic law, that the Central Bank issue an addendum/clarification in respect of its outsourcing guidance to clarify that the arrangements referred to in Article 20(6a) would equally not be considered to be an outsourcing within the meaning of the guidance.

### **Unregulated funds**

In respect of Qualifying Investor AIFs which invest more than 50% of net assets in another investment fund, respondents were in favour of the revisions to the Category 1 and Category 2 definitions in the AIF Rulebook. It was noted, however, that there will be inconsistencies between the application of the Category 1 and 2 requirements for Retail Investor AIFs and Qualifying Investor AIFs as a result of the amendments to the Retail Investor AIF chapter only including revisions to reflect the requirements of AIFMD II.

Respondents noted that the list of eligible Category 1 and Category 2 funds includes EU-based funds which are (i) UCITS and (ii) authorised AIFs. Respondents are seeking an amendment to the last item in the Category 1 to revise the existing language from “authorised AIFs” to “authorised AIFs and EU AIFs with an EU-authorised AIFM”. They feel this will ensure that AIFs are subject to materially similar investor protection requirements (in terms of transparency, risk management, liquidity management and valuation and the appointment of a depositary etc) to those AIFs which are authorised / regulated by an EU regulator.

Respondents requested an amendment to the 50% limit that a Qualifying Investor AIF may invest in another investment fund. The 85% threshold included in the definition of “Feeder AIF” in AIFMD was highlighted as a more appropriate limit for such investments noting that the current 50% limit is not an AIFMD requirement. The fact that Qualifying Investor AIFs are restricted to sophisticated/professional investors that are subject to minimum investment

criteria and are capable of understanding the risks of such investments was also emphasised. As was the fact that AIFMD requires depositary's of feeder Qualifying Investor AIFs to look through to the assets of any underlying master fund so the issue of safekeeping of assets is already addressed by AIFMD. An additional point that QIAIF funds can invest directly in almost any asset class or strategy means that any investment in an unregulated master fund would not generate any additional level of risk.

Private asset structures were highlighted as being potentially impacted by the rules where they seek to optimise the structure this can result in an overall fund structure that includes more than two layers of master/feeder entities.

Respondents believe that there is a contradictory provision in Chapter 2 (Qualifying Investor AIF Requirements), Part I, Section 3, paragraph iii, 2 (Investments in other investment funds) which provides that "Where the Qualifying Investor AIF is a fund of funds it may only invest in another investment fund which itself invests more than 50% of net assets in other investment funds where the Qualifying Investment AIF has made clear disclosure regarding increased costs and lack of transparency concerning the ultimate exposure. Any such investments must not be made for the purpose of duplicating management and/or investment management fees." Respondents feel that this provision permits a QIAIF investing in another fund which itself invests more than 50% of net assets in other funds, provided that there is appropriate disclosure regarding the costs and expenses of such structures, and there is no duplication of management fees.

Where a QIAIF complies with the minimum subscription of €500,000, respondents sought to revise the language to make it clear that that a QIAIF could invest in any type of underlying fund whether Category 1, Category 2 or a fund which does not constitute a Category 1 or a Category 2 investment fund.

Finally, respondents sought to remove the necessity to attach the periodic reports of the master fund as the relevant legislative and accounting requirements ensure that the standalone financial statements of the feeder fund will provide unitholders with a true and fair view of the performance and financial position of the fund that they have invested in.

## **Retail Investor AIFs**

Respondents suggested the inclusion of a revised Retail Investor AIF chapter that targeted amendments arising from the implementation of AIFMD II. Respondents noted that the Central Bank intends to carry out a broader review of the Retail Investor AIF chapter in due course but sought to ensure that there would be no delay in commencing this review. They believe that much-needed reforms to support the Savings and Investment Union (SIU) initiative and to complement the growth of the European Long-Term Investment Fund (ELTIF 2.0) for retail investors are needed. An amended Retail Investor AIF and retail ELTIF regime would support the delivery of SIU's aim to channel European savings to strategic investments and offer alternative sources of financing to European businesses.

### **Central Bank Response:**

#### **AIFMD II Transition Guidance/Transitional Period**

The revised AIFMD does not provide for a transition period.

Processes and procedures for AIFMs currently managing loan originating Qualifying Investor AIFs are contained in "Markets Update: Issue 1 2026" available on the Central Bank's website.

#### **Outsourcing**

The Central Bank considers that no further clarification is required within its outsourcing guidance, as the relevant requirements are already set out in Level 1 legislation and apply independently of supervisory guidance. Accordingly, the Central Bank does not propose to update the outsourcing guidance in this respect.

#### **Unregulated Funds**

The Central Bank acknowledges the concerns highlighted by respondents, however, at this time the intention is to maintain the current approach. The Central Bank will further consider this position, including the points raised, as part of a proposed broader review of the AIF framework which is expected to take place in the coming year. However, minor changes for clarification have been added to "Part II Specific Fund-Type Requirements – Qualifying Investor AIFs which invest more than 50% of net assets in another investment fund".

## **Retail Investor AIF**

The Central Bank agrees and the current position is that all proposed changes to the Retail Investor AIF chapter are to align with requirements under Directive (EU) 2024/927. Accordingly, the Retail Investor AIF chapter will be revised to include the following revisions which will result in a significant expansion of the Retail Investor AIF regime in Ireland. Key development will include: (i) the removal of the restriction on granting loans – providing the opportunity to establish loan originating Retail Investor AIFs; (ii) the introduction of harmonised rules on liquidity management tools; (iii) a revision of the expectations in relation to performance fee verification; (iv) streamlined reporting requirements; and (v) introducing stress testing requirements for MMFs.

In line with a similar approach taken for QIAIFs and ELTIFs, the Central Bank has clarified the depositary's obligations in relation to performance fees so that the depositary or a competent person appointed by the AIFM and who is approved for the purpose by the depositary verifies that procedures have been effectively implemented to ensure that any performance fees payable and accrued pursuant to the RIAIFs performance fee payment cycle are calculated in accordance with the governing documents of the RIAIF. This aligns with the depositary's role, the CBI UCITS Regulations and requirements under the European framework.

Further changes will be considered as part of the proposed broader review of the AIF framework.

## Annex 1: CP 162 Respondents

The closing date for submissions to CP 162 was 5 November 2025.

A total of 15 responses were received.

Respondents included two representative bodies including Irish Funds and the Irish Fund Directors Association, and 10 endorsement letters to Irish Funds' submission from: Arthur Cox LLP; Dillon Eustace LLP; Maples Group; McCann Fitzgerald LLP, MSIM Fund Management (Ireland) Limited; Northern Trust (Ireland) Limited; Ogier (Ireland LLP); SEI Investments Global Limited/SEI Global Fund Services Limited/SEI Investment Depository and Custodial Services (Ireland) Limited; Simmons & Simmons LLP; Walkers Ireland LLP and William Fry LLP.

All stakeholder submissions received are available on the Central Bank's website<sup>1</sup>.

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<sup>1</sup> <https://www.centralbank.ie/publication/consultation-papers/cp162-consultation-on-proposed-amendments-to-the-central-bank-alternative-investment-fund-rulebook-aif-rulebook>

## Annex 2: AIF Rulebook – May 2026

The AIF Rulebook – May 2026 can be found [here](#)



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