

FCA Publishes Webpage on its Expectation of Funds During COVID-19 Pandemic

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On April 6, the UK's Financial Conduct Authority (FCA) published a new webpage setting out its expectations of funds in light of the COVID-19 pandemic (the Webpage).

The FCA notes that firms are facing difficulties during the COVID-19 pandemic, but it still expects them to continue to uphold the best interest of their investors at all times. In order to do so, the Webpage answers a number of queries from firms, including:

- firms can delay their annual and half-yearly fund reports;
- firms can hold virtual general meetings for fund unitholders, subject to the fund's documentation (including prospectuses and instruments of incorporation) permitting such types of meetings;
- the FCA expects firms to have plans in place to deal with issues of compliance with limits on value at risk (VAR) and should take appropriate remediation action, considering the market conditions and what is in the best interests of their customers. If individual firms continue to face issues managing their funds within risk limits and VAR limits, then they should speak to their FCA supervisory contact; and
- during the COVID-19 pandemic, the FCA is willing to accept electronic signatures on applications to authorize funds or approve changes to funds. This clarification applies only to information sent by firms to the FCA.

The Webpage is available [here](#).

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