

MACFARLANES

## Investment management update - September 2024

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19 September 2024

Welcome to the latest edition of our investment management update.

This publication has been tailored to highlight topical news, cases and changes in the law impacting the investment management sector.

### ▼ UK

- On 22 August 2024, the FCA updated its webpage to confirm that they will open the gateway to the new overseas fund regime (OFR) on 30 September 2024 for funds not currently in the Temporary Marketing Permissions Regime (TMPR). The OFR facilitates the marketing of an overseas fund to UK retail investors, and this will now replace the TMPR, which has been in place since the loss of the EU passporting system after the UK's withdrawal from the EU. The FCA webpage has also been updated to provide additional guides for different fund types and a data set of the application form questions with guidance.

[Overseas Funds Regime: Update for firms | FCA](#)

[The Overseas Fund Regime: prepare your application now - Macfarlanes](#)

- On 7 August 2024, the FCA published a final notice to H2O AM LLP (H2O), an authorised fund manager (AFM) for failings concerning its investments in illiquid assets. The FCA found that H2O breached Principle 2 (skill, care and diligence), Principle 3 (management and control) and Principle 11 (relations with regulators) of the FCA's principles for business and COLL 6.6A.4R which requires an AFM to ensure a high level of diligence in selecting scheme property and to act in the best interests of the scheme and its investors.

[Final Notice 2024: H2O AM LLP](#)

- On 5 August 2024, the House of Lords Financial Services Regulation Committee (HLFSRC) published a press release announcing that it had re-opened the inquiry into the FCA's proposals to publicise enforcement investigations (as set out in its consultation paper CP24/7), inviting written submissions to this inquiry by 11 October 2024.

The HLFSRC also announced that it has re-opened its inquiry into the FCA's and PRA's secondary competitiveness and growth objective, inviting written submissions to this inquiry by 29 November 2024.

[Reappointment of the Financial Services Regulation Committee and reopening of its inquiries](#)

- On 2 August 2024, in response to the FCA's consultation paper CP23/12, the FCA published a policy statement (PS24/10) on the second phase of expanding the dormant assets scheme (DAS) to include

investment assets and client money. The DAS was expanded under the Dormant Assets Act 2022 to facilitate the inclusion of dormant assets from certain sectors.

#### [PS24/10: Expansion of the Dormant Assets Scheme – second phase](#)

##### ▼ **Europe ex UK**

- On 21 August 2024, ESMA translated their guidelines on funds using ESG or sustainability related terms in their names. The transition period for the guidelines to take effect is now 3-months from the translation date, with a further 6-month period allowed for existing funds.

#### [Guidelines on funds' names using ESG or sustainability-related terms](#)