

UKLA Technical Note

Open-ended investment companies and transfer restrictions

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LR 2.2.4R;
LR 16.1.1R (1);
LR 16.2.1R

Admission to the Official List for open-ended investment companies is available where such applicants meet the requirements of LR 16. LR 16.1.1R (1) explicitly covers investment companies with variable capital which have been granted an authorisation order by the FCA. However, as provided by LR 16.2.1R, an applicant must still comply with the additional eligibility requirements, including all of the requirements of LR 2 (which includes the requirement for securities to be freely transferable and free from any restriction on transfer as required by LR 2.2.4R).

We would highlight to potential new applicants that there are different types of authorisation orders the FCA may grant. We expect applicants to satisfy themselves that the particular authorisation order they are seeking will not prevent them from complying with the requirements set out under LR 16.2.1R, including LR 2.