



FCA extension of modification by consent for NURS KII documents

Key Investor Information Documents (KIIDs) have been a requirement for UCITS schemes since July 2012, while COBS and COLL Sourcebooks state that NURS must issue a Key Features Document or Simplified Prospectus. However, the FCA has allowed NURS to issue a KIID (or “NURS-KII document”, as it’s officially known) instead through a modification by consent. The fund is then referred to as a “KII-compliant NURS”.

Last week (20 March 2014), the FCA announced that it was extending the modification by consent beyond the current 30 June 2014 expiry date to 30 June 2016. **Those AFMs of NURS who currently hold the modification by consent need to reapply to extend their modification.**

In almost all respects the format, content and delivery of a KIID for a NURS is identical to a UCITS KIID. However, a KII-compliant NURS that consists of at least 20% of immovable assets (ie physical property or land) cannot use the SRRRI calculation, but must instead provide a full narrative disclosure of risks that are materially relevant to the fund, as the FCA is not satisfied that the methodology for the indicator would produce an appropriate result for that asset class.

The rules require firms to provide a NURS-KII document to retail clients, but also allows them to offer it to professional investors.

Kii Hub can help any AFM of NURS looking to issue NURS-KII documents with the drafting of the narrative, if applicable, as well as with the production, hosting and delivery of the finished documents. For further information, please contact us on 020 7337 2291 or at info@kiihub.com.

To obtain or reapply for a modification, firms need to contact the FCA’s Central Waivers Team at centralwaiversteam@fca.org.uk or in writing at

Central Waivers Team
The Financial Conduct Authority
25 The North Colonnade
Canary Wharf
London E14 5HS

We recommend you apply in good time before the 30 June 2014 deadline and don’t leave extending your modification to the last minute.

28 March 2014