

At a glance

The temporary permissions regime is now open

What's new?

- The notification window for the temporary permissions regime (TPR) opened on 7 January 2019 on [the FCA's website](#) and closes at the end of 28 March 2019.
- The FCA published two guides covering the notification process for [firms](#) and [investment funds](#).

What does this mean?

- The objective of the TPR is to minimise disruption for EU firms currently operating in the UK due to the loss of passporting rights, if the UK leaves the EU on exit day without an implementation period.
- The TPR allows EEA-based firms and EEA-domiciled investment funds to continue to operate in the UK within the scope of their current permissions for up to three years while they seek to obtain permanent authorisation or recognition from UK regulators.
- Under the TPR, firms and investment funds will be subject to the same regulatory requirements as third country firms and investment funds, but the regulators have indicated that many of these requirements will be phased in.
- Firms that have not submitted a notification for the TPR will not be able to use the regime. Under certain conditions, they will be subject to the [financial services contracts regime](#).
- Funds managers that have not submitted a notification will not be able to continue marketing their funds in the UK after exit day, except for new sub-funds of EEA UCITS that are in the temporary permissions marketing regime on exit day.
- Once authorised, firms will leave the TPR. Those firms that do not seek or are denied authorisation, will have their permissions cancelled and there will be an orderly run off of their activities in the UK.

What do firms need to do?

- Firms and funds managers should notify the regulators of their intention to take advantage of the TPR without waiting for confirmation of whether there will be an implementation period.
- PRA supervised EEA firms without current passporting licences that have submitted an application for authorisation will automatically be entered into the TPR and are not required to send a notification.
- Notification should be submitted via the [FCA's Connect system](#). There will be no fee for notifying for the TPR.
- Firms and fund managers should familiarise themselves with the [FCA's approach to the TPR](#) and consider the implications of the additional regulatory requirements this would entail.

Next steps



- The notification window closes at the end of **28 March 2019**.
- Details of firms and investment funds with temporary permission will be shown on the [FS register](#).

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