

## Annex A

### Application of the standstill direction to amendments made in Statutory Instruments and Exit Instruments amending technical standards

In this Annex, terms in **bold** take the meaning as stipulated in Part 2 (Interpretation) of the main FCA transitional directions.

The **standstill direction** applies to **relevant obligations** in the legislation specified in column (2). Column (3) provides guidance on the application of the **standstill direction** and also on circumstances where the **standstill direction** does not apply in a particular area.

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
<b>1</b>	<b>Alternative Investment Fund Managers</b>	
1.1	<p>Amendments made by the Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019 (AIFM Exit Regs) to the following provisions in the Alternative Investment Fund Managers Regulations 2013 (the UK AIFM Regs) in relation to the category of <i>AIFM</i> and <i>AIF(s)</i> specified below and in the following circumstances:</p> <p>a) Regulation 54, where the <i>AIFM</i> in question is a <i>UK AIFM</i> that is marketing an <i>EEA AIF</i> in the <i>UK</i> immediately before <i>IP completion day</i>; and</p> <p>b) Regulation 57, where the <i>AIFM</i> in question is an <i>EEA AIFM</i> marketing an <i>AIF</i> that falls within regulation 57(1) as it had effect immediately before <i>IP completion day</i>.</p>	<p>The UK AIFM Regs were used to implement the Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (<i>AIFMD</i>) into <i>UK</i> law. <i>AIFMD</i> creates an <i>EEA</i>-wide regime for the authorisation of <i>AIFMs</i> and the marketing of <i>AIFs</i> throughout the <i>EEA</i>. After <i>IP completion day</i>, the regime for authorising <i>AIFMs</i> and marketing <i>AIFs</i> in the <i>UK</i> will become <i>UK</i>-specific and this change in scope is achieved through amendments made by the AIFM Exit Regs to the UK AIFM Regs.</p> <p>To try to ensure continuity, the AIFM Exit Regs create a transitional, temporary marketing regime which enables <i>EEA AIFMs</i> to continue to market certain <i>AIFs</i> in the <i>UK</i> subject to notifying the <i>FCA</i> of their intention to do so in accordance with the relevant directions under the amended UK AIFM Regs. The amendments made by the AIFM Exit Regs are also designed to allow <i>UK AIFMs</i> to continue to manage and market <i>AIFs</i> in the <i>UK</i> on the same terms as immediately before <i>IP completion day</i>.</p> <p>There are two circumstances which are outside of the transitional regime, and where the changes made by the AIFM Exit Regs have the potential to affect <i>AIFMs</i> that market <i>AIFs</i> in the <i>UK</i> immediately before <i>IP completion day</i>. The <b>standstill direction</b> has been applied to these.</p> <p>The effect of applying a <b>standstill direction</b> in the circumstances envisaged in paragraph (a) of column (2) is that a <i>UK AIFM</i> can continue to market an</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<p><i>EEA AIF</i> that was being marketed in the <i>UK</i> immediately before <i>IP completion day</i> in accordance with regulation 54 of the UK AIFM Regs, as if regulation 54 still had the same effect as it did immediately before <i>IP completion day</i>. This means that that there is no need for such a <i>UK AIFM</i> to notify such an <i>EEA AIF</i> for marketing under regulation 57 of the UK AIFM Regs (as amended by the AIFM Exit Regs) until the <b>standstill direction</b> ceases.</p> <p>The effect of applying a <b>standstill direction</b> in the circumstances envisaged in (b) of column (2) is that an <i>EEA AIFM</i> can continue to market an <i>AIF</i> in accordance with Regulation 57 of the UK AIFM Regs, as if regulation 57 still had the same effect as it did immediately before <i>IP completion day</i>. There is no need for such an <i>EEA AIFM</i> to notify such an <i>AIF</i> for marketing under regulation 59 of the UK AIFM Regs (as amended by the AIFM Exit Regs) until the <b>standstill direction</b> ceases.</p> <p>Note that row 19.6 applies the <b>standstill direction</b> to changes made by the <i>Regulated Activities Order</i> which affect the <i>permissions</i> that UK firms would need to manage <i>EEA UCITS</i> after <i>IP completion day</i> because such funds will be <i>UK AIFs</i> under <i>UK</i> law.</p>
<b>2</b>	<b>Bank Recovery and Resolution</b>	
2.1	N/A	<p>Amendments made by the following are subject to the <b>prudential standstill direction</b>:</p> <ul style="list-style-type: none"> <li>a) Bank Recovery and Resolution and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1394); and</li> <li>b) Financial Conduct Authority Technical Standards (Bank Recovery and Resolution Directive) (EU Exit) Instrument 2019.</li> </ul>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
<b>3</b>	<b>Benchmarks</b>	
3.1	N/A	<p>The Benchmarks (Amendment and Transitional Provision) (EU Exit) Regulations 2019 the (“BMR Exit SI”) transfers functions from European bodies to the Treasury and the FCA, and amend the transitional provisions set out Article 51 of the Benchmarks Regulation (Regulation (EU) 2016/1011) (Benchmarks Regulation), to mitigate deficiencies arising from the <i>UK’s</i> withdrawal from the EU.</p> <p>Regulation 12 of the Financial Services (Miscellaneous Amendments) (EU Exit) Regulations 2020 extends the transitional period applicable to the use within the UK of benchmarks provided by third country benchmark administrators to 1 January 2023. Following <i>IP completion day</i> EU benchmark administrators will become third country benchmark administrators. This means use of such benchmarks will be permitted by the transitional provisions until 31 December 2022.</p> <p>The <b>standstill direction</b> does not apply to any amendments made by the BMR Exit SI in light of those transitional provisions.</p>
<b>4</b>	<b>Building Societies</b>	

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
4.1	Amendments made by the Building Societies Legislation (Amendment) (EU Exit) Regulations 2018 (BS Exit Regs).	<p>The BS Exit Regs amend the following:</p> <ul style="list-style-type: none"> <li>a) Building Societies Act 1986;</li> <li>b) Building Societies (Funding) and Mutual Societies (Transfers) Act 2007;</li> <li>c) Building Societies (Transfer of Business) Regulations 1998;</li> <li>d) Building Societies (Accounts and Related Provisions) Regulations 1998 (BS Regs);</li> <li>e) Building Societies Act 1986 (Substitution of Specified Amounts and Modification of the Funding Limit Calculation) Order 2007;</li> <li>f) Mutual Societies (Transfers) Order 2009.</li> </ul> <p>The <b>standstill direction</b> will have the following practical consequence: Section 107 of the Building Societies Act 1986 (Restriction on use of certain names and descriptions).</p> <p>Pursuant to an amendment made by the BS Exit Regs, EU partnerships and EU unincorporated associations will no longer be able to benefit from the exception in section 107(2) to the restriction on the use of the name “building society”. The effect of the <b>standstill direction</b> is that EU partnerships and unincorporated associations may continue to use the name “building society” or in any other way describe themselves so as to indicate, or reasonably be understood to indicate, that they are building societies or are connected with building societies provided they meet the conditions in section 107(2).</p> <p>The <b>standstill direction</b> does not apply to the changes to section 7 of the Building Societies Act 1986 (the funding limit), because a savings regime applies to those changes (see paragraph 7.3G of the main FCA transitional directions). Under the post-<i>IP completion day</i> regime, building societies will no longer be able to include loans secured on land in the EEA in the</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<p>calculation of loans “fully secured on residential property” to satisfy the minimum funding limit in section 7. Under the savings regime provided for in reg 3 of the BS Exit Regs, loans secured over land in the EEA before <i>IP completion day</i> will continue to count towards the funding limit after <i>IP completion day</i>.</p> <p>We do not consider these amendments lead to other changed requirements for firms, but we have applied the <b>standstill direction</b> to the BS Exit Regs for the avoidance of doubt.</p>
4.2	N/A	<p>Because there is already a transitional regime, the <b>standstill direction</b> will not apply to amendments made by the International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019 (IAS Exit Regs) to the:</p> <ul style="list-style-type: none"> <li>a) Building Societies Act 1986</li> <li>b) Building Societies (Accounts and Related Provisions) Regulations 1998</li> </ul> <p><i>UK</i> listed building societies (and companies) are currently required to prepare their group consolidated accounts in accordance with International Financial Reporting Standards (IFRS) as endorsed and adopted for use in the EU by European Commission regulations.</p> <p>The amendments made by the IAS Exit Regs to Building Societies legislation will require building societies after <i>IP completion day</i> to use <i>UK</i>-adopted international accounting standards in the place of EU Commission-adopted international accounting standards, where building societies are required, or opt to use, international accounting standards.</p> <p>The <b>standstill direction</b> will not apply to the amendments because paragraph 66 of Part 4 in Schedule 1 of the IAS Exit Regs (IAS accounts and first IAS year: building societies) already provides a transitional regime for building societies who have prepared individual or group accounts in</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		accordance with the pre- <i>IP completion day</i> versions of section 72A(2)(b) or 72E(3)(b) of the Building Societies Act 1986.
<b>5</b>	<b>Capital Requirements</b>	
5.1	N/A	<p>Amendments made by the following are subject to the <b>prudential standstill direction</b>:</p> <p>a) Capital Requirements (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1401);</p> <p>b) Capital Requirements (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/1232); and</p> <p>c) Financial Conduct Authority Technical Standards (Capital Requirements Directive and Regulation) (EU Exit) (No. 2) Instrument 2020.</p>
<b>6</b>	<b>Central Securities Depositories</b>	
6.1	<p>The following provisions of Regulation (EU) No 909/2014 ("CSDR") as amended by the Central Securities Depositories (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1320) ("CSD Exit Regulations"):</p> <ul style="list-style-type: none"> <li>Articles 3 to 5; and</li> <li>Article 53 (in respect of <i>UK</i> trading venues only),</li> </ul> <p>and to any amendments made to any associated binding technical standards which relate to those provisions.</p>	<p>The FCA supervises in relation to the CSDR provisions listed (and as specified) in column (2). We do not consider the amendments to these provisions, or to any associated binding technical standards which relate to these provisions, lead to changed requirements for UK trading venues or for participants in securities settlement systems as defined in CSDR (as amended by the CSD Exit Regulations), but we have applied the <b>standstill direction</b> for the avoidance of doubt.</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
<b>7</b>	<b>Collective Investment Schemes</b>	
7.1	<p>The <b>standstill direction</b> has not been applied to any provisions in the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/325) (the CIS Exit Regs).</p>	<p>The UCITS Directive (Directive 2009/65/EC) creates an <i>EEA</i>-wide regime for the management and marketing of <i>UCITS</i>. The CIS Exit Regs make changes to <i>UK</i> primary and secondary legislation, as well as <i>EU</i> legislation, reflecting the <i>UK's</i> exit from the <i>EU</i> and the end of the transition period. In particular, the CIS Exit Regs create a <i>UK</i>-specific regime for the authorisation of <i>UK UCITS</i>, and their management and marketing in the <i>UK</i>.</p> <p>To try to ensure continuity, Part 6 of the CIS Exit Regs creates a transitional, temporary marketing regime which enables <i>EEA UCITS</i> to continue to be marketed in the <i>UK</i> as a 'recognised scheme' for a temporary period in the same, or a very similar, manner as they did immediately before <i>IP completion day</i>. To benefit from this temporary regime, the fund must be notified to the <i>FCA</i> in accordance with the relevant directions under the CIS Exit Regs. Under Part 7 of the CIS Exit Regs, an <i>operator, trustee or depositary</i> of a <i>scheme</i> which is recognised under Part 6 of the CIS Exit Regs, is to be treated as having permission to carry on a regulated activity under Part 4A of <i>FSMA</i> for so long as the scheme is so recognised. This reflects the position under Schedule 5 of <i>FSMA</i> for <i>operators, trustees, or depositaries</i> of <i>EEA UCITS</i> which were marketed in the <i>UK</i> under passport immediately before <i>IP completion day</i>.</p> <p>The CIS Exit Regs also amend the incorporation requirements that apply to the <i>operator, trustee or depositary</i> of an <i>authorised fund</i>. In broad terms, the effect of these amendments will be to require that <i>operators, trustees and depositaries</i> of <i>authorised funds</i> are incorporated, etc. in the <i>UK</i> after <i>IP completion day</i>. However, Part 8 of the CIS Exit Regs creates a temporary regime which will allow <i>EEA firms</i> with the relevant <i>temporary permissions</i> to</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<p>continue to act as <i>operators, trustees and depositaries of authorised funds</i> even if they are not incorporated, etc. in the <i>United Kingdom</i>.</p> <p>The CIS Exit Regs do not substantively change the obligations of <i>firms</i> that act as the <i>operator, trustee or depositary</i> of a <i>UK UCITS</i>, although <i>EEA firms</i> will need to have the relevant <i>temporary permissions</i>.</p> <p>In light of the above, we do not consider it necessary to apply the <b>standstill direction</b> to the amendments made by the CIS Exit Regs.</p> <p>Note that row 19.6 applies the <b>standstill direction</b> to changes made by the <i>Regulated Activities Order</i> which affect the <i>permissions</i> that UK firms would need to manage <i>EEA UCITS</i> after <i>IP completion day</i> because such funds will be <i>UK AIFs</i> under <i>UK law</i>.</p>
<b>8</b>	<b>Credit - Consumer Credit</b>	
8.1	<p>Amendments made by the Consumer Credit (Amendment) (EU Exit) Regulations 2018, except for amendments to:</p> <p>(a) Schedule 1 to the Consumer Credit (Disclosure of Information) Regulations 2010; and</p> <p>(b) Table 5 of Schedule 3 to the Consumer Credit (Disclosure of Information) Regulations 2010.</p> <p>The <b>standstill direction</b> shall only apply to the other amendments made by the Consumer Credit (Amendment) (EU Exit) Regulations 2018 to the Consumer Credit (Disclosure of Information) Regulations 2010 (i.e. besides those referred to in (a)</p>	<p>A transitional regime already exists in relation to the amendments in (a) and (b).</p> <p>These amendments alter prescribed wording in forms used to give disclosure of pre-contract credit information under regulations 8 and 11 of the <i>disclosure regulations</i>. If the <i>disclosure regulations</i> are not complied with, the credit agreement is only enforceable against the debtor on an order of the court.</p> <p>However, the effect of regulation 40 of the Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019 is that for a period of five months beginning on <i>IP completion day</i> there will be compliance with the <i>disclosure regulations</i> if the creditor uses the new form of wording prescribed by the Consumer Credit (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1038) or the previous form of wording that was prescribed before the latter Regulations came into force.</p>



(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
	and (b)) for a period of five months beginning on <i>IP completion day</i> .	<p>The <b>standstill direction</b> accordingly will not apply to the amendments to the <i>disclosure regulations</i> described above</p> <p>Note that the of heading of Schedule 3 to the <i>disclosure regulations</i> is changed by regulation 3(4)(a) of the Consumer Credit (Amendment) (EU Exit) Regulations 2018. This heading is the description of the Schedule only and is not prescribed wording for the relevant form.</p> <p>We do not consider the other amendments made by the Consumer Credit (Amendment) (EU Exit) Regulations 2018 lead to changed requirements for firms, but we have applied the <b>standstill direction</b> for the avoidance of doubt.</p> <p>Note the Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 amend the definition of “regulated credit agreement” in the CCA. Where the purpose of a credit agreement entered into on or after 21 March 2016 and prior to <i>IP completion day</i> is the acquisition or retention by a <i>consumer</i> of property rights in any land or existing or projected building in the <i>UK</i> or an <i>EEA State</i>, the agreement is not a “regulated credit agreement” for the purposes of the CCA. However, the territorial scope of this provision is reduced to the <i>UK</i> for credit agreements entered into on or after <i>IP completion day</i>. As a result, more agreements may fall within the definition of “regulated credit agreement” in the CCA. <i>Firms</i> affected will need to comply with the relevant provisions of the CCA for such agreements.</p> <p>We are not applying the <b>standstill direction</b> to this change. As stated in the main FCA transitional directions, our general approach is not to apply the <b>standstill direction</b> to changes to the regulatory perimeter. The regulatory status of agreements entered into prior to <i>IP completion day</i> is being preserved.</p> <p>The Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 also amend the definition of certain “exempt agreements” in Chapter 14A of the <i>Regulated Activities Order</i>. These amendments also</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		involve changes to the regulatory perimeter and so the <b>standstill direction</b> is not being applied to these amendments either.
<b>9 Credit - Mortgage Credit</b>		
9.1	N/A	<p>The <b>standstill direction</b> does not apply to any Mortgage Credit Directive-related amendments made by the Mortgage Credit (Amendment) (EU Exit) Regulations 2019 or the Financial Services and Markets 2000 (Amendment) (EU Exit) Regulations 2019.</p> <p>This is because the regulatory status of existing agreements is being preserved, and no new obligations will apply in relation to existing agreements. Accordingly, we do not consider that the <b>standstill direction</b> needs to apply to the amendments referred to above.</p> <p>The legislative changes are a reduction in geographic scope of the regulation. At present <i>regulated mortgage contracts</i> and <i>article 3(1)(b) agreements</i> which are regulated under <i>FSMA</i> and <i>MCOB</i> and <i>CONC</i>, and <i>buy-to-let credit agreements</i> which are regulated under the Mortgage Credit Directive Order 2015, are within the regulatory perimeter if they relate to land in the <i>EEA</i>. The effect of the amendments referred to above is that contracts and agreements of these sorts entered into on or after <i>IP completion day</i> will only be within the regulatory perimeter if they relate to land in the <i>UK</i>.</p> <p>However, the effect of this regulatory reduction in scope may mean that some post-<i>IP completion day</i> agreements relating to land in the <i>EEA</i> that would have been a <i>regulated mortgage contract</i>, an <i>article 3(1)(b) agreement</i> or a <i>buy-to-let credit agreement</i> if entered into before <i>IP completion day</i>, will instead be a <i>regulated credit agreement</i> regulated under the <i>CCA</i> and <i>CONC</i>. Accordingly, <i>firms</i> dealing with such agreements will need to ensure they have the relevant consumer credit permission and to follow the relevant consumer credit requirements and procedures. But these implications are the result of the amendments referred to above which reduce the scope of the regulatory perimeter set out in Article 61 of the <i>Regulated Activities Order</i> (regulated mortgage contracts) to contracts which</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		are required to be secured on land in the <i>UK</i> . As set out in the main FCA transitional directions, our general approach is not to apply the <b>standstill direction</b> in relation to such changes to the regulatory perimeter. We are not aware that there is a large market for such lending.
<b>10</b>	<b>Credit transfers and direct debits in euro</b>	
10.1	Amendments in the Credit Transfers and Direct Debits in Euro (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1199).	We do not consider these amendments lead to changed requirements for firms, but we have applied the <b>standstill direction</b> for the avoidance of doubt.
<b>11</b>	<b>Credit Ratings Agencies</b>	
11.1	<p>The <b>standstill direction</b> applies only in the following circumstances and with the following modifications.</p> <p>The <b>relevant obligations</b> in Article 4 of Regulation (EC) No 1060/2009 (as it has effect as retained EU legislation on <i>IP completion day</i>) (the <i>CRA Regulation</i>) relating to the eligibility of a credit rating to be used for regulatory purposes will not apply for a period of one year beginning with <i>IP completion day</i> where the credit rating was issued or endorsed by a credit rating agency established in the EU which is not part of a group in respect of which one of its undertakings:</p> <p>a) is registered in the <i>UK</i> in accordance with the <i>CRA Regulation</i>; or</p>	<p>The application of the <b>standstill direction</b> in the circumstances set out in column (2) will provide a one year run-off period beginning with <i>IP completion day</i> in which relevant <i>UK</i> regulated entities can continue to use a credit rating for regulatory purposes where:</p> <ul style="list-style-type: none"> <li>• that rating was issued or endorsed before <i>IP completion day</i> by a credit rating agency established in the EU and has not been withdrawn before <i>IP completion day</i>; and</li> <li>• the EU credit rating agency which issued or endorsed that rating does not fall within scope of the transitional provision in Article 4(1A) of the <i>CRA Regulation</i> because it does not have a group affiliate which is registered as a credit rating agency in the <i>UK</i> or which has made an advance application for registration on <i>IP completion day</i>.</li> </ul> <p>This run-off period will provide the relevant <i>UK</i> regulated entities with up to one year from <i>IP completion day</i> to find alternative credit ratings for regulatory use. Following the expiry of this period or, if earlier, when a credit rating no longer meets the criteria to benefit from the <b>standstill direction</b>, these ratings may no longer be used for regulatory purposes in</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
	<p>b) has made an advance application under regulation 24 of The Credit Rating Agencies (Amendment, etc.) (EU Exit) Regulations 2019 (S.I. 2019/266) to be registered in the <i>UK</i> in accordance with the <i>CRA Regulation</i>;</p> <p>and the rating was issued or endorsed and not withdrawn immediately before <i>IP completion day</i>.</p>	<p>the <i>UK</i>. The <i>FCA</i> expects that the run-off period is most likely to be relevant to credit ratings issued by smaller EU credit rating agencies which do not intend to be registered (or deemed registered) in the <i>UK</i> from <i>IP completion day</i>.</p> <p>Conversely, a credit rating will meet the criteria of the separate transitional provision in Article 4(1A) of the <i>CRA Regulation</i> if, amongst other requirements, it was issued before <i>IP completion day</i> by a credit rating agency established in the <i>EU</i> which has a group affiliate which is registered (or has made an advance application to be registered) as a credit rating agency in the <i>UK</i>. At the end of the one year transitional period or, if earlier, at the point at which the credit rating no longer meets the criteria in the transitional provision, it will need to be issued or endorsed into the <i>UK</i> by a credit rating agency registered with, or certified by, the <i>FCA</i> to be available to relevant <i>UK</i> regulated entities for regulatory use.</p> <p>The cumulative effect of the run-off period applied by the <b>standstill direction</b> and the separate transitional provision in Article 4(1A) of the <i>CRA Regulation</i> is that <i>UK</i> regulated entities may, for a period of one year beginning with <i>IP completion day</i>, use a credit rating for regulatory purposes if it was issued or endorsed by an EU credit rating agency before <i>IP completion day</i> and was not withdrawn immediately before <i>IP completion day</i>.</p> <p>Both the <b>standstill direction</b> and the transitional provision in Article 4(1A) of the <i>CRA Regulation</i> apply only to credit ratings issued or endorsed by an EU credit rating agency before <i>IP completion day</i>. For these purposes, a rating is deemed to be “issued” or “endorsed” when the opinion on creditworthiness is published on the CRA’s website and disclosed in accordance with the obligations in Article 10 of the <i>CRA Regulation</i>.</p> <p>Therefore, <i>UK</i> regulated entities that wish to use for regulatory purposes:</p> <p>a) credit ratings which are newly issued on or after <i>IP completion day</i>; or</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<p>b) credit ratings issued or endorsed before <i>IP completion day</i> that are subject to a subsequent rating action (for example, an upgrade, downgrade or affirmation of an existing rating) on or after <i>IP completion day</i></p> <p>may do so only where the credit rating has been:</p> <ul style="list-style-type: none"> <li>• issued or endorsed by a credit rating agency which: <ul style="list-style-type: none"> <li>– is registered in the <i>UK</i> in accordance with the <i>CRA Regulation</i>; or</li> <li>– has made an advance application to the <i>FCA</i> in accordance with regulation 24 of The Credit Rating Agencies (Amendment, etc.) (EU Exit) Regulations 2019 and continues to benefit from temporary deemed registration in accordance with regulation 28 of those regulations; or</li> </ul> </li> <li>• issued by a credit rating agency established in a <i>third country</i> which has been certified in accordance with Article 5(2) of the <i>CRA Regulation</i>.</li> </ul> <p>Other than in the circumstances set out in column (2), the <i>CRA Regulation</i>, any <i>BTS</i> made in connection with it and The Credit Rating Agencies (Amendment, etc.) (EU Exit) Regulations 2019 should apply without any further standstill from <i>IP completion day</i>.</p> <p>As explained above, the <i>CRA Regulation</i> already contains a specific transitional provision in relation to the eligibility of credit ratings for regulatory use which, together with the run-off provided in this <b>standstill direction</b> in the circumstances set out in column (2), will mitigate any risks of disruption to users of ratings.</p> <p>Other amendments made by The Credit Rating Agencies (Amendment, etc.) (EU Exit) Regulations 2019 are intended to implement the <i>FCA</i>'s supervision of credit rating agencies under the <i>CRA Regulation</i> regime in the <i>UK</i> from <i>IP</i></p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<i>completion day</i> and therefore should not be subject to the <b>standstill direction</b> .
<b>12</b>	<b>Distance Marketing</b>	
12.1	Amendments made by the Financial Services (Distance Marketing) (Amendment and Savings Provisions) (EU Exit) Regulations 2019 (S.I. 2019/574) (the 'DM Regulations') to the Financial Services (Distance Marketing) Regulations 2004 (the '2004 Regulations') other than to Regulation 4 (scope of these Regulations) and Regulation 16 (prevention of contracting-out) of the 2004 Regulations.	<p>The DM Regulations make limited changes to the information that must be given to a <i>consumer</i> prior to the conclusion of a <i>distance contract</i> for financial services. The <b>standstill direction</b> is being applied to these changes to allow <i>firms</i> to continue to provide information in compliance with the pre-<i>IP completion day</i> version of the 2004 Regulations.</p> <p>This takes account of the impact of Regulation 40 of the Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019 described in row 8.1 above.</p> <p>The changes to Regulation 4 of the 2004 Regulations impose obligations on certain EEA persons which before <i>IP completion day</i> were subject to the law of their state of establishment and will fall away on <i>IP completion day</i>. These changes are subject to a savings provision in Regulation 11 of the DM Regulations and to the direction in paragraph 5.11 in the main FCA transitional directions and so are not subject to the <b>standstill direction</b>. The savings provision means that those changes do not apply to a contract made before <i>IP completion day</i> between an EEA supplier contracting from an establishment in an EEA state and a consumer in the United Kingdom. The direction in paragraph 5.11 onwards of the main FCA transitional directions allows for substituted compliance with the corresponding law of an EEA firm's state of establishment.</p> <p>Regulation 16 of the 2004 Regulations seeks to ensure that distance marketing protection created by the 2004 Regulations will not be lost by entering into a contract governed by the law of an overseas country. Before <i>IP completion day</i> this provision did not apply to a contract governed by the law of an <i>EEA State</i>, because such laws provided their own protections for <i>consumers</i>. However, it can no longer be assumed that <i>EEA laws</i> will continue to protect <i>UK consumers post-IP completion day</i>. The relevant <b>exit</b></p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<b>instrument</b> therefore provides that this provision will apply to contracts governed by laws of <i>EEA States</i> post-exit. We are not applying the <b>standstill direction</b> to this provision, because we wish <i>UK consumers</i> to benefit from this provision from <i>IP completion day</i> . But note the effect of paragraph 5.11 onwards of the main FCA transitional directions for certain EEA suppliers.
<b>12A Electronic Commerce</b>		
12A.1	N/A	The <b>standstill direction</b> does not apply to the revocation of Article 72A of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 and the other provisions in Parts 3 and 4 of the Electronic Commerce and Solvency 2 (Amendment etc.) (EU Exit) Regulations 2019. Those Regulations contain a transitional provision in Part 4 which will allow persons that relied on the exclusion provided by Article 72A to run off their existing contracts entered into as information society services (on-line services) provided into the <i>UK</i> from an establishment in the <i>EEA</i> .
<b>13 Electronic Money, Payment Services and Payment Systems</b>		
13.1	Amendments made by The Electronic Money, Payment Services and Payment Systems (Amendment and Transitional Provisions) (EU Exit) Regulations 2018 (SI 2018/1201) to the Payment Services Regulations 2017 and Electronic Money Regulations 2011, except for the temporary permission regime set out in Parts 1 and 2 of Schedule 3 to those regulations and the financial services contracts regime set out in Parts 1A and 3 of Schedule 3 to those regulations.	We have identified changed requirements relating to the following provisions, to which the <b>standstill direction</b> will apply: <ul style="list-style-type: none"> <li>a) Regulation 23 (18) Payment Services Regulations 2017 (definition of authorised insurer)</li> <li>b) Regulation 23(18) Payment Services Regulations 2017 (definition of authorised custodian)</li> <li>c) Regulation 24 Payment Services Regulations 2017 (accounting and statutory audit)</li> <li>d) Regulation 21(7) Electronic Money Regulations 2011 (definition of authorised custodian)</li> </ul>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<p>e) Regulation 22(3) Electronic Money Regulations (definition of authorised insurer)</p> <p>f) Regulation 25 Electronic Money Regulations 2011 (accounting and statutory audit)</p> <p>The effect of the application of the <b>standstill direction</b> in (a) and (e) is that the definition of authorised insurer in regulation 23(18) means a <i>person</i> authorised for the purposes of the 2000 Act to effect and carry out a <i>contract of insurance as principal</i> or otherwise authorised in accordance with Article 14 of Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking up and pursuit of the business of insurance and Reinsurance (Solvency II) to carry out non-life insurance activities as referred to in Article 2(2) of that Directive, other than a <i>person</i> in the same group as the <i>authorised payment institution</i>.</p> <p>The effect of the application of the <b>standstill direction</b> in (b) and (d) is that the definition of authorised custodian in regulation 23(18) means a <i>person</i> authorised for the purposes of the 2000 Act to safeguard and administer <i>investments</i> or authorised as an <i>investment firm</i> under Article 5 of Directive 2014/65/EU of 15 May 2014 on markets in financial instruments and amending regulatory standards at least equivalent to those set out under Article 16 of that Directive.</p> <p>The effect of the <b>standstill direction</b> in (c) and (f) is that an auditor’s report under regulation 24 Payment Services Regulations 2017 or regulation 25 Electronic Money Regulations 2011 must be prepared by statutory auditors or an audit firm within the meaning of Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC repealing Council Directive 84/253/EEC.</p> <p>We do not consider that the other amendments made to the Payment Services Regulations 2017 or the Electronic Money Regulations 2011 by The Electronic Money, Payment Services and Payment Systems (Amendment and</p>



(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<p>Transitional Provisions) (EU Exit) Regulations 2018 (SI 2018/1201) impose any new requirements (except in relation to the Temporary Permissions Regime and Financial Services Contracts Regime provided for in Schedule 3 to those regulations). However, we have applied the <b>standstill direction</b> for the avoidance of doubt, other than in relation to schedule 3 to those regulations and in relation to the following provisions:</p> <ul style="list-style-type: none"> <li>a) Regulation 68(3)(c) Payment Services Regulations 2017 (Confirmation of availability of funds for card based payment transactions)</li> <li>b) Regulation 69(2)(a) and 69(3)(d) Payment Services Regulations 2017 (Access to payment accounts for payment initiation services)</li> <li>c) Regulation 70 (2)(a) and (3)(c) Payment Services Regulations 2017 (Access to payment accounts for account information services)</li> <li>d) Regulation 100 (Authentication)</li> </ul> <p>The effect of the exclusion of the above provisions and the Technical Standards on Strong Customer Authentication and Common and Secure Methods of Communication Instrument 2020 from the <b>standstill direction</b> is that a firm must comply with these requirements (if applicable), including as amended.</p>
13.2	N/A	Commission Delegated Regulation (EU) 2017/2055 concerns cooperation between competent authorities rather than obligations on firms.
13.3	N/A	The <b>standstill direction</b> will not apply to the Technical Standards on Strong Customer Authentication and Common and Secure Methods of Communication Instrument 2020.
<b>14</b>	<b>ELTIF / LTIF</b>	

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
14.1	The <b>standstill direction</b> is not applied to amendments made by the Long-Term Investment Funds (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/336).	<p>The EU Regulation on long-term investment funds (2015/760/EU) creates an EU-wide regime for the authorisation and marketing of European Long-Term Investment Funds (ELTIFs).</p> <p>The Long-Term Investment Funds (Amendment) (EU Exit) Regulations 2019 creates a UK-specific regime for long-term investment funds (LTIFs) by amending the UK version of the EU ELTIF Regulation.</p> <p>The LTIF Regulation allows ELTIFs domiciled in the EU to be marketed in the UK after <i>IP completion day</i> provided the fund is authorised as such under the EU ELTIF Regulation. Funds domiciled in the UK can continue to be marketed in the UK as ELTIFs if they were authorised by the FCA as an ELTIF immediately before <i>IP completion day</i>; UK funds can also be marketed as LTIFs if they were authorised immediately before <i>IP completion day</i> as an ELTIF or they have been authorised as an LTIF under the LTIF Regulation.</p> <p>The LTIF Regulation sets out specific requirements relating to the authorisation and operation of LTIFs. We do not consider the amendments made by the Long-Term Investment Funds (Amendment) (EU Exit) Regulations 2019 change the substance of how AIFMs must operate LTIFs (for example, in relation to investment policies, redemptions, etc.). Therefore, the <b>standstill direction</b> has not been applied.</p> <p>Note that the LTIF Regulation makes no provision for LTIFs to be marketed in the EU after <i>IP completion day</i>. Whether this is possible is a matter of EU law and the law of the country in which the LTIF is to be marketed. It is not something that the <b>standstill direction</b> can remedy.</p>
<b>15</b>	<b>EMIR</b>	
15.1	N/A, except for the entries in 15.2, 15.3, 15.4 and 15.5.	<p>The <b>standstill direction</b> does not apply, save for the exception set out in entries 15.2, 15.3, 15.4 and 15.5.</p> <p>In particular, it does not apply to <b>relevant obligations</b> resulting from the operation of the Trade Repositories (Amendment and Transitional Provision)</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<p>(EU Exit) Regulations 2018 (S.I. 2018/1318) ('TRATP') and the Over the Counter Derivatives, Central Counterparties and Trade Repositories (Amendment, etc., and Transitional Provision) (EU Exit) Regulations 2019 (S.I. 2019/335) ('OTC Exit SI') in the following areas:</p> <p>a) The provisions of the TRATP conferring functions on the <i>FCA</i> in respect of:</p> <ul style="list-style-type: none"> <li>• application for registration as a <i>trade repository</i>; and</li> <li>• conversion of a registration as <i>trade repository</i> under EU law to registration under retained EU law,</li> </ul> <p>and imposing corresponding obligations on <i>applicants</i> and <i>trade repositories</i>.</p> <p>b) The provisions of the OTC Exit SI:</p> <ul style="list-style-type: none"> <li>• conferring functions on the <i>FCA</i> in respect of supervision and enforcement of <i>trade repositories</i>, and imposing corresponding obligations on <i>trade repositories</i> and other <i>persons</i>;</li> <li>• requiring that <i>counterparties</i> report the details of any derivative contract concluded, modified or terminated to a <i>trade repository</i> registered in accordance with functions conferred on the <i>FCA</i> by TRATP; and</li> <li>• amending, by way of Part 5 of the OTC Exit SI, exemptions in respect of <i>intra-group transactions</i>.</li> </ul>
15.2	<p><b>Relevant obligations</b> resulting from the operation of the Capital Requirements (Amendment) (EU Exit) Regulations 2018 (2018/1401) in relation to:</p> <p>a) Article 4 of <i>EMIR</i>; and</p>	<p>The effect of this application of the <b>standstill direction</b> is that eligibility for the covered bond exemption provided for under Article 4(5) of <i>EMIR</i> is not affected by the amendment of Article 129 of the CRR by the Capital Requirements (Amendment) (EU Exit) Regulations 2018.</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
	<p>b) Commission Delegated Regulation (EU) 2020/447,</p> <p>in consequence of the amendment of Article 129 of Regulation (EU) 575/2013 (the 'CRR').</p>	<p>It is a condition of the covered bond exemption that the covered bond complies with Article 129 of the CRR.</p> <p>Article 129 currently permits covered bonds issued by credit institutions with a registered office in the EU to meet the requirements. However, this provision will be amended from <i>IP completion day</i> so that it will relate instead only to covered bonds issued by <i>credit institutions</i> with a registered office in the <i>UK</i> ('CRR covered bonds').</p> <p>Article 129 also currently sets certain standards, which will be amended in part, for the collateralisation of covered bonds issued on and after 31 December 2007.</p> <p>Covered bonds that comply with Article 129 in its current form will not be disqualified on that basis from the covered bond exemption, for the duration of the <b>standstill direction</b>.</p> <p><u>Note</u>: the application of the <b>standstill direction</b> only to the provisions referred to in column (2) reflects, in particular, that the <b>standstill direction</b> does <u>not</u> apply in the following areas amended by an <b>exit instrument</b>:</p> <ul style="list-style-type: none"> <li>• The provisions of Commission Delegated Regulation (EU) No 2016/2251. This is because Article 35A of this regulatory technical standard already sets out a range of transitional provisions in respect of the amended requirements of the standard.</li> </ul>
15.3	<p><b>Relevant obligations</b> resulting from the amendments in The Over the Counter Derivatives, Central Counterparties and Trade Repositories (Amendment, etc., and Transitional Provision) (EU Exit) (No. 2) Regulations 2019 (S.I. 2019/1416)</p>	<p>We do not consider these amendments lead to changed requirements for firms, but we have applied the <b>standstill direction</b> for the avoidance of doubt.</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
15.4	<p><b>Relevant obligations</b> resulting from the operation of the Technical Standards (Supplementing EMIR with Regard to the Clearing Obligation) (EU Exit) Instrument 2020.</p>	<p>The effect of this application of the <b>standstill direction</b> is that, as regards the criterion in article 1(a) of Commission Delegated Regulation (EU) 2020/447 for determining which arrangements under covered bonds mitigate counterparty credit risk, the relevant OTC derivative contracts can be registered or recorded in the cover pool of the covered bond in accordance with either UK legislation <i>or</i> the national legislation of an EU Member State on covered bonds, for the duration of the <b>standstill direction</b>.</p> <p>The criterion is relevant to eligibility for the covered bond exemption, referred to in row 15.2 above.</p> <p>Absent this provision, the derivative contracts would need to be recorded in accordance with the Regulated Covered Bonds Regulations 2008 (UK) in order to be eligible for the exemption. Records required under legislation of EEA member states would not be sufficient.</p> <p>Therefore, the ultimate effect of this application of the direction is to continue to permit the record-keeping under EEA legislation to satisfy the criterion for exemption, for so long as the <b>standstill direction</b> applies.</p>
15.5	<p><b>Relevant obligations</b> resulting from the operation of The Over the Counter Derivatives, Central Counterparties and Trade Repositories (Amendment, etc., and Transitional Provision) (EU Exit) Regulations 2019 ('OTC Exit SI') in relation to art 382(4)(b) of the CRR, in consequence of the amendment of article 3 of EMIR.</p>	<p>This application of the <b>standstill direction</b> is to ensure that amendments by the OTC Exit SI to the definition of 'intragroup transaction' in article 3 of EMIR do not result in the removal of the exclusion presently applicable under art 382(4)(b) of the CRR.</p> <p>The exclusion is from own funds requirements for Credit Valuation Adjustment risk.</p> <p>The effect of this application of the <b>standstill direction</b> is that transactions that comply with the definition of 'intragroup transaction' in its current form will not be disqualified from the exclusion due to changes made to the definition by the OTC Exit SI, for the duration of the <b>standstill direction</b>.</p>
<b>16</b>	<b>Financial conglomerates</b>	

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
16.1	N/A	<p>Amendments made by the following are subject to the <b>prudential standstill direction</b>:</p> <p>a) Financial Conglomerates and Other Financial Groups (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/264); and</p> <p>b) Financial Conduct Authority Technical Standards (Financial Conglomerates Directive) (EU Exit) Instrument 2019.</p>
<b>17</b>	<b>Financial Regulators' Powers</b>	
17.1	N/A	The Financial Regulators' Powers (Technical Standards etc.) (Amendment etc.) (EU Exit) Regulations 2018 (S.I. 2018/1115) are concerned with regulators' powers rather than obligations on firms. We are not therefore applying the <b>standstill direction</b> .
<b>18</b>	<b>Friendly Societies</b>	
18.1	Amendments in the Friendly Societies (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1039).	We do not consider these amendments lead to changed requirements for firms, but we have applied the <b>standstill direction</b> for the avoidance of doubt.
<b>19</b>	<b>FSMA</b>	
19.1	<p>Amendments made by Parts 1, 2, 5 and 6 of the Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/632) (FSMA Exit SI), except:</p> <p>(a) provisions relating to the transitional schemes for EEA incoming firms</p>	<p>The FSMA Exit SI replaces directive references with <i>UK</i> law references, and makes other technical changes connected to the <i>UK's</i> withdrawal from the EU. Most of these changes do not lead to changed obligations for <i>firms</i>.</p> <p>The <b>standstill direction</b> does not apply to amendments made to the FSMA Exit SI where transitional schemes and provisions have been provided. Examples of transitional schemes include the temporary permission and</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
	<p>referred to in row 35 or other parts of this Annex;</p> <p>(b) relevant obligations in Part 7 and Schedule 12 to FSMA (see regulations 32, 33 and 105 to 114), the Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) Regulations 2001 (see regulation 183) and the Financial Services and Markets Act 2000 (Control of Transfers of Business Done at Lloyd’s) Order 2001 (see regulation 184);</p> <p>(c) amendment in regulation 49 (disregarded holdings section 184 FSMA) to section 184(4) FSMA in relation to a <i>firm</i> incorporated in or formed under the laws of, or an individual who is a national of, a country or territory outside the <i>UK</i> and the <i>EEA</i>, amendments made in regulation 50 (assessment criteria section 186 FSMA), regulation 51 (EU consultation section 188 FSMA), regulation 52 (assessment: procedure section 189 FSMA), regulation 54 (assessment and resolution section 190A FSMA), regulation 55 (objection by appropriate regulator section 191A FSMA), amendment in regulation 56 (interpretation section 191G FSMA)</p>	<p>financial services contracts regimes and the temporary schemes that apply to UCITS and AIFS and their managers referred to in row 35.</p> <p>For the avoidance of doubt, if, and to the extent, there are any <b>relevant obligations</b> in Part VII and Schedule 12 of FSMA, the Financial Services and Markets Act 2000 (Control of Business Transfers) (Requirements on Applicants) Regulations 2001 and the Financial Services and Markets Act 2000 (Control of Transfers of Business Done at Lloyd’s) Order 2001, the <b>standstill direction</b> shall not apply to them. There are specific transitional and savings provisions in the relevant <b>exit instruments</b>.</p> <p>As set out in the main FCA transitional directions, the <b>standstill direction</b> does not generally apply to changes to regulatory perimeter, except for the cases set out in the directions and rows 19.6 and 19.7 below. We have therefore not applied the <b>standstill direction</b> to Parts 3 and 4 of the FSMA Exit SI.</p> <p>Changes made to the <i>Regulated Activities Order</i> definition of “regulated mortgage contract” are addressed at row 9.1 above.</p> <p>Exceptions from the application of the <b>standstill direction</b> in column (2) include changes that apply to the exercise of powers or functions or duties of the <i>FCA</i>, <i>PRA</i>, Bank of England and HM Treasury to which the <b>standstill direction</b> should not apply.</p> <p>Where an amendment made by the FSMA Exit SI has the effect that a <i>person</i> after <i>IP completion day</i> is no longer subject to a pre-<i>IP completion day</i> obligation, the <b>standstill direction</b> does not apply. Examples of this include, the effect of the amendment made by regulation 49 (disregarded holdings) to section 184(4) of FSMA as it applies to a <i>firm</i> incorporated or formed under the laws of a country or territory outside the <i>EEA</i> and the <i>UK</i> and the amendment in regulation 88 which has similar effect.</p> <p>We do not apply the TTP to changes to the certain definitions in Part 29 FSMA. Examples include the definitions of “investment firm” and the</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
	<p>to the definition of "UK authorised person", amendment in regulation 88 (disregarded holdings section 422A FSMA) to section 422A(4) in relation to a <i>firm</i> incorporated in or formed under the laws of, or an individual who is a national of, a country or territory outside the <i>UK</i> and the <i>EEA</i>,</p> <p>(d) regulation 64 (professionals: exemption from general prohibition section 327 FSMA), regulation 92 (Qualifying EU provision section 425C FSMA), regulation 95 (regulated activities – schedule 2 FSMA), regulation 179 (Non-exempt activities Order), regulation 187 (Qualifying EU provisions Order), regulation 188 (Consultation of home state regulators), regulation 190 (Qualifying EU Provisions No. 2 Order), regulation 193 (Relevant Authorised Persons Order); regulation 194 (Consumer Credit Act), regulation 195 (Electronic Money Regulations 2011), regulation 196 (Payment Services Regulations 2017);</p> <p>(e) regulation 85 (definitions section 417 FSMA), regulation 86 (regulated activity in the UK section 418 FSMA), regulation 89 (mortgage agreements etc section 423A FSMA),</p>	<p>replacement of "credit institution" with "qualifying credit institution." However, paragraph 6.8 of the FCA's main transitional directions provides guidance to the effect that where the TTP applies to a provision (other than a direction) which includes a definition which has changed as a result of an exit instrument, then the TTP applies to the definition in that provision.</p> <p>Changes made by the FSMA Exit SI to the <i>CCA</i> are addressed in the consumer credit section, at row 8.1 above.</p>



(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
	<p>regulation 90 (meaning of “investment firm” section 424A FSMA);</p> <p>(f) the provisions referred to in rows 19.2 to 19.7, which set out whether the <b>standstill direction</b> applies in those cases.</p>	
19.2	<p>The following <b>relevant obligations</b> in sections 39 and 39A of the <i>Act</i>: the <b>relevant obligation</b> in section 39(1B) of the <i>Act</i> as it applies to a <i>supervised run-off firm</i>.</p>	<p>The <b>standstill direction</b> is not generally applied to section 39 of the <i>Act</i>.</p> <p>However, the <b>standstill direction</b> is applied to section 39(1B) of the <i>Act</i> in so far as the amendments to that section give rise to a <b>relevant obligation</b> for <i>supervised run-off firms</i>. The effect of the <b>standstill direction</b> is that a <i>supervised run-off firm</i> which has appointed an <i>appointed representative</i> to carry on investment services business (as defined in section 39(7)) may, for the period of the <b>standstill direction</b>, be entered either on the <i>Financial Services Register</i> or the register of <i>tied agents</i> maintained in the <i>EEA State</i> of the <i>appointed representative’s</i> establishment.</p> <p>The <b>standstill direction</b> does not apply to section 39A of the <i>Act</i> because there is a specific transitional provision relating to that section in the relevant <b>exit instrument</b>.</p>
19.3	<p>The <b>relevant obligations</b> in the <i>Appointed Representatives Regulations</i>, as they apply to a <i>TP firm</i>.</p>	<p>While the <b>standstill direction</b> is applied to the <i>Appointed Representatives Regulations</i> in general in relation to a <i>TP firm</i>, it is of particular relevance to Regulation 3 of the <i>Appointed Representatives Regulations</i> in so far as the amendments to that regulation give rise to <b>relevant obligations</b> for <i>TP firms</i>.</p> <p>Regulation 3 imposes requirements relating to the contracts between <i>authorised persons</i> and their <i>appointed representatives</i>. Regulations 3(1) and 3(6) contain requirements which, before <i>IP completion day</i>, did not</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<p>apply to contracts between <i>appointed representatives</i> and <i>principals</i> which were <i>EEA firms</i>. The effect of the <b>standstill direction</b> is that a <i>TP firm</i> which has appointed an <i>appointed representative</i> need not comply with the requirements in regulations 3(1) and 3(6) with respect to its contract with its <i>appointed representative</i> for the duration of the <b>standstill direction</b>.</p>
19.4	The deletion of section 59(8) of the Financial Services and Markets Act 2000	<p>The effect of applying the <b>standstill direction</b> is that it remains the case that a function performed by a <i>person</i> does not come within a <i>controlled function</i> specified by the <i>FCA</i> to the extent that the question of whether the <i>person</i> is a fit and proper <i>person</i> to perform the function is reserved under any of the <i>Single Market Directives</i> or the emission allowance auctioning regulation to an authority in a country or territory outside the <i>UK</i>.</p>
19.5	The deletion of section 63E(7) of the Financial Services and Markets Act 2000.	<p>The effect of applying the <b>standstill direction</b> is that it remains the case that a function performed by an <i>employee</i> does not come within an <i>FCA certification function</i> (as defined by the Glossary) to the extent that the question of whether the <i>employee</i> is a fit and proper person to perform the function is reserved under any of the <i>Single Market Directives</i> or the emission allowance auctioning regulation to an authority in a country or territory outside the <i>UK</i>.</p>
19.6	<p>Amendments made by the FSMA Exit SI to Article 51ZA of the <i>Regulated Activities Order</i> in so far as they affect an <i>authorised person</i> that:</p> <ul style="list-style-type: none"> <li>a) immediately before <i>IP completion day</i>, had <i>permission</i> to carry on that <i>regulated activity</i>;</li> <li>b) immediately before <i>IP completion day</i> used that <i>permission</i> to manage an <i>EEA UCITS scheme</i> (the fund); and</li> </ul>	<p>An <i>authorised person</i> with <i>Part 4A permission</i> to carry on the <i>regulated activity</i> specified in Article 51ZA (managing a UCITS) of the <i>Regulated Activities Order</i> as it was immediately before <i>IP completion day</i> was able to manage an <i>EEA UCITS scheme</i>. However, from <i>IP completion day</i>, as a matter of <i>UK law</i>:</p> <ul style="list-style-type: none"> <li>a) an <i>EEA UCITS scheme</i> is an <i>AIF</i> (see the <i>Alternative Investment Fund Managers Regulation</i> as amended by the <i>Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019</i>); and</li> <li>b) the activity specified in Article 51ZA of the <i>Regulated Activities Order</i>, as amended by the FSMA Exit SI, can be performed only in relation to <i>UK UCITS</i>.</li> </ul>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
	c) continues to manage the fund after <i>IP completion day</i> .	<p>Absent any transitional arrangements, an <i>authorised person</i> that was a <i>UK UCITS management company</i>, as that term was defined immediately before <i>IP completion day</i>, and that continued to manage a <i>collective investment scheme</i> established in the EEA after <i>IP completion day</i> would not be performing the activity specified in Article 51ZA (Managing a UK UCITS) of the <i>Regulated Activities Order</i>, as amended by the FSMA Exit SI. Instead, it would be performing the activity specified in Article 51ZC (managing an AIF) of the <i>Regulated Activities Order</i>.</p> <p>The effect of applying the <b>standstill direction</b> in the circumstances envisaged in (2) is that an <i>authorised person</i> that was a <i>UK UCITS management company</i>, as that term applied immediately before <i>IP completion day</i>, managing an <i>EEA UCITS scheme</i> need not vary its <i>Part 4A permission</i> to the activity specified in Article 51ZC (Managing an AIF) of the <i>Regulated Activities Order</i>, or otherwise obtain <i>permission</i> to carry on that activity, to continue managing that <i>EEA UCITS scheme</i> until the <b>standstill direction</b> ceases.</p> <p>If the <i>authorised person</i> in scope of the <b>standstill direction</b> as described in (2) ceases to manage the fund in question, and another <i>person</i> is appointed to manage the fund, this direction will not apply to that new manager.</p> <p>Note that whether it is possible for a <i>UK UCITS management company</i>, as that term was defined immediately before <i>IP completion day</i>, to continue managing an <i>EEA UCITS</i> after <i>IP completion day</i> may depend on the position under EU law and the law of the country in which the <i>EEA UCITS</i> is domiciled. This is not something that the <b>standstill direction</b> can remedy.</p>
19.7	<b>Relevant obligations</b> resulting from the amendments made by the FSMA Exit SI to paragraphs 2 and 3 of the Schedule to the <i>Exemption Order</i> .	Applying the <b>standstill direction</b> to these amendments means that EEA Central Banks and the ECB may continue to rely upon their status as exempt persons for the duration of the transitional relief.
<b>20</b>	<b>Gibraltar Financial Services</b>	

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
20.1	N/A	<p>The <b>standstill direction</b> has not been applied to provisions amended by the following because such amendments broadly maintain the status quo for financial services arrangements between the <i>UK</i> and Gibraltar:</p> <p>a) Gibraltar (Financial Services) (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/589); and</p> <p>b) Gibraltar (Miscellaneous Amendments) (EU Exit) Regulations 2019 (S.I. 2019/680).</p>
<b>21</b>	<b>Insurance Distribution</b>	
21.1	<p>Amendments in the:</p> <p>a) Insurance Distribution (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/663); and</p> <p>b) Technical Standards (Insurance Distribution Directive) (EU Exit) Instrument 2019.</p>	<p>The amendments in these instruments relate primarily to:</p> <p>a) the reduction in geographic scope of the regulation from the EEA to the <i>UK</i>;</p> <p>b) amending cross references/ EU terminology; and</p> <p>c) transferring functions to the <i>FCA</i> and the Treasury.</p> <p>Firms should therefore already be complying with the post-<i>IP completion day</i> regime. However, we are applying the <b>standstill direction</b> for the avoidance of doubt</p>
<b>22</b>	<b>Investment Exchanges, Clearing Houses and Central Securities Depositories</b>	
22.1	N/A	<p>The <i>FCA</i>'s statement of 14 September 2018 clarified how an EEA market operator may make an application to become a recognised overseas investment exchange (ROIE), when MiFID II passport rights to carry on regulated activities in the <i>UK</i> fall away on <i>IP completion day</i>. The standstill direction is therefore not being applied to the Investment Exchanges, Clearing Houses and Central Securities Depositories (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/662).</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
<b>23</b>	<b>Market Abuse</b>	
23.1	N/A	<p>The <b>standstill direction</b> does not apply to any amendments made by the Market Abuse (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/310) ('MAR Exit SI').</p> <p>This is on the basis that:</p> <ul style="list-style-type: none"> <li>a) The MAR Exit SI makes changes to Article 6 of the <i>Market Abuse Regulation</i>. The <i>FCA</i> is not applying the <b>standstill direction</b> to those changes in light of the Treasury's power to make an exemption direction for the purposes of Article 6 (see regulation 3(1) of the Equivalence Determinations for Financial Services and Miscellaneous Provisions (Amendment etc) (EU Exit) Regulations 2019 (S.I. 2019/541)).</li> <li>b) Any other <b>relevant obligations</b> that arise by virtue of the MAR Exit SI will need to be complied with from <i>IP completion day</i>. These are referred to below. Our approach that <i>EEA</i> entities with financial instruments admitted to trading or traded on <i>UK</i> trading venues will submit information to the <i>FCA</i> is set out in the October Statement on the temporary transitional power.</li> </ul> <p>The <b>relevant obligations</b> that will need to be complied with from <i>IP completion day</i> are as follows.</p> <p><u>Amended notification requirements under Article 16 of the <i>Market Abuse Regulation</i></u></p> <p>Prior to the amendments made by the MAR Exit SI, persons professionally arranging or executing transactions were required under Article 16(3) to make certain notifications under the rules of notification of the Member State in which they are registered or, or have their head office, or, in the case of a</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<p>branch, the Member State where the branch is situated. The notification was required to be addressed to the competent authority of that Member State.</p> <p>The amendments made by the MAR Exit SI make it clear that persons professionally arranging or executing transactions will be required under Article 16(3) to make certain notifications to the <i>FCA</i> where they are registered or have their head office in the <i>UK</i>, or, in the case of branch situated in the <i>UK</i> as they do now. However, in clarification, such persons could in addition be subject to notification requirements that apply under EU law, that is under the rules of notification of the Member State in which they are registered or have their head office or, in the case of a branch, the Member State where the branch is situated. In some cases, this can result in dual reporting requirements.</p> <p><u>Amended notification requirements under Article 17 of the <i>Market Abuse Regulation</i></u></p> <p>Prior to the amendments made by the MAR Exit SI, issuers that delayed the disclosure of <i>inside information</i> under Article 17(4) or who sought to delay disclosure under Article 17(5) were required to make certain notifications to the relevant competent authority, determined in accordance with Article 6 of Commission Delegated Regulation (EU) 2016/522. Issuers seeking to delay disclosure under Article 17(5) were also required to gain the consent of the relevant competent authority.</p> <p>As a result of amendments made by the MAR Exit SI, any issuer that has requested or approved admission to trading or approved trading of its financial instruments on a <i>UK</i> trading venue will now be required to submit such notifications to the <i>FCA</i>, in addition to any notification requirements that continue to apply under EU law. This will require a broader scope of issuers to report to the <i>FCA</i> and, in some cases, result in dual reporting requirements. Similarly, such issuers must also seek the consent of the <i>FCA</i> when delaying disclosure under Article 17(5).</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<p><u>Amended notification requirements under Article 19 of the <i>Market Abuse Regulation</i></u></p> <p>Prior to the amendments made by the MAR Exit SI, <i>persons discharging managerial responsibilities</i> within an issuer and persons closely associated with them were required by Article 19 to report certain transactions to the competent authority of the Member State in which the issuer was registered (and for issuers not registered in the EU, the competent authority would be determined in accordance with Article 19(2)). However, as a result of amendments made by the MAR Exit SI, <i>persons discharging managerial responsibilities</i> within any issuer that has requested or approved admission to trading or approved trading of its financial instruments on a <i>UK</i> trading venue (and persons closely associated with them) will be required to report those transactions to the <i>FCA</i>, in addition to any notification requirements that continue to apply under EU law. This will require a broader scope of issuers to report to the <i>FCA</i> and, in some cases, may result in dual reporting requirements.</p>
23.2	N/A	<p>The <b>standstill direction</b> does not apply to provisions of binding technical standards amended by the Technical Standards (Market Abuse Regulation) (EU Exit) Instrument 2019. There have been minor amendments to the templates and forms which firms and issuers must use when fulfilling reporting and notification obligations to the <i>FCA</i> under the <i>Market Abuse Regulation</i>. However, the substance of the reporting obligations and the required content of notifications is not changing.</p>
<b>24</b>	<b>MIFID 2/MIFIR</b>	
24.1	<p>Amendments made by the Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1403) ('MiFI Exit SI') to:</p> <p>a) Articles 20 and 21 of <i>MiFIR</i> insofar as they relate to Article 12 of</p>	<p>The main purpose of applying the <b>standstill direction</b> to the <i>MiFIR</i> provisions listed in column (2)(a) is to help sell-side and buy-side firms, including <i>TP firms</i>, continue with their post-trade disclosure reporting arrangements after <i>IP completion day</i>, in the circumstances described in 24.2 below.</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
	<p>Commission Delegated Regulation (EU) 2017/587 of 14 July 2016 and Article 7 of Commission Delegated Regulation (EU) 2017/583 of 14 July 2016 in relation to the parties, provisions and circumstances described in 24.2 below;</p> <p>b) Chapters II to III of Commission Delegated Regulation (EU) 2017/565 supplementing Directive 2014/65/EU of the European Parliament and of the Council as regards organisational requirements and operating conditions for investment firms and defined terms for the purposes of that Directive (<i>MiFID Org Regulation</i>) except that the <b>standstill direction</b> does not apply to Article 1(3) to (6) of the <i>MiFID Org Regulation</i> relating to <i>TP firms</i>.</p>	<p>The <b>standstill direction</b> applies to the provisions listed in column (2)(b), although we note that the amendments to chapters II and III of the <i>MiFID Org Regulation</i> relating to organisational and conduct requirements applicable to <i>UK persons</i> within the scope of the regulation do not generally change the substance of the obligations for these <i>firms</i>. Please also refer to the entry on <i>COBS</i> in Annex B.</p> <p>The application of the <b>standstill direction</b> only to the amendments to the legislation in column (2) reflects, in particular, that the <b>standstill direction</b> does not apply in the following areas:</p> <ul style="list-style-type: none"> <li>• issues of scope and related definitions which essentially preserve the regulatory perimeter as it stood before <i>IP completion day</i>, in accordance with the approach set out in the main FCA transitional directions (Part 3 Chapter 1 of the MiFI Exit SI: The Regulated Activities Order);</li> <li>• further scope provisions relating to <i>MiFID optional exemption firms</i>, <i>third country investment firms</i> and <i>FCA</i> powers to set position limits and remove persons from the management board (Part 3 Chapter 2: The Financial Services and Markets Act 2000 (Markets in Financial Instruments) Regulations 2017);</li> <li>• a temporary authorisation procedure for <i>EEA data reporting services providers</i> providing these services in the <i>UK</i> (Part 3 Chapter 3: the Data Reporting Services Regulations 2017);</li> <li>• the creation of a new transparency framework providing the <i>FCA</i> with miscellaneous regulatory powers during a temporary period (Part 4 Chapter 1: Amendment of the Market in Financial Instruments Regulation) including amendments to the <i>MiFIR Delegated Regulation</i> (Part 4 Chapter 3: Commission Delegated Regulation 2017/567) relating to the meaning of 'liquid market';</li> </ul>



(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<ul style="list-style-type: none"> <li>• amendments to transaction reporting to enable the <i>FCA</i> to discharge its market abuse supervisory functions (Part 4 Chapter 1: Amendment of the Market in Financial Instruments Regulation);</li> <li>• technical changes relating to the exercise of product intervention powers (Part 4 Chapter 1: Amendment of the Market in Financial Instruments Regulation).</li> </ul> <p>The MiFI Exit SI and related technical standards already provide arrangements for continuity and mitigating disruption as at <i>IP completion day</i> and afterwards. It follows that firms will need to comply, in particular, with the requirements in the MiFI Exit SI and related technical standards in respect of transaction reporting.</p> <p>The main practical changes of these obligations will be twofold and their impact relates to EEA firms:</p> <ul style="list-style-type: none"> <li>• <i>UK</i> branches of EEA firms are subject to <i>UK</i> transaction reporting requirements and will need to report to the <i>FCA</i>;</li> <li>• EEA <i>data reporting services providers</i> providing <i>data reporting services</i> will need to be authorised under the Data Reporting Services Regulations 2017 and comply with those regulations.</li> </ul> <p>As regards definitions in the MiFI Exit SI these were prepared with a view to (i) retaining existing scope wherever possible and (ii) amending cross-references to MIFID, notably in the case of MiFIR, to set out in full the corresponding text on the face of the UK legislation. This dovetails with the approach taken in Part 3 of the FSMA Exit SI. As a result, the territorial neutral nature of the definition of 'investment firm' in article 2.1.1 MiFIR is preserved via article 2.1.1A and the scope of that regulation amended via changes to article 2. In the case of references to 'trading venue' in amended MiFIR, article 2(1)(62) stipulates that references to 'trading venues' are to UK trading venues, unless the context otherwise requires (for example in the</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		case of article 38 relating to access for third country CCPs and trading venues).
24.2	<p>Amendments made by the Technical Standards (MiFIR Transparency) (EU Exit) Instrument 2019 to:</p> <p>a) Article 12 of Commission Delegated Regulation (EU) 2017/587 of 14 July 2016 (<i>MiFIR RTS 1</i>), including via the interpretation provision in Article -1.; and</p> <p>b) Article 7 of Commission Delegated Regulation (EU) 2017/583 of 14 July 2016 (<i>MiFIR RTS 2</i>) including via the interpretation provision in Article -1.,</p> <p>to the extent to which, when read with Articles 1(2) and 2A and 2B of <i>MiFIR</i>, these create new obligations for <i>persons</i> not previously subject to Article 20 or 21 <i>MiFIR</i> by reason of Article 12(4) or (5) <i>MiFIR RTS 1</i> or Article 7(5) or (6) of <i>MiFIR RTS 2</i>.</p> <p>Amendments made by Technical Standards (Markets in Financial Instruments Directive) (EU Exit) (No.1) Instrument 2019 to:</p> <p>a) The Annex to Commission Delegated Regulation 2017/566 (MIFID RTS 9); and</p>	<p>The main purpose of applying the <b>standstill direction</b> to the <i>MiFIR</i> provisions listed in column (2) is to help sell-side and buy-side firms, including <i>TP firms</i>, continue with their post-trade disclosure reporting arrangements after <i>IP completion day</i>.</p> <p>More specifically, the provisions in column (2) are amended as a result of the different application of Articles 20 and 21 <i>MiFIR</i>, as amended by the <i>MiFI Exit Regulations</i>. First, an 'investment firm' for the purposes of Article 12 <i>MiFIR RTS 1</i> and Article 7 <i>MiFIR RTS 2</i> comprises a narrower set of <i>TP firms</i>, that is those subject to Articles 1(2A), (2B), (2D) and (2E) <i>MiFIR</i>, (only the <i>UK</i> branches of <i>TP firms</i>), than under <i>MiFIR</i> prior to <i>IP completion day</i>. Secondly, the definition of '<i>trading venue</i>' is narrowed to refer to <i>UK trading venues</i> via the interpretation provisions in <i>MiFIR RTS 1</i> and 2. One of the effects of this is <i>UK</i> buy-side <i>firms</i> previously not required to make post-trade disclosure of transactions reported by <i>EEA counterparties</i> would be required to report trades entered into with <i>TP firms</i> not subject to <i>MiFIR RTS 1</i> or 2, for instance those operating from outside the <i>UK</i>. The application of the <b>standstill direction</b> provides relief from these enhanced reported requirements.</p> <p>The purpose of the application of the <b>standstill direction</b> to RTS 9 and RTS 28 is to:</p> <ul style="list-style-type: none"> <li>• minimise interruption relating to calculation of the ratio of unexecuted orders by MTF and OTF operators; and</li> <li>• enable firms to continue to report information on best execution on the basis that existed before <i>IP completion day</i>.</li> </ul>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
	<p>b) Commission Delegated Regulation 2017/576 (MIFID RTS 28)</p> <p>The standstill direction applies to the reference to Articles 3, 4 and 5 of Commission Delegated Regulation 2017/1946 of 11 July 2017 in Article 3 of Commission Delegated Regulation 2017/1943.</p> <p>Amendments made by the Technical Standards (Markets in Financial Instruments Directive) (EU Exit) (No.2) Instrument 2019 to:</p> <ul style="list-style-type: none"> <li>- Article 13(1) of Commission Delegated Regulation 2017/1946</li> </ul>	<p>The purpose of the amendment to Commission Delegated Regulation 2017/1946 relating to the providing of an exhaustive list of information by proposed acquirers in the notification of a proposed acquisition of a qualifying holding in a UK investment firm is to enable proposed acquirers authorised and supervised in the Union to continue to provide suitably abridged information to the FCA. This provides for continuity of submission of data that reflects these acquirers' authorised and monitored status under corresponding EU legislation.</p> <p>Otherwise, the application of the <b>standstill direction</b> only to the amendments to the legislation in column (2) reflects, in particular, that the <b>standstill direction</b> does not apply to the:</p> <ul style="list-style-type: none"> <li>• Remainder of the Technical Standards (MiFIR Transparency) (EU Exit) Instrument 2019</li> <li>• Remainder of the Technical Standards (Markets in Financial Instruments Directive) (EU Exit) (No1) Instrument 2019</li> <li>• Remainder of the Technical Standards (Markets in Financial Instruments Directive) (EU Exit) (No 2) Instrument 2019</li> <li>• Technical Standards (Markets in Financial Instruments Regulation) (EU Exit) (No1) Instrument 2019</li> <li>• Technical Standards (Markets in Financial Instruments Regulation) (EU Exit) (No2) Instrument 2019</li> </ul> <p>As such, <i>firms</i> will be subject to the requirements in these technical standards, as amended pursuant to the <i>EUWA</i>, including those relating to:</p> <ul style="list-style-type: none"> <li>• transparency</li> <li>• <i>algorithmic trading</i></li> </ul>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<ul style="list-style-type: none"> <li>• <i>commodity derivatives</i> position limits, position reports and the ancillary exemption in <i>MiFID RTS 20</i></li> <li>• suspension and removal of <i>financial instruments</i> from trading</li> <li>• transaction reporting</li> <li>• clearing obligations</li> </ul> <p>Technical standards already provide arrangements for continuity and mitigating disruption as at <i>IP completion day</i> and afterwards, for example in relation to the application of the ancillary exemption in <i>MiFID RTS 20</i> and the application of position limits provided for by <i>MiFID RTS 21</i>. Similarly, the amendments to <i>MiFIR RTS 1, 2, 3</i> and <i>11</i> supplement the temporary transparency regime in <i>MiFIR</i>, introduced by the MiFI Exit SI. As noted in relation to the MiFI Exit SI in 24.1 above, <i>UK branches of EEA firms</i> are subject to <i>UK</i> transaction reporting requirements and will need to report to the <i>FCA</i> in accordance with <i>MiFIR RTS 22</i>, as amended by the Technical Standards (Markets in Financial Instruments Regulation) (EU Exit) (No1) Instrument 2019.</p> <p>More generally, the <b>standstill direction</b> is not applied to the various amendments in the form of application and definition provisions and references to <i>UK</i> legislation implementing EU legislation, which feature heavily in the instruments referred to above. These amendments are designed to provide greater transparency and ease of access for users.</p>
<b>25</b>	<b>Miscellaneous Financial Services SIs</b>	

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
	N/A	<p>To the extent that the following make provisions in relation to other items in Annex A, they are dealt with in those other items:</p> <ul style="list-style-type: none"> <li>a) Financial Services (Miscellaneous) (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/710);</li> <li>b) Financial Services (Miscellaneous) (Amendment) (EU Exit) (No. 2); Regulations 2019 (S.I. 2019/1010);</li> <li>c) Financial Services (Miscellaneous) (Amendment) (EU Exit) (No. 3) Regulations 2019 (S.I. 2019/1390);</li> <li>d) The Financial Regulators’ Powers (Technical Standards etc.) and Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/576);</li> <li>e) The Financial Services (Electronic Money, Payment Services and Miscellaneous Amendments) (EU Exit) Regulations 2019 (S.I. 2019/1212);</li> <li>f) The Financial Services (Miscellaneous Amendments) (EU Exit) Regulations 2020 (S.I. 2020/628); and</li> <li>g) The Securities Financing Transactions, Securitisation and Miscellaneous Amendments (EU Exit) Regulations 2020</li> </ul> <p>We have not identified any other changes to obligations necessitating application of the <b>standstill direction</b>.</p>
<b>26 Money Laundering</b>		
26.1	<p>Amendments made by the Money Laundering and Transfer of Funds (Information) (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/253) to:</p> <ul style="list-style-type: none"> <li>a) The Money Laundering, Terrorist Financing and Transfer of Funds</li> </ul>	<p>Note the <b>standstill direction</b> does not apply where the supervisory authority under MLR17 is:</p> <ul style="list-style-type: none"> <li>a) Any of the professional bodies listed in Schedule 1 of MLR 17;</li> <li>b) The Commissioners of Her Majesty’s Revenue and Customs; or</li> </ul>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
	<p>(Information on the Payer) Regulations 2017 (“MLR17”); and</p> <p>b) Regulation (EU) 2015/847 of the European Parliament and of the Council of 20 May 2015 on information accompanying transfer of funds.</p> <p>But only where the <i>FCA</i> is the supervisory authority for the purposes of either or both regulations 7 and 62 of MLR17.</p>	c) The Gambling Commission.
26.2	<p>Amendments made by the FCA to Technical Standards (Fourth Money Laundering Directive) (EU Exit) Instrument 2019 to Commission Delegated Regulation (EU) 2019/758 of 31 January 2019.</p> <p>Amendments made by the Money Laundering and Terrorist Financing (Amendment) (EU Exit) Regulations 2020 (S.I 2020/XX) to MLR 17 only in relation to the relevant persons supervised by the FCA under MLR 17.</p>	The <b>standstill direction</b> applies in relation to relevant persons supervised by the FCA under the MLR 17.
<b>27</b>	<b>Money Market Funds</b>	
27.1	We have not applied the <b>standstill direction</b> to any of the amendments in the Money Market Funds (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/394) (MMF Exit Regs).	Regulation (EU) 2017/1331 on money market funds (the MMF Regulation) creates an EU-wide regime for the authorisation, management and marketing of money market funds (MMFs). The MMF Exit Regs amend the MMF Regulation so as to create a UK-specific regime for the authorisation, management and marketing of MMFs in the UK.

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<p>The MMF Exit Regs enable managers of UK MMFs to continue to operate and market their funds in the <i>UK</i> on the same basis as immediately before <i>IP completion day</i>.</p> <p>Managers of authorised EU MMFs are also able to continue to market their MMFs in the UK in the same manner, or a very similar manner, as they did immediately before <i>IP completion day</i> provided they fall within the transitional, temporary marketing regimes created by Part 6 of the CIS Exit Regs or Part 9A of the AIFM Exit Regs.</p> <p>In light of the above, the <b>standstill direction</b> has not been applied.</p>
<b>28 Official Listing of Securities, Prospectus and Transparency</b>		
28.1	<p>Amendments made by the Prospectus (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1234) (the "Prospectus Exit SI") to the definition of 'regulated market' in Article 2(j) of Regulation (EU) 2017/1129 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the "Prospectus Regulation").</p> <p>The <b>standstill direction</b> only applies to the use of that definition in the following provisions of Commission Delegated Regulation (EU) 2019/980 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to</p>	<p>With the exception of the provisions set out in column (2), the <b>standstill direction</b> does not apply to any amendments made by the Official Listing of Securities, Prospectus and Transparency (Amendment) (EU Exit) Regulations 2019 (the "Official Listing Exit SI") and the Prospectus Exit SI.</p> <p>The Official Listing Exit SI and Prospectus Exit SI provides for a transitional regime in respect of prospectuses that have been approved by a competent authority of an <i>EEA state</i> other than the <i>UK</i> and passported into the <i>UK</i> before <i>IP completion day</i>.</p> <p>The effect of applying the <b>standstill direction</b> to the definition of 'regulated market' for the purposes of the provisions of the Implementing PR Regulation in column (2) is that 'regulated market' as used in those provisions means a 'regulated market' as defined in point 21 of Article 4(1) of Directive 2014/65/EU, as in force immediately before <i>IP completion day</i>.</p> <p>This means that the disclosure requirements in those provisions of the Implementing PR Regulation depend on whether the securities are admitted to trading on a 'regulated market' as defined immediately before <i>IP completion day</i> without the changes made by the Prospectus Exit SI.</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
	<p>the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 (the "Implementing PR Regulation"):</p> <p>a) items 2.2 and 2.5 of Annex 4;</p> <p>b) item 2.2.2 of Annex 17;</p> <p>c) items 2.2.11, 2.2.13, 2.2.14, 2.2.15 and 2.2.16 of Annex 19.</p>	
28.2	N/A	<p>The <b>standstill direction</b> does not apply to provisions of Commission Delegated Regulation (EU) 2015/761 amended by the Technical Standards (Transparency Directive) (EU Exit) Instrument 2019. Issuers will be required to comply from <i>IP completion day</i> with all <b>relevant obligations</b> in the Disclosure Guidance and Transparency Rules sourcebook subject to the transitional provisions set out in Annex C of the Exiting the European Union: Listing, Prospectus and Disclosure Sourcebooks (Amendments) Instrument 2019. See the provisions in DTR 5.</p>
28.3	N/A	<p>The <b>standstill direction</b> does not apply to provisions of Commission Delegated Regulation (EU) 2016/1437 of 19 May 2016 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on access to regulated information at Union level because this Regulation is being revoked in its entirety.</p>
28.4	<p>Amendments made by the Technical Standards (Transparency Directive) (EU Exit) (No 2) Instrument 2020 to Article 5(1) of Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical</p>	<p>With the exception of the provision set out in column (2), the <b>standstill direction</b> does not apply to provisions of Commission Delegated Regulation (EU) 2019/815 amended by the Technical Standards (Transparency Directive) (EU Exit) (No 2) Instrument 2020.</p> <p>The effect of applying the <b>standstill direction</b> to Article 5(1) is that Article 5(1) will continue to apply to EEA incorporated issuers for the duration of the standstill direction and enable those issuers to continue to mark-up parts of</p>



(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
	standards on the specification of a single electronic reporting format.	<p>their annual financial reports other than those set out Article 4 of Regulation (EU) 2019/815.</p> <p>Otherwise, issuers will be required to comply from <i>IP completion day</i> with all <b>relevant obligations</b> in the Disclosure Guidance and Transparency Rules sourcebook subject to the transitional provisions set out in Annex C of the Exiting the European Union: Listing, Prospectus and Disclosure Sourcebooks (Amendments) Instrument 2019. See the provisions in DTR 4.1.</p>
28.5	N/A	<p>The <b>standstill direction</b> does not apply to provisions of Commission Delegated Regulation (EU) 2019/979 amended by the Technical Standards (Prospectus Regulation) (EU Exit) Instrument 2019. As set out at 28.1 above, the Official Listing Exit SI and Prospectus Exit SI provides for a transitional regime in respect of EEA prospectuses.</p>
<b>29 Payment Accounts</b>		
29.1	<p>Amendments made by the Payment Accounts (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/661) ("Payment Accounts Exit SI").</p>	<p>The amendments made by the Payment Accounts Exit SI:</p> <ul style="list-style-type: none"> <li>a) reduce the geographic scope of firms' current obligations post-<i>IP completion day</i> to the UK (so firms are already under the duty to comply with the applicable rules in the UK);</li> <li>b) provide discretion for firms to treat customers based in the EU27 post-<i>IP completion day</i> in the same way that they treat EU customers pre-exit (so in this regard there is not any disruption to mitigate); and</li> <li>c) provide discretion for firms to continue to provide services in the EU and to treat customers resident in the EU in the same way as they are obliged to do before <i>IP completion day</i> (so in this regard there is no disruption to mitigate)</li> </ul> <p>Nevertheless, we have applied the <b>standstill direction</b>, in case there are other changes we have not identified.</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
29.2	<p>Amendments to:</p> <p>a) Commission implementing regulation laying down implementing technical standards with regard to the standardised presentation format of the fee information document and its common symbol according to Directive 2014/92/EU of the European Parliament and of the Council.</p> <p>b) Commission implementing regulation laying down implementing technical standards with regard to the standardised presentation format of the statement of fees and its common symbol according to Directive 2014/92/EU of the European Parliament and of the Council.</p>	<p>We do not consider these amendments lead to changed requirements for firms, but we have applied the <b>standstill direction</b> for the avoidance of doubt.</p>
<b>30 PRIIPS</b>		
30.1	<p>Amendments made by the Packaged Retail and Insurance-based Investment Products (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/403) (“PRIIPs Onshoring Regulations”) in respect of <i>PRIIPs</i> which were first made available to retail investors in the <i>EU</i> or the <i>UK</i> before <i>IP completion day</i>.</p>	<p>The amendments to the <i>PRIIPs Regulation</i> made by the PRIIPs Onshoring Regulations primarily:</p> <ul style="list-style-type: none"> <li>a) serve to reduce the geographic scope of the regulation from the EU to the UK; and</li> <li>b) otherwise relate to the functions of the <i>FCA</i> and the Treasury.</li> </ul> <p>We have, however, identified a small number of practical consequences arising from the PRIIPs Onshoring Regulations. The <b>standstill direction</b> is therefore being applied in respect of <i>PRIIPs</i> which were first made available to retail investors in the <i>UK</i> or the <i>UK</i> before <i>IP completion day</i>.</p>

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
		<p>This means that for the duration of the <b>standstill direction</b>, a <i>person</i> can continue to rely on a <i>key information document</i>:</p> <ul style="list-style-type: none"> <li>a) that was prepared in compliance with the pre-exit version of the <i>PRIIPs Regulation</i>; and</li> <li>b) in respect of a <i>PRIIP</i> that was first made available to retail investors in the <i>EU</i> or the <i>UK</i> before <i>IP completion day</i>.</li> </ul> <p>In any event, the changes to the content of the <i>key information document</i> arising from the <i>UK's</i> withdrawal from the <i>EU</i> are limited because, as explained in FCA consultation paper CP18/36, the <i>UK</i> has decided to maintain operable equivalence with the <i>EU</i> <i>PRIIPs Regulation</i> after <i>IP completion day</i>. This is to allow a degree of continuity in the content of <i>key information documents</i> either side of <i>IP completion day</i>.</p> <p>Notwithstanding the application of the <b>standstill direction</b>, those persons who manufacture <i>PRIIPs</i> to be made available to, or who advise on or sell <i>PRIIPs</i> to, retail investors in the <i>EU</i> will, after <i>IP completion day</i>, still need to have regard to the application of the <i>EU</i> <i>PRIIPs Regulation</i>.</p>
30.2	<p>Amendments made by the FCA Technical Standards (Packaged Retail and Insurance-Based Investment Products) (EU Exit) Instrument 2019 to:</p> <ul style="list-style-type: none"> <li>a) Commission Delegated Regulation (EU) 2017/653 of 8 March 2017; and</li> <li>b) in respect of <i>PRIIPs</i> which were first made available to <i>retail investors</i> in the <i>EU</i> or the <i>UK</i> before <i>IP completion day</i>.</li> </ul>	<p>The <b>standstill direction</b> is being applied to those limited changes to the <i>PRIIPs Regulatory Technical Standards</i> for <i>PRIIPs</i> which were first made available to retail investors in the <i>EU</i> or the <i>UK</i> before <i>IP completion day</i>. These changes are limited because, as explained in FCA consultation paper CP18/36, the <i>UK</i> has decided to maintain operable equivalence with the <i>EU</i> <i>PRIIPs</i> regime after <i>IP completion day</i>. This is to allow a degree of continuity in the content of <i>key information documents</i> either side of <i>IP completion day</i>.</p>
31	<b>Public Record, Disclosure of Information and Co-operation</b>	

(1)	(2) Provisions to which the <b>standstill direction</b> applies	(3) Guidance
31.1	N/A	We have not applied the <b>standstill direction</b> , as these amendments are concerned with regulator functions rather than firms' obligations.

The **standstill direction** applies to the following amendments:

- Amendments made by the Securitisation (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/660) to Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 (the 'Securitisation Regulation'), as described in (a) – (g) of column (3). We consider these as examples of amendments that lead to changed requirements for firms, which justify application of the **standstill direction**.
- Other amendments made by the Securitisation (Amendment) (EU Exit) Regulations 2019 to the Securitisation Regulation, aside from those described in (i)-(m) of column (3). We do not consider these other amendments lead to changed requirements for firms, but we have applied the **standstill direction** for the avoidance of doubt. We have not described these amendments in column (3).
- Amendments made by the Technical Standards (Specifying the

*[Editor's note: On 3 September 2020, several EU technical standards under the Securitisation Regulation were published in the Official Journal of the European Union. These will enter into force before 31 December 2020 and will become part of retained EU law by virtue of the European Union Withdrawal Act (EUWA). These technical standards relate to disclosure requirements, securitisation repositories, and STS notifications.*

Our proposed onshoring amendments to these provisions, as consulted on in CP20/18: Quarterly Consultation Paper No. 29, were prepared in advance of these publications, and are based on the Commission-endorsed versions of these technical standards which have been available for some time. The below guidance is based on the onshoring amendments as presented in the CP20/18, and may need to be revisited to the extent the onshoring amendments are updated once the final EU technical standards are taken into account.

The EU technical standards relating to risk retention requirements are expected to be published in the Official Journal of the European Union on a later timescale, but may still enter into force before 31 December 2020. If that is the case, we will revisit the below guidance in light of the onshoring amendments to these technical standards, once these are known.]

Note:

- the **standstill direction** applies to the amendments described in (a)-(h) below. We consider these as examples of amendments that lead to changed requirements for firms, which justify application of the **standstill direction**.
- The **standstill direction** does not apply to the amendments described in (i)-(m) below.
- The **standstill direction** also applies to other amendments made by the Securitisation (Amendment) (EU Exit) Regulations 2019 to the Securitisation Regulation, aside from those described in (i)-(m) below, and amendments made by the Technical Standards (Securitisation Regulation) (EU Exit) Instrument (No. 2) 2020 to Commission Delegated Regulation (EU) 2019/1851 of 28 May 2019 supplementing

Information and the Details of a Securitisation to be Made Available by the Originator, Sponsor and SSPE) (EU Exit) Instrument 2020, as described in (h) of column (3). We consider these as examples of amendments that lead to changed requirements for firms, which justify application of the **standstill direction**.

- Amendments made by the Technical Standards (Securitisation Regulation) (EU Exit) Instrument (No. 2) 2020. We do not consider these amendments lead to changed requirements for firms, but we have applied the **standstill direction** for the avoidance of doubt. We have not described these amendments in column (3).

The **standstill direction** does not apply to the following amendments, as described in (i) to (m) of column (3). Whilst we consider these amendments lead to changed requirements for firms, we do not consider it appropriate to apply the **standstill direction** for the reasons outlined in (i) to (m) of column (3).

- Amendments made by the Securitisation (Amendment) (EU Exit) Regulations 2019 to the Securitisation Regulation, as described in (i)-(m) of column (3).

Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards on the homogeneity of the underlying exposures in securitisation. We do not consider these other amendments lead to changed requirements for firms, but we have applied the **standstill direction** for the avoidance of doubt. We have not described these amendments below.

- Firms should read the following guidance in conjunction with applicable definitions in the Securitisation Regulation as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019, unless a contrary intention appears.
- a) Article 5(1)(a) of the Securitisation Regulation requires that an institutional investor verify prior to holding a securitisation position that the EU originator or original lender grants all the credits giving rise to underlying exposures of the securitisation position on the basis of sound and well-defined criteria, clearly established processes, and effective systems. In accordance with Article 5(2) this requirement applies to the sponsor in the case of a fully supported ABCP transaction.

However, this verification requirement currently only applies where the originator or original lender is not a credit institution or investment firm as defined in the CRR (Regulation EU 575/2013).

As a result of amendments made to this provision by the Securitisation (Amendment) (EU Exit) Regulations 2019, investors and sponsors would need to comply with the verification obligation in Article 5(1)(b) in relation to all originators or original lenders established in the EU.

The *FCA* is therefore applying the **standstill direction** so that an institutional investor or sponsor may continue to satisfy Article 5(1)(a) as it had effect prior to amendment) in relation to originators or original lenders established in the EU.

<ul style="list-style-type: none"> <li>• Part 3 of the Securities Financing Transactions, Securitisation and Miscellaneous Amendments (EU Exit) Regulations 2020 as described in (k) of column (3).</li> <li>• Amendments made by the Technical Standards (Specifying the Information to be Provided to Comply with the STS Notification Requirements) (EU Exit) Instrument 2020, as described in (j) of column (3).</li> <li>• Amendments made by the Technical Standards (Information to be Provided in the Application for Registration of a Securitisation Repository) Instrument 2020, the Technical Standards (with regard to the Format of Applications for Registration of Securitisation Repositories) Instrument 2020, and the Technical Standards (Securitisation Repository Operational Standards for Data Collection, Aggregation, Comparison, Access and Verification of Completeness and Consistency) Instrument 2020, as described in (k) of column (3).</li> </ul>	<p>The application of the ongoing monitoring obligation in respect of the verification requirement, under Article 5(4)(a) of the Securitisation Regulation, is similarly modified.</p> <p>b) Article 5(1)(c) and (d) of the Securitisation Regulation require that an institutional investor verify, prior to holding a securitisation position, that the originator, sponsor or original lender retains on an ongoing basis a material net economic interest, in accordance with Article 6 of the Securitisation Regulation.</p> <p>These provisions have not been directly amended by the Securitisation (Amendment) (EU Exit) Regulations 2019. However, the net economic interest for the provisions is determined in accordance with Article 6 of the Securitisation Regulation. Articles 6(4) and 6(5) of the Securitisation Regulation have been relevantly amended.</p> <p>Prior to its amendment, Article 6(4) provided that where an originator or sponsor:</p> <ul style="list-style-type: none"> <li>• met the description of mixed financial holding company, parent institution or a financial holding company established in the EU, or was a subsidiary of one of these; and</li> <li>• securitised exposures from one or more credit institutions, investment firms or other financial institutions which were included in the scope of supervision on a consolidated basis,</li> </ul> <p>the net economic interest requirement might be satisfied on the basis of the consolidated situation of the originator or sponsor.</p> <p>As a result of the amendments made to Article 6(4) this derogation from the strict net economic interest retention requirement would only be available to <i>UK</i> originators or sponsors after <i>IP completion day</i> (or those originators or sponsors within consolidated situations newly defined by reference to the <i>UK</i>). Accordingly, the due diligence requirements of institutional investors under Articles 5(1)(c), (d) and 5(4)(a) of the Securitisation Regulation may not be met in relation to investments in</p>
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	<ul style="list-style-type: none"> <li>Amendments made by the Technical Standards (Securitisation Regulation) (EU Exit) Instrument 2019, as described in (m) of column (3).</li> </ul>	<p>securitisations that formerly complied with Article 6(4) of the Securitisation Regulation.</p> <p>The <i>FCA</i> is, therefore, applying the <b>standstill direction</b> so that an institutional investor may continue to satisfy its obligations under Article 5(1)(c) and (d) by verifying the net economic interest in accordance with Article 6(4), as it had effect prior to amendment. The application of the ongoing monitoring obligation in respect of the net economic interest requirement, under Article 5(4)(a) of the Securitisation Regulation, is similarly modified.</p> <p>Similar relief applies in relation to the obligations of an institutional investor under Articles 5(1)(c), (d) and 5(4)(a), in relation to the amendments made to Article 6(5). These amendments are explained further in paragraph (d), below.</p> <p>c) Article 5(5) of the Securitisation Regulation allows an institutional investor, under certain circumstances, to instruct another institutional investor to fulfil its due diligence obligations under Article 5 of the Securitisation Regulation. As a result of amendments to the definition of institutional investor in Article 2(12) of the Securitisation Regulation by the Securitisation (Amendment) (EU Exit) Regulations 2019, after <i>IP completion day</i> the scope of entities which could be delegated obligations under Article 5(5) will be narrower than before that date.</p> <p>The <i>FCA</i> is, therefore, applying the <b>standstill direction</b> so that an institutional investor may continue to instruct an entity established in the EU to fulfil its obligations under Article 5. This relief would also apply to an institutional investor which does not currently instruct another entity under article 5(5), but intends to do so after <i>IP completion day</i>.</p> <p>d) As noted in paragraph (b) above, Article 6(4) of the Securitisation Regulation has been amended by the Securitisation (Amendment) (EU</p>
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Exit) Regulations 2019. It is possible that there will remain, after *IP completion day*, UK originators or sponsors who:

- are members of groups which formerly satisfied the definition of mixed financial holding company; or
- met the previous definition of a subsidiary of a parent institution or financial holding company established in the EU; and
- securitised exposures from one or more credit institutions, investment firms or other financial institutions, as formerly defined.

Without relief, these *UK* originators or sponsors could not satisfy the net economic interest requirement after *IP completion day* on the basis of their consolidated situation. Therefore, the *FCA* is applying the **standstill direction** so that these *UK* originators and sponsors can continue to satisfy Article 6(4) as it had effect prior to amendment.

- e) Article 6(5) of the Securitisation Regulation has been amended by the Securitisation (Amendment) (EU Exit) Regulations 2019 to remove reference to Member States' regional governments, local authorities and public-sector entities. Without relief, the effect would be to impose the risk retention requirement in respect of securitisation exposures fully and irrevocably guaranteed by such institutions of Member States. Therefore, the *FCA* is applying the **standstill direction** so that *UK* originators, sponsors and original lenders can continue to benefit from Article 6(5) as it had effect prior to amendment.
- f) The Securitisation (Amendment) (EU Exit) Regulations 2019 amended, in the same manner as Articles 6(4) and 6(5), the art 43(6) Securitisation Regulation transitional relief, allowing continued application of art 405 of the CRR. Therefore, the *FCA* is applying the **standstill direction** in relation to these amendments in the same way as for Articles 6(4) and 6(5) of the Securitisation Regulation.
- g) The Securitisation (Amendment) (EU Exit) Regulations 2019 amended Article 27(1) of the Securitisation Regulation. Prior to the amendment, Article 27(1) of the Securitisation Regulation required the originator

and/or sponsor (as appropriate) of a securitisation to notify *ESMA* in accordance with Article 27(1) where the securitisation met the applicable STS criteria. Article 27(1) of the Securitisation Regulation as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019 requires the originator and/or sponsor (as appropriate) of a securitisation to instead notify the *FCA* in accordance with Article 27(1) where the securitisation meets the applicable STS criteria.

Therefore, originators and/or sponsors will need to re-notify to the *FCA* securitisations that have already been notified as STS to *ESMA* before *IP completion day* (and copied to the *FCA*) in accordance with Article 27(1) of the Securitisation Regulation, where the securitisation meets the applicable STS criteria under the Securitisation Regulation as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019.

The *FCA* will provide a period of time before *IP completion day* for originators and/or sponsors to submit renotifications using the UK notification templates, which reflect amendments made by the Technical Standards (Specifying the Information to be Provided to Comply with the STS Notification Requirements) (EU Exit) Instrument 2020. However, as the *FCA* requires a notification in accordance with article 27(1) of the Securitisation Regulation at *IP completion day*, originators and/or sponsors will need to confirm their notification on or immediately before that date.

Once originators and/or sponsors have submitted renotifications to the *FCA* using the UK notification templates, it may then be inconvenient or impracticable for those originators and/or sponsors to confirm their notifications to the *FCA* on or immediately before *IP completion day*. Therefore, the *FCA* is applying the standstill direction in relation to the amendments to Article 27(1) of the Securitisation Regulation in such a way that the originator and/or sponsor (as appropriate) of a securitisation for which a renotification has been submitted to the *FCA* before *IP completion day*, need not confirm that STS notification in respect of that securitisation to the *FCA* on or immediately before *IP completion day* and

will instead temporarily be treated as having complied with the obligation to notify the *FCA* in Article 27(1) (if otherwise applicable) if:

- they meet the requirements of Article 18(2) of the Securitisation Regulation as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019;
- the securitisation meets all the applicable STS criteria in the Securitisation Regulation as amended by the Securitisation (Amendment) (EU Exit) Regulations;
- they made an STS notification in relation to the securitisation to *ESMA* before *IP completion day* in accordance with Article 27(1) of the Securitisation Regulation as it had effect before *IP completion day*; and
- they validly renotified the *FCA* using the UK notification templates, during the period of time provided by the *FCA* before *IP completion day*.

If the above conditions are met, this will enable the *FCA* to temporarily publish the STS notification relating to this securitisation on its official website pursuant to Article 27(1) and (5) of the Securitisation Regulation as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019. However, the *FCA* would still expect the originator and/or sponsor (as appropriate) to confirm an STS notification in relation to the securitisation to the *FCA* within a reasonable timeframe after *IP completion day* in accordance with Article 27(1) of the Securitisation Regulation as amended by the Securitisation (Amendment) (EU Exit) Regulations 2019.

- h) The Technical Standards (Specifying the Information and the Details of a Securitisation to be Made Available by the Originator, Sponsor and SSPE) (EU Exit) Instrument 2020 made amendments to Commission Delegated Regulation (EU) 2020/1224 of 16 October 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards specifying the information and

the details of a securitisation to be made available by the originator, sponsor and SSPE, and Commission Implementing Regulation (EU) 2020/1225 of 29 October 2019 laying down implementing technical standards with regard to the format and standardised templates for making available the information and details of a securitisation by the originator, sponsor and SSPE.

Without relief, originators, sponsors and SSPEs of UK securitisations would have to use UK disclosure templates to satisfy the transparency requirements of article 7 of the Securitisation Regulation, when they would have had limited time before *IP completion day* to modify their systems to take into account the changes made by the Technical Standards (Specifying the Information and the Details of a Securitisation to be Made Available by the Originator, Sponsor and SSPE) (EU Exit) Instrument 2020. Therefore, the *FCA* is applying the **standstill direction** so that originators, sponsors and SSPEs of UK securitisations can continue to use the disclosure templates as they had effect prior to *IP completion day*.

Note: the **standstill direction** does not apply in the areas described in (i) to (m) below. Whilst we consider these amendments lead to changed requirements for firms, we do not consider it appropriate to apply the **standstill direction** for the reasons outlined below:

- i) The requirement, as a result of the Securitisation (Amendment) (EU Exit) Regulations 2019, for an originator and/or sponsor of a securitisation to be established in the *UK*, for the securitisation to be eligible for 'STS' designation under Article 18 of the Securitisation Regulation. Transitional relief in this respect is provided by new Article 18(3) of the Securitisation Regulation. Under this transitional provision, securitisations which meet EU requirements to be considered STS will remain eligible for designation as such in the *UK*, providing *ESMA* was notified pursuant to Article 27(1)

before *IP completion day*, or is so notified after *IP completion day* but before the expiry of a period of two years thereafter.

- j) Subject to (g) above, the requirement, as a result of the Securitisation (Amendment) (EU Exit) Regulations 2019, for an originator and/or sponsor to notify the *FCA* of a securitisation considered 'STS' in accordance with Article 27(1) of the Securitisation Regulation, prior to using that designation. Otherwise, the *FCA* would not be capable of supervising the STS securitisations for which it has been designated the sole *UK* competent authority.

(Consistent with this, the **standstill direction** also does not apply to amendments made by the Technical Standards (Specifying the Information to be Provided to Comply with the STS Notification Requirements) (EU Exit) Instrument 2020 to Commission Delegated Regulation (EU) 2020/1226 of 12 November 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council and laying down regulatory technical standards specifying the information to be provided in accordance with the STS notification requirements, and to Commission Implementing Regulation (EU) 2020/1227 of 12 November 2019 laying down implementing technical standards with regard to templates for the provision of information in accordance with the STS notification requirements. This means that an originator and/or sponsor must use the *UK* notification templates to notify the *FCA* of a securitisation considered 'STS'.)

- k) The requirement, as a result of the Securitisation (Amendment) (EU Exit) Regulations 2019, for a securitisation repository to be established in the *UK* in order to be eligible to be registered under Article 10(2) of the Securitisation Regulation. The *FCA* could not enforce relevant data access obligations if this requirement were disapplied.

(Consistent with this, the **standstill direction** also does not apply to:

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|  |  | <ul style="list-style-type: none"><li>• <b>Relevant obligations</b> resulting from the operation of Part 3 of the Securities Financing Transactions, Securitisation and Miscellaneous Amendments (EU Exit) Regulations 2020 to the extent those Regulations confer functions on the <i>FCA</i> in respect of advance applications for registration as a securitisation repository in the <i>UK</i>, and impose corresponding obligations on applicants;</li><li>• Amendments made by the Technical Standards (Information to be Provided in the Application for Registration of a Securitisation Repository) Instrument 2020 to Commission Delegated Regulation (EU) 2020/1230 of 29 November 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards specifying the details of the application for registration of a securitisation repository and the details of the simplified application for an extension of registration of a trade repository;</li><li>• Amendments made by the Technical Standards (With regard to the Format of Applications for Registration of Securitisation Repositories) Instrument 2020 to Commission Implementing Regulation (EU) 2020/1228 of 29 November 2019 laying down implementing technical standards with regard to the format of applications for registration as a securitisation repository or for extension of a registration of a trade repository pursuant to Regulation (EU) 2017/2402 of the European Parliament and of the Council; and</li><li>• Amendments made by the Technical Standards (Securitisation Repository Operational Standards for Data Collection, Aggregation, Comparison, Access and Verification of Completeness and Consistency) Instrument 2020 to Commission Delegated Regulation (EU) 2020/1229 of 29 November 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards on securitisation repository operational standards for data collection,</li></ul> |
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aggregation, comparison, access and verification of completeness and consistency.)

- l) the requirement, as a result of the Securitisation (Amendment) (EU Exit) Regulations 2019, for the originator, sponsor and SSPE of a securitisation to make the information concerning a securitisation transaction available, under Article 7(2) of the Securitisation Regulation, by means of a securitisation repository registered in the *UK*. The *FCA* could not properly supervise disclosure obligations if this requirement were disapplied.
- m) the requirement, as a result of the Securitisation (Amendment) (EU Exit) Regulations 2019, for an originator, sponsor or SSPE wishing (for Article 27(2) of the Securitisation Regulation) to use the service of a third party authorised under Article 28 to appoint a *UK firm*. If this requirement were disapplied the *FCA* could not properly supervise authorised firms.

(Consistent with this, the **standstill direction** also does not apply to amendments made by the Technical Standards (Securitisation Regulation) (EU Exit) Instrument 2019 to the Commission Delegated Regulation (EU) 2019/885 of 5 February 2019 supplementing Regulation (EU) 2017/2402 of the European Parliament and of the Council with regard to regulatory technical standards specifying information to be provided to a competent authority in an application for authorisation of a third party assessing STS compliance.)

33.1	N/A	<p>The <b>standstill direction</b> does not apply to the amendments made by The Short Selling (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1321) to:</p> <ul style="list-style-type: none"> <li>a) sections 131E to 131FB of the Financial Services and Markets Act 2000;</li> <li>b) Regulation (EU) No 236/2012 ('SSR'); and</li> <li>c) Commission Delegated Regulation (EU) No 918/2012</li> </ul> <p>In addition, the <b>standstill direction</b> does not apply to the SSR technical standards.</p> <p>The only <b>relevant obligation</b> relates to the <i>market makers</i> and <i>authorised primary dealers</i> ('APD') exemption under Article 17 of the SSR. As set out in the FCA's temporary transitional power statement published on [X] October 2020, any <i>firm</i> wishing to use the exemption for <i>market making activities</i> will be required to join a <i>UK trading venue</i> and notify us of their intention to use the <i>market maker exemption</i> 30 days ahead of their intended use.</p>
<b>34 Social Entrepreneurship Funds</b>		
34.1	<p>We have not applied the <b>standstill direction</b> to:</p> <ul style="list-style-type: none"> <li>a) the amendments in the Social Entrepreneurship Funds (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/343) (the SEF Regulations); or</li> <li>b) the Technical Standards (European Social Entrepreneurship Fund Regulation) (EU Exit) Instrument 2019.</li> </ul>	<p>We have not applied the <b>standstill direction</b> to any of the amendments made by the SEF Regulations.</p> <p>The EU Regulation on European Social Entrepreneurship Funds (EuSEFs) creates an <i>EEA</i>-wide regime for the registration and marketing of EuSEFs. The SEF Regulations amend the EU Regulation to create a UK-wide regime for the registration and marketing of social entrepreneurship funds (SEFs).</p> <p>After <i>IP completion day</i>, a fund using the 'SEF' designation can only be marketed in the UK if the fund complies with the requirements of the EU Regulation as amended by the SEF Regulations. We do not consider the other amendments made by the SEF Regulations change the substance of how AIFMs must operate SEFs.</p> <p>The changes being made by AIFM Exit Regs (see row 1) in combination with the changes made by the SEF Regulations will have the effect of preventing</p>



		<p>EuSEFs from being marketed to retail investors in the <i>UK</i> after <i>IP completion day</i>. However, <i>AIFMs</i> may benefit from the temporary marketing regime described in row 1 above and be able to market EuSEFs in the <i>UK</i> after <i>IP completion day</i> subject to meeting the relevant conditions. EuSEFs can also be marketed to professional investors after <i>IP completion day</i> under the national private placement regime in Part 6 of the UK AIFM Regs.</p> <p>In light of the above, the <b>standstill direction</b> has not been applied.</p> <p>The SEF Regulation makes no provision for SEFs to be marketed in the EU after <i>IP completion day</i>. Whether this is possible is a matter of EU law and the law of the country in which the SEF is to be marketed. It is not something that the <b>standstill direction</b> can remedy.</p> <p>The Technical Standards (European Social Entrepreneurship Fund Regulation) (EU Exit) Instrument 2019 revokes Commission Implementing Regulation (EU) No 594/2014. That Regulation specifies how the competent authority of the Home Member State must notify ESMA and the authorities of the host Member States of certain matters. Accordingly, the <b>standstill direction</b> has not been applied to the Technical Standards (European Social Entrepreneurship Fund Regulation) (EU Exit) Instrument 2019.</p>
<b>35</b>	<b>Temporary Permissions and Contractual Continuity</b>	
35.1	N/A	<p>The <b>standstill direction</b> has not been applied to <b>relevant obligations</b> arising from the following instruments or specified provisions of instruments:</p> <ul style="list-style-type: none"> <li>a) EEA Passport Rights (Amendment, etc., and Transitional Provisions) (EU Exit) Regulations 2018 (S.I. 2018/1149);</li> <li>b) Financial Services Contracts (Transitional and Saving Provision) (EU Exit) Regulations 2019 (S.I. 2019/405);</li> <li>c) Schedule 3 to the Electronic Money, Payment Services and Payment Systems (Amendment and Transitional Provisions) (EU Exit) Regulations 2018 (S.I. 2018/1201);</li> </ul>

		<p>d) Part 4 of the Electronic Commerce and Solvency 2 (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/1361); and</p> <p>e) Part 9A of Alternative Investment Fund Managers Regulations 2013 (S.I. 2013/1773); and</p> <p>f) Parts 6, 7 and 8 of the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019 (S.I. 2019/325).</p> <p>These instruments form part of the transitional schemes for incoming firms. Other transitional schemes are referred to in this Annex.</p> <p>Part 5 of the main FCA transitional directions sets out specific directions in respect of <i>TP firms</i>.</p>
<b>36</b>	<b>Third Country Equivalence</b>	
36.1	The <b>standstill direction</b> does not apply to provisions relating to equivalence directions or determinations.	The Equivalence Determinations for Financial Services and Miscellaneous Provisions (Amendment etc) (EU Exit) Regulations 2019 (S.I. 2019/541), the amendments made by regulation 11 of the Financial Services (Miscellaneous Amendments) (EU Exit) Regulations 2020 (S.I. 2019/628) and the Equivalence Determinations for Financial Services (Amendments etc) (EU Exit) Regulations 2020 (S.I. 2020/1055) confer functions on HM Treasury and the regulators.
<b>37</b>	<b>Transparency of Securities Financing Transactions</b>	
37.1	Amendments made by regulation 6(c) of The Transparency of Securities Financing Transactions and of Reuse (Amendment) (EU Exit) Regulations 2019 to article 2(3) of the Securities Financing Transactions Regulation ('UK SFTR').	The result of amendments made by the Technical Standards (Markets in Financial Instruments Regulation) (EU Exit) (No 1) Instrument 2019 to Article 2 of Commission Delegated Regulation 2019/590 taken in conjunction with amendments made by regulation 6(c) of The Transparency of Securities Financing Transactions and of Reuse (Amendment) (EU Exit) Regulations 2019 to article 2(3) of the Securities Financing Transactions Regulation ('UK SFTR') is that on and after <i>IP completion day</i> certain securities financing transactions to which a member of the ESCB is a counterparty (the 'affected

transactions') will become reportable under both article 4 UK SFTR and the transaction reporting regime at article 26 UK MiFIR.

The **standstill direction** is applied to **relevant obligations** resulting from the operation of regulation 6(c) of The Transparency of Securities Financing Transactions and of Reuse (Amendment) (EU Exit) Regulations 2019. The effect of this is that counterparties to the affected transactions may continue to provide transaction reports under UK MiFIR, without additionally having to report these transactions under UK SFTR.

- Except as noted above, the **standstill direction** does not apply to **relevant obligations** resulting from the operation of The Transparency of Securities Financing Transactions and of Reuse (Amendment) (EU Exit) Regulations 2019, Part 2 of the Securities Financing Transactions, Securitisation and Miscellaneous Amendments (EU Exit) Regulations 2020, the Technical Standards (Securities Financing Transactions Regulation) (No 1) (EU Exit) Instrument 2020, and the Technical Standards (Securities Financing Transactions Regulation) (No 2) (EU Exit) Instrument 2020. The reporting requirements at Article 4 of the Securities Financing Transaction Regulation (EU 2015/2365) will apply at *IP completion day* and will form part of UK SFTR, except in relation to the reporting of securities financing transactions by non-financial counterparties. To the extent that the reporting obligation applies at *IP completion day* the Exit SIs and technical standards already provide arrangements for continuity and mitigating disruption as at *IP completion day* and afterwards. As regards the reporting obligation on non-financial counterparties, this is not in application as at *IP completion day* and will therefore not form part of retained EU law.
- We are not applying the **standstill direction** for a reduction in geographic scope of obligations from the EEA to *UK*, e.g. in the case of disclosures by UCITS managers for the purposes of Article 14 *SFTR*.

<p>38.1</p>	<p>We have not applied the <b>standstill direction</b> to:</p> <p>(a) the amendments in the Venture Capital Funds (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/333) (the RVECA Regulations); or</p> <p>(b) the Technical Standards (European Venture Capital Funds Regulation) (EU Exit) Instrument 2019.</p>	<p>We have not applied the <b>standstill direction</b> to any of the amendments made by the RVECA Regulations.</p> <p>The EU Regulation on European Venture Capital Funds (EuVECA) creates an <i>EEA</i>-wide regime for the registration and marketing of EuVECA. The RVECA Regulations amend the EU Regulation to create a UK-wide regime for the registration and marketing of venture capital funds (RVECA).</p> <p>After <i>IP completion day</i> a fund using the 'RVECA' designation can only be marketed in the UK if the fund complies with the requirements of the EU Regulation as amended by the RVECA Regulation. We do not consider the other amendments made by the RVECA Regulations change the substance of how AIFMs must operate RVECA.</p> <p>The changes being made by AIFM Exit Regs (see row 1) in combination with the changes made by the RVECA Regulations will have the effect of preventing EuVECA from being marketed to retail investors in the <i>UK</i> after <i>IP completion day</i>. However, <i>AIFMs</i> may benefit from the temporary marketing regime described in row 1 above and be able to market EuVECA in the <i>UK</i> after <i>IP completion day</i> subject to meeting the relevant conditions. EuVECA can also be marketed to professional investors after <i>IP completion day</i> under the national private placement regime in Part 6 of the UK AIFM Regs.</p> <p>In light of the above, the <b>standstill direction</b> has not been applied.</p> <p>The RVECA Regulation makes no provision for RVECA to be marketed in the EU after <i>IP completion day</i>. Whether this is possible is a matter of EU law and the law of the country in which the RVECA is to be marketed. It is not something that the <b>standstill direction</b> can remedy.</p> <p>a) The Technical Standards (European Venture Capital Funds Regulation) (EU Exit) Instrument 2019 revokes Commission Implementing Regulation (EU) No 593/2014. That Regulation specifies how the competent authority of the Home Member State must notify ESMA and the authorities of the host Member States of certain matters. Accordingly, the <b>standstill</b></p>
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**direction** has not been applied to the Technical Standards (European Venture Capital Funds Regulation) (EU Exit) Instrument 2019.

**39 Insurance Special Purpose Vehicles**

39.1 Amendments made by the Risk Transformation and Solvency 2 (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/1233) to Regulation 10(1)(b) of the Risk Transformation Regulations 2017.

The effect of applying the **standstill direction** in the circumstances envisaged in column (2) is that an Insurance Special Purpose Vehicle can continue to treat customers who have been “recognised by an EEA State as an eligible counterparty for the purposes of Article 30 of MIFID 2 (transactions executed with eligible counterparties)” as ‘qualified investors’ without further considering whether they are also “recognised by the Financial Conduct Authority (“FCA”) as an eligible counterparty for the purposes of Section 6 of Chapter 3 of the Conduct of Business sourcebook in the Handbook of Rules and Guidance published by the FCA containing rules made by the FCA under FSMA, as the sourcebook has effect on *IP completion day*.

We are not aware of any substantive difference in scope but out of precaution we are applying the **standstill direction** to the provision to remove any doubt or uncertainty.