

The Berne Financial Services Agreement (BFSA)

Guidelines for firms

November 2025

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23/01/2026: Information added Notification process for UK investment services firms conducting business in Switzerland through client advisers

18/12/2025: Information added Scope of deference for Swiss firms, UK branches and fees, training requirements for UK insurance intermediaries

18/12/2025: Information added Links to BFSA Handbook Guidance



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Chapter 1

What is the BFSA?

- 1.1** The Berne Financial Services Agreement (BFSA) will make cross-border trade in financial services to wholesale and sophisticated clients easier for UK and Swiss firms, on the basis of mutual recognition.
- 1.2** The UK and Switzerland have recognised each other's domestic laws, regulations, and supervisory regimes as achieving equivalent outcomes in specified financial services (referred to as **covered sectors**).
- 1.3** These outcomes relate to market integrity, financial stability and the protection of consumers and investors. Mutual recognition is supported by enhanced supervisory cooperation between the Swiss Financial Market Supervisory Authority (FINMA), the Financial Conduct Authority (FCA), the Bank of England (BoE) and the Prudential Regulation Authority (PRA).
- 1.4** The Agreement also creates a new model for regulatory and supervisory cooperation, ensuring our respective domestic objectives and strong regulatory standards are upheld. This model will protect consumers and investors, as well as promoting financial stability and market integrity. It will make sure the Agreement's benefits are secure and long-lasting, providing a blueprint for future mutual recognition agreements.

Chapter 2

Swiss investment services firms

- 2.1** The UK has deferred to Swiss authorisation and prudential measures for certain cross-border investment services and ancillary services to wholesale clients and high net worth individuals. Where deference applies, Swiss suppliers only need to comply with Swiss authorisation and most prudential requirements when supplying those activities into the UK. This is subject to the conditions set out in the BFSA and any implementing legislation. For these purposes 'prudential' requirements are wider than requirements relating to capital requirements.
- 2.2** Annex V, Section VIII, paragraph A.1.d of the BFSA provides that deference arrangements also extend, without the need for further authorisation, to activities relating to the cross-border supply of a covered services by a covered financial services supplier of Switzerland to a covered client carried out in the territory of the United Kingdom by the employees of that firm on a temporary basis, where that does not amount to a permanent establishment of the supplier in the United Kingdom. However, deference does not extend to: (a) employees of a branch of the covered financial services supplier located in the United Kingdom and authorised under Part 4A of FSMA 2000; or (b) the supply of a covered service on a temporary basis in the territory of the United Kingdom by persons other than employees of a covered financial services supplier of Switzerland.
- 2.3** FCA and PRA rules will generally not apply to most Swiss firms accessing the UK under the BFSA. That is because such firms will be operating under an exclusion from the general prohibition and will not have authorisation by either the PRA or FCA.
- 2.4** However, there is scope for FCA and PRA rules to apply where a Swiss firm has both a Part 4A permission for some activities, typically because it has a UK branch, and is registered to provide other activities under the BFSA. A Swiss firm that has a UK branch with Part 4A permissions is not prevented from providing services under the BFSA, but firms must choose between access routes on an activity basis. Where a firm has Part 4A permissions, it must continue to report tariff data and pay fees in relation to these activities, but not for activities under the BFSA. A firm is encouraged to contact the PRA and FCA in advance if they wish to apply to be registered on the BFSA register for services for which they already hold a Part 4A permission. A firm cannot register under the BFSA to provide a category of service in relation to a category of financial instrument to a category of client if it already has a Part 4A authorisation to provide the same categories of service in relation to the same category of financial instruments and same category of clients. In such a case, the firm would need to apply to vary or cancel their Part 4A permission in respect of the services it wishes to carry on under the BFSA before submitting a notification. With effect from the date of the cancellation or variation of their permissions, firms should not report income or other tariff data arising from the provision of these activities. Swiss firms' fees will not be impacted until the 2027/28 financial year, which will be based on their data for 2025/26.

- 2.5** For more detailed information firms should (a) familiarise themselves with the application provisions of the PRA Rulebook and the FCA Handbook and (b) be aware of separate FCA and PRA consultations launched in September and October 2025, respectively, on disapplying relevant UK domestic rules to the extent that they are contrary to the BFSA. Final rule changes are being published on our respective websites.
- 2.6** Eligible Swiss firms that wish to provide investment services in the UK on a cross-border basis must notify the FCA following the process detailed below. Before they can begin supplying services, they must be on the BFSA register on the FCA website.

Eligibility requirements

- 2.7** A detailed explanation of eligibility criteria for Swiss firms, as well as covered clients and financial instruments, is on the FINMA website and in the BFSA.
- 2.8** To be eligible, firms must:
- Be incorporated or formed in Switzerland.
 - Be authorised and supervised as a bank, securities firm, fund management company, manager of collective assets, or portfolio manager.
 - Be authorised by FINMA to provide the notified covered services in Switzerland.
 - Supply the relevant services in Switzerland.
 - Not have Part 4A permission for the services it has made a notification in respect of through the BFSA.
- 2.9** Before starting to supply covered services, the firm must:
- a. Notify the FCA via FINMA's EHP platform of the services it wishes to supply into the UK, by covered financial instruments and categories of covered clients.
 - b. Be on the BFSA register on the FCA website.
- 2.10** Swiss firms can notify FINMA via their application platform (EHP) to transmit notification to the FCA.

Conditions

- 2.11** When providing services under the BFSA, Swiss firms must comply with certain conditions and requirements. More information is in Annex 5 Section IX.A of the BFSA.

Pre-contractual disclosures

- 2.12** Swiss firms providing services to covered clients must give each client, in good time before concluding the contract, a disclosure document that clearly and prominently states:
- That the firm is an entity incorporated in or formed under the domestic law of Switzerland.

- That the firm is authorised and supervised in Switzerland.
- That the firm is not authorised or regulated in the UK, or if authorised under Part 4A of FSMA, is not authorised in the UK to supply the covered service(s) notified under the BFSA.
- The place of jurisdiction and applicable law of the contract to be entered into.
- That the UK financial services compensation scheme is not available.
- That the UK financial services out-of-court dispute resolution scheme (the Financial Ombudsman Service) is not available.

Reporting

- 2.13** Swiss firms are required by the BFSA to report annually to the FCA. Reporting should cover the previous 12-month calendar year (the reporting period) and must be submitted by 30 April via FINMA's EHP platform.
- 2.14** If a firm was initially placed on a BFSA register between 1 January and 30 April of any given year, they do not need to report until the following year.
- 2.15** Reporting should include the following (in addition to what is required by the BFSA, this list includes supplementary content agreed between the FCA, the Bank of England including in its capacity as the PRA, and FINMA for operational reasons):
- Firm name (if different, any trading name).
 - Firm registration number with FINMA and BFSA register number with the FCA.
 - Number of covered clients supplied in the reporting period, by category of service and client type.
 - Total turnover attributable to the supply of covered services to covered clients in the reporting period.
 - If total turnover exceeds £50m in each of 2 consecutive reporting periods, firms must provide a breakdown of turnover in the reporting period (a) per category of covered service; and (b) for the following categories of covered service, reporting must include turnover by covered financial instruments: dealing on own account, executing orders on behalf of covered clients, and reception and transmission of orders.
 - Anonymised information on complaints of a material nature made by covered clients against the firm concerning the supply of covered services.
 - Whether the firm has entered into title transfer collateral arrangements with covered clients in the UK in the reporting period.
- 2.16** For BFSA reporting, the FCA considers a 'complaint of a material nature' to be a complaint that alleges that the complainant has suffered (or may suffer) substantial financial loss, distress or inconvenience. This may also include criminal complaints, or where the complaint may pose a reputational risk to the firm or client.

High net worth client tests (resident in UK)

Natural person test

2.17 To provide registered services under the BFSA to a natural person (as referred to in Annex 5 Section V.A.1.a) who wishes to be treated as a high net worth client (the client), the BFSA (Annex 5 Section IX.A.3.a) requires a Swiss firm to:

- Satisfy itself that the client has net assets exceeding £2m.
- Undertake an adequate assessment of the expertise, experience and knowledge of the client in light of the service(s) and nature of the related transaction(s) in question, to get reasonable assurance that the client is capable of making their own investment decisions and understands the risks involved.
- Get a signed declaration from the natural person that they wish to be treated as a high net worth covered client under Annex 5 of the BFSA for a particular covered service.
- Give a clear written warning of the protections and investor protection rights under UK domestic law the client will lose as a high net worth covered client under Annex 5 of the BFSA (the protections).
- Get a written statement from the natural person, in a document separate from the contract, that they are aware of the consequences of the protections being lost.

Private investment structure with professional treasury operations test

2.18 To provide services to a private investment structure with professional treasury operations (as referred to in Section V.A.1.b BFSA), the BFSA requires a Swiss firm to:

- Satisfy itself that the natural person that the private investment structure acts for has net assets exceeding £2m.
- Undertake an adequate assessment of the expertise, experience and knowledge of the person authorised to transact on behalf of the investment structure, to get reasonable assurance in light of the service(s) and nature of the related transaction(s) that that person is capable of making investment decisions and understands the risks involved for the natural person.
- Get a signed declaration from an officer of the investment structure (the officer) that they wish it to be treated as a high net worth client as defined in Annex 5 Section V of the BFSA for a particular covered service.
- Give a clear written warning to the investment structure and natural person of the protections and investor compensation rights under UK domestic law that will be lost.
- Get a written statement from the officer, in a document separate from the contract, that they are aware of the consequences of losing such protections.

Private investment structure with no qualified expert test

2.19 To provide services to a private investment structure with no qualified expert (as referred to in Section V.A.1.c BFSA), the BFSA requires a Swiss firm to:

- Satisfy itself that the natural person for whom the private investment structure acts (the natural person) has net assets exceeding £2m.

- Undertake an adequate assessment of the expertise, experience and knowledge of the natural person in light of the service(s) and related transaction(s) in question, that gives reasonable assurance that the natural person can make their own investment decisions and understands the risks involved.
- Get a signed declaration from an officer of the investment structure that they wish it to be treated as a high net worth client as defined in Annex 5 Section V of the BFSFA for the covered services to be provided to the investment structure under the BFSFA.
- Give a written warning to the natural person of the protections and investor protection rights under UK domestic law that will be lost.
- Get a written statement from the natural person that they are aware of the consequences of losing such protections.

Client consent

2.20 Before providing covered services, Swiss firms relying on the BFSFA must get consent from covered clients for relevant information to be disclosed to UK regulators in response to an information request (Annex 5 Section X.A.3.d BFSFA). Should this consent be withdrawn, the BFSFA provides that the firm can no longer provide such services to the client (Annex 5 Section IX.4).

2.21 Relevant information means any information held or controlled by the firm on the supply of covered services to the client. This includes personal data and information on the supply of covered services to the client (including personal data and information which is subject to a client confidentiality obligation).

Sub custodians

2.22 Under the BFSFA (Annex 5 Section IX.A.5), Swiss firms can deposit covered financial instruments held on behalf of a covered UK client with a sub-custodian located outside of the UK or Switzerland for safekeeping, subject to the following:

- The firm must exercise due skill, care and diligence in the selection, appointment and periodic review of the sub-custodian and its arrangements for the holding and safekeeping of financial instruments.
- The firm must maintain a record of the grounds on which it satisfies itself of the appropriateness of the selection and appointment of the sub-custodian and its periodic review. It must maintain these records for 5 years after it stops using the sub-custodian to hold covered financial instruments on behalf of a UK client.
- The firm must take the necessary steps to make sure the financial instruments of a client that are deposited with the sub-custodian are segregated from the firm's and sub custodian's assets.

How to notify

2.23 To provide the covered services, Swiss investment services firms are required by the BFSFA to complete a notification form (Annex 5 Section IV A.e BFSFA) which will be

available on FINMA's application platform (EHP). Detailed operational guidance on how to notify is on FINMA's website.

2.24 Firms will need to:

- Provide their firm name (trading name if different).
- Provide their registration number with FINMA.
- Firm contact details.
- Identify the covered services by covered financial instruments and categories of covered clients that the firm wishes to provide in the UK.
- Declare they meet the eligibility criteria in Annex 5 Section IV.A of the BFSA.

2.25 FINMA will confirm that the firm is eligible and of good standing to the FCA within 60 days. The FCA will then place the firm on its public BFSA register within 30 days, at which point the firm can begin supplying cross-border services in the UK.

2.26 Firms will be notified by FINMA once they have been added to the register.

2.27 Any changes or additions relating to covered Swiss financial services providers who have already notified and been registered in the FCA register at a later date (e.g. for services performed in the UK under the BFSA) must be reported again using the notification process. The FCA will update their entry as appropriate within 30 days of receiving the notification.

Chapter 3

UK insurance firms

- 3.1** Switzerland has deferred to UK authorisation and prudential measures for certain insurance services. UK insurers within scope of the BFSa will be able to supply those insurance services into the Swiss domestic market from the UK to covered clients without being required to comply with Swiss authorisation and most prudential measures (Annex 4 Section VI.A BFSa).
- 3.2** Eligible UK insurers wishing to offer BFSa insurance services in Switzerland on a cross-border basis are required by the BFSa to notify FINMA with specified information, and be placed on the FINMA register, before providing BFSa covered services into Switzerland.
- 3.3** For insurance intermediaries in a fiduciary relationship with a covered client, that are not acting as an employee of an insurance firm in accordance with article 40 paragraph 2 of the Swiss Insurance Supervision Act 2004 (ISA), the domestic law of Switzerland continues to apply, except for the localisation requirement in article 41 paragraph 2a ISA. They must comply with certain BFSa requirements relating to disclosures to covered clients in Switzerland.
- 3.4** From 1 January 2026, UK insurance intermediaries will only need to demonstrate recognised UK professional qualifications to place Swiss business under the BFSa. The Vocational Training Association of the Insurance Industry (VBV/AFA) will recognise existing UK qualifications as evidence of required training.
- 3.5** This section outlines the eligibility requirements for providing services under the BFSa, the notification process and compliance obligations such as annual reporting to FINMA. UK insurers and insurance intermediaries should also refer to FINMA's guidance on the BFSa.

Activities excluded from the scope of BFSa

- 3.6** The specific categories of general insurance and distribution activities which UK insurance firms can supply, on a cross-border basis, into Switzerland under the BFSa are set out in Annex 4 Section III.B BFSa. Firms should note the exclusions and limitations from what is deemed to be a Covered Service (Annex 4 Section III.B.b and d BFSa).
- 3.7** The provisions of the BFSa are limited to general insurance policies for large companies (see the definition of covered clients in Annex 4 Sections III and V BFSa). This means that the following areas are out of scope of the BFSa:
- Retail/SME general insurance and life insurance.
 - Business undertaken by a Swiss branch of a UK insurer. The BFSa only applies to cross-border business, that is business supplied into Switzerland from the UK, and not to business undertaken through a branch – so it does not impact the UK-Switzerland Agreement on General Insurance.

Covered Clients

3.8 The BFSA specifies ([Annex 4 Section V](#)) that the clients to whom a UK insurance firm may provide insurance services to under the BFSA must be incorporated in Switzerland and meet at least two of the following three requirements when the insurance or intermediation contract is concluded, renewed or amended:

- Net turnover in excess of CHF 40 million.
- Balance sheet total in excess of CHF 20 million.
- In excess of 250 employees.

Eligibility criteria

3.9 A detailed explanation of eligibility criteria for UK insurance firms, as well as covered clients and classes of business, can be found in the BFSA text. To be eligible, UK insurance firms must meet the following criteria ([Annex 4 Section IV.B BFSA](#)):

- Be an entity that is incorporated or formed under UK law, a resident of the UK, or the UK branch of a Covered Financial Services Supplier of Switzerland (see [Annex 4 Section IV.B.b BFSA](#));
- Be authorised and supervised as an insurer or insurance intermediary in the UK;
- Supply the relevant covered services in respect of risks located outside Switzerland;

3.10 For insurers, the following criteria also apply:

- It must have been placed on FINMA's BFSA register, after providing the notification described in Section 3.5. The register entry will set out the BFSA services the insurer may supply to Covered Clients in Switzerland.
- At an entity level, insurers must:
 - i.** Be subject to Solvency II regulatory requirements (not applicable to UK branches of a Covered Financial Services Supplier of Switzerland)
 - ii.** Meet the solvency requirements without capital relief measures, basing its solvency calculations on the risk-free yield curve without the application of adjustments such as:
 - 1.** matching adjustment (MA);
 - 2.** volatility adjustment (VA);
 - 3.** dynamic volatility adjustment (DVA);
 - 4.** transitional measures on the risk-free interest rate (TMIR); and
 - 5.** transitional measures on technical provisions (TMTP);
 - iii.** Fulfils the requirements of its company-specific management buffer;
 - iv.** Has no life insurance liabilities except for those stemming from non-life insurance contracts; and, where it has such liabilities, the gross best estimate of these liabilities does not exceed 10 per cent of the total best estimate

liabilities according to Solvency II figures without using any of the capital relief measures in (ii) above; and

- v. Ensures that its staff involved in the distribution of insurance contracts under the domestic law of Switzerland possess relevant knowledge of the insurance legislation of Switzerland.

- 3.11** A UK insurer is required to confirm to FINMA via the FCA Connect system that it meets relevant BFSAs eligibility criteria as set out in [Annex 4 Section IV BFSAs](#).

Supply of covered services in respect of risks outside Switzerland

- 3.12** As referenced in Section 3.4 below, in order to be eligible to provide covered services under Annex 4 of the BFSAs, a UK insurance firm must already supply those services in respect of risks located outside Switzerland ([Annex 4 Section IV.B.c BFSAs](#)). If a UK insurer does not offer a particular class of insurance outside Switzerland—whether in the UK or another jurisdiction—the BFSAs does not permit the supply of that class within Switzerland.
- 3.13** As part of the notification process insurers will need to verify that this eligibility requirement is met. Insurers should be mindful that their permissions may be broader than the services they actually provide in the UK or a third country.
- 3.14** The PRA should be notified, under Fundamental Rule 7 and Rule 2.3(1)(d) of the PRA Rulebook Notifications Part, if an insurer does not provide covered services for risks outside Switzerland, even if permitted to do so in the UK.
- 3.15** Should any issues arise, following consultation with the notifying firm, the PRA will communicate the extent of the insurer’s services outside Switzerland to FINMA. In such cases, it is understood that FINMA will correspondingly restrict the insurer’s BFSAs registration as appropriate.

Conditions

- 3.16** When providing services under the BFSAs, UK insurance firms will be required to comply with certain conditions and requirements relating to disclosures to covered clients in Switzerland and annual reporting. Detailed information on these conditions can be found on FINMA’s website and in [Annex 4 Section VII](#) of the BFSAs.
- 3.17** The BFSAs also requires at [Annex 4 Section IV.B.g](#) that insurers notify FINMA, copying the relevant Supervisory Authority of the UK (which for insurers is the PRA), with any change relevant to its BFSAs register entry. This should be done through the FCA Connect system (please see Notifications section below for further details).

Reporting

- 3.18** The BFSA requires UK insurers to report annually to FINMA with a copy to the relevant UK Supervisory Authority ([Annex 4 Section VII.3 BFSA](#)). FINMA is providing for firms to do this in an electronic format via FINMA's EHP platform, with automated copies to the PRA and FCA so that firms do not need to separately copy us. Reporting should cover the previous 12-month calendar year and is expected to be submitted to FINMA by 30 April.
- 3.19** If a firm was initially placed on a BFSA register between 1 January and 30 April of any given year, they do not need to report until the following year.
- 3.20** Reporting should cover the information set out in the BFSA and its MoU, including information agreed by the regulators for operational purposes. This includes the following:
- Firm name (if different, any trading name)
 - Firm's reference number on the FCA's financial services register and its BFSA register number with FINMA;
 - The types of covered services including class of insurance supplied to covered clients; and
 - The total value of gross premiums for activities carried out in the previous 12-month calendar year specified by type of covered services including classes of insurance where the total value of gross premiums of the Covered Sector Activities of the firm is more than CHF 5,000,000 in the previous 12-month calendar year.

How to notify

- 3.21** To provide the Covered Services, UK insurers are required by the BFSA to complete a notification form ([Annex 4 Section IV B.e BFSA](#)) which will be available on the FCA Connect system. Firms will need to provide the following information:
- Firm name (trading name if different).
 - Firm reference number (FRN) on the FCA's financial services register.
 - Firm contact information.
 - Identify the covered services including the classes of insurance the firm wishes to provide in Switzerland.
 - A self-declaration that they meet the eligibility criteria in [Annex 4 Section IV.B BFSA](#).
 - A declaration that the firm will comply with the conditions set out in the BFSA ([Annex 4 Section VII BFSA](#)).
- 3.22** Through the FCA Connect system, the UK insurer is required to confirm the classes of business that it would like to carry out under the BFSA into Switzerland on a cross-border basis. For the full list, please consult [Annex 4 Section III.B BFSA](#). Firms are reminded that, to be eligible to provide covered services under [Annex 4 BFSA](#), the BFSA requires that UK insurers supply the covered services in respect of risks outside Switzerland ([Annex 4 Section IV.B.c BFSA](#)). When filling out the notification form, insurers will confirm that this eligibility requirement is met.

- 3.23** The PRA and FCA will liaise and will together confirm to FINMA whether the firm is eligible and of good standing, within 30 days of receiving the firm's notification. If there are issues with a submitted notification the PRA will discuss with the firm before notifying FINMA. Within 30 days of positive confirmation, FINMA will place the firm on its public BFSa register, at which point firms can begin to provide the covered services in Switzerland.
- 3.24** Firms will be notified by the PRA once they have been added to the register. If a firm wishes to notify FINMA of any changes relevant to its register entry, including the provision of additional classes of insurance, they must follow the above process using the same Connect form.

Chapter 4

UK investment services firms

Notification process for client advisers

- 4.1** UK firms must notify the FCA once before providing investment services to Swiss clients through client advisers in Switzerland on a temporary basis (Annex 5 Section IX.B.1) SUP 15.8.16R). Before commencing the supply of relevant investment services through client advisers, UK firms must notify the FCA via the SUP 15 notification form as set out in SUP 15.7.1R.

Conditions

- 4.2** Before starting to supply covered services, UK firms providing investment services into Switzerland through client advisers must provide covered clients with certain disclosures (Annex 5 Section IX.B.2).
- 4.3** For more information on requirements for UK client advisers, see FINMA's website and BFSAG 4 in the FCA Handbook.

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