

# The Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019: notification before IP completion day

## Direction under regulation 64(1) of the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019

### 1. Purpose

This direction is given by the FCA under regulation 64(1) and 71 of the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019 (the Regulations). It applies to notifications to the FCA in accordance with regulations 63(1)(a) and 63(2)(a) of the Regulations.

### 2. Manner in which notifications are to be made

The FCA directs that a notification made:

- i) for the purposes of regulation 63(1)(a), by the operator of a stand-alone scheme that wishes that scheme to be treated as a recognised scheme for the purposes of Part 17 of the Financial Services and Markets Act 2000 (FSMA) under regulation 62 of the Regulations; or
- ii) for the purposes of regulation 63(2)(a), the operator of a sub-fund authorised by its home state regulator before IP completion day that wishes that sub-fund to be treated as a recognised scheme for the purposes of Part 17 of FSMA under regulation 62 of the Regulations,

must (unless paragraph 3 applies):

- a. be made by submitting the Fund Temporary Permission Regime Notification Form using the Connect system (<https://connect.fca.org.uk>);
- b. be made following any further instruction published in relation to the Fund Temporary Permission Regime Notification form;
- c. contain the information required by that form; and
- d. be made and received during the period beginning at 9am on 30 September 2020 and ending at the end of 30 December 2020.

### 3. Operators who have previously notified the FCA

3.1 This sub-paragraph applies where the operator of a stand-alone scheme or sub-fund:

- i) previously made a notification to the FCA in accordance with directions given under regulation 64(1) of the Regulations of each stand-alone scheme and sub-fund that it wished to be treated as a recognised scheme; and
- ii) the operator wishes to update that notification.

3.2 The FCA directs that where sub-paragraph 3.1 applies:

- i) the operator must inform the FCA before the end of 10 December 2020 that it wishes to update its previous notification under regulations 63(1)(a) and 63(2)(a) of the Regulations by emailing [recognisedcis@fca.org.uk](mailto:recognisedcis@fca.org.uk); and
- ii) a notification made by such operator for the purposes of regulation 63(1)(a) or regulation 63(2)(a) of the Regulations must:
  - a. be made by submitting the Fund Temporary Permission Regime Notification Form using the Connect system (<https://connect.fca.org.uk>);
  - b. comply with any further instruction published in relation to the Fund Temporary Permission Regime Notification form;
  - c. contain the information required by that form; and

d. be made and received before the end of 30 December 2020.

#### **4. Interpretation**

In this direction references to:

- 'stand-alone scheme', 'sub-fund', 'operator', and 'home state regulator' have the meanings given in the relevant paragraphs of regulation 61 of the Regulations; a reference to the authorisation of a sub-fund by its home state regulator is to be construed in accordance with regulation 61(5) of the Regulations; 'recognised scheme' has the same meaning as in Part 17 of the Financial Services and Markets Act 2000.
- 'IP completion day' has the meaning given in section 39 of the European Union (Withdrawal Agreement) Act 2020.

**Financial Conduct Authority**

29 September 2020

## Note

Section 264 of the Financial Services and Markets Act 2000 (the Act) enables collective investment schemes that are EEA UCITS to be marketed to the public in the United Kingdom as 'recognised schemes' subject to certain conditions.

Part 6 of the Regulations creates a temporary extension of this marketing regime. The Regulations will allow the operator of an EEA UCITS to notify the FCA before IP completion day that:

- (1) in relation to a stand-alone scheme, the operator wishes the scheme to be treated as a recognised scheme for the purposes of Part 17 of FSMA in circumstances where the stand-alone scheme is an EEA UCITS recognised under s264 of FSMA immediately before IP completion day;
- (2) in relation to a sub-fund authorised by the relevant home state regulator before IP completion day, the operator wishes the sub-fund to be treated as a recognised scheme for the purposes of Part 17 of FSMA in circumstances where the sub-fund is the sub-fund of an EEA UCITS which is recognised under s264 of FSMA immediately before IP completion day.

A notification made by an operator must be made in such manner, during such period, and be accompanied by such information as the FCA may direct under regulation 64 of the Regulations. These directions are given for this purpose and the operator's notification must be made in accordance with this direction.

Where an operator previously notified the FCA of the stand-alone schemes and sub-funds that it wished to be treated as recognised schemes under Part 17 of FSMA and the operator now needs to update that notification it must, before submitting a revised notification, inform the FCA before the end of 10 December 2020 that it wishes to do so and comply with the relevant directions. Further information is available on the FCA website.

The Regulations will also allow the operator of an EEA UCITS which benefits from the temporary extension to the marketing regime to market 'new sub-funds' in the United Kingdom after IP completion day, subject to certain conditions (regulation 63(3)). The FCA will issue directions for this purpose separately.