

Temporary permissions regime – client assets rules

Chapter 14

Temporary permissions
regime – client assets rules

14.3 Temporary Permission Client Assets Return

- 14.3.1** **R** (1) A *TP firm* must submit a completed *TPCAR* to the *FCA* by email for each reporting period specified in ■ CASS 14.3.3R.
- (2) The *TP firm* must submit the *TPCAR* to the *FCA* by the deadline specified in ■ CASS 14.3.4R.
- (3) A *TPCAR* must be completed using the template specified at ■ CASS 14 Annex 1R.
- 14.3.2** **G** Guidance notes on completing a *TPCAR* are available at ■ CASS 14 Annex 2G.
- 14.3.3** **R** The *TPCAR* reporting periods for the purposes of ■ CASS 14.3.1R are:
- (1) for *TP firms* to which either or both of ■ CASS 6 and ■ CASS 7 applies as a result of ■ GEN 2.2.26R, either:
- (a) for *CASS small TP firms*, the initial twelve-month period 1 January 2021 to 31 December 2021, and each subsequent 12-month period; or
- (b) for *CASS medium TP firms* and *CASS large TP firms*, the initial one-month period from 1 January 2021 to 31 January 2021, and each subsequent one-month period; and
- (2) for *TP firms* to whom as a result of ■ GEN 2.2.26R, ■ CASS 5 applies:
- (a) if the *TP firm's* annual revenue from its business to which ■ CASS 5 applies as a result of ■ GEN 2.2.26R is £5 million or less:
- (i) the shorter of:
- (A) the initial period from 1 January 2021 to the *firm's accounting reference date*, and
- (B) the initial period from 1 January 2021 to the last day of the six-month period after the *firm's accounting reference date*; and
- (ii) each six-month period subsequent to the shorter of those initial periods; or
- (b) if the *TP firm's* annual revenue from its business to which ■ CASS 5 applies as a result of ■ GEN 2.2.26R exceeds £5 million:
- (i) the shorter of:

- (A) the initial period from 1 January 2021 to the *firm's accounting reference date*, and
 - (B) the initial period from 1 January 2021 to the last *day* of the three-month period after the *firm's accounting reference date*; and
- (ii) each three-month period subsequent to the shorter of those initial periods.

14.3.4 **R** The *TPCAR* submission deadlines for the purposes of **■ CASS 14.3.1R** are:

- (1) for *TP firms* to which either or both of **■ CASS 6** and **■ CASS 7** applies as a result of **■ GEN 2.2.26R**, either:
 - (a) for *CASS small TP firms* the 15th *business day* of the month that follows the reporting period specified in **■ CASS 14.3.3R(1)(a)**; or
 - (b) for *CASS medium TP firms* and *CASS large TP firms*, the 15th *business day* of the month that follows the reporting period specified in **■ CASS 14.3.3R(1)(b)**; and
- (2) for *TP firms* to which **■ CASS 5** applies as a result of **■ GEN 2.2.26R**, the 30th *business day* after the relevant reporting period specified in **■ CASS 14.3.3R(2)**.

- 14.3.5** **G**
- (1) If both **■ CASS 14.3.3R(1)** and (2) apply to a *TP firm*, then it should submit a completed *TPCAR* to the *FCA* to cover each reporting period that applies to it, by the relevant submission deadline in **■ CASS 14.3.4R(1)** and **■ (2)**.
 - (2) In those cases:
 - (a) a *TP firm* should only complete Part 1 and Part 2 of any *TPCAR* that is for a reporting period specified under **■ CASS 14.3.3R(1)**; and
 - (b) it should only complete Part 1 and Part 3 of any *TPCAR* that is for a reporting period specified under **■ CASS 14.3.3R(2)**.

Election to use the CMAR for TP firms that had a Part 4A permission before IP completion day

- 14.3.6** **R**
- (1) This *rule* applies to a *TP firm* to which **■ SUP 16.14.3R** (Client money and asset return) applies as a result of **■ GEN 2.2.26R(1)**, on the basis that it has classified itself as a *CASS large firm* or a *CASS medium firm* for the purposes of **■ CASS 1A**.
 - (2) A *TP firm* may comply with **■ SUP 16.14.3R** instead of **■ CASS 14.3.1R** provided that it has notified the *FCA* in advance and by email that it has elected to do so.
 - (3) A *TP firm* that makes the election under this *rule* must, when completing data field 8 of the *CMAR*:
 - (a) use a separate row to distinguish between types of business activity or services which are carried on in reliance of the *firm's temporary permission* and types which are not; and

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- (b) clearly indicate which rows relate to a business activity or service which is carried on in reliance of the *firm's temporary permission*.
- (1) See ■ GEN 2.2.37G(3) for an explanation of the effect of ■ GEN 2.2.26R(1) and ■ CASS 14.1.5G.
- (2) ■ CASS 14.3.6R may be relevant to a *TP firm* that had a *Part 4A permission* immediately before *IP completion day* for acting as trustee or depositary of an AIF or acting as trustee or depositary of a UCITS and continues to hold that *permission*.
- (3) In complying with ■ CASS 14.3.6R(3):
- (a) a *TP firm* should observe the guidance at ■ SUP 16 Annex 29AG (Guidance notes for the data item in SUP 16 Annex 29R) in relation to data field 8 of the *CMAR* and, therefore, distinguish between each different type of business activity or service which it carries on in reliance its *temporary permission*, as well as between each type which it carries on under its *Part 4A permission*;
- (b) a *TP firm* could, for example, annotate each row which relates to a business activity or service which is carried on in reliance of the *firm's temporary permission* by including the letters "TP" in data field 8A; and
- (c) if a *TP firm* follows sub-paragraph (b), the overall effect may be that data field 8 includes a number of rows that are prefaced with "TP" (for example, "TP CFD business" and "TP share custody business") and a number of rows that are not (for example, "AIF depositary business" and "UCITS depositary business").