

## Chapter 8

# Requirements for firms with temporary permission for regulated claims management activities

## 8.1 Application and purpose

**8.1.1** **R** This chapter applies to a *firm* with a *claims management temporary permission*.

**8.1.2** **G** The purpose of these *rules* is to provide that certain provisions of the *FCA Handbook*:

(1) that would otherwise apply to *persons* with a *claims management temporary permission* are not to apply; or

(2) are to apply to those *persons* with the modifications specified in the table in ■ CMCOB 8.1.4R.

### Disapplication or modification of certain modules or provisions of the Handbook

**8.1.3** **R** The modules or parts of the modules of the *FCA Handbook* listed in the table in ■ CMCOB 8.1.4R:

(1) do not apply, to the extent set out in the table, to a *person* with a *claims management temporary permission* with respect to the carrying on of a *regulated claims management activity*; or

(2) are to apply to such a *person* with the modifications specified in the table.

### Table: Disapplied or modified modules or provisions of the Handbook

Module	Disapplication or modification
Threshold Conditions (COND)	<p><i>Guidance</i> applies with necessary modifications to reflect the <i>Claims Management Order</i> (see Note 1).</p> <p>Note 1 A <i>firm</i> is treated as having a <i>claims management temporary permission</i> on and after 1 April 2019 to carry on <i>regulated claims management activity</i> under the <i>Claims Management Order</i> if it met the conditions set out in Chapter 5 of Part 3 of that Order at that date. According to article 83(9) of the <i>Claims Management Order</i> section 55B(3) of the <i>Act</i> (The threshold conditions) does not require the <i>FCA</i> to ensure that the <i>firm</i> will satisfy, and continue to satisfy, in relation to <i>regulated claims management activity</i> for which it has a <i>claims</i></p>

Module	Disapplication or modification
Supervision Manual (SUP)	<p><i>management temporary permission</i>, the threshold conditions for which the FCA is responsible. The FCA can, however, exercise its power under section 55J of the Act (variation or cancellation on initiative of regulator) or under section 55L of the Act (imposition of requirements by the regulator) in relation to a <i>firm</i> if, among other things, it appears to the FCA that the <i>firm</i> is failing, or is likely to fail, to satisfy the threshold conditions in relation to the <i>regulated claims management activity</i> for which it has a <i>claims management temporary permission</i> for which the FCA is responsible. The <i>guidance</i> in COND should be read accordingly.</p> <p>SUP 6 (Applications to vary and cancel Part 4A permission and to impose, vary or cancel requirements) applies with necessary modifications to reflect Chapters 2 and 5 of Part 3 of the <i>Claims Management Order</i> (see Note 2).</p> <p>Note 2 If a <i>firm</i> with <i>claims management temporary permission</i> applies to the FCA under section 55A of the Act for <i>permission</i> to carry on a <i>regulated activity</i> or under section 55H or 55I of the Act to vary a <i>permission</i> that the <i>firm</i> has otherwise than by virtue of the <i>Claims Management Order</i> by adding a <i>regulated activity</i> to those to which the <i>permission</i> relates, the application may be treated by the FCA as relating also to some or all of the <i>regulated activities</i> for which the <i>firm</i> has <i>claims management temporary permission</i>.</p> <p>For a <i>firm</i> with only <i>claims management temporary permission</i>: SUP 15.5.1R, SUP 15.5.2G, SUP 15.5.4R, SUP 15.5.5R are modified so that the words "reasonable advance", "and the date on which the <i>firm</i> intends to implement the change of name" and "and the date of the change" are omitted.</p>

**8.1.5**

**G**

■ SYSC TP 8.2.1R says that a *firm* with a *claims management temporary permission* is not an *SMCR firm*.