

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

8.1.4

R

| 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 Act (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 |
|-----------------------------------|---|
| | <i>management temporary permission</i> , the threshold conditions for which the <i>FCA</i> is responsible. The <i>FCA</i> can, however, exercise its power under section 55J of the <i>Act</i> (variation or cancellation on initiative of regulator) or under section 55L of the <i>Act</i> (imposition of requirements by the regulator) in relation to a <i>firm</i> if, among other things, it appears to the <i>FCA</i> 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 <i>FCA</i> is responsible. The <i>guidance</i> in <i>COND</i> should be read accordingly. |
| Supervision Manual (<i>SUP</i>) | <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 <i>FCA</i> under section 55A of the <i>Act</i> for <i>permission</i> to carry on a <i>regulated activity</i> or under section 55H or 55I of the <i>Act</i> 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 <i>FCA</i> 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*.