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STATUTORY INSTRUMENTS

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**2018 No. 1149**

**The EEA Passport Rights (Amendment, etc., and  
Transitional Provisions) (EU Exit) Regulations 2018**

**PART 4**

Transitional provision: miscellaneous

**Performance of regulated activities - modifications of Part 5 of the Financial Services and Markets Act 2000**

**23.—**(1) Part 5 of the Financial Services and Markets Act 2000 (performance of regulated activities) is modified as follows.

(2) That Part has effect as if, after section 59 (approval for particular arrangements), there were inserted—

**“59ZZA Deemed approval for particular arrangements**

(1) The appropriate regulator may by notice given to an authorised person treat as approved under section 59 a person who is the subject of an application under section 60.

(2) The period during which a person may be so treated begins at such time on or after exit day as the notice may specify and ends—

- (a) after three years beginning with the day on which exit day occurs, or
- (b) if earlier—

- (i) if the application is granted, with the day before the day stated in the written notice (given in accordance with section 62(1)) or decision notice (given in accordance with section 62(3)) as that from which approval has effect;

- (ii) if the application is refused, with the day before the day stated in the decision notice (given in accordance with section 62(3)) as that on which the person is to cease to be treated as approved.

(3) The period in subsection (2) is subject to—

- (a) the withdrawal of an approval under section 63;
- (b) the expiry of an approval under section 66(3)(ac).

(4) Reference in an enactment to an approval given by the appropriate regulator under section 59 (however expressed) is to be read, unless the contrary intention appears, as including an approval a person is treated as having by virtue of this section.”

(3) Section 61 (controlled functions: determination of applications) has effect as if, for subsection (3A)(a), there were substituted—

“(a) in any case where the application under section 60 is made by a person applying for permission, or for the variation of a permission, under Part 4A, means the period within which the application must be determined under section 55V(1) or (2), and”.

(4) Section 62 (applications for approval: procedure and right to refer to Tribunal) has effect as if—

(a) after subsection (1), there were inserted—

“(1A) The notice must state the day from which the approval has effect.”

(b) after subsection (3), there were inserted—

“(3A) The notice must state—

(a) where the decision is to refuse the application, the day on which the person who is the subject of an application is to cease to be treated as approved in accordance with section 59ZZA;

(b) where the decision is to grant the application subject to conditions or for a limited period (or both), the day from which the approval has effect.”

(5) Section 63 (withdrawal of approval) has effect as if, after subsection (4), there were inserted—

“(4A) If a regulator decides to withdraw an approval that a person is treated as having by virtue of section 59ZZA, the decision notice must state the day on which that approval is to cease to have effect.

(4B) For the purposes of subsection (4A), the day stated must be a day that falls before the end of the period of three years beginning with the day on which exit day occurs.”