

28 January 2021

PRESS RELEASE

CySEC extends the deadline for the submission of notifications by UK firms who wish to make use for the Temporary Permission Regime

Nicosia – The Cyprus Securities and Exchange Commission ('CySEC') has established a Temporary Permissions Regime ('TPR') which does not require physical presence in Cyprus for UK firms when providing investment services (including when performing investment activities) solely to professional clients *per se* and eligible counterparties, based in Cyprus, by virtue of the CySEC Directive DI87-04(2) and of Policy Statement PS-02-2020 (see [here](#)). A Press Release on the subject matter was issued on 22 December 2020 (see [here](#)) and the deadline for the submission of TPR notifications was set to 31 December 2020.

The TPR aims at facilitating a smooth transition to new contracts post-Brexit, concluded on a reverse solicitation basis and for UK firms who wish to continue soliciting Cypriot professional clients and eligible counterparties to establish a physical presence in the Republic.

CySEC has received a significant number of notifications (more than 70) up until the date of issue of this Press Release, several of which were submitted after 31 December 2020. The interested parties have inter alia raised practical difficulties due to the short notice provided by CySEC, the operational challenges due to the season's break and the bulk of workload they are dealing with due to Brexit.

CySEC recognizes that there are indeed justifiable reasons for the extension of the said deadline and is of the view that such extension will further facilitate a smooth post Brexit transition. To this end, and in view of the ongoing inflow of TPR notification, CySEC has decided to extend the deadline for the submission of notifications by UK firms who wish to make use of the TPR up until 28 February 2021 and to amend the CySEC Directive DI 87-04 and Policy Statement PS-02-2020 accordingly.

For the avoidance of doubt, CySEC clarifies that UK firms may in the meantime continue providing investment services (including investment activities) to Professional Clients *per se* and to Eligible Counterparties based in Cyprus, without the establishment of physical presence, provided that a TPR notification is submitted to CySEC by 28 February 2021. UK firms operating under the TPR, may continue to provide their services without the establishment of physical presence up until 31 December 2021, where the TPR expires.

ENDS.