



## **Need to apply for a regulatory license in the UK?**

If you are looking to conduct regulated activities in the UK, here is a high-level overview of what you need to know regarding the FCA authorisation process, both pre and post submission.

Pro Legal have conducted hundreds of applications to the UK financial regulator (Financial Conduct Authority – FCA). We have dealt with fintech startups, entrepreneurs, Banks and also established international financial institutions who have desired to expand into the UK market place.

### **Stage 1 – Assessment and choosing the right category of licence**

The FCA authorize and regulate a variety of sectors, so it is imperative that you choose the correct permissions for your business to ensure you are adequately regulated.

You have to assess which rules in the FCA handbook would apply to your business,

### **Stage 2 – Preparation and appropriate resources**

The regulations require that regulated businesses maintain both sufficient financial and non-financial resources for their business.

The resources include robust governance, systems, controls, plans and sufficient human resources.

The FCA also consider whether firms possess sufficient capital and provisions against liabilities for their intended operations.

### **Stage 3 – Business Plan and operational framework**

Firms must plan, perfect and master their business model, a process that may take 6-9 weeks on average. The final application ought to consist of a core application form supported by a regulatory business plan, programme of operations, organizational structure, consumer duty framework, compliance and governance arrangements, BCP/BIA, security, incident and complaints reporting.

Understandably, the firm must have a robust AML and CTF framework, policies to ensure the firm helps prevent financial crime.

To demonstrate financial viability, your firm will be required to submit financial forecasts for your business and produce winding down scenarios and calculations.

### **Stage 4 – Submission**

The final submission occurs via the FCA online portal (CONNECT). It is important to prepare and upload all documents in the correct chronological order. Once the application is submitted,

a fee will be paid which depends on what category of license you are applying for. Payment can be made via bank card or wire transfer.

The FCA will confirm receipt of the application within 2-3 working days and will contact the applicant within approximately 3 weeks to advise of the case officer who has been assigned to the application.

The case officer will handle all communication relating to the process, and a firm should expect the case officer to ask questions pertaining to its application on several occasions.

It could take the FCA between 3-6 months to review and approve your firm's application however it is important to note that the FCA have an SLA permitting them up to 12 months to approve applications, if complex.

Our statistics show that the average FCA conversion time via Pro Legal is 5 months.

### **How can Pro Legal help?**

Pro Legal can assist you with your FCA application, whether that be fully comprehensive project management of the application process including full legal pack and document preparation or guiding and supporting you through the process ad-hoc

It is important that you seek appropriate external regulatory advice when preparing an FCA application, as incorrect or incomplete applications can lead to delays and also failure to achieve your goal of becoming authorised by the FCA.

Our team of regulatory consultants are subject-matter experts who possess in-depth knowledge and a wealth of experience in assisting firms undergo the FCA authorisation process.

Pro Legal are on hand and able to offer your organisation a wide variety of professional and legal support services including FCA authorisation work, auditing, risk assessments, M&A and other specialist services.