

# FINANCIAL REGULATION WEEKLY BULLETIN

Major UK and European regulatory developments of interest to banks insurers and reinsurers, asset managers and other market participants

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If you have any comments or questions, please contact:  
[Selmin Hakki](#).

Slaughter and May also produces a periodical Insurance Newsletter. If you would like to go on the distribution list, please contact:  
[Beth Dobson](#).

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### General

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## GENERAL //

### 1 FINANCIAL STABILITY BOARD

- 1.1 **Resolution report 2024 - published by FSB - 5 December 2024** - The Financial Stability Board (FSB) has published its 2024 resolution report, summarising work that it has undertaken as well as progress made by FSB members in implementing resolution reforms and enhancing resolvability across the banking, financial market infrastructure and insurance sectors. Of particular note is the FSB's plan to conduct a biennial resolvability assessment process for global systemically important banks in 2025 and for central counterparties.

[FSB 2024 Resolution Report](#)[Webpage](#)[Press release](#)

### 2 EUROPEAN COMMISSION

- 2.1 **Technical clarifications to the EU Taxonomy - European Commission publishes draft FAQs - 29 November 2024** - The European Commission has published a draft notice containing FAQs on the Taxonomy Environmental Delegated Act ((EU) 2023/2486), the EU Taxonomy Climate Delegated Act ((EU) 2021/2139) and the EU Taxonomy Disclosures Delegated Act ((EU) 2021/2178). The FAQs seek to clarify aspects of the technical screening criteria, the application of the 'do no significant harm' criteria and the scope and timing of reporting requirements.

[Draft Commission notice](#)[EU Taxonomy webpage](#)[Webpage](#)[Press release](#)

### 3 COUNCIL OF THE EUROPEAN UNION

- 3.1 **Proposed FIDA Regulation - Council of the EU agrees negotiating mandate - 4 December 2024** - The Council of the EU has announced that it has agreed its negotiating position on the proposal for a Regulation on a framework for financial data access (2023/0205(COD)) (FIDA). Overall, the Council expresses support for the European Commission's initial proposal, though it has sought to further clarify its scope. The Council can now start triologue negotiations with the European Parliament and the European Commission with a view to reaching agreement on the final text.

[Proposal for a Regulation on FIDA \(2023/0205\(COD\)\)](#)

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## 4 EUROPEAN SUPERVISORY AUTHORITIES

- 4.1 **DORA application - ESAs publish statement on readiness - 4 December 2024** - The Joint Committee of the European Supervisory Authorities (ESAs) has published a statement (JC 2024 99) on the application of the Regulation on digital operational resilience for the financial sector ((EU) 2022/2554) (DORA), which will apply from 17 January 2025. The statement calls on firms to advance their preparations so they are ready to comply. Firms are expected to identify and address gaps in implementation, prepare for new reporting requirements and ensure that they are ready to classify and report their major ICT-related incidents.

[ESAs statement: DORA application \(JC 2024 99\)](#)[Webpage](#)

## 5 EUROPEAN SYSTEMIC RISK BOARD

- 5.1 **System-wide approach to macroprudential policy - ESRB publishes report - 4 December 2024** - The European Systemic Risk Board (ESRB) has published a report identifying several areas in which it considers that legislative action by the European Commission is required to support financial stability. The report responds to the Commission's consultation assessing the adequacy of macroprudential policies for non-bank financial intermediation, taking a system-wide approach. In particular, the ESRB requests the Commission to address vulnerabilities in EU money market funds and to implement proposals on margining to ensure liquidity preparedness. The ESRB also sees a need to clarify the regulatory perimeter for crypto activities.

[ESRB report: A system-wide approach to macroprudential policy](#)[Press release](#)

## 6 BANK OF ENGLAND

- 6.1 **System-Wide Exploratory Scenario - Final report published by Bank of England - 29 November 2024** - The Bank of England has published a final report on its System-Wide Exploratory Scenario (SWES), the first exercise of its kind globally. Around 50 participating firms with varying business models were asked to consider how they would be affected by, and respond to, a hypothetical global stress scenario. The hypothetical shock caused significant losses for some participants, triggering a spike in variation margin calls, increased volatility and a redistribution of liquidity across the financial system.

The SWES demonstrates some of the ways in which non-bank financial institutions can amplify shocks to markets in stress. The report draws out six key financial stability conclusions from the SWES relating to firms' risk management, policymaking and risk monitoring, which are described further in the report.

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## 7 INTERNATIONAL REGULATORY STRATEGY GROUP

- 7.1 **Secondary growth and competitiveness objectives - IRSG responds to inquiry - 29 November 2024** - The International Regulatory Strategic Group (IRSG) has responded to the House of Lords Financial Services Regulation Committee's inquiry on the new secondary objectives of the FCA and the PRA relating to international competitiveness and growth under the Financial Services and Markets Act 2023.

The response encourages the regulators to collaborate to ensure maximum alignment between regulatory frameworks in different jurisdictions (particularly where global interoperability can provide significant benefits). It also highlights the importance of considering how the UK's rules compare with those of key competitor jurisdictions, referring to regulatory divergence between the UK investment firms prudential regime and the EU investment firms regime, which "could place UK-based firms at a competitive disadvantage".

IRSG Council members include the Head of Slaughter and May's Financial Regulation Group and co-Head of its Financial Institutions Group, [Jan Putnis](#).

[Letter](#)[Webpage](#)

## BANKING AND FINANCE //

### 8 SINGLE RESOLUTION BOARD

- 8.1 **Operational guidance for banks on resolvability self-assessment - SRB consults - 3 December 2024** - The Single Resolution Board (SRB) has published a consultation paper on operational guidance for banks on resolvability self-assessment. The consultation focuses on a self-assessment template that banks are expected to complete annually to demonstrate that they are resolvable and prepared for crisis management.

Comments can be made through an online questionnaire until 7 February 2025. The SRB will publish the final guidance in due course.

[SRB consultation paper: Operational guidance for banks on resolvability self-assessment](#)[Press release](#)

### 9 HM TREASURY

- 9.1 **Financial Inclusion Committee - HM Treasury publishes terms of reference - 5 December 2024** - HM Treasury has published the terms of reference for the Financial Inclusion Committee, made up of consumer groups and financial institutions. The Committee will focus on tackling financial

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exclusion and will discuss ways to provide individuals with poor credit histories access to safe and affordable credit. The Committee will also identify measures to support those with low savings to limit their vulnerability to unexpected costs. Access to banking, access to affordable credit and improving savings will form part of the government's financial inclusion strategy which will be published next year.

[Terms of reference](#)[Webpage](#)[Press release](#)

## 10 BANK OF ENGLAND

- 10.1 Financial stability - Bank publishes record of FPC meeting and financial stability report - 29 November 2024** - The Bank of England has published a financial policy summary and record of the meeting of its Financial Policy Committee (FPC) on 15 November 2024. It has also published its Financial Stability Report for November 2024, reflecting the outcome of that meeting.

The FPC has recommended an increase in the de minimis threshold for application of the loan to income flow limit for mortgage lenders. It plans to consult in early in 2025 on a proposal to index the thresholds for the "other systemically important institution" buffer in line with nominal GDP growth.

The Financial Stability Report notes that global risks associated with geopolitical tensions, fragmentation and pressures on government debt levels remain material. It contains "in focus" chapters on climate change and transition to net zero; the results of the 2024 desk-based stress test of the UK banking system (see further item below); and vulnerabilities at the intersection of the private equity and life insurance sectors.

[Financial Policy Summary and Record - November 2024](#)[Bank of England Financial Stability Report - November 2024](#)

- 10.2 Stress testing the UK banking sector - Bank of England publishes revised approach - 29 November 2024** - The Bank of England has published a revised version of its approach to stress testing the UK banking system, which was first published in 2015. The updated approach is designed to reflect an increase in the level of capital in the banking system since the global financial crisis and the changing nature of risks faced by the banking sector, among other things.

Under the revised approach, the Bank of England expects to carry out a bank capital stress test every other year, focusing on financial cycle-related risks for the largest and most systemic UK banks. In the intervening years it will use stress testing as a supplementary tool (largely through desk-based exercises). Exploratory exercises will continue to be used as a means to assess other risks, including those that are not closely linked to the financial cycle.

The Bank will work under the revised approach from 2025 onwards.

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- 10.3 Recovery and resolution requirements - Bank of England consults on revocation of simplified obligations technical standards - 2 December 2024** - The Bank of England has published a consultation paper on proposals to revoke UK Commission Delegated Regulation (EU) 2019/348 containing technical standards on simplified obligations relating to the level of detail required in firms' recovery and resolution plans (referred to as the SO UKTS).

As it stands, the SO UKTS requires the PRA and the Bank of England to carry out a granular assessment at least every two years to identify those firms that are eligible for the application of simplified obligations. The Bank of England has determined that it can achieve the same outcome by instead using the process that results in the setting of a preferred resolution strategy of modified insolvency. As such, it intends to revoke the SO UKTS on 30 April 2025, subject to approval by HM Treasury. The proposal will not affect the PRA's ability to apply simplified obligations under the Bank Recovery and Resolution (No 2) Order 2014 (SI 2014/3348).

The deadline for responses is 2 February 2025.

**[Bank of England consultation paper: Revocation of the on-shored UK Technical Standard \(UKTS\) 2019/348 on Simplified Obligations](#)****11 PRUDENTIAL REGULATION AUTHORITY**

- 11.1 Definition of ICR firm under strong and simple framework - PRA publishes policy statement (PS19/24) - 29 November 2024** - The PRA has published a policy statement (PS19/24) on the definition of an interim capital regime (ICR) firm under the strong and simple framework. The policy statement explains how eligible firms may join the ICR, enabling them to preserve their current capital requirements from the implementation date of the Basel 3.1 standards (1 January 2026, as set out in PS17/23 and PS9/24) until the application of the Small Domestic Deposit Taker capital regime.

PS19/24 sets out the final version of amendments to relevant Parts of the PRA Rulebook, as well as its statement of policy on operating the ICR. These documents enable the PRA to offer a modification to its rules to allow firms to become subject to the ICR. The PRA has separately updated its webpage on waivers and modifications of rules.

The new rules (including those relating to the definition of an ICR firm) took effect from 29 November 2024.

**[PRA policy statement: Strong and Simple Framework: The definition of an ICR firm \(PS19/24\)](#)****[PRA statement of policy: Operating the ICR](#)****[Rulebook instrument](#)**

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## SECURITIES AND MARKETS //

### 12 EUROPEAN SECURITIES AND MARKETS AUTHORITY

**12.1 Securities markets in 2030 - ESMA publishes speech - 4 December 2024** - The European Securities and Markets Authority (ESMA) has published a speech given by Verena Ross, ESMA Chair, on ESMA's vision for securities markets in 2030.

Ross notes that ESMA does not view the growing use of AI as a paradigm change, but rather as an adaptation and extension of existing tools and trends. ESMA hopes that AI-powered improvements will make EU public markets more liquid and more transparent. Ross refers to recent trends in pre-trade transparency waiver applications, including the growth of frequent-batch auctions and of dark-lit sweep orders. ESMA is confident that, by 2030, consolidated tapes will ensure increased visibility of EU securities markets; it will in the coming weeks publish a feedback statement on its approach to assessing consolidated tape provider applicants. Finally, ESMA has identified some political appetite to consider EU-level supervision for cross-border systemically important infrastructure firms.

[ESMA speech: Securities markets in 2030](#)

[Webpage](#)

### 13 BANK OF ENGLAND

**13.1 CCP supervisory stress test - Bank of England publishes 2024 results - 29 November 2024** - The Bank of England has published a report setting out the results of its third public supervisory stress test of UK central counterparties (CCPs) (the 2024 CCP SST).

Overall, the results show that all UK CCPs are resilient to the default of their Cover-2 population (the two members whose default generates the greatest depletion of mutualised resources at the CCP) under a baseline market stress scenario. Under this assumption, all UK CCPs can absorb default losses within their prefunded resources. However, not all of the UK CCPs had sufficient prefunded resources to absorb the impact when the cost of liquidating concentrated defaulters' positions was included in the analysis.

The test also used a simple desk-based model to estimate the impact of a wider range of scenarios on CCPs' resources.

Overall, UK CCPs had sufficient resources to absorb such scenarios, other than in some very severe scenarios affecting large or concentrated positions held by clearing members.

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## Report results

- 13.2 FX Global Code review - Bank of England publishes speech - 3 December 2024** - The Bank of England has published a speech given by Philippe Lintern, Head of its Foreign Exchange (FX) Division, on the upcoming revisions to the FX Global Code and the importance of market-wide adoption.

The changes to the Code focus on FX settlement risk and FX data, following industry feedback. Take up of the Code is voluntary and has been particularly strong on the sell-side, but has been lacking in other parts of the market, which Lintern believes raises questions about whether there is a level playing field, and the level of trust, in the FX market. Lintern urges firms that have not yet signed up to the Code to do so now. Firms that have already signed up are encouraged to re-attest in light of the updates to the Code.

## Speech

## 14 FINANCIAL CONDUCT AUTHORITY

- 14.1 Modification of UK DTO - FCA publishes direction - 29 November 2024** - The FCA has published a direction modifying its transitional direction for the derivatives trading obligation (UK DTO) under the UK Markets in Financial Instruments Regulation (600/2014) (UK MiFIR), together with an explanatory statement.

The FCA's direction modifying the UK DTO by way of the temporary transitional power (TTP) under Part 7 of the Financial Services and Markets Act 2000 (Amendment) (EU Exit) Regulations 2019 will expire on 31 December 2024. That direction allows firms subject to the UK DTO, trading with or on behalf of EU clients subject to the corresponding obligation under EU MiFIR (EU DTO), to transact, execute or conclude those trades on EU trading venues (subject to certain conditions). The FCA proposes to use its new Article 28a UK MiFIR power of direction to modify the UK DTO to achieve an equivalent outcome, subject to technical changes relating to scope, as mentioned in its July 2024 consultation paper (CP24/14).

To provide continuity, the new direction will apply from 11.01 pm on 31 December 2024.

## FCA Direction for the Derivatives Trading Obligation

### Explanatory statement

### Webpage

- 14.2 UK bond consolidated tape provider - FCA launches tender process - 3 December 2024** - The FCA has announced the launch of the tender process for appointing a bond consolidated tape provider (CTP), along with a concession notice setting out next steps. The FCA intends, by 31 January 2025, to publish draft tender documents on its procurement portal, which will contain details of the award process and the licences that the successful bidder will need to provide.



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Once the FCA has appointed the bond CTP, the successful bidder will need to complete the FCA authorisation process and sign a contract with the FCA. The bond CTP will not be required to go live before the FCA's bond transparency regime changes take effect on 1 December 2025.

[Concession notice](#)[Updated webpage](#)[Press release](#)

- 14.3 Short selling - FCA publishes update - 4 December 2024** - The FCA has published an updated webpage on the notification and disclosure of net short positions. Among other things, the FCA confirms that it is currently undertaking its biannual review of the UK list of exempted shares, which is set out in Article 16(2) of the UK Short Selling Regulation (2012/236) (UK SSR). The FCA will upload the updated list to its website on 1 January 2025 and it will apply to all positions from this date. In the meantime, the current UK list of exempted shares remains valid and applies to all positions up to and including 31 December 2024.

Separately, the webpage notes that the Draft Financial Services and Markets (The Short Selling Regulations) 2024 will be laid before Parliament in 2024, parliamentary time allowing.

[Updated webpage](#)

## ASSET MANAGEMENT //

### 15 EUROPEAN BANKING AUTHORITY

- 15.1 Reporting on K-factor requirements under IFR - EBA publishes final report and draft ITS - 3 December 2024** - The European Banking Authority (EBA) has published a final report (EBA/ITS/2024/08) containing draft implementing technical standards (ITS) amending Commission Implementing Regulation (EU) 2021/2284 with regard to the reporting of information on certain K-factor requirements under the Investment Firms Regulation ((EU) 2019/2033) (IFR).

The reporting framework for investment firms is being amended to comply with changes being introduced by the CRR III Regulation ((EU) 2024/1623). The amendments are expected to apply from 1 January 2025, which is when most of CRR III comes into force.

[EBA final report: Draft ITS amending Commission Implementing Regulation \(EU\) 2021/2284 with regard to the reporting of information on certain K-factor requirements \(EBA/ITS/2024/08\)](#)

[Press release](#)

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## INSURANCE //

### 16 INTERNATIONAL ASSOCIATION OF INSURANCE SUPERVISORS

**16.1 Natural catastrophe protection gap - IAIS and FSI publish joint note on use of parametric insurance - 2 December 2024** - The International Association of Insurance Supervisors (IAIS) has published a joint note with the Financial Stability Institute (FSI) on improving the adoption of parametric insurance for natural catastrophe (NatCat) risks. According to the note, parametric insurance offers a potential means to narrow NatCat protection gaps and presents alternative or supplementary coverage for losses that are often excluded from traditional indemnity insurance.

[IAIS and FSI joint note: Uncertain waters: can parametric insurance help bridge NatCat protection gaps?](#)

[Press release](#)

**16.2 Global Insurance Market Report - published by IAIS - 3 December 2024** - The International Association of Insurance Supervisors (IAIS) has published its annual Global Insurance Market Report (GIMAR) for 2024.

The GIMAR sets out the results of the IAIS' global monitoring exercise (GME), which is the IAIS' framework for monitoring risks and trends in the global insurance sector and assessing the possible build-up of systemic risk. The report discusses the impact of the current macroeconomic environment and structural shifts in the life insurance sector. It also examines the insurance sector's exposure to transition risks in investment portfolios as well as the potential materiality of natural catastrophe risks.

The IAIS will perform its second triennial review of the GME assessment methodology in 2025.

[Global Insurance Market Report \(GIMAR\)](#)

[Press release](#)

**16.3 Insurance Capital Standard, updated Insurance Core Principles and updated ComFrame adopted by IAIS - 5 December 2024** - The International Association of Insurance Supervisors (IAIS) has announced the adoption of the first comprehensive global capital standard for insurance supervision, the Insurance Capital Standard. It has also endorsed significant updates to the IAIS Insurance Core Principles and Common Framework for the supervision of internationally active insurance groups.

[ICS: Level 1 and Level 2 texts](#)

[Updated ICPs and ComFrame](#)

[Press release](#)

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## 17 EUROPEAN INSURANCE AND OCCUPATIONAL PENSIONS AUTHORITY

**17.1 Solvency II review - EIOPA launches suite of consultations - 4 December 2024** - The European Insurance and Occupational Pensions Authority (EIOPA) has published a second suite of consultation papers on technical standards, guidelines and a report relating to changes being made by the Solvency II amending Directive (2021/0295 (COD)), which amends the regime under the Solvency II Directive (2009/138/EC). The papers include, among others, a report on biodiversity risk management by insurers (EIOPA-BoS-24-455); a proposal for regulatory technical standards (RTS) on management of sustainability risks, including sustainability risk plans (EIOPA-BoS-24-458); and guidelines on diversity for the selection of members of the administrative, management or supervisory body (EIOPA-BoS-24-479).

The deadline for comments for each consultation paper is 26 February 2025.

[EIOPA consultation paper: Report on Biodiversity Risk Management by Insurers \(EIOPA-BoS-24-455\)](#)

[EIOPA consultation paper: proposal for RTS on management of sustainability risks including sustainability risk plans \(EIOPA-BoS-24-458\)](#)

[EIOPA consultation paper: proposal for Guidelines on the notion of diversity for the selection of members of the administrative, management or supervisory body \(EIOPA-BoS-24-479\)](#)

[Press release](#)

## 18 PRUDENTIAL REGULATION AUTHORITY

**18.1 (Re)insurers with US-parented groups - PRA publishes modification by consent - 29 November 2024** - The PRA has published a direction for modification by consent relating to rule 20.1 in the Solvency II Group Supervision Part of the Rulebook, which is available to insurers and reinsurers with US-parented groups. The modification reflects the bilateral agreement on prudential measures regarding insurance and reinsurance (referred to as the "Covered Agreement"), which the UK and US signed in December 2018.

Any firm that wishes to take advantage of the modification should read the direction and contact the PRA. The PRA will publish any approved modification direction on the Financial Services Register. The direction takes effect on 31 December 2024. It will apply until 31 December 2027, unless rule 20.1 is revoked or ceases to apply.

[Direction](#)

[Webpage](#)

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## FINANCIAL CRIME //

### 19 EUROPEAN BANKING AUTHORITY

**19.1 Central contact points to include CASPs under MLD4 - EBA consults - 4 December 2024** - The European Banking Authority (EBA) has published a consultation paper (EBA/CP/2024/23) on proposed amendments to Commission Delegated Regulation (EU) 2018/1108, which contains regulatory technical standards (RTS) relating to central contact points under the Fourth Money Laundering Directive ((EU) 2015/849) (MLD4). The proposed amendments set out specific criteria for determining the circumstances in which the appointment of a central contact point should apply in respect of cryptoasset service providers (CASPs), following the same approach taken in respect of payment service providers and electronic money issuers.

The deadline for responses is 4 February 2025.

[EBA consultation paper: Draft RTS amending Commission Delegated Regulation \(EU\) 2018/1108 on the criteria for the appointment of central contact points for electronic money issuers and payment service providers and with rules on their functions under Article 45\(10\) MLD4 \(EBA/CP/2024/23\)](#)

[Webpage](#)

[Press release](#)

### 20 FINANCIAL CONDUCT AUTHORITY

**20.1 Changes to Financial Crime guide - published by FCA - 29 November 2024** - The FCA has published a policy statement setting out changes to its Financial Crime Guide (FCG) (PS24/17). In particular, the sanctions chapter has been updated to reflect the FCA's learnings from assessments of firms' systems and controls following the conflict in the Ukraine. Proliferation financing is also now explicitly referenced throughout the guide where appropriate. Guidance on transaction monitoring systems has also now been included as well as clarifications related to cryptoasset businesses registered under the MLRs.

[FCA policy statement: Financial Crime Guide Changes \(PS24/17\)](#)

[Handbook instrument](#)

[Webpage](#)

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## ENFORCEMENT //

### 21 HOUSE OF LORDS FINANCIAL SERVICES REGULATION COMMITTEE

- 21.1 Approach to publicising enforcement investigations - Letter from the FCA published - 5 December 2024** - The House of Lords Financial Services Regulation Committee has published a letter from Nikhil Rathi, Chief Executive of the FCA (dated 27 November 2024) regarding the proposals in CP24/2 to increase transparency in relation to enforcement investigations. The letter refers to the second phase of the consultation, published on 29 November 2024 and previously reported in this bulletin, which set out plans for further engagement after significant concerns were raised about the original proposals. The letter also sets out responses to the Committee's follow up questions from its evidence session held on 13 November 2024.

The deadline for comments on the FCA's amended proposals is 17 February 2025.

[Letter](#)

### 22 HM TREASURY

- 22.1 The Financial Services and Markets Act 2000 (Ombudsman Scheme) (Fees) Regulations 2024 published - 2 December 2024** - The Financial Services and Markets Act 2000 (Ombudsman Scheme) (Fees) Regulations 2024 (SI 2024/1264) have been published, alongside an explanatory memorandum. The Regulations allow the Financial Ombudsman Service (FOS) to charge case fees to claims management companies and legal professionals bringing cases to the FOS on behalf of consumer complainants.

The Regulations came into force on 3 December 2024.

[Statutory instrument](#)

[Explanatory memorandum](#)

[Webpage](#)

### 23 FINANCIAL CONDUCT AUTHORITY

- 23.1 DB pension advice and oversight failings - FCA publishes final notice - 28 November 2024** - The FCA has published a final notice issued to Philip Pryke, former director of financial advice firm C&I, fining him £1,377,968 and banning him from working in financial services.

The FCA found that, during the relevant period (2 April 2015 to 25 June 2019), the individual advised customers to transfer out of their defined benefit (DB) pension scheme to alternative pension arrangements, notwithstanding the FCA's guidance in COBS 19.1.6G that transfers out of a DB arrangement should be presumed to be unsuitable. The FCA considers that the individual failed to act with integrity in breach of Statement of Principle 1, paying scant regard to

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regulatory standards and requirements, choosing instead to prioritise the firm's profitability over the interests of its customers.

**Final notice: Philip Pryke**

**23.2 Motor finance judgment - FCA publishes letter to Supreme Court - 3 December 2024** - The FCA has published the letter (dated 2 December 2024) that it has sent to the Supreme Court regarding the recent Court of Appeal judgment on motor finance commissions in *Johnson v FirstRand Bank Ltd (London Branch) (t/a MotoNovo Finance)* [2024] EWCA Civ 1282. The FCA is writing in connection with the applications made by FirstRand Bank and Close Brothers seeking permission to appeal the judgement, which were published in October 2024. The FCA asks that, if the court grants the applications, it determines the substantive appeal as soon as possible to assist in securing legal certainty for the market. It notes that the applications raise important points relating to the law of bribery and fiduciary duties that are likely to be of significance for the motor finance sector and may have wider implications for other financial services markets that involve intermediary arrangements.

The FCA notes that there has been a material impact on some firms' share price since the judgment was published. It estimates that there could be over 470,000 motor finance non-discretionary commission arrangement complaints made by the end of January 2025 following the Court of Appeal judgment.

**Letter**

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This Bulletin is prepared by the Financial Regulation Group of Slaughter and May in London. The Group comprises a team of lawyers with expertise and experience across all sectors in which financial institutions operate.

We advise on regulatory issues affecting firms across the financial services sector, including banks, investment firms, insurers and reinsurers, brokers, asset managers and funds, non-bank lenders, payment service providers, e-money issuers, exchanges and clearing systems. We also advise non-regulated businesses involved in financial regulatory matters. In addition, our leading financial regulatory investigations practice is regularly instructed by financial institutions requiring specialist knowledge of financial services regulation together with experience in high profile and complex investigations and contentious regulatory matters.

Most of the projects that we advise on have an extensive international or cross-border element. We work in seamless integrated teams with leading independent law firms which offer many of the most highly regarded financial institutions lawyers in Europe, the US and Asia, as well as strong and constructive relationships with local regulators.

Our Financial Regulation Group also produces occasional briefing papers and other client publications. The five most recent issues of this Bulletin and our most recent briefing papers and client publications appear on the Slaughter and May website [here](#).

If you would like to find out more about our Financial Regulation Group or require advice on a financial regulation matter, please contact one of the following or your usual Slaughter and May contact:

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