

Financial Regulation Weekly Bulletin

9 January 2020 / Issue 1041

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

Quick Links

[Selected Headlines](#)
[General](#)
[Brexit](#)
[Banking and Finance](#)
[Securities and Markets](#)
[Insurance](#)
[Financial Crime](#)
[Enforcement](#)

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](#).

Selected Headlines

General

- Digital operational resilience and cryptoassets** - European Commission publishes roadmaps for consultations 1.1
- Governor of the Bank of England** - HM Treasury appoints Andrew Bailey 3.1
- Digital regulatory reporting** - FCA and Bank of England announce proposed data reforms for the UK financial sector 5.1

Brexit

- Brexit implementation period** - FCA publishes webpage 7.1
- Recognition of UK CCPs** - ESMA announces extension of temporary equivalence decision in the event of a no-deal Brexit 8.1

Banking and Finance

- Resolvability of G-SIBs** - FSB publishes responses to consultations 9.1
- FCA Consultation Paper CP20/1: FCA introduces a Single Easy Access Rate for cash savings** 12.1
- Card-acquiring services** - PSR publishes market review questionnaire 13.1

Securities and Markets

- Non-cleared derivatives trades** - ISDA publishes guide on the cross-border application of US, EU and Japan margin rules 16.1
- Sustainable finance** - Commission TEG publishes handbook on climate benchmarks and benchmarks' ESG disclosures 17.2
- SFTR** - ESMA publishes Guidelines on reporting requirements and statement on implementation of LEI requirements 19.3

Insurance

- PRA Policy Statement PS1/20 - Solvency II: Longevity risk transfers - simplification of pre-notification procedures** 25.2
- Non-financial misconduct** - FCA publishes 'Dear CEO' letter to wholesale general insurance firms 26.1
- Personal and commercial insurance lines** - FCA publishes letter to firms on portfolio strategy 26.2

Selected Headlines
General

Insurance
Brexit

Financial Crime
Banking and Finance

Enforcement
Securities and Markets

Financial Crime

Money Laundering and Terrorist Financing (Amendment) Regulations 2019 - FCA publishes information on compliance **28.1**

The Money Laundering and Terrorist Financing (Amendment) Regulations 2019 (SI 2019/1511) **30.1**

Enforcement

Conspiracy to make corrupt payments - SFO announces DPA with Güralp Systems Ltd **31.1**

Failure to notify personal trades under MAR - FCA fines former managing director £45,000 **32.1**

General

1. European Commission

- 1.1 Digital operational resilience and cryptoassets - European Commission publishes roadmaps for consultations** - 19 December 2019 - The European Commission has published for consultation two roadmaps on its proposals for: (i) a Regulation establishing a digital operational resilience framework for financial services firms in the EU; and (ii) a Regulation establishing an EU regulatory framework for cryptoasset markets. Alongside the roadmaps, the Commission has also published consultation documents on the development of a digital operational resilience framework for financial services, and the suitability of the existing EU regulatory framework for cryptoassets, including stablecoins (as reported in a previous edition of this Bulletin).

The roadmap on the development of a digital operational resilience framework for financial services aims to strengthen the resilience of firms' information and communications technology (ICT) security and considers several policy options, including targeted amendments to ICT security-specific provisions of EU financial services legislation and the Network and Information Security Directive (EU) 2016/1148, which sets general cross-sectoral requirements for the security of networks and information systems.

The roadmap on the suitability of the existing EU regulatory framework for cryptoasset markets considers several policy options for cryptoassets already covered by EU legislation, ranging from soft-law measures, such as Commission interpretative communications or guidelines, to targeted amendments to sectoral legislation to allow for the use of distributed ledger technology (DLT). The roadmap states that legislative action would be required to ensure that the existing regulatory framework for financial services could be applied effectively to 'tokenised' financial instruments, including stablecoins. The roadmap also considers developing a mandatory framework for cryptoassets which are not currently covered by EU legislation in order to harmonize the proliferation of bespoke national regimes, which may pose a risk to the single market.

The deadline for feedback on the roadmaps is 16 January 2020.

[European Commission roadmap on the establishment of a digital operational resilience framework for financial services in the EU](#)

[Commission consultation document on the establishment of a digital operational resilience framework for financial services in the EU](#)

[Selected Headlines](#)
[General](#)

[Insurance](#)
[Brexit](#)

[Financial Crime](#)
[Banking and Finance](#)

[Enforcement](#)
[Securities and Markets](#)

[Webpage](#)

[European Commission roadmap on the establishment of an EU regulatory framework for cryptoasset markets](#)

[Commission consultation document on the establishment of an EU regulatory framework for cryptoasset markets](#)

[Webpage](#)

2. [Official Journal of the European Union](#)

2.1 **ESFS omnibus proposals - published in the Official Journal - 27 December 2019** - The following two Regulations and Directive, which will review the European System of Financial Supervision (ESFS), have been published in the Official Journal of the European Union:

- Omnibus Regulation (EU) 2019/2175 of 18 December 2019, amending the Regulations establishing the European Supervisory Authorities (ESAs) in relation to the powers, governance and funding of the ESAs;
- Regulation (EU) 2019/2176 of 18 December 2019, amending the European Systemic Risk Board Regulation (EU) 1092/2010 (ESRB Regulation); and
- Omnibus Directive (EU) 2019/2177 of 18 December 2019, amending the Markets in Financial Instruments Directive (2014/65/EU) (MiFID II) and the Solvency II Directive (2009/138/EC) on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing.

The two Regulations and Directive entered into force on 30 December 2019.

[Official Journal: Omnibus Regulation \(EU\) 2019/2175 amending the Regulations establishing the ESAs](#)

[Official Journal: Regulation \(EU\) 2019/2176 amending the ERSB Regulation](#)

[Official Journal: Omnibus Directive \(EU\) 2019/2177 amending MiFID II and Solvency II on the prevention of the use of the financial system for money laundering or terrorist financing](#)

3. [HM Treasury](#)

3.1 **Governor of the Bank of England - HM Treasury appoints Andrew Bailey - 20 December 2019** - HM Treasury has announced the appointment of Andrew Bailey, the current chief executive of the FCA, as the new Governor of the Bank of England. Mr Bailey has been appointed on an eight-year term and will succeed Mark Carney from 16 March 2020.

[Speech by Sajid Javid \(Chancellor of the Exchequer\) announcing the appointment of Andrew Bailey as the new Governor of the Bank of England](#)

[Press release](#)

[Selected Headlines](#)
[General](#)[Insurance](#)
[Brexit](#)[Financial Crime](#)
[Banking and Finance](#)[Enforcement](#)
[Securities and Markets](#)

4. Prudential Regulation Authority

4.1 Results of firm feedback survey 2018/19 - published by the PRA - December 2019 - The PRA has published the results of its annual firm feedback survey, which aims to assess the effectiveness and the quality of the PRA's supervisory framework and approach. Every year, the largest firms that the PRA supervises receive the survey, along with a sample of supervised small and medium-sized firms. In particular, the PRA states that the results of the 2018/2019 survey highlights that:

- firms are concerned about the timelines of approvals under the Senior Managers and Certification Regime (SMCR) and consider that additional information throughout the approvals process would be helpful; and
- firms have experienced difficulties using the Bank of England electronic data submission portal.

[PRA firm feedback survey 2018/19 results](#)

[Webpage](#)

5. Financial Conduct Authority and Bank of England

5.1 Digital regulatory reporting - FCA and Bank of England announce proposed data reforms for the UK financial sector - January 2020 - The FCA has published an updated data strategy, setting out a long-term transformation plan which aims to enable it to harness the power of data and advanced analytics to become a more efficient and effective, data-driven regulator. The FCA published its original data strategy in September 2013. The updated strategy outlines the FCA's increased focus on facilitating investment in new technology, such as developing new data science units, and the use of advanced analytics and automation techniques to: (i) improve its understanding of markets and consumers; (ii) efficiently monitor and respond to firm and market issues; and (iii) better understand and use data.

The FCA has also published a report on the second phase of its joint Digital Regulatory Reporting (DRR) initiative with the Bank of England and seven participating firms. The second phase of the DRR considers the technological and economic factors associated with the potential development of automated regulatory reporting and whether, and how best to, implement the initiative. The report makes several conclusions, including that automated digital regulatory reporting is likely to reduce the cost and burden of data supply and collection for firms and regulators while improving transparency and data quality. However, the report suggests that the lack of standardised firm data represents a significant barrier to the exploitation of new analytical techniques and that there remains uncertainty regarding how best to implement digital regulatory reporting.

The Bank of England has also published a Discussion Paper on transforming data collection in the UK financial sector. The DP marks the launch of its review of the hosting and use of regulatory data which was announced in response to recommendations in its June 2019 'The future of finance' report. In particular, the paper outlines a framework for assessing the issues associated with the use of regulatory data and explores a range of potential solutions. The deadline for responses to questions raised in the Discussion Paper is 7 April 2020.

The FCA and the Bank have committed to continue their work on digital regulatory reporting, including agreeing to joint work on developing common data standards, reviewing the legal

[Selected Headlines](#)
[General](#)

[Insurance](#)
[Brexit](#)

[Financial Crime](#)
[Banking and Finance](#)

[Enforcement](#)
[Securities and Markets](#)

implications of writing reporting instructions in code and evaluating potential technical solutions as part of the FCA's DRR pilot scheme.

[FCA Data Strategy](#)

[FCA report on phase 2 of the DRR pilot](#)

[Webpage](#)

[Bank of England Discussion Paper on the collection of data in the UK financial sector](#)

[Webpage](#)

[Press release](#)

6. Financial Conduct Authority

- 6.1 Tackling the loyalty penalty - FCA publishes update on progress - 9 January 2020** - The FCA has published an update setting out its progress in implementing the Competition and Markets Authority's (CMA's) recommendations from its research into loyalty penalty charges, carried out in response to the super-complaint raised by the Citizens Advice Bureau (CAB). The FCA summarises its work to date, which includes its mortgages market study, general insurance pricing practices market study and its work on price discrimination in the cash savings market (on which see item 12.1 under the 'Banking and Finance' section below). The FCA also notes that it is considering its regulatory approach to cross-cutting issues, including its work on the identification and fair treatment of vulnerable consumers, fair pricing in financial services, and the future role of open finance.

[Press release: FCA provides update on implementing CMA recommendations on the loyalty penalty](#)

Brexit

7. Financial Conduct Authority

- 7.1 Brexit implementation period - FCA publishes webpage - 20 December 2019** - The FCA has published a webpage explaining how the implementation period will affect the FCA, firms and consumers when the UK leaves the EU under the terms of the Withdrawal Agreement on 31 January 2020. The implementation period is due to operate until 31 December 2020. In particular, the FCA states that during the implementation period:
- existing EU law will continue to apply in the UK, including passporting rights and consumer protection, as well as any new EU legislation which takes effect before the end of the transition period; and
 - the FCA will continue its preparatory work to ensure that the UK financial services sector is prepared for the end of the implementation period.

The FCA has updated its webpage on the temporary permissions regime accordingly.

[FCA webpage on the Brexit implementation period](#)

[Selected Headlines](#)
[General](#)[Insurance](#)
[Brexit](#)[Financial Crime](#)
[Banking and Finance](#)[Enforcement](#)
[Securities and Markets](#)[FCA webpage on the temporary permissions regime](#)

8. [European Securities and Markets Authority](#)

- 8.1 Recognition of UK CCPs - ESMA announces extension of temporary equivalence decision in the event of a no-deal Brexit - December 2019** - The European Securities and Markets Authority (ESMA) has announced that it has extended the temporary equivalence decision regarding its recognition of three UK central counterparties (CCPs) under the European Market Infrastructure Regulation (648/2012/EU) (EMIR) - LCH Limited, ICE Clear Europe Limited and LME Clear Limited - to 31 January 2021 in the event of a no-deal Brexit. The temporary equivalence decision for UK CCPs was otherwise due to expire on 30 March 2020. To this end, Implementing Decision (EU) 2019/2211 (Implementing Decision), which extends the application of Implementing Decision (EU) 2018/2031, entered into force on 24 December 2019.

The Implementing Decision also amends the temporary equivalence decision insofar as that it will expire one year after the date on which the Treaties of the EU cease to apply to and in the UK under Article 50(3) of the Treaty on Functioning of the European Union (TFEU), which is currently 31 January 2020. However, the third paragraph of the temporary equivalence decision states that it will not apply if a withdrawal agreement has entered into force by the date on which the Treaties cease to apply to the UK.

[Press release: ESMA announces extension of its temporary equivalence decision for UK CCPs in the event of a no-deal Brexit](#)

[Official Journal: Implementing Decision \(EU\) 2019/2211 extending the temporary equivalence decision for UK CCPs in the event of a no-deal Brexit](#)

[Webpage](#)

Banking and Finance

9. [Financial Stability Board](#)

- 9.1 Resolvability of G-SIBs - FSB publishes responses to consultations - 20 December 2019** - The Financial Stability Board (FSB) has published two documents setting out an overview of the responses received in respect of its June 2019 Discussion Papers on: (i) resolution-related public disclosures that strengthen the credibility of resolution planning and resolvability of global systemically important banks (G-SIBs); and (ii) the solvent wind-down of derivatives portfolios as recovery or resolution measures for G-SIBs.

The FSB states that it has decided not to develop further guidance in respect of either of the consultations at this stage.

[FSB responses to consultation on resolution-related public disclosures on resolution planning](#)

[Press release](#)

[FSB responses to consultation on the solvent wind-down of derivatives portfolios](#)

[Press release](#)

[Selected Headlines](#)
[General](#)

[Insurance](#)
[Brexit](#)

[Financial Crime](#)
[Banking and Finance](#)

[Enforcement](#)
[Securities and Markets](#)

10. [Official Journal of the European Union](#)

- 10.1** [Single Supervisory Mechanism - Corrigendum to Regulation published in the Official Journal - 20 December 2019](#) - A Corrigendum to Regulation (EU) 2019/2155 of the European Central Bank (ECB) of 5 December 2019, amending the ECB Regulation (1163/2014/EU) on annual supervisory fees, has been published in the Official Journal of the European Union.

[Official Journal: Corrigendum to Regulation \(EU\) 2019/2155 amending the ECB Regulation on annual supervisory fees](#)

11. [European Central Bank](#)

- 11.1** [CRR - ECB publishes FAQs clarifying the notification process for the recognition of contractual netting agreements as risk-reducing - December 2019](#) - The ECB has published FAQs aiming to clarify the notification process for the recognition of contractual netting agreements as risk-reducing under the Capital Requirements Regulation (575/2013/EU) (CRR). This follows the ECB's October 2019 letter, in which it announced the launch of the new notification process that banks would be required to follow in certain circumstances. The FAQs cover: (i) the objective, scope and triggers of the notification process; (ii) the means of notification; and (iii) an explanation of certain terms used in the notification process.

The notification process will apply from 31 January 2020.

[ECB FAQs on the notification process for the recognition of contractual netting agreements as risk-reducing under the CRR](#)

[ECB letter on the notification process for the recognition of contractual netting agreements as risk-reducing under the CRR](#)

12. [Financial Conduct Authority](#)

- 12.1** [FCA Consultation Paper CP20/1: Introducing a Single Easy Access Rate for cash savings - January 2020](#) - The FCA has published a Consultation Paper (CP20/1) setting out its proposals to introduce a Single Easy Access Rate (SEAR) for cash savings. This follows the FCA's July 2018 Discussion Paper (DP18/6) and 2015 Cash Savings Market Study, which investigated the harm to consumers caused by price discrimination in the cash savings market.

The SEAR is based largely on the Basic Savings Rate (BSR), developed as part of DP18/6. It is a single interest rate, set by each firm, onto which a cash savings account will revert following the end of an introductory 12-month interest rate period. Firms would be required to introduce a SEAR for their easy access cash savings accounts and their easy access cash ISAs. Under the proposals, firms would retain the flexibility to offer multiple introductory rates before the accounts reverted to the appropriate SEAR. The FCA states that these proposals aim to protect longstanding consumers currently on the lowest interest rates by providing incentives to firms to increase the interest rates they receive, and maintain the competition that exists for new customers.

The FCA also proposes to require firms to publish certain data and information about their SEARs to enable customers to easily form expectations around the future value of their products and compare them with the rates offered by other firms. Firms would be required to publish information including: (i) the SEARs; (ii) the proportion of balances held in easy access accounts

[Selected Headlines](#)
[General](#)

[Insurance](#)
[Brexit](#)

[Financial Crime](#)
[Banking and Finance](#)

[Enforcement](#)
[Securities and Markets](#)

receiving SEARs; and (iii) the highest introductory interest rate offered on an easy access cash savings or cash ISA account.

The consultation period closes on 9 April 2020. The FCA intends to publish its proposed next steps in the second half of 2020 and, if any final rules are developed in response, implement these new rules at the start of the 2021/22 tax year.

[FCA Consultation Paper CP20/1: Introducing a Single Easy Access Rate for cash savings](#)

[Basic Savings Rate consumer research](#)

[Webpage](#)

[Press release](#)

13. [Payment Systems Regulator](#)

- 13.1 Card-acquiring services - PSR publishes market review questionnaire - 24 December 2019** - The Payment Systems Regulator (PSR) has published the final version of its merchant survey questionnaire as part of its market review into the supply of card-acquiring services, which was launched in January 2019. The market review aims to examine whether the supply of card-acquiring services is working well for merchants and consumers. The PSR intends to use the questionnaire to collect evidence from merchants on the factors impacting the demand for card-acquiring services.

The PSR has also published the responses received in respect of its consultation on the final merchant survey questionnaire.

[PSR market review into the supply of card-acquiring services questionnaire](#)

[PSR consultation responses to merchant survey questionnaire](#)

14. [Islamic Financial Services Board](#)

- 14.1 Prudential and structural Islamic financial indicators - IFSB publishes updated guidance - December 2019** - The Islamic Financial Services Board (IFSB) has published an updated version of its guidance on prudential and structural Islamic financial indicators for institutions offering Islamic financial services. The guidance, which was previously updated in 2011, aims to act as a guide for standardising the methodology of data compilation and dissemination, and provides information on key indicators, compilation procedures, and aggregations and consolidation procedures.

[IFSB updated guidance on the compilation and dissemination of prudential and structural Islamic financial indicators](#)

[Press release](#)

Selected Headlines
General

Insurance
Brexit

Financial Crime
Banking and Finance

Enforcement
Securities and Markets

15. Recent Cases

15.1 *Case C-290/19 RN v Home Credit Slovakia a.s.*, 19 December 2019

APR to be expressed as a single rate - information to be included in consumer credit agreements - Article 10(2) of the Consumer Credit Directive (2008/48/EC)

The European Court of Justice (Sixth Chamber) (ECJ) has given a preliminary ruling on whether failing to provide an exact figure of the annual percentage rate of charge (APR) in a consumer credit agreement, and instead providing a range between two figures, is unlawful pursuant to Article 10(2) of the Consumer Credit Directive (2008/48/EC) (CCD). Article 10(2) sets out the information which must be provided by creditors to consumers, including the APR and the total amount payable by the consumer, calculated at the time the credit agreement is concluded.

In March 2013 RN, a consumer, entered into a consumer credit agreement with Home Credit Slovakia a.s (HCS), in which the APR was expressed as a range between 21.5% and 22.4%. HCS argued that because the credit agreement had been concluded by telephone and the applicant had 35 days to accept or refuse the credit agreement offer, they were not able to give a precise indication of the date on which the loan would be granted. The APR was dependent on this date.

The ECJ held that the CCD must be interpreted as precluding the APR in a consumer credit agreement from being expressed as a range, and that the APR should be expressed as a single rate.

[Case C-290/19 RN v Home Credit Slovakia a.s](#)

Securities and Markets

16. International Swaps and Derivatives Association

16.1 **Non-cleared derivatives trades - ISDA publishes guide on the cross-border application of US, EU and Japan margin rules - January 2020** - The International Swaps and Derivatives Association (ISDA) has published a guide on the cross-border application of margin rules for non-cleared derivatives. The guide describes the cross-border and substituted compliance rules under different margin regimes and uses a framework to examine the applicable rules in respect of the US, the EU and Japan. The guide focuses on the position of an entity that is not a swap dealer but is either directly subject to margin rules or is obliged to comply with the margin requirements of its counterparties.

[ISDA guide on the cross-border application of US, EU and Japan margin rules for non-cleared derivatives](#)

[Webpage](#)

17. European Commission

17.1 **EMIR - European Commission adopts Delegated Regulation amending RTS on risk mitigation techniques on uncleared OTC derivatives - 18 December 2019** - The European Commission has adopted Delegated Regulation (C(2019)8950) of 17 December 2019, which amends Delegated Regulation (EU) 2016/2251 containing regulatory technical standards (RTS) supplementing the European Market Infrastructure Regulation (648/2012/EU) (EMIR) on risk mitigation techniques for

Selected Headlines
General

Insurance
Brexit

Financial Crime
Banking and Finance

Enforcement
Securities and Markets

over-the-counter (OTC) derivative contracts in connection with certain simple, transparent and standardised (STS) securitisations for hedging purposes.

The Delegated Regulation provides that securitisation special purpose entities (SSPEs) for OTC derivatives in connection with securitisations that meet the requirements to be classified as STS will be exempted from posting and collecting initial margins and from posting variation margins.

The Delegated Regulation will now be considered by the European Parliament and the Council of the European Union. If not objected to, it will enter into force 20 days after its publication in the Official Journal of the European Union.

[Delegated Regulation amending RTS on risk mitigation techniques for OTC derivative contracts in connection with STS securitisations](#)

- 17.2 Sustainable finance - Commission TEG publishes handbook on climate benchmarks and benchmarks' ESG disclosures - 20 December 2019** - The European Commission Technical Expert Group on Sustainable Finance (TEG) has published a handbook on climate benchmarks and benchmarks' environmental, social and governance (ESG) disclosure requirements. This follows the TEG's report on climate benchmarks and benchmarks' ESG disclosures, published in September 2019.

The handbook aims to clarify recommendations put forward by the TEG and responds to FAQs, including in relation to: (i) the 7% reduction trajectory; (ii) terminology and related classifications; (iii) anti-greenwashing measures; (iv) data sources and estimation techniques; and (v) ESG disclosures.

[European Commission TEG handbook on climate benchmarks and ESG disclosure requirements](#)

[Webpage](#)

18. Council of the European Union

- 18.1 EU CCP Regulation - Council of the EU publishes note comparing institutions' negotiating positions - 19 December 2019** - The Council of the European Union has published a note from its General Secretariat to Delegations containing tables comparing the negotiating positions taken by the European Commission, Council of the EU and the European Parliament on the proposed Regulation (EU) 2016/0365(COD) to establish a framework for the recovery and resolution of central counterparties (CCPs) (EU CCP Regulation).

[Council of the EU note on the negotiation positions of institutions on the proposed EU CCP Regulation](#)

[Addendum 1](#)

[Addendum 2](#)

19. European Securities and Markets Authority

- 19.1 Fees charged by CRAs and TRs - ESMA publishes follow-up report - 20 December 2019** - The European Securities and Markets Authority (ESMA) has published a follow-up report to its thematic report on the fees charged by credit ratings agencies (CRAs) and trade repositories (TRs), which was published in January 2018. The report highlights that while CRAs and TRs have implemented

[Selected Headlines](#)
[General](#)[Insurance](#)
[Brexit](#)[Financial Crime](#)
[Banking and Finance](#)[Enforcement](#)
[Securities and Markets](#)

good practices in the areas of fee transparency, fee setting and costs monitoring, further changes are required to improve:

- the transparency of their pricing and fee setting process to ensure that fees are non-discriminatory and based on actual costs incurred;
- costs recording and monitoring practices to illustrate clearly how fees charged to users relate to the costs of providing the services; and
- the access to and usability of the credit ratings published by CRAs, with CRAs remaining responsible for overseeing the distribution of the credit ratings they produce.

ESMA has also published a factsheet in support of the report setting out what clients can expect from CRAs and TRs on fees, and intends to monitor the development of firms' fee practices to assess whether further regulatory action is required.

[ESMA follow up report on its thematic report on the fees charged by CRAs and TRs](#)

[Factsheet](#)

[Press release](#)

- 19.2 Alternative performance measures - ESMA publishes report - 20 December 2019** - ESMA has published a report on EU listed issuers' use of alternative performance measures (APM) and their compliance with ESMA's APM Guidelines. ESMA defines an APM as a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. The Guidelines are applicable to APMs when they are presented outside financial statements, such as in management reports, ad-hoc disclosures and prospectuses.

The report highlights that the use of APMs is widespread in all sectors and that significant diversity exists in the number and type of APMs used. In assessing issuers' compliance with the APM Guidelines, ESMA's states that there is significant room for improvement as only a minority of issuers comply with all principles of the Guidelines in their annual earnings results, management reports and/or prospectuses. ESMA calls on issuers to improve their disclosures regarding APMs.

ESMA expects issuers to consider the findings of the report when preparing their future market communications containing APMs. ESMA and national competent authorities (NCAs) will continue to monitor the application of the APM Guidelines and take appropriate action in case of infringements.

[ESMA report on EU listed issuers' use of APMs and their compliance with the ESMA APM Guidelines](#)

[Press release](#)

- 19.3 SFTR - ESMA publishes Guidelines on reporting requirements and statement on implementation of LEI requirements - 6 January 2020** - ESMA has published a final report and accompanying Guidelines on reporting requirements under Articles 4 and 12 of the Securities Financing Transaction Regulation (EU) 2015/2365 (SFTR). This follows ESMA's May 2019 consultation on the matter. The Guidelines aim to clarify several provisions of the SFTR and provide practical guidance

[Selected Headlines](#)
[General](#)[Insurance](#)
[Brexit](#)[Financial Crime](#)
[Banking and Finance](#)[Enforcement](#)
[Securities and Markets](#)

on their implementation, including in relation to the securities financing transaction (SFT) reporting obligation under Article 4(1), and the TR obligations contained under Articles 5(7) and 12 of the SFTR. The Guidelines will apply from either: (i) 7 January 2020; or (ii) the date on which the relevant reporting obligation becomes applicable under Article 33(2)(a) of the SFTR, whichever is later.

ESMA has also published a statement on the implementation of the global legal entity identifier (LEI) requirements under the SFTR reporting regime, in which it clarifies its expectations in relation to LEI reporting for issuers of securities used in SFTs, together with the relevant supervisory actions to be carried out by national regulators.

The statement also indicates that ESMA is aware of the different levels of LEI coverage between EU and third-country jurisdictions. As a result, it is introducing a temporary measure, covering a 12-month period from the SFTR reporting start date of 13 April 2020 to 13 April 2021, during which reports without third-country issuers' LEIs of securities that are lent, borrowed or provided as collateral in an SFT will be accepted.

ESMA has also published amended validation rules for reporting under the SFTR.

[ESMA final report on Guidelines on reporting under Articles 4 and 12 of the SFTR](#)

[ESMA Guidelines on reporting under Articles 4 and 12 of the SFTR](#)

[ESMA statement on the implementation of LEI requirements under the SFTR reporting regime](#)

[ESMA SFTR amended validation rules](#)

[Press release](#)

- 19.4 EMIR - ESMA publishes report on CCPs' membership criteria and due diligence - 7 January 2020**
- ESMA has published a report on CCPs' membership criteria and due diligence. The report aims to clarify existing rules for non-financial counterparty clearing members under EMIR following the default of a physical person acting as a clearing member at a CCP authorised to offer services and activities in the EU in September 2018. The event highlighted the importance of membership criteria as a means for CCPs to control counterparty credit risk.

The report, which is based on the results of a survey of CCPs conducted by ESMA, examines the prevalence of non-financial counterparties as clearing members and how EU CCPs conduct their due diligence processes. The report concludes that ESMA intends to consider enhancing supervisory practices, including, potentially, by introducing guidance on these aspects.

ESMA has also updated its Q&As on the implementation of EMIR to include a new question on CCP admission criteria.

[ESMA report on CCPs' membership criteria and due diligence](#)

[Updated Q&As](#)

[Press release](#)

[Selected Headlines](#)
[General](#)

[Insurance](#)
[Brexit](#)

[Financial Crime](#)
[Banking and Finance](#)

[Enforcement](#)
[Securities and Markets](#)

- 19.5 Strategic Orientation 2020-22 - published by ESMA - 9 January 2020** - ESMA has published its Strategic Orientation for 2020-22, which sets out ESMA's future objectives and areas of focus. Following the European Supervisory Authorities (ESAs) Review and the introduction of Regulation (EU) 2019/2099 (EMIR 2.2), the strategy reflects ESMA's enhanced role, powers and responsibilities, focusing on several key objectives relating to: (i) enhanced supervisory convergence; (ii) investor protection; (iii) third-country equivalence assessments; (iv) the development of sustainable finance; and (v) the direct supervision of third-country CCPs, critical benchmarks, securitisation repositories and securities financing transactions.

ESMA has also published an updated organigramme to reflect its strategic orientation for 2020-22.

[ESMA Strategic Orientation 2020-22](#)

[Updated ESMA organigramme](#)

[Press release](#)

20. Financial Markets Law Committee

- 20.1 BMR - FMLC publishes response to Commission consultation - December 2019** - The Financial Markets Law Committee (FMLC) has published its response to the European Commission's public consultation on the functioning and effectiveness of the Benchmarks Regulation (EU) 2016/1011 (BMR), which was published in October 2019. The FMLC highlights several areas of legal uncertainty, and expresses particular concern regarding the uncertainties arising from the interplay of Brexit and the ongoing regulatory reform of interbank offered rates (IBORs).

[FMLC response to Commission consultation on the functioning of the BMR](#)

[Press release](#)

Insurance

21. International Association of Insurance Supervisors

- 21.1 Implementation of TCFD recommendations - IAIS publishes consultation on draft issues paper - 19 December 2019** - The International Association of Insurance Supervisors (IAIS) has published for consultation a draft issues paper on the implementation of the recommendations of the Financial Stability Board (FSB) Task Force on Climate-related Financial Disclosures (TCFD), published in June 2017. The draft issues paper provides an overview of the practices considered by supervisors in the development of climate-related disclosure requirements within their markets. The IAIS notes that the speed at which supervisory practices relating to climate risk are evolving reflects the need to consider responses at the global level, including the development of specific Insurance Core Principles (ICPs).

The consultation period closes on 5 February 2020.

[IAIS draft issues paper on the implementation of TCFD recommendations](#)

[Webpage](#)

[Press release](#)

Selected Headlines
General

Insurance
Brexit

Financial Crime
Banking and Finance

Enforcement
Securities and Markets

22. European Commission

22.1 Solvency II Delegated Regulation - European Commission adopts amending Delegated Regulation - The European Commission has adopted Commission Delegated Regulation (C(2019)8951) of 17 December 2019, which makes several corrections to the Solvency II Delegated Regulation (EU) 2015/35 supplementing the Solvency II Directive (2009/138/EC). In particular, the Delegated Regulation:

- removes the unintended exclusion of collective investment undertakings from the ‘look-through’ approach, which allows undertakings related to an insurance or reinsurance undertaking to hold or manage assets on their behalf; and
- amends the UK section of the ‘Risk weights for flood risk’ table contained in Annex X of the Solvency II Delegated Regulation, relating to the calculation of the solvency capital requirement (SCR) for flood risk, to include the correct number of flood risk zones in the UK (124).

The Delegated Regulation will now be considered by the European Parliament and the Council of the European Union. If not objected to, it will enter into force 20 days after its publication in the Official Journal of the European Union and apply retrospectively from 8 July 2019.

[Delegated Regulation amending the Solvency II Delegated Regulation](#)

23. European Insurance and Occupational Pensions Authority

23.1 Consumer trends report 2019 - published by EIOPA - December 2019 - The European Insurance and Occupational Pensions Authority (EIOPA) has published its annual consumer trends report, setting out the current major trends and developments in the European insurance and pension sectors affecting insurers’ business models and consumers. In particular, the report states that:

- the disclosure and transparency of information to consumers has improved and the increasing digitalisation of the insurance sector continues to show potential for producing benefits for both insurers and consumers;
- conduct issues related to unit-linked funds, credit life/credit protection insurance and add-on insurance products have become more prevalent. Claims management in the motor insurance market also remains an area of concern;
- changes are being implemented to address potential issues associated with a rise in life expectancy, including the development and introduction of pensions dashboards to increase the accessibility of consumers’ pension information; and
- despite evidence of improved disclosure practices, problems remain with product design and product review processes. Changes in this area are expected to take place with the implementation of the new Product Oversight and Governance (POG) requirements, requiring product manufacturers to take into account consumers’ needs throughout the product lifecycle.

EIOPA has also published a factsheet highlighting the main findings of the report.

[EIOPA consumer trends report 2019](#)

[Selected Headlines](#)
[General](#)

[Insurance](#)
[Brexit](#)

[Financial Crime](#)
[Banking and Finance](#)

[Enforcement](#)
[Securities and Markets](#)

[Factsheet](#)

[Press release](#)

24. UK Parliament

- 24.1 Pension Schemes Bill 2019-20 - first reading in the House of Lords - 7 January 2020** - The first House of Lords reading of the Pension Schemes Bill 2019-20 took place on 7 January 2020. The Bill contains a number of proposals, including: (i) enhancing the Pensions Regulator's information-gathering and enforcement powers; (ii) a legislative and regulatory framework for collective defined contribution pension schemes and measures on the funding of defined contribution schemes; (iii) supporting the legislative and regulatory framework for pension dashboards; and (iv) amendments to the Pension Protection Fund compensation rules.

A date for the Bill's second reading in the House of Lords has yet to be scheduled.

[Pension Schemes Bill 2019-20](#)

[Pension Schemes Bill 2019-20: Explanatory notes](#)

[Webpage](#)

25. Prudential Regulation Authority

- 25.1 Whistleblowing systems and controls - PRA publishes written notice to the Society of Lloyd's - 23 December 2019** - The PRA has published a written notice to the Society of Lloyd's regarding a number of additional requirements relating to the enhanced monitoring and scrutiny of Lloyd's whistleblowing systems and controls under section 55M(5) of FSMA 2000. The Society of Lloyd's Whistleblowers' Champion will have to attest to the soundness of its whistleblowing systems and controls on an annual basis.

This follows Lloyds' self-identification and disclosure to the PRA of ineffective aspects of its internal whistleblowing systems and controls in February 2019. Lloyds' internal review found that its anonymous whistleblowing channel for staff had not been operational since 1 October 2017, and that it had not produced the expected annual whistleblowing report.

[PRA written notice to Lloyd's on failures relating to its whistleblowing systems and controls](#)

[Press release](#)

- 25.2 PRA Policy Statement PS1/20 - Solvency II: Longevity risk transfers - simplification of pre-notification procedures - January 2020** - The PRA has published a Policy Statement (PS1/20) confirming its proposals to update Supervisory Statement (SS) 18/16 'Solvency II: Longevity risk transfers' to: (i) change its expectations in relation to firms' notification to the PRA of new longevity risk transfer arrangements; and (ii) highlight the required inclusion of basis risk in firms' assessments of the key residual risks to which such transactions give rise. This follows the PRA's February 2019 Consultation Paper (CP3/19) on the same matter.

The Policy Statement confirms that the PRA intends to implement its proposals largely as consulted on, save for minor clarifications which: (i) amend the headings used in the reporting template to clarify how firms should complete them; and (ii) change the phrasing on how firms should include basis risk in their risk assessments of longevity risk transfers.

[Selected Headlines](#)
[General](#)

[Insurance](#)
[Brexit](#)

[Financial Crime](#)
[Banking and Finance](#)

[Enforcement](#)
[Securities and Markets](#)

The new policy set out in PS1/20 and SS18/16 will apply from 9 January 2020.

[PRA Policy Statement PS1/20 - Solvency II: Longevity risk transfers - simplification of pre-notification procedures](#)

[Webpage](#)

[Updated Supervisory Statement 18/16: Solvency II: Longevity risk transfers](#)

[Webpage](#)

26. Financial Conduct Authority

26.1 Non-financial misconduct - FCA publishes 'Dear CEO' letter to wholesale general insurance firms - 6 January 2020 - The FCA has published a 'Dear CEO' letter from Jonathan Davidson (Director of Supervision, Retail and Authorisations at the FCA) to the CEOs of wholesale general insurance firms, setting out the regulator's expectations for firms regarding tackling non-financial misconduct in the sector. This follows the PRA's 'Dear CEO' letter, published in November 2019, which addressed specific areas of regulatory focus for general insurance firms, including corporate governance, culture and individual misconduct.

The letter states that, in order to minimise non-financial misconduct and reduce consumer harm, wholesale general insurance firms should proactively identify and tackle misconduct by addressing four key drivers of cultural change: (i) leadership, including the application of the Senior Managers and Certification Regime (SMCR); (ii) purpose; (iii) people management; and (iv) governance, systems and controls.

The FCA expects firms to review their current practices against the FCA's expectations and address any shortcomings promptly. The FCA intends to continue working closely with the PRA to assess instances where inappropriate culture and misconduct within firms may impact compliance with regulatory standards and expectations, and the regulators' statutory objectives.

[FCA 'Dear CEO' letter to wholesale general insurance firms on tackling non-financial misconduct](#)

26.2 Personal and commercial insurance lines - FCA publishes letter to firms on portfolio strategy - 8 January 2020 - The FCA has published a 'Portfolio Strategy' letter from Roma Pearson (Head of Department, Retail General Insurance at the FCA) to the boards of personal and commercial lines' insurance firms, setting out the FCA's supervisory priorities and expectations of such firms in relation to the key risks which they could pose to consumers and markets.

The letter states that the FCA expects firms to focus on five key drivers of potential consumer and market harm, which includes: (i) poor oversight of, and poor remuneration practice in, distribution chains; (ii) the risk of consumers being provided with unsuitable or poor value products; (iii) poor pricing practices; (iv) ineffective management of some regulatory change; and (v) poor operational controls.

[FCA 'Portfolio Strategy' letter to personal and commercial lines insurance firms](#)

Selected Headlines
General

Insurance
Brexit

Financial Crime
Banking and Finance

Enforcement
Securities and Markets

27. Recent Cases

27.1 *Joined Cases C-355/18 to C-357/18, C-479/18 Rust-Hackner, Gmoser, Plackner and others*, 19 December 2019

Policyholder's right to cancel a life assurance contract - interpretation of Article 15(1) of the Second Life Assurance Directive (90/619/ECC)

The European Court of Justice (Third Chamber) (ECJ) has given a preliminary ruling on the correct interpretation of Article 15(1) of the Second Life Assurance Directive (90/619/EEC) regarding the scope of the policyholder's right to cancel a life assurance contract and the time limit to which that right is subject. Article 15(1) specifies that each member state shall prescribe that a policyholder who concludes an individual life-assurance contract shall have between 14 and 30 days, from the time they are informed of its conclusion, to exercise their right to cancel the contract.

The ECJ held that Article 15(1) of the Second Life Assurance Directive must be interpreted as meaning that:

- the period for exercising the right to cancel a life assurance contract begins from the moment the policyholder is informed that the contract is concluded, regardless of whether the assurance undertaking: (i) fails to specify the applicable national law for the exercise of that right of cancellation; or (ii) indicates formal requirements that are not required by the applicable national law, provided that it does not limit the circumstances in which the policyholder can exercise their cancellation rights as compared with the circumstances in which they could have done so if that information had been correct;
- where no information is provided by the undertaking in respect of the policyholder's cancellation rights, the period for exercising the right shall not begin if the information provided is so incorrect that it essentially limits the circumstances in which the policyholder can exercise their cancellation rights, regardless of whether the policyholder has become aware of the existence of the right of cancellation by other means;
- once the contract has been terminated and all obligations arising from it have been complied with, the policyholder may still exercise their right of cancellation provided that the applicable national law does not determine the legal effects arising where either no or incorrect information is provided by the undertaking in respect of the right of cancellation;
- national legislation cannot allow an undertaking to reimburse only the surrender value of the life assurance contract to a policyholder who has exercised their cancellation rights; and
- national legislation may provide for a limitation period of 3 years for the policyholder, who has exercised his or her right of cancellation, to exercise their right to remuneration interest associated with the repayment of sums that were not payable, provided that such a limitation period does not undermine the effectiveness of that policyholder's right of cancellation.

[Joined Cases C-355/18 to C-357/18, C-479/18 Rust-Hackner, Gmoser, Plackner and others](#)

Selected Headlines
General

Insurance
Brexit

Financial Crime
Banking and Finance

Enforcement
Securities and Markets

Financial Crime

28. Financial Conduct Authority

- 28.1 Money Laundering and Terrorist Financing (Amendment) Regulations 2019 - FCA publishes information on compliance - 23 December 2019** - The FCA has published a new webpage regarding the application of the Money Laundering and Terrorist Financing (Amendment) Regulations 2019, which enter into force on 10 January 2020. The Regulations amend the Money Laundering, Terrorist Financing and Transfer of Funds (Information of the Payer) Regulations 2017 (MLRs) to transpose the Fifth Money Laundering Directive (EU) 2018/843 (5MLD) into UK law and align the UK regime with the Financial Action Task Force's (FATF) international standards. The website highlights several specific areas of compliance for firms, including: (i) the assessment of high-risk factors; (ii) e-money thresholds for customer due diligence; and (iii) cryptoasset activities.

The FCA states that it expects firms to comply with the new, amended Regulations from 10 January 2020. In assessing firms' compliance, it intends to take into account whether the firm has taken sufficient steps to comply before that date. For further information see also item 30.1 below.

[FCA webpage on the Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019](#)

29. National Crime Agency

- 29.1 Fraud - NCA issues tasking to improve responses to fraud - 20 December 2019** - The National Crime Agency (NCA) has issued a voluntary tasking under the Crime and Courts Act 2013 to improve enforcement authorities' responses to fraud. The voluntary tasking, which operates by providing for a chief officer of a UK police force or a UK law enforcement agency to perform a task if the NCA requests the person to perform it, is focused on "*improving the intelligence picture on fraud, pursuing offenders causing the highest harm and increasing the priority of fraud across the system*".

The tasking applies to all police forces and Regional Organised Crime Units in England and Wales, Police Scotland, the Police Service of Northern Ireland, the Serious Fraud Office, Her Majesty's Revenue and Customs and the FCA. It applies to each of the recipients in slightly different ways, and The Serious Fraud Office, Her Majesty's Revenue and Customs and the Financial Conduct Authority will contribute to the tasking within the parameters of their existing statutory responsibilities.

[Press release: NCA issues tasking on responses to fraud](#)

30. New Legislation

- 30.1 The Money Laundering and Terrorist Financing (Amendment) Regulations 2019 (SI 2019/1511)** were made on 19 December 2019, in exercise of the powers conferred by section 2(2) of the European Communities Act 1972, paragraph 5 of Schedule 3A to the Terrorism Act 2000 and paragraph 5 of Schedule 9 to the Proceeds of Crime Act 2002. The Regulations amend the MLRs to transpose the 5MLD into UK law. The amendments include: (i) adding new categories of 'relevant persons' subject to the MLRs, including providers of exchange or storage services for cryptoassets; (ii) amended risk assessment and due diligence measures to be taken by supervisors; and (iii) the

[Selected Headlines](#)
[General](#)

[Insurance](#)
[Brexit](#)

[Financial Crime](#)
[Banking and Finance](#)

[Enforcement](#)
[Securities and Markets](#)

conferral of new regulatory powers to the FCA as the anti-money laundering (AML) supervisor of cryptoasset service providers.

The Regulations enter into force on 10 January 2020, with the exception of Regulation 5(5)(c) which comes into force on 10 July 2020 and Regulations 6 and 12 which come into force on 10 September 2020.

[The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(SI 2019/1511\)](#)

[Explanatory memorandum](#)

[Webpage](#)

Enforcement

31. Serious Fraud Office

- 31.1 Conspiracy to make corrupt payments - SFO announces DPA with Güralp Systems Ltd - 20 December 2019** - The Serious Fraud Office (SFO) has published the deferred prosecution agreement (DPA) which it agreed with Güralp Systems Ltd (Güralp) in October 2019. Under the terms of the DPA, Güralp agreed to pay a fine of approximately £2 million, accepting charges of conspiracy to make corrupt payments and failing to prevent bribery by employees, contrary to section 1 of the Criminal Law Act 1971 and section 7 of the Bribery Act 2010. The charges relate to payments made by Güralp to a South Korean public official between 2002 and 2015. The DPA also requires Güralp to cooperate fully with the SFO and to review and maintain its existing internal controls, policies, and procedures regarding compliance with the Bribery Act 2010.

The SFO published the DPA alongside the statement of facts and approved judgement following the acquittals of Cansun Güralp, Andrew Bell and Natalie Pearce of conspiracy to make corrupt payments under section 1 of the Criminal Law Act 1971.

[SFO DPA with Güralp Systems Ltd](#)

[Press release](#)

32. Financial Conduct Authority

- 32.1 Failure to notify personal trades under MAR - FCA fines former managing director £45,000 - 20 December 2019** - The FCA has published a Final Notice, dated 12 December 2019, fining Kevin Gorman, a former managing director of Braemar Shipping Services plc (Braemar), £45,000 for failing to notify Braemar and the FCA of his dealings in the company's shares, as required under Article 19(1) of the Market Abuse Regulation (596/2014/EU) (MAR). Article 19(1) requires persons discharging managerial responsibilities (PDMRs) within an issuer, and persons closely associated with them, to notify the issuer and the FCA of transactions conducted on their own account in the issuer's shares or financial instruments. Between August 2016 and January 2017, Mr Gorman sold his entire holding of approximately 22,000 shares in Braemar across three tranches, failing to notify either Braemar or the FCA of his dealings.

The FCA held that Mr Gorman fell within the definition of a PDMRs in his capacity as a senior employee and as a member of Braemar's Executive Committee. In particular, the FCA noted Mr Gorman's level of remuneration, his ability to access confidential management information, inside

Selected Headlines
General

Insurance
Brexit

Financial Crime
Banking and Finance

Enforcement
Securities and Markets

information and his power to make managerial decisions affecting the company's future business prospects. Therefore, by failing to notify Braemar or the FCA of the dealings, the FCA found that Mr Gorman had breached Article 19(1) of MAR.

Mr Gorman qualified for a 30% discount under the FCA's executive settlement procedure, without which the FCA would have imposed a fine of £64,300. This represents the first enforcement action taken by the FCA for a breach of Article 19(1) of MAR.

[FCA Final Notice fining a former managing director £45,000 for breaching Article 19\(1\) of MAR](#)

[Press release](#)

- 32.2 The Financial Services Regulatory Partners Phoenixing Group - FCA provides update - 20 December 2019** - The FCA has published an update on the work undertaken by the Financial Services Regulatory Partners Phoenixing Group, which was launched by the FCA in April 2019. The Group's objective is to tackle 'phoenixing', which involves firms and individuals seeking to avoid liabilities by closing down firms or resigning senior positions, only to re-emerge in a different legal entity.

The FCA states that members of the Group are sharing data more regularly to identify and prevent phoenixing and that the Group intends to focus on using data analytics and machine learning to identify and predict trends and instances of phoenixing in the future.

The Group is next scheduled to meet in May 2020.

[Press release: FCA provides update on the Financial Services Regulatory Partners Phoenixing Group](#)

33. Office of the Complaints Commissioner

- 33.1 FCA failing to maintain the Mutuels Register - Complaints Commissioner upholds complaint - 7 January 2020** - The Financial Regulators Complaints Commissioner has published a final report, dated 4 December 2019, upholding a complaint made against the FCA concerning its failure to adequately maintain the FCA's Mutuels Register. The FCA had failed to follow up on an association that had failed to submit its accounts promptly. In response to the Complaints Commissioner's decision, the FCA has committed to: (i) take immediate action in respect of all current similar instances; (ii) implement a revised process to regularly monitor and update the Mutuels Register and pursue follow-up action; and (iii) review internal processes and guidance to promote consistency.

[Complaint FCA00654 \(dated 4 December 2019\)](#)

Selected Headlines
General

Insurance
Brexit

Financial Crime
Banking and Finance

Enforcement
Securities and Markets

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](#).

The Group's recent work includes advising:

- A number of global banks, insurance and asset management groups on their preparations for Brexit;
- A number of banking groups in relation to banking structural reform, including the UK ring-fencing regime;
- Prudential plc on the proposed demerger of its UK & Europe business (M&G Prudential) from Prudential plc, resulting in two separately-listed companies;
- Standard Life plc on the recommended all-share merger with Aberdeen Asset Management and the subsequent sale by Standard Life Aberdeen plc of its capital-intensive insurance business to Phoenix;
- UK Asset Resolution and Bradford & Bingley plc in relation to the disposal of legacy buy-to-let mortgage assets to Prudential plc and funds managed by Blackstone for a total consideration of £11.8bn;
- On the legal implications of developments across a broad Fintech waterfront for clients such as Euroclear, TreasurySpring, Bupa, TrueLayer, WorldRemit and Stripe, as well as other established businesses, challengers and start-ups; and
- A number of multi-national clients in relation to the UK, EU, and US economic and trade sanctions regimes.

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:

Jan Putnis jan.putnis@slaughterandmay.com
Ben Kingsley ben.kingsley@slaughterandmay.com
Nick Bonsall nick.bonsall@slaughterandmay.com

© Slaughter and May 2019

This material is for general information only and is not intended to provide legal advice. For further information, please speak to your usual Slaughter and May contact.