

**Minutes of Meeting of the  
City of London Law Society Regulatory Law Committee (the "Committee")**

Held on Tuesday, 20 January 2015 at 12.30pm  
at Exchange House, Primrose Street, London, EC2A 2EG

**1 ATTENDEES**

| <b>Present</b>                              | <b>Firm Represented</b>     |
|---|-----------------------------|
| Karen Anderson ("KA") (Co-chair)            | Herbert Smith Freehills LLP |
| Peter Richards-Carpenter ("PRC") (Co-chair) | Berwin Leighton Paisner LLP |
| Peter Bevan ("PB")                          | Linklaters LLP              |
| Tamasin Little ("TL")                       | SJ Berwin LLP               |
| Simon Morris ("SM")                         | CMS Cameron McKenna LLP     |
| Stuart Willey ("SW")                        | White & Case LLP            |

**2 APPROVAL OF MINUTES OF PREVIOUS MEETINGS**

The Committee approved the minutes of the meetings of the Committee held on 11 November and 2 December 2014.

**3 FEMR: CONSULTATION ON THE FAIRNESS AND EFFECTIVENESS OF FICC MARKETS**

SW briefed the Committee on an initial response he had prepared to the FEMR's consultation. The paper focuses on the question of what should be the nature of regulation applied to FICC markets going forward. The Committee discussed the concept of regulating FICC markets and the relative merits of self-regulation and FCA regulation. PB queried whether the FCA was in a position to effectively regulate FICC markets. The Committee offered suggestions to SW. It was agreed that the Committee's response should focus on developing thinking on a range of regulatory models and the consequences of those models. SW agreed to circulate a revised draft of the response for further comment before submission.

**4 FCA: GUIDANCE CONSULTATION ON FINANCIAL CRIME SYSTEMS AND CONTROLS**

In the absence of Margaret Chamberlain (MC), KA circulated draft notes prepared by MC in response to the FCA's guidance consultation. The Committee agreed with the points made by MC, noting that the points made were clear and correct. PRC queried whether the Committee had any additional points to raise beyond those drafted by MC. KA agreed to circulate the notes as a draft for further comment by the Committee.

**5 CONSULTATIONS TO WHICH THE COMMITTEE MAY WISH TO RESPOND**

The Committee discussed a number of papers currently open for consultation to decide whether there were any legal points of uncertainty on which the Committee may wish to respond.

*ESMA: Consultation on MiFID II technical standards*

The Committee discussed some of the definitional points and issues of principle arising in ESMA's consultation on MiFID II. TL suggested that the Committee look at the consultation in further detail

before the next meeting, with a view to determining whether, and how, the Committee should formulate a response. It was agreed that the Committee should review the consultation and prepare comments for the next meeting.

ESMA: Consultations on CSDR implementation (technical standards, technical advice and guidelines)

It was noted that the deadline for each of ESMA's consultations on CSDR implementation is 19 February 2015. The Committee agreed to consider the consultations and prepare comments, if any, for the next meeting.

FCA: Consultation on restrictions on the retail distribution of regulatory capital instruments

KA briefed the Committee on initial notes she had prepared in response to the FCA's consultation. The Committee discussed the FCA's policy intentions behind the consultation. KA agreed to draft and circulate for comment a brief letter on policy intentions in response to the consultation.

Other consultations

It was agreed that the Committee may wish to respond to the Joint Committee's consultation on guidelines for cross-selling practices. KA offered to consider the consultation and circulate initial thoughts.

## **6 AOB**

It was noted that the next meeting of the Committee was scheduled to be held on 10 February 2015. The Committee discussed whether to consider an alternative date for the meeting given the shorter passage of time between meetings. The Committee agreed that the meeting should not be rescheduled, but should be focused on discussing the ESMA MiFID II and CSDR consultations.

There being no other business the meeting was declared closed.



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**Karen Anderson**  
Co-Chair, CLLS Regulatory Law Committee

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**Peter Richards-Carpenter**  
Co-Chair, CLLS Regulatory Law Committee