

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

Held on Tuesday, 10 March 2015 at 12.30pm
at Exchange House, Primrose Street, London, EC2A 2EG

1 ATTENDEES

Present	Firm Represented
Karen Anderson ("KA") (Co-chair)	Herbert Smith Freehills LLP
Peter Richards-Carpenter ("PRC") (Co-chair)	Berwin Leighton Paisner LLP
Peter Bevan ("PB")	Linklaters LLP
Richard Everett ("RE")	Travers Smith LLP
Robert Finney ("RF")	Holman Fenwick Willan LLP
Jonathan Herbst ("JH")	Norton Rose Fulbright LLP
Mark Kalderon ("MK")	Freshfields Bruckhaus Deringer LLP
Ben Kingsley ("BK")	Slaughter and May
Rob Moulton ("RM")	Ashurst LLP

2 APPROVAL OF MINUTES OF PREVIOUS MEETINGS

It was agreed that the minutes of the meetings of the Committee held on 20 January and 10 February 2015 would be circulated to members for comments, following which these would be deemed to be approved.

3 APPLICATIONS FOR MEMBERSHIP TO THE COMMITTEE

The Committee discussed two new applications for membership to the Committee. The Committee noted that although there was no formal process for membership applications, the general criteria established by past practice was that the applicant should be a dedicated specialist regulatory partner (or partner equivalent) of a private practice law firm with appropriate expertise and willingness to contribute actively to the work of the Committee. Personal or firm membership of CLLS is required.

4 RESPONSE TO CP15/01: FCA COMPETITION CONCURRENCY GUIDANCE AND HANDBOOK AMENDMENTS

BK briefed the Committee on the latest draft of the joint response by the Competition Law Committee and the Committee to the FCA on CP15/01. BK noted that the response included certain competition-specific points on which the Committee would not have a view; however, it was agreed that it was clear that this was a joint response so this should not be problematic.

The Committee considered the draft response and discussed the proposed approach to amending the language of SUP 15.3.11 R(1) for competition law infringements. BK agreed to feed back the Committee's thoughts to the Competition Law Committee with a view to circulating a further draft for final comments ahead of the submission deadline on 13 March 2015.

5 OTHER 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.

Joint Committee: Consultation on guidelines for cross-selling practices

The Committee discussed the status of the guidelines under MiFID I and MiFID II and the timing of the guidelines coming into force prior to the rest of the MiFID II regime. KA agreed to circulate any further thoughts to the Committee.

FCA and PRA: Consultation on whistleblowing in deposit-takers, PRA-designated investment firms and insurers

KA summarised proposals in the consultation paper on the role of the whistleblowers' champion and annual report to the firm's senior governance committee, and agreed to consider the paper further and raise any specific points arising with the Committee.

EBA: CRD IV Consultation on draft guidelines on sound remuneration policies

KA flagged several topics in the consultation paper which may contain issues on which the Committee may wish to respond. The Committee discussed the topic of proportionality whether this could extend to neutralisation. RE and RM agreed to consider this issue further. It was decided that Committee members would review the paper before the next meeting and let the Committee know if there are additional topics they would like to take forward. KA also agreed to liaise with the Employment Committee in relation to any proposed response.

FCA Structured Products Thematic Review (TR 15/2)

It was agreed that Committee members would review the paper and prepare comments for the next meeting.

FCA: CP14/3 Improving Complaints Handling

It was noted that the FCA is in dialogue with industry groups regarding this consultation.

FCA and PRA: Consultation on approach to non-executive directors in banking and Solvency II firms and the application of the presumption of responsibility to Senior Managers in banking firms

The Committee discussed the proposal that the Senior Managers Regime apply to non-executive directors acting as chairs of certain governance committees. A point was raised whether the chair of the nomination committee should be caught in view of the fact that the PRA/FCA approves such appointments. It was decided however that the paper did not raise any significant points of legal uncertainty on which the Committee would wish to respond.

EU Commission: Consultation on building a capital markets union

The Committee concluded that at this stage the proposals were at too high a level to enable the Committee to engage with points of legal uncertainty at this stage.

EU Commission: Consultation on high quality securitisation

KA agreed to ascertain whether the Finance Committee is considering this paper and report back to the Committee.

6 AOB

Withdrawal of Unfair Terms in Consumer Contracts Guidance

The Committee discussed the FCA's withdrawal of guidance on Unfair Terms in Consumer Contracts with the statement that the withdrawn guidance no longer reflects the FCA's views on unfair contract terms and the FCA is considering how it should be updated, without additional explanation or substitute guidance. It was agreed that the Committee may wish to write to the FCA to clarify its process for withdrawing the guidance. The Committee considered additional points on process that might possibly be raised, for example, regarding the use of emergency powers for the issuing of guidance on pension release and the timing implications of this for firms.

FCA Guidance on Retail Investment Advice

MK briefed the Committee on points raised by the Law Society in relation to the final FCA Guidance on Retail Investment Advice. It was agreed that MK would circulate these to the Committee with a view to considering whether there are points which the Committee may wish to take up with the FCA.

Rethinking the UK financial services trade association landscape

The Committee noted the proposals put forward in this paper.

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