CLIFFORD
CHANCE

Briefing note

International Regulatory Update

21 – 24 March 2016

IN THIS WEEK'S NEWS

- CRR: EU Council agrees to extend exemption for commodity dealers
- EU Commission consults on EU insolvency framework
- BRRD: EU Commission adopts Delegated Regulation on the content of recovery plans, resolution plans, conditions for group financial support and more
- UCITS: Commission Delegated Regulation on obligations of depositaries published in Official Journal
- SSM: ECB Regulation on the exercise of options and discretions published in Official Journal
- EMIR: ESMA publishes guidance on recognition of third-country CCPs and agrees MoU with South Korea
- MiFID2: ESMA writes to Commission on proposed amendments to draft RTS
- EBA consults on corrections to modified duration for debt instruments
- EBA reports on SMEs and SME supporting factor
- MiFID2: PRA consults on implementing passporting and algorithmic trading rules
- PRA amends rules on loan to income ratios in mortgage lending
- FCA publishes rules on client money, disclosure and advice relating to peer-to-peer lending
- Ring-fencing: FCA publishes near-final customer disclosure rules for non-ring-fenced bodies
- Interchange Fees Regulation: PSR publishes final guidance
- FINMA issues circular on reducing obstacles to FinTech
- Polish president signs amendments to Act on Bank Guarantee Fund
- FSDC publishes report on equity crowdfunding
- SFC issues circular on timetable for implementation of new professional investor regime
- Financial system crisis prevention and management law passed
- ASIC issues guidance for marketplace lending products
- ASIC consults on regulating digital financial product advice

Clifford Chance's International Regulatory Update is a weekly digest of significant regulatory developments, drawing on our daily content from our Alerter: Finance Industry service.

If you would like to continue to receive International Regulatory Update or would like to request a subscription for a colleague, please click here.

To request a subscription to our Alerter: Finance Industry service, please email Online Services.

If you would like to know more about the subjects covered in this publication or our services, please contact:

International Regulatory Group Contacts

Chris Bates +44 (0)20 7006 1041

Nick O'Neill +1 212 878 3119

Marc Benzler +49 69 7199 3304

Steven Gatti +1 202 912 5095

Mark Shipman + 852 2826 8992

Donna Wacker +852 2826 3478

International Regulatory Update Editor

Joachim Richter +44 (0)20 7006 2503

To email one of the above, please use firstname.lastname@cliffordchance.com

Clifford Chance LLP, 10 Upper Bank Street, London, E14 5JJ, UK
www.cliffordchance.com

- CFTC comparability determination to permit dually-registered EU-based CCPs to comply only with specified EU requirements becomes effective
- Recent Clifford Chance briefings: The UK referendum – Challenges for Europe's Capital Markets; and more. Follow this link to the briefings section.

CRR: EU Council agrees to extend exemption for commodity dealers

The Permanent Representatives Committee has, on behalf of the EU Council, agreed to extend an exemption for commodity dealers under the Capital Requirements Regulation (CRR).

The CRR exempts commodity dealers from large exposure requirements and from own funds requirements until 31 December 2017, and requires the EU Commission to prepare reports on the prudential supervision of commodity dealers and of investment firms in general by 31 December 2015. This review is still underway, and any new legislation required as a consequence would only be adopted after 31 December 2017.

In order to save commodity dealers from an unstable regulatory environment in the short term, the Council has agreed to extend the exemption relating to commodity dealers until 31 December 2020. A proposed regulation extending the deadline will be submitted to the EU Parliament for approval at first reading, and then to the Council for formal adoption. The Parliament's ECON Committee backed the extension on 7 March 2016.

EU Commission consults on EU insolvency framework

The EU Commission has launched a consultation on ensuring an effective insolvency framework in the EU, which builds on previous work and consultations, most recently the Capital Markets Union (CMU) action plan. The CMU action plan sets out the Commission's intention to propose a legislative initiative on business insolvency, including early restructuring and a second chance, drawing on the experience of the Commission's Insolvency Recommendation on a new approach to business failure and insolvency, which was adopted in March 2014. The Insolvency Recommendation was addressed to Member States, which were invited to implement the Recommendation by 14 March 2015. The Commission notes that a few Member States have undertaken reforms, which have only partially implemented the Recommendations.

The consultation seeks stakeholders' views on the insolvency framework, in particular common principles and standards that could ensure national insolvency frameworks work well, especially in a cross-border context. The Commission intends to identify aspects that may be dealt with in its legislative initiative from the consultation responses.

Comments on the consultation are due by 12 June 2016.

BRRD: EU Commission adopts Delegated Regulation on the content of recovery plans, resolution plans, conditions for group financial support and more

The EU Commission has adopted a Commission Delegated Regulation with regard to certain regulatory technical standards (RTS) under the Bank Recovery and Resolution Directive (BRRD). In particular, the RTS specify:

- the content of recovery plans;
- resolution plans and group resolution plans;
- the minimum criteria that the competent authority is to assess as regards recovery plans and group recovery plans;
- the conditions for group financial support;
- requirements for independent valuers;
- contractual recognition of write-down and conversion powers;
- the procedures and contents of notification requirements and of notice of suspension; and
- the operational functioning of the resolution colleges.

The Delegated Regulation will enter into force on the twentieth day following that of its publication in the Official Journal.

UCITS: Commission Delegated Regulation on obligations of depositaries published in Official Journal

A Commission Delegated Regulation (2016/438) on the obligations of depositaries under the Undertakings for Collective Investments in Transferable Securities (UCITS) Directive has been published in the Official Journal.

The Regulation will enter into force on 13 April 2016 and apply from 13 October 2016.

SSM: ECB Regulation on the exercise of options and discretions published in Official Journal

A European Central Bank (ECB) Regulation (2016/445) on the exercise of options and discretions available under EU law has been published in the Official Journal. The Regulation specifies certain options and discretions

conferred on competent authorities concerning prudential requirements for credit institutions that the ECB shall exercise under its supervisory tasks within the Single Supervisory Mechanism (SSM). The Regulation is intended to ensure the consistent application of prudential requirements for credit institutions within the SSM and relates to certain options and discretions under the Capital Requirements Directive (CRR) and certain delegated acts.

The Regulation will enter into force on 1 October 2016.

EMIR: ESMA publishes guidance on recognition of third-country CCPs and agrees MoU with South Korea

The European Securities and Markets Authority (ESMA) has published guidance on the recognition of third-country central counterparties (CCPs) under the European Market Infrastructure Regulation (EMIR). The guidance covers communication with ESMA prior to the application, the timeframe and process for submission of an application, acknowledgment of receipt of the application, deadlines, the assessment of completeness, the examination of the application, the decision on the registration application and finally publication on ESMA's website.

ESMA has also signed a Memorandum of Understanding (MoU) with the South Korean Financial Services Commission (FSC) and Financial Supervisory Service (FSS) establishing cooperation arrangements, including the exchange of information, regarding CCPs which are established and authorised or recognised in South Korea, and which have applied for EU recognition under EMIR. EMIR provides for cooperation arrangements between ESMA and the relevant non-EU authorities where the legal and supervisory framework for CCPs has been deemed equivalent to EMIR by the EU Commission.

The MoU is effective from 15 March 2015.

MiFID2: ESMA writes to Commission on proposed amendments to draft RTS

ESMA has published three letters addressed to Olivier Guersent, Director General of the EU Commission Directorate General for Stability, Financial Services and Capital Markets Union (DG FISMA), in response to letters sent by DG FISMA on 14 March 2016 on draft RTS submitted by ESMA on:

- the application of position limits to commodity derivatives;
- criteria to establish when an activity is considered to be ancillary to the main business; and
- non-equity transparency.

In its letters, DG FISMA indicated to ESMA that it supports the general approach taken in the draft RTS. However, in its responses ESMA has noted that the EU Commission's deadline for deciding whether to endorse the draft RTS, as stipulated under the ESMA Regulation, ended at the end of December 2015. As such, ESMA has informed DG FISMA that it intends to move forward on the basis of two assumptions, that the Commission's letters on 14 March:

- constituted a formal notification to endorse the draft RTS with amendments; and
- contained all the changes that the Commission intends to adopt in the draft RTS.

ESMA has requested a written reply from the Commission by 29 March 2016 if either assumption is incorrect. ESMA will begin work on its Opinions relating to the Commission's proposed amendments to the draft RTS on position limits and ancillary activities immediately. On non-equity transparency, ESMA has requested that the Commission provide clarification on proposals set out by the Commission on:

- liquidity assessments to be performed by ESMA, which according to the letter would be linked to moving to a subsequent daily trading threshold; and
- the size-specific to the instrument pre-trade thresholds for bonds and derivatives.

ESMA has highlighted its intention to proceed swiftly with its Opinion on the proposals to amend the draft RTS on non-equity transparency in order to limit any further delay in terms of clarity for the necessary IT infrastructure required.

EBA consults on corrections to modified duration for debt instruments

The European Banking Authority (EBA) has launched a consultation on draft guidelines that aim to establish what type of adjustments to the modified duration (MD) – as defined according to the formulas in Article 340 of the Capital Requirements Regulation (CRR) – have to be performed in order to appropriately reflect the effect of prepayment risk.

The CRR establishes two standardised methods to compute capital requirements for general interest rate risk: the maturity-based calculation for general interest risk and the duration-based calculation of general risk.

The draft guidelines are relevant for institutions applying the duration-based calculation, and propose two approaches to correct the modified duration calculation:

- treat the debt instrument with embedded optionality as if it were a combination of a plain vanilla bond and an option; or
- calculate directly the change in value of the whole instrument subject to prepayment risk.

The draft guidelines also propose to compute additional adjustments to reflect the negative convexity as well as transaction costs and any relevant behavioural factors that may affect the modified duration of the instrument.

Comments to the consultation close on 22 June 2016.

EBA reports on SMEs and SME supporting factor

The EBA has published its report on small-to-medium enterprises (SME) and the SME supporting factor (SF). The CRR introduced a capital reduction factor for loans to SMEs, the SME SF, which was designed to allow credit institutions to counterbalance the rise in capital requirements resulting from the capital conservation buffer (CCB), and to provide an adequate flow of credit to this particular group of companies. The SME SF was implemented as early as 2014, reducing the capital requirements for exposures to SMEs in comparison with the pre-CRR/Capital Requirements Directive 4 (CRD 4) framework.

Under Article 501(5) of the CRR, the EBA is mandated to report to the EU Commission on:

- the evolution of lending trends and conditions for SMEs;
- the effective riskiness of EU SMEs over a full economic cycle; and
- the consistency of own funds requirements laid down in the CRR for credit risk exposures to SMEs, with the outcomes of the analysis under the first two points.

The report does not reach any EU-wide conclusions, citing limitations of the data available for assessment and the relatively recent introduction of the SME SF, and recommends regular monitoring of the SME SF and reconsidering the issue at a later stage.

MiFID2: PRA consults on implementing passporting and algorithmic trading rules

The Prudential Regulation Authority (PRA) has launched a consultation on its first set of proposed rules to transpose the MiFID2 package. The consultation is relevant to PRA-designated banks, building societies, investment firms, their qualifying parent undertakings, which for the purposes of the consultation comprise financial holding companies and mixed financial holding companies, and credit institutions, investment firms and financial institutions that are subsidiaries of those holding companies.

The PRA notes that legislative amendments proposed by the EU Commission would delay the application of MiFID2 and MiFIR to 3 January 2018, but not the 3 July 2016 transposition deadline. The legislative amendments will only be confirmed once they have been adopted by the EU Parliament and EU Council. However, the PRA has highlighted that some of its proposals are dependent on Level 2 delegated acts, which the Commission has not yet published and, as such, certain changes may need to be incorporated into the draft rules once the delegated acts are made, in order to reflect any relevant changes.

The consultation sets out policy proposals on:

- the extension of the scope and harmonisation of the passporting regime; and
- systems and controls for firms who undertake algorithmic trading and provide direct electronic access to trade venues.

The consultation paper discusses the PRA's approach to implementation, including PRA Rulebook amendments in order to implement:

- Article 16 – organisational requirements;
- Article 17 – algorithmic trading; and
- Articles 34-35 – providing investment services and activities within the EEA.

The PRA intends to consult on other areas of MiFID2 where Rulebook changes are required in due course.

PRA amends rules on loan to income ratios in mortgage lending

The PRA has published a policy statement (PS11/16) setting out the final rules intended to keep second and subsequent charge mortgage contracts excluded from the loan to income (LTI) flow limit, following the implementation of the Mortgage Credit Directive (MCD).

Under the MCD, second and subsequent charge mortgage contracts fall under the definition of a regulated mortgage contact. The PRA's rules place an LTI flow limit on regulated mortgage contracts, and consequently on second and subsequent charge mortgage contracts, which were previously exempted from the LTI flow limit.

PS11/16 also provides feedback to responses to CP6/16 on amendments to the PRA's rules on loan to income ratios in mortgage lending.

FCA publishes rules on client money, disclosure and advice relating to peer-to-peer lending

The Financial Conduct Authority (FCA) has published a policy statement (PS16/8) on rules and guidance on client money, disclosure and advice relating to peer-to-peer (P2P) agreements. The changes to the FCA Handbook set out in the policy statement relate to legislative changes to the Individual Savings Account (ISA) Regulations 1998 to introduce the Innovative Finance ISA (IFISA), under which P2P arrangements may be held in an ISA wrapper within the IFISA, and the Regulated Activities Order (ROA) to make P2P lending a regulated activity. Both changes will come into force on 6 April 2016.

The policy statement sets out the FCA's feedback on responses to two consultations on:

- rules to allow firms that hold client money in relation to both P2P and business-to-business (B2B) agreements to be able to elect to hold all lenders' monies under CASS 7 if they wish to do so, alongside guidance to clarify that where a firm holds money that has not yet been invested for a client, this should be client money held under the CASS rules, unless the circumstances are such that it could never be money held in relation to a P2P agreement (CP16/4); and
- proposed changes to the Handbook relating to the establishment of IFISA and the new regulated activity of advising on P2P agreements (CP16/5).

Respondents to both consultations generally agreed with the proposals and the final rules take these forward. The policy statement is focused on the regulated loan-based crowdfunding sector, including P2P, which is operated online through crowdfunding platforms.

The rules relating to loan-based crowdfunding platforms and segregation of client money, consulted on in CP16/4 and set out in Appendix 2 of the policy statement, came into force on 21 March 2016. The rules on Handbook changes to reflect the introduction of the IFISA and the regulated activity of advising on P2P agreements, consulted on in CP16/5 and set out in Appendix 1 of the policy statement, come into force on 6 April 2016, to coincide with the date the IFISA is introduced.

Ring-fencing: FCA publishes near-final customer disclosure rules for non-ring-fenced bodies

The FCA has published a policy statement (PS16/9) setting out near-final customer disclosure rules for non-ring- fenced bodies (NRFB).

This follows a consultation paper (CP15/23) on the draft rules, and PS16/9 summarises the feedback received.

The FCA aims to publish the rules later in 2016. The FCA hopes that publishing them as near-final allows banks enough time to ensure that they are aware of their obligations before they implement their Ring Fencing Transfer Scheme in 2019.

Interchange Fees Regulation: PSR publishes final guidance

The Payment Systems Regulator (PSR) has published its final guidance on its approach to the Payment Card Interchange Fee Regulations 2015 (PCIFRs), which designate the PSR as a competent authority for the EU Interchange Fees Regulation (2015/751 – IFR) in the UK.

Publication of the final guidance follows a consultation launched in December 2015 on monitoring compliance with caps on interchange fees or equivalent issuer compensation and business rules provisions that entered into force on 9 December 2015. Responses to that consultation have been published in a policy statement (PS1/16) alongside the final guidance, which includes:

- the classification of schemes for IFR purposes;
- interchange fee caps and the possible exemption from those caps for some three-party schemes;
- business rule provisions that entered into force on 9 December 2015;
- the PSR's approach to monitoring compliance with the IFR;
- the PSR's powers and procedures under the IFR; and
- penalties under the IFR.

The PSR has also updated its frequently asked questions (FAQs) with an answer relating to whether acquirers will pass on interchange reductions to merchants and published a webpage on the IFR, which also sets out certain FAQs.

Alongside the guidance, the PSR has published a final determination on card schemes subject to domestic interchange fee caps in the UK, in particular whether certain three-party card schemes may qualify for an exemption. The statement confirms that the only scheme

operating in the UK that could qualify for an exemption must comply with the interchange fee caps from 1 April 2016 to 31 March 2017.

FINMA issues circular on reducing obstacles to FinTech

The Swiss Financial Market Supervisory Authority (FINMA) has published a new circular on video and online client identification (FINMA Circ. 2016/17) which sets out the anti-money laundering due diligence requirements for digital business in its effort to reduce obstacles to FinTech.

The new circular covers a range of onboarding methods via digital channels, including video identification. Subject to compliance with certain requirements, financial intermediaries will be allowed to onboard clients by means of video transmission, putting this form of identification on par with in-person identification. FINMA has also made minor regulatory adjustments in the new circular to ensure technology neutrality by removing the written client identification requirement for certain contracts contained in the 'Guidelines on asset management' circular (FINMA Circ. 2009/01).

In addition, FINMA has voiced its support for the introduction of a new licensing category for financial innovators and a licence exempt area (sandbox). FINMA envisages that the new licensing category would be for business models which carry out some banking activities, but with limited acceptance of client assets and no lending activity (for example, financial services providers who do not accept more than CHF 50 million in deposits could apply for this type of financial innovators' licence provided they hold 5% of the deposits and at least CHF 300,000 of capital as collateral). The licensing requirements would be less extensive than a banking licence because of lower risk and limited business scope. The issuance of such licences would lower the entry threshold for providers of payment systems, applications for managing assets digitally and crowdfunding platforms. A fully licence-exempt environment would also be conceivable, particularly for start-up companies, up to a deposit threshold of CHF 200,000 and irrespective of the number of depositors. FINMA is currently discussing a range of ideas with the banking sector and the relevant authorities.

Polish president signs amendments to Act on Bank Guarantee Fund

The Polish president has signed the amendments to the Act on the Bank Guarantee Fund. The Act changes how institutions covered by the mandatory scheme guaranteeing deposits in bank accounts or payable in respect of receivables under banking operations are to pay fees to the Bank Guarantee Fund.

Fees will now be paid to the Bank Guarantee quarterly, instead of annually.

The Act has been published in the Journal of Laws.

FSDC publishes report on equity crowdfunding

The Financial Services Development Council (FSDC) has published a report entitled 'Introducing a Regulatory Framework for Equity Crowdfunding in Hong Kong', which proposes options for establishing a framework to promote and regulate equity crowdfunding in Hong Kong.

The report looks at different potential approaches for Hong Kong to regulate equity crowdfunding and underlines the importance of adopting appropriate initiatives to facilitate its development. Potential approaches range from full legislative actions to maintaining the status quo, or, a 'middle option' through introducing regulatory initiatives. The middle option includes granting conditional exemptions from the prospectus regime applicable to public offerings, licensing crowdfunding platforms and imposing risk-exposure limits on crowdfunding investors. The report notes that the policy choice will necessarily involve striking a balance between innovation and entrepreneurship on the one hand and investor protection on the other. However, it adds that prudent investor choices will remain important as investors must ultimately bear the risk of their own decisions.

SFC issues circular on timetable for implementation of new professional investor regime

The Securities and Futures Commission (SFC) has issued a circular to licensed corporations and registered institutions to inform them that a new paragraph 15 of the Code of Conduct for Persons Licensed by or Registered with the SFC in relation to professional investors will come into effect on 25 March 2016. The reform is intended to ensure that specified categories of professional investors who were previously not covered by important Code protections are covered. A key objective is to ensure that these protections extend to all individual clients of intermediaries (including those who use corporate vehicles) regardless of their financial resources. This means that intermediaries will, among other obligations, be bound by the 'suitability requirement' in relation to these clients. Intermediaries will also need to enter into a written client agreement and provide relevant risk disclosure statements.

Separately, as set out in the consultation conclusions on the client agreement requirements published on 8 December 2015, intermediaries must comply with important new Code requirements governing the contents of all client agreements on or before 9 June 2017. However, it is expected that intermediaries should be able to comply with these requirements for the vast majority of clients well before that date. The 18-month transitional period from 8 December 2015 to 9 June 2017 is intended to give intermediaries time to amend their client agreements and then to enter into these agreements with all of their existing clients, as the SFC recognises that for some clients there may be practical difficulties in completing this process in a short period. In order to address the overlapping implementation periods for amending and entering into revised client agreements, the SFC has decided to synchronise the implementation timetables for both so as to avoid, as far as possible, the need for client agreements to be re-executed more than once. This means that:

- the only element of the new professional investor regime in respect of which intermediaries will be given additional time to comply is the requirement to enter into a written client agreement and provide relevant risk disclosure statements under new paragraph 15.4(b) of the Code;
- accordingly, save for the requirement to enter into a written client agreement and provide relevant risk disclosure statements, all other provisions of new paragraph 15 of the Code implementing the new professional investor regime will still come into effect on 25 March 2016, including the 'suitability requirement'; and
- the extension of time specified above will be subject to the same 9 June 2017 deadline as the existing implementation period for the new client agreement requirements.

Financial system crisis prevention and management law passed

The Ministry of Finance (MoF) has announced the passing, by the House of Representatives, of the Financial System Crisis Prevention and Management Law (Financial Crisis Law), which is aimed at strengthening the institutional framework supporting financial sector stability in Indonesia.

The Financial Crisis Law includes the following:

- the establishment of the Financial System Stability Committee (KSSK) comprising the MoF, Bank Indonesia, the Financial Services Authority (OJK) and the Deposit Insurance Agency (LPS), which has been tasked with, among other things, monitoring, maintaining, and handling any financial crisis when it arises, as well as identifying and monitoring systemically important banks (domestic banks and foreign branches whose parent company has been declared a global systemically important bank);
- the KKSK is funded from the state budget;
- the KSSK must submit 3 monthly financial stability reports, and is authorised to make recommendations to the President of Indonesia on the change of the country's financial status. The President has sole authority to declare that the country is in financial crisis; and
- the responsibility for any bank rescue now lies with the relevant bank's owners, strategic partners or creditors (bail-in-scheme) and not the Indonesian government.

ASIC issues guidance for marketplace lending products

The Australian Securities and Investments Commission (ASIC) has published Information Sheet 213, which gives providers of marketplace lending (peer-to-peer lending) products guidance on a number of key issues.

ASIC emphasises the obligations on marketplace lenders under financial services and credit laws, the importance of not making misleading or deceptive representations when advertising products and encourages new providers to work closely with the regulator to ensure good practice.

ASIC consults on regulating digital financial product advice

ASIC has released Consultation Paper 254 Regulating digital finance advice and draft Regulatory Guide 000 Providing digital financial product advice to retail clients, which relates to the provision of automated financial advice or 'robo-advice', for public consultation.

The draft Regulatory Guide sets out ASIC's intended approach to robo-advice providers, including the requirement to hold an Australian financial services licence, have a responsible manager that meets the training and competence standards for advisers, and undertake monitoring and testing of digital advice algorithms.

It is also proposed that a 6 month transitional period (which commences from the date of publication of the regulatory guide) will apply to existing providers.

The consultation period ends on 16 May 2016.

CFTC comparability determination to permit dually-registered EU-based CCPs to comply only with specified EU requirements becomes effective

The comparability determination issued recently by the Commodity Futures Trading Commission (CFTC) to permit dually-registered EU-based CCPs to comply only with specified EU requirements became effective on 22 March 2016. The comparability determination concerns EU laws and regulations that are equivalent to the following regulatory obligations applicable to CFTC-registered derivatives clearing organizations (DCOs):

- financial resources;
- risk management;
- settlement procedures; and
- default rules and procedures.

EU-based central counterparties (CCPs) authorized to operate in the EU that are also CFTC-registered may comply with these CFTC requirements by complying with the terms of corresponding EU requirements.

The CFTC's comparability determination is a key step toward achieving recognition for US-based CCPs in the European Union.

RECENT CLIFFORD CHANCE BRIEFINGS

The UK Referendum – Challenges for Europe's Capital Markets

A vote on 23 June for the UK to leave the EU would result in a radical change in the relationship between the UK and the continuing Member States of the EU (C-EU) which could fracture the integration achieved so far in these markets and forestall the future integration promised by the plans for an EU Capital Markets Union.

This report, commissioned by the Association for Financial Markets in Europe (AFME), assesses the legal and regulatory impacts of the exit of the UK from the EU (Brexit) on the EU's wholesale capital markets and the arrangements that might exist or be created to mitigate those impacts in the context of a new relationship between the UK and the C-EU. In particular, the report discusses the importance of the EU 'passports' in integrating European financial markets, the alternative treaty frameworks for a UK-EU relationship post-Brexit and the extent to which existing 'third country' regimes in EU legislation might mitigate the impact of the UK leaving the EU on cross-border business.

http://www.cliffordchance.com/briefings/2016/03/the_uk_referendumchallengesforeurope.html

Brexit – Insurance Sector Analysis

The upcoming referendum on the UK's membership of the EU is likely to have a major impact on financial services. With many insurers heavily reliant on the EU passport regime and several global insurers choosing to locate their head office within the UK, there are likely to be serious economic and regulatory consequences for the insurance industry if a Brexit occurs.

This briefing paper considers some of those consequences and suggests what could be considered as part of insurers' and brokers' contingency plans.

http://www.cliffordchance.com/briefings/2016/03/brexit_-_insurancesectoranalysis.html