"NO DEAL" DOMESTIC LEGISLATION TRACKER

Governments in European Economic Area (**EEA**) member states and Switzerland are announcing domestic measures in order to prepare for the UK's withdrawal from the EEA. The table below monitors these developments in each jurisdiction and provides a high-level summary of the relevant provisions, as they pertain to the financial services sector. For the purposes of this table, the day of which the UK formally withdraws from the EU is known as **Exit Day**.

Jurisdiction	Whether a draft Brexit law has been announced?	Status of law/regulation	Broad law/financial services specific	Notification/ application required?	Description of proposal
Austria	Yes	Draft	Broad law	Not proposed at this stage.	• The Austrian government's proposals contemplate a transitional period until end-2020. • The draft law proposes to ensure that "UK registered companies" can continue to exercise their rights of freedom of establishment during this time.
Belgium	Expected shortly	Draft	Broad law	Not proposed at this stage.	• We expect the draft law will provide the Belgian government with broad powers in relation certain areas of the financial services sector and allow for (a) the modification of the Belgian laws relating to the provision of investment services and portfolio management by UK firms and (b) the modification of the Belgian laws in relation to insurance intermediation.
Bulgaria	Yes	Draft	Broad law	Not proposed at this stage.	• The draft law does not reference the financial services sector.
Croatia	No	N/A	N/A	N/A	No proposals have been announced.
Cyprus	No	N/A	N/A	N/A	No proposals have been announced.
Czech Republic	Yes	Draft	Broad law	Not proposed at this stage.	• Under the draft law a firm which has previously provided financial products and services into the Czech Republic prior to Exit Day on the basis of a licence granted in the UK will be able to continue to provide such products and services in a limited manner. The draft law will restrict the provision of services to those required to perform activities that are necessary for the settlement of its claims and debts arising from existing contracts. The proposals do not contemplate that firms will be able to either (a) amend existing contracts or (b) enter into new ones. • The Czech National Bank will be the competent authority performing the regulatory oversight of such providers of financial services.
Denmark	No	N/A	N/A	N/A	No proposals have been announced.
Estonia	No	N/A	N/A	N/A	No proposals have been announced.
Finland	Yes	First published: 5 December 2018. Not yet adopted.	Financial services specific	Yes	**Contractual continuity proposals** • The explanatory statement to the government's proposals outlines that certain measures or events (ie lifecycle events under existing derivative contracts) that take place after Brexit could be interpreted as entering into a new contract, which could trigger a licensing requirement in Finland. • The proposal provides the Finnish regulator with wide discretion to decide if an event or action would trigger a licensing requirement in Finland. In making such a determination, the Finnish regulator should have regard to the objectives of the applicable rules as well as the consequences of different interpretations on the functioning, reliability and stability of the market. **Application process** • Under the Finnish government's proposals, UK firms will have to apply for a cross-border licence before Exit Day. The regime will apply to

Jurisdiction	Whether a draft Brexit law has been announced?	Status of law/regulation	Broad law/financial services specific	Notification/ application required?	Description of proposal
					UK firms who currently hold a branch and/or cross-border service passport in Finland. A UK firm, provided that it has applied for a licence prior to this date, can continue to provide investment services and activities together with ancillary services under the recast Markets in Financial Instruments Directive II (MiFID II) to professional clients and eligible counterparties. • A firm must demonstrate to the Finnish regulator that can satisfy a number of conditions in order for the licence to be granted. There is an expectation that the licensing process will not be onerous.
France	Yes	First published: 3 October 2018. Law adopted: 20 January 2019. Financial services ordonnance adopted: 6 February 2019.	Broad law and financial services specific ordonnance	Not proposed at this stage.	**Broad law** • Article 2(4) of the law (the **Brexit Act**) gives the French government discretionary power in relation to specific financial services issues. The French government is entitled to take measures by ordinance to deal with the consequences of a no deal outcome. **Financial services ordonnance** • The financial services ordonnance provides for the following measures: (a) guaranteeing the continued access of French entities to UK payment and inter-bank settlement systems; (b) providing for insurance contracts entered into prior to Brexit to be performed (but that such contracts cannot be renewed without triggering a licensing requirement); (c) providing that master agreements entered into between EU-27 counterparties (French institutions and those with a branch in France) and UK counterparties can be novated subject to a number of conditions; (d) providing for counterparties to switch their English law governed ISDA to a French law governed alternative; (e) providing an explanation for how novated master agreements will be dealt with by the French courts; (f) introducing rules in relation to ratios for portfolio management purposes; and (g) designating the French Autorité des Marchés Financiers as the relevant competent authority in relation to securitisation issues.
Germany	Yes	First published: 21 November 2018 Not yet adopted.	Financial services specific	Not proposed at this stage.	**Transitional licensing regime** • The draft law provides discretionary authority to the German regulator (**BaFin**) to allow firms based in the UK (which have been passporting into Germany on a branch or cross-border basis) to continue to operate in Germany until the end-2020. The explanatory materials contemplate a narrower usage of these powers: to extend them only to financial transactions entered into on or before Exit Day and to allow entering into financial transactions after Exit Day only insofar as these transactions are closely connected to transactions that existed at the time of withdrawal. The explanatory materials to the draft law make multiple references to derivatives transactions. In particular, the draft law provides that, for instance, transactions initiated for risk management purposes and life-cycle events could constitute the required "close connection" to pre-Brexit transactions. Notably, the draft law explicitly states that BaFin may limit the application of the transition regime to derivatives transactions. **Changes to termination of senior executives** • Additionally, the German Act provides flexibility for financial services firms and banks to terminate employment contracts with risk takers. The proposed rules would apply to employees earning more than €234,000 EUR/year (although that threshold is linked to demographic metrics that may vary from year to year) and are, in the current draft, available to "significant institutions", ie those with a balance sheet size of EUR15 billion over the last three years. • Such employees can be terminated without an obligation of the firm to substantiate cause for this termination. However, other employment protection provisions will continue to apply.
Greece	No	N/A	N/A	N/A	No proposals have been announced.
Hungary	No	N/A	N/A	N/A	No proposals have been announced.

Jurisdiction	Whether a draft Brexit law has been announced?	Status of law/regulation	Broad law/financial services specific	Notification/ application required?	Description of proposal
Iceland	No	N/A	N/A	N/A	No proposals have been announced.
Ireland	Yes	First published: 24 January 2019	Broad law	Not proposed at this stage.	• The draft bill includes: (a) amendments to the Irish settlement finality legislation to ensure continued access to central securities depositories; and (b) amendments to various pieces of insurance legislation to ensure contract continuity for current insurance policies.
Italy	Yes	-	Financial services specific	Not proposed at this stage.	• The Italian Ministry of Economy and Finance (**MEF**) has published a press release confirming that the MEF adopted the rules required to ensure business continuity for UK firms operating in Italy as well as Italian firms operating in the UK. The aim of the rules is to ensure market stability and protect depositors and investors by avoiding discontinuity of financial services. The draft rules would only be applicable in case of a no deal Brexit and, as such, the draft rules have yet not been published by the MEF. • The draft rules will be published if and when there is certainty about the implementation of a no deal Brexit. The draft rules would apply to banking, investment and insurance firms and would envisage a temporary period during which UK firms would be allowed to continue operating in Italy. • The press release does not expressly indicate the duration of the transition period but refers to the transition period currently contemplated by the withdrawal agreement (ie until end-2020). The MEF's press release further clarifies that the draft rules would also indicate the conditions and requirements that will be applicable to UK firms in order to continue operating in Italy after the end of the aforesaid transition period. As to timing for publication of the rules, the MEF stated that this will depend on the next developments regarding Brexit.
Latvia	No	N/A	N/A	N/A	No proposals have been announced.
Liechtenstein	No	N/A	N/A	N/A	No proposals have been announced.
Lithuania	No	N/A	N/A	N/A	No proposals have been announced.
Luxembourg	Yes	First published: 28 January 2019	Financial services specific	Not proposed at this stage.	• The Luxembourg draft law aims to maintain access for UK financial sector companies currently operating in Luxembourg. The objective of the draft law is to put in place measures so that financial sector actors can continue to work normally after a possible no deal Brexit. A transitional period of 21 months is provided for in certain provisions of the draft law. • The areas covered by the draft law are: (a) the provision of services in the financial sector; (b) payment services; (c) the fund industry; and (d) the insurance sector. • The legislation also allows the Commission de Surveillance du Secteur Financier and the Commissariat aux Assurances to take temporary emergency measures in their areas of competence – in particular these regulators will have the ability to decide, on a case-by-case basis, whether to allow existing UK firms to continue to provide products and services into Luxembourg.
Malta	No	N/A	N/A	N/A	No proposals have been announced.
Norway	Yes	First published: 20 December 2018 Adopted: 1 January 2019	Financial services specific	Not proposed at this stage.	• The Norwegian Ministry of Finance's temporary regulation allows firms established outside the EEA to continue to conduct investment activities with professional clients and eligible counterparties in Norway based on home state authorisation and supervision. The Norwegian Financial Supervisory Authority (**FSA**) is given broad powers and may set conditions for the activities. • On 20 December 2018, the Norwegian Ministry of Finance also enacted a temporary regulation on contract continuity (the **CCR**) which aims to ensure that UK-based investment firms may continue to provide investment services on a cross-border basis to professional clients and eligible counterparties in Norway following a no deal Brexit. Only firms who hold valid passporting rights in Norway as of 29 March 2019 will be eligible and the regulation does not extend to investment services provided to non-professional clients. The CCR does not distinguish between existing and prospective contracts.

Jurisdiction	Whether a draft Brexit law has been announced?	Status of law/regulation	Broad law/financial services specific	Notification/ application required?	Description of proposal
					• There is no need for firms to apply to or notify any Norwegian authority in order to make use of the temporary regulation, but the Norwegian FSA is entitled to attach conditions to an individual firm's use of the regulation post Brexit. The temporary regulation was adopted on 1 January 2019. No further details about the regulation have been published, including its intended duration. The regulation has so far only been published in the Norwegian language.
The Netherlands	Yes	First published: 16 November 2018 Financial services specific exemption adopted: 6 February 2019.	Broad law and financial services specific exemption	Yes	**Broad law** • The draft law authorises the Dutch government to adopt temporary measures by way of decree or ministerial regulations for a period of up to six months after Exit Day. **Exemption application** • The Dutch government has published a decree in which an exemption, known as the article 10 exemption, will be extended to UK investment firms from 30 March 2019. Article 10 enables UK investment firms to provide MiFID II services into the Netherlands to per se professional clients or eligible counterparties provided that the UK firm remains subject to supervision by the UK regulator. • The article 10 exemption application process is straight forward. The UK investment firm has to submit an application form, including either a declaration from the UK supervisor stating that the investment firm is subject to their supervision or a reference to a public register of the UK regulator. • Firms subject to the article 10 exemption will be subject to certain Dutch conduct of business rules and prudential requirements.
Poland	No	N/A	N/A	N/A	No proposals have been announced.
Portugal	No	N/A	N/A	N/A	No proposals have been announced.
Romania	No	N/A	N/A	N/A	No proposals have been announced.
Slovak Republic	No	N/A	N/A	N/A	No proposals have been announced.
Slovenia	No	N/A	N/A	N/A	No proposals have been announced.
Spain	Expected shortly	N/A	N/A	N/A	No proposals have been announced.
Sweden	Yes	Expected on 15 March 2019.	Financial services specific	Not proposed at this stage.	• The Swedish government has published a draft law which would allow the government to permit, by decree, firms which are currently passported into Sweden from the UK to continue their activities until the end of 2021. The draft law is expected to be published on 15 March.
Switzerland	N/A	N/A	N/A	N/A	• A political agreement was signed on 11 February 2019 between the UK and Switzerland to allow trading between the two countries to continue on its pre-Exit Day basis.