

# ALLEN & OVERY

## *Key Regulatory Topics: Weekly Update*

26 July 2019 – 1 August 2019



### **BREXIT**

Please refer to the Payment Services and Payment Systems section for an update regarding Directions under the Electronic Money, Payment Services and Payment Systems (Amendment and Transitional Provisions) (EU Exit) Regulations 2018

### **CAPITAL MARKETS**

Please refer to the Other Developments section for an update regarding the FCA Handbook Notice 68.

#### **Selling Restrictions for Equity (EEA and UK)**

On 26 July, AFME published an update regarding its selling restrictions in light of the new Prospectus Regulation which entered into force on 21 July. The updated version is substantially in the same form as the model published by AFME in April 2016, however, it refers to the new Prospectus Regulation instead of the Prospective Directive and reflects the fact that the new Regulation is directly applicable in EU member states without the need for implementing measures at a national level.

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### **CONDUCT**

#### **More information on SM&CR categorisation for solo-regulated firms**

On 31 July, the FCA published a new webpage for more information on SM&CR categorisation for solo-regulated firms. The website includes 'changing your SM&CR category' and stipulates that there are two 'opting down' options where a firm has previously chosen to be categorised in the Enhanced regime: (i) if a firm wants to opt-down to their original SM&CR category before commencement of SM&CR on 9 December, they should email requesting to do so. Once this is processed, the firm will immediately return to their original SM&CR category; (ii) if the firm want to opt-down to their original SM&CR category after commencement of SM&CR on 9 December they should submit a post-commencement Form O notification on Connect, revoking their previous opt-up. This will be available from 9 December and will take 12 months to take effect, during which time the firm must continue to meet the requirements of the SM&CR category they opted-up to.

[Read more](#)

#### **Optimising the Senior Managers & Certification Regime and feedback to CP19/4**

On 26 July, the FCA published a policy statement (PS) which makes final the rules on extending the SM&CR to FCA solo-regulated firms, including claims management companies (CMCs). It also makes final rules on a new Directory of individuals working in financial services. The FCA made near-final rules on the SM&CR in July 2018 and final rules for insurers in September 2018. It identified a few areas it needed to make changes and consulted on these in CP19/4 in January. Firms, including authorised CMCs, affected by these changes

will move to the new regime on 9 December. For CMCs still operating on a temporary permission on 9 December, the rules will apply from the date the firm is fully authorised.

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## **CONSUMER/RETAIL**

Please refer to the Markets and Markets Infrastructure section for an update regarding ESMA ceasing the renewal of product intervention measures relating to contracts for differences.

### **FOS: Updated online technical resources**

On 1 August, the FOS updated the online technical resources on guarantor loans and unaffordable lending. The information outlines the key considerations the FOS will take when investigating and resolving complaints about unaffordable or irresponsible lending. Most of the complaints received by the FOS are about what happened at the time the loan was provided. The note, therefore, has mainly to do with complaints where a borrower says they should not have been given a loan, or the guarantor says they should not have been accepted, or did not agree to be a guarantor.

[Guarantor loans](#)

[Unaffordable lending](#)

### **Unfair Terms in Consumer Contracts**

Advocate General (AG) Pitruzzella opinion regarding a case on the matter of a national court's powers to ensure that a consumer contract survives the deletion of unfair terms, was recently made available in English. Under Article 6(1) of Directive 93/13 (Unfair Contract Terms Directive), Member States shall lay down that unfair terms used in a contract concluded with a consumer by a seller or supplier shall not be binding on the consumer and that the contract shall continue to bind the parties upon those terms if it is capable of continuing in existence without the unfair terms. The opinion stated that Article 6(1) of Directive 93/13 does not preclude the national court from removing, in accordance with the principles of contract law, an unfair term and replacing it with a supplementary provision of national law in cases where the invalidity of the unfair term would require the court to annul the contract in its entirety, thereby exposing the consumer to particularly unfavourable consequences, so that the consumer would thus be penalised. AG Pitruzzella made clear that the exception to the rule prohibiting the national court from supplementing the contract in the event that an unfair term is removed is fully justified in the light of the purpose of Directive 93/13, which aims to replace the formal balance which the contract establishes between the rights and obligations of the parties with a real balance which re-establishes equality between them, not to annul all contracts containing unfair terms.

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## **FINANCIAL CRIME**

### **Transposition of the Fifth Money Laundering Directive: Consultation**

On 30 July, the FMLC published a letter to HMT on 5MLD and cryptoassets. The letter draws attention to an issue of uncertainty in respect of 5MLD's definition of virtual currencies. The definition in 5MLD seems to exclude the possibility of cryptoassets which qualify as money being caught within the regulatory perimeter, and therefore excludes some of the best-known cryptoassets. In 2016, the FMLC concluded that economically tradeable currencies could indeed qualify as 'money' in certain circumstances.

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## **FINTECH**

### **FCA: Artificial Intelligence in the boardroom**

On 1 August, the FCA published an insight article on AI in the boardroom. The article covers issues such as: (i) ethics; (ii) explainability; (iii) transparency; and (iv) liability. The article was written by the FCA senior adviser and former UK government Deputy Chief Technology Officer, Magnus Falk, who regards AI as a business issue which boardrooms are going to have to learn to tackle.

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### **Guidance on Cryptoassets**

On 31 July, the FCA published a Final Guidance which sets out the cryptoasset activities it regulates. The Guidance will help firms understand whether their cryptoasset activities fall under FCA regulation. This is in response to the FCA's consultation published earlier this year. The majority of respondents supported the

proposals outlined in the consultation. The FCA is therefore publishing the Final Guidance as consulted on with some amendments to provide greater clarity on what is and isn't regulated. This includes making the important distinction as to which cryptoassets fall inside the regulatory perimeter clearer.

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### **Initial Coin Offerings: Issues of Legal Uncertainty**

On 31 July, the FMLC published a paper which addresses issues of legal uncertainty deriving from ICOs. The paper provides, in section 2, an overview of ICOs and the proposed categorisation standards. In section 3, it delves into the legal uncertainties which could arise from framing ICOs under specialised regimes, such as RAO and extended RAO, arising from the limitations of existing product regulation, authorisation requirements, settlement concerns and conflict of laws in cross-border ICOs. The paper considers existing registration/authorisation regimes and whether there are new categories of services provider implicated in token issuance (e.g. "operator") for whom there is a case for registering or authorising. It analyses the existence of new market participants that are key to the cryptoasset market value chain ("new actors") and whether they should be regulated, including by considering whether activities of these actors that do not map neatly onto traditional regulated securities activities should also be regulated or permitted ("new permissions"). It also analyses the limitations of existing product regulation and activities in this field with examples of regulatory "underlap" and considers what kind of bespoke regime could be constructed from existing financial regulations. Issues relating to conflict of laws with respect to the scope of DLT and ICOs are also considered in section 3 in view of the "distributed" nature of token transactions and the use of "nomad" participants and cloud services. Finally, Section 4 considers the potential impact of such uncertainties and section 5 proposes possible solutions.

[Read more](#)

### **Letter from the ECB President to Mr Markus Ferber, MEP, on stablecoin initiatives**

On 26 July, the ECB published a letter from the President of the ECB, Mario Draghi, to Markus Ferber, MEP, on stablecoin initiatives. The letter highlights that the European System of Central Banks (ESCB) is closely monitoring innovation in the financial sector, including stablecoin projects such as Libra. Central banks in the ESCB are also contributing to the ongoing work of the G7 working group on stablecoins. The letter makes clear that from a regulatory perspective, stablecoins, like any other emerging financial product, should be subject to the "same business, same risks, same rules" principle based on a comprehensive assessment of their functionalities. To ensure a level playing field, the ESCB intends to pursue an internationally consistent approach together with the global central bank community and standard-setting bodies

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## **INSURANCE**

### **PRA letter: Proxy Modelling Survey – Best Observed Practice**

On 1 August, the PRA published a letter from Sid Malik, Head of Division of Life Insurance and Pensions Risk to Chief Risks Officers of life insurers entitled 'Proxy Modelling Survey: Best Observed Practice'. The purpose of the letter is to share the results of the recent Proxy Modelling Survey. The PRA saw a wide range of practice in the survey responses, and no firm had adopted best observed practice in all areas of proxy modelling. Given the wide range of practice observed in the survey, the PRA is considering whether to issue a consultation on proposed expectations for how firms can continue to meet internal model tests and standards in respect of proxy modelling.

[Read more](#)

### **Commission Implementing Regulation (EU) 2019/1285**

On 31 July, Commission Implementing Regulation (EU) 2019/1285 laying down technical information for the calculation of technical provisions and basic own funds for reporting with reference dates from 30 June 2019 until 29 September 2019 in accordance with Directive 2009/138/EC (Solvency II Directive) on the taking-up and pursuit of the business of Insurance and Reinsurance was published in the OJ. The Implementing Regulation sets out the technical information to be used by reinsurers and insurers when calculating technical provisions and basic own funds for reporting with reference dates in Q3. The Implementing Regulation enters in force the day after its publication in the OJ and applies from 30 June.

[Read more](#)

### **ABI releases new Criminal Convictions Guide**

On 31 July, the Association of British Insurers (ABI) issued an updated guidance to help insurers treat people with criminal convictions fairly and in compliance with the law. The guide sets out that insurers should: (i)

only ask about relevant unspent convictions (as opposed to spent convictions that do not have to be disclosed under The Rehabilitation of Offenders Act), using explicit, clear, and concise questions; (ii) make clear to customers the consequences of any misrepresentation or non-disclosure of criminal convictions that they have been asked to disclose; and (iii) ensure all relevant staff are appropriately trained on applicable legislation and regulations and are able to respond to consumer enquiries. The guide was first published in 2011 and updated in 2014 to reflect changes to the Rehabilitation of Offenders Act.

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## **MARKETS AND MARKETS INFRASTRUCTURE**

### **MiFID II: ESMA makes new bond liquidity data available**

On 1 August, ESMA made available the latest quarterly liquidity assessment for bonds available for trading on EU trading venues. For this period, there are currently 594 liquid bonds subject to MiFID II transparency requirements. The transparency requirements for bonds deemed liquid today will apply from 16 August to 15 November.

[Read more](#)

### **MiFID II Product Governance: IA Guide to distribution information required**

On 31 July, the Investment Association (IA) published 'MiFID II product governance: qualitative information requirements for the regular product review – a pragmatic guide to the distribution information required to meet the product manufacturers regular product review obligation under MiFID II and FCA PROD rules'. This guidance was prepared with Good Conduct Consulting and informed by extensive discussion within an IA MiFID II Product Governance Distributor Feedback ad-hoc working group, comprising of IA members, and representatives from the Personal Investment Management and Financial Advice Association and The Investing and Saving Alliance. It sets out the range of options for engaging with distributors to obtain the necessary and relevant information for firms to discharge the ongoing product review expectations in a proportionate manner. The focus of the guidance is on identifying and evaluating measures which inform product governance decision making. These include information which product manufacturers already have, together with relevant information reported by distributors as well as information which may be requested from them.

[Read more](#)

### **ESMA ceases renewal of product intervention measures relating to contracts for differences**

On 31 July, ESMA published a press release stipulating it will not renew the temporary restriction on the marketing, distribution or sale of contracts for differences to retail clients in the EU. As most NCAs have taken permanent national product intervention measures relating to contracts for differences that are at least as stringent as ESMA's measures, ESMA will not renew its temporary restriction. As a result, the currently applicable measures in ESMA Decision (EU) 2019/679 will automatically expire at the end of the day on 31 July. ESMA will continue to monitor activities in relation to these and other related speculative products to determine whether any other EU-wide measures may be needed.

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### **Fees regime for financial market infrastructure supervision 2019/20**

On 31 July, the BoE published a policy statement (PS) providing feedback to responses to the Consultation Paper (CP) 'Fees regime for financial market infrastructure supervision 2019/20 and other related policy changes'. The PS covers: (i) the final fee rates to meet the Bank's 2019/20 funding requirement for its financial market infrastructure (FMI) supervisory activity and the policy activity that supports this, as permitted by the Bank's fee-levying powers; (ii) how the Bank will apportion the surplus and shortfalls from the 2018/19 FMI fee year; (iii) the fee for non-UK central securities depository (CSD) recognition; and (iv) the confirmation of a change to the fee regime for certain central counterparty (CCP) and CSD authorisation applications. This section should be read in conjunction with the 'Fees regime for the supervision of financial market infrastructure (FMI) Policy Statement June 2018'. The BoE expects to issue invoices in August for the 2019/20 fee year. Invoices will include any rebate or shortfall from the 2018/19 fee year.

[Read more](#)

### **EC Equivalence Decisions relating to CRA III and BMR published**

On 30 July, the following EC Implementing Decisions relating to CRA III were published in the OJ: (i) Commission Implementing Decision (EU) 2019/1276 repealing Implementing Decision 2012/627/EU relating to Australia; (ii) Commission Implementing Decision (EU) 2019/1277 repealing Implementing Decision 2012/630/EU relating to Canada; (iii) Commission Implementing Decision (EU) 2019/1278 repealing

Implementing Decision 2014/248/EU relating to Singapore; (iv) Commission Implementing Decision (EU) 2019/1279 on the recognition of the legal and supervisory framework of the United States; (v) Commission Implementing Decision (EU) 2019/1280 on the recognition of the legal and supervisory framework of Mexico; (vi) Commission Implementing Decision (EU) 2019/1281 repealing Implementing Decision 2014/245/EU relating to Brazil; (vii) Commission Implementing Decision (EU) 2019/1282 repealing Implementing Decision 2014/246/EU relating to Argentina; (viii) Commission Implementing Decision (EU) 2019/1283 on the recognition of the legal and supervisory framework of Japan; and (ix) Commission Implementing Decision (EU) 2019/1284 on the recognition of the legal and supervisory framework of Hong Kong. The following EC Implementing Decisions relating to BMR were also published in the OJ on 30 July: (i) Commission Implementing Decision (EU) 2019/1274 on the equivalence of the legal and supervisory framework applicable to benchmarks in Australia in accordance with the BMR; and (ii) Commission Implementing Decision (EU) 2019/1275 on the equivalence of the legal and supervisory framework applicable to benchmarks in Singapore in accordance with the BMR. The Implementing Decisions enter into force 20 days after publication in the OJ.

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### **Draft technical standards on the content and format of STS notifications under the onshored Securitisation Regulation**

On 30 July, the FCA published its first consultation paper (CP) setting out the proposed technical standards for the onshored Securitisation Regulation. The CP introduces proposals and the accompanying draft instruments, for the technical standards: (i) specifying the information that originators and sponsors are required to provide to comply with the STS notification requirement; and (ii) establishing the templates to be used for the provision of the required information in the above mentioned technical standards. The deadline for responding is 27 August.

[Read more](#)

### **ESMA updates Q&As on MiFIR data reporting**

On 29 July, ESMA updated its Q&As on data reporting under MiFIR. It has added one new Q&A which provides a new answer on how operators should populate field 24 (expiry date) of RTS 23. The amendment to the existing Q&A on MiFIR data reporting becomes effective from 29 July.

[Read more](#)

### **Commission sets out its equivalence policy with non-EU countries**

On 29 July, the EC published a Communication on equivalence in the area of financial services. This Communication sets out the EU's comprehensive approach and recent legislative improvements in terms of how the Commission grants equivalence to non-EU countries. It also describes how the Commission and the European Supervisory Authorities (ESAs) monitor the situation in those countries after equivalence decisions have been taken, to ensure that these continue to fulfil EU objectives and preserve financial stability, investor protection, market integrity and a level playing field in the EU. The Commission document also provides an overview of how recent EU legislative changes have strengthened the equivalence framework, both in terms of initial assessments and ex-post monitoring, in particular with an increased role for the ESAs. These recent legislative changes, for instance in the amended ESAs regulations, strengthen the roles of those authorities in monitoring equivalent third countries.

[Read more](#)

### **Guideline (EU) 2019/1265 on the euro short-term rate**

On 26 July, the ECB published the Guideline (EU) 2019/1265 on the euro short-term rate (€STR). The guideline sets out the ECBs and national central bank's (NCBs) responsibilities and contains provisions for €STR's methodology and cessation. The Guideline is necessary to govern the euro short-term rate and to establish the ECB's responsibility for its administration and the oversight of the euro short-term rate determination process. The Guideline seeks also to establish the tasks and responsibilities of the ECB and the NCBs with respect to their contribution to the euro short-term rate determination process and other business procedures.

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## **PAYMENT SERVICES AND PAYMENT SYSTEMS**

Please refer to the FinTech section for an update regarding a letter from the President of the ECB, Mario Draghi, to Markus Feber, MEP, on stablecoin initiatives.

### **BoE: Real-Time Gross Settlement (RTGS) system and CHAPS Annual Report**

On 1 August, the BoE published an annual report for real-time gross settlement (RTGS) and CHAPS as well as its strategy for 2019/20. The report covers the period from November 2017, when responsibility for CHAPS transferred to the BoE, to February, the end of the BoE's financial year. It focuses on the BoE's strategy for the Real-Time Gross Settlement (RTGS) system and CHAPS, how the BoE delivered this strategy, and the main strategic focus for the current year. In the twelve months to end-February, RTGS settled an average of £656 billion each working day and £826 billion on its busiest day. From March 2018 to end February, CHAPS settled over £83.3 trillion of payments, equating to an average of almost £330 billion each working day, or equivalent to the annual GDP of the UK every six working days. Understandably, therefore, resilience is a priority focus for the BoE. Another part of the BoE's strategy is taking a pro-active approach to cyber risk and clearly allocating responsibility for mitigating it. The BoE is implementing an enhanced cyber security strategy (including for individual CHAPS participant risk). This includes working with both internal and external cyber experts and engaging with stakeholders through the CHAPS Security Forum.

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### **PSR: Specific Direction 10 requiring the introduction of Confirmation of Payee**

On 1 August, PSR published 'Specific Direction 10 requiring the introduction of Confirmation of Payee (CoP)'. The Direction applies to the six largest banking groups (with certain exclusions) that offer their UK account holders access to the Faster Payments Scheme (FPS) and CHAPS ('directed PSPs'). In addition, the PSR also published a policy statement (PS19/4) discussing the responses received to CP19/4 and outlining its decision. After taking the responses into account, the PSR made changes to the Direction in order to reflect the feedback it received. The Direction now explicitly lists the payment and account types that are excluded. The PSR expects that introducing CoP for transactions made between accounts held in the United Kingdom will significantly reduce the number of authorised push payment (APP) scams. The purpose of the Direction is to ensure CoP processes are introduced in a way that significantly reduces losses from APP scams and accidentally misdirected payments over FPS and CHAPS. The Direction stipulates that after 31 December, a directed PSP must respond to every CoP request made to it that complies with the CoP rules and standards. After 31 March 2020, the directed PSP must also send a CoP request in respect of the account to which the unique identifiers given by the customer as those of the payee relate. The direction comes into force on 2 August.

[Read more](#)

### **Response to the public consultation on draft ECB Decision under Article 21 of the revised SIPS Regulation**

On 1 August, the ECB published the response to the public consultation on draft ECB Decision under Article 21 of the revised systemically important payment system (SIPS) Regulation. The ECB launched a public consultation on a draft decision on the procedure and conditions for exercising the powers envisaged by Article 21 of the amended SIPS Regulation. The consultation took place between 8 March and 12 April. In response to the consultation and its feedback, the ECB, for example: (i) amended the Direction to allow for consultation of the CSP where relevant (e.g. when the scope of the review or investigation to be performed on a SIPS involves requesting information from the SIPS' CSP); (ii) revised the Direction to prescribe a minimum of ten working days as a notification period; and (iii) redrafted the Direction in order to confirm that information requested from the SIPS' critical service providers (CSPs) will be in relation to the services provided by the CSPs to the SIPS, and not to the CSPs' overall business activity.

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### **FCA: Directions under the Electronic Money, Payment Services and Payment Systems (Amendment and Transitional Provisions) (EU Exit) Regulations 2018**

On 31 July, the FCA published two directions under the Electronic Money, Payment Services and Payment Systems (Amendment and Transitional Provisions) (EU Exit) Regulations 2018 in order to reflect the extension of Article 50 of the Treaty of the Functioning of the EU. These are: (i) Direction under paragraphs 15(1)(a) and 24 of schedule 3; and (ii) Direction under paragraphs 3(1)(a) and 12 of schedule 3. The directions extend the date by which a relevant person may notify the FCA to the end of 30 October.

[Direction under paragraphs 15\(1\)\(a\) and 24](#)

[Direction under paragraphs 3\(1\)\(a\) and 12](#)

### **Banks and third party providers agree on joint efforts regarding the transition to new payment rules**

On 26 July, representatives of three European Credit Sector Associations (European Banking Federation, European Association of Co-operative Banks, European Savings and Retail Banking Group) and of two third

party providers (the European Third Party Providers Association and the Financial Data and Technology Association) signed a Joint Statement to facilitate the application of the requirements for secure open standards of communication between banks and third party providers (TPPs) as set out in PSD2 and the RTS on strong customer authentication and common and secure communication, which the Commission adopted on 27 November 2017 (Commission Delegated Regulation (EU) 2018/389). Those requirements become applicable as from 14 September. The Commission welcomed the Joint Statement which contains pragmatic mutual commitments by banks and TPPs showing that they work hand-in-hand to ensure business continuity in payments.

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## **PENSIONS**

### **The Pension Regulator: draft guidance consultation (in response to CMA recommendation)**

On 31 July, the Pensions Regulator (TPR) published a consultation on draft guides to deliver the CMA's recommendation to TPR to produce guidance to trustees of occupational pension schemes on engaging with investment consultants and fiduciary managers. The Department for Work and Pensions (DWP) is currently consulting on bringing these new duties into pensions legislation (please see below), after which TPR will be tasked with regulating compliance with the requirements. The deadline for responding is 11 September.

[Read more](#)

### **FCA acts to protect consumers transferring out of defined benefit pension schemes**

On 30 July, the FCA published a package of pension related proposals designed to improve the quality of pension transfer advice, and to help consumers get better value from their pension. The package includes a proposed ban on contingent charging for pension transfer advice, an update on the work the FCA has been doing on non-workplace pensions and the final policy statement for the Retirement Outcomes Review. The deadline for responding is 30 September.

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### **Consultation on delivering the CMA recommendation for trustee oversight of investment consultants and fiduciary managers**

On 29 July, the DWP published a consultation on delivering the CMA recommendation for trustee oversight of investment consultants and fiduciary managers. The consultation seeks views on the draft Occupational Pension Schemes (Governance and Registration) (Amendment) Regulations. These proposed regulations would integrate an Order produced by the CMA, following their investigation into the investment consultants market, into pensions law. The regulations set out the steps which trustees need to take when using investment consultant and fiduciary management services, and enable TPR to oversee these responsibilities and ensure more joined-up and efficient compliance. The deadline for responding is 2 September.

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## **PRUDENTIAL REGULATION**

### **EBA guidelines on the determination of the weighted average maturity of contractual payments due under the tranche of a securitisation transaction**

On 31 July, the EBA launched a public consultation on draft Guidelines (GLs) on the determination of the weighted average maturity (WAM) of the contractual payments due under the tranche, as per CRR Article 257(1)(a). These draft GLs aim at ensuring that the methodology applicable for the determination of the WAM for regulatory purposes is sufficiently harmonised in order to increase consistency and comparability in the own funds held by institutions. The main areas covered by the draft GLs are the following: (i) meaning of contractual payments due under the tranche; (ii) data and information requirements; (iii) methodologies for determining the contractual payments of the securitised exposures, and of the tranches, both for traditional and synthetic securitisations; and (iv) implementation and use of the WAM model. The deadline for responding is 31 October.

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### **The PRA's Approach to Enforcement**

On 31 July, the PRA published a speech by the PRA Head of Legal, Enforcement and Litigation Division, Miles Bake, on the PRA's approach to enforcement. In his speech, Mr. Bake: (i) explains the rationale for PRA enforcement; (ii) gives examples of 'enforcement in action' and key themes, including in relation to individuals; and (iii) offers some thoughts on the PRA's agenda, for example, to continue to foster

understanding of their approach in the communities which matter most directly – firms and their legal advisers.

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## **RECOVERY AND RESOLUTION**

### **BoE and PRA finalise the Resolvability Assessment Framework**

On 30 July, the BoE and PRA confirmed proposals to put in place the final major piece of the UK's resolution regime for banks. The Resolvability Assessment Framework establishes the capabilities firms should have and the outcomes they must achieve to be resolvable. The framework is designed to make sure firms are accountable for their own resolvability. This is done by setting out a clear framework as to how the BoE will assess firms' resolvability and requiring major UK firms publicly disclose a summary of their own resolvability assessment. The framework and the resolution regime will allow bank services to continue during and after resolution, so that authorities or new management can restructure the bank as necessary. This reduces the risks to depositors, the financial system and taxpayers. The BoE's policy is included within the Policy Statement 'The Bank of England's approach to assessing resolvability'. Alongside this, the PRA published a policy statement (PS15/19), together with a new supervisory statement (SS4/19), both called "Resolution assessment and public disclosure by firms". It has also published final rules in the PRA Rulebook: CRR Firms: Resolution Assessment Instrument 2019 (*PRA 2019/14*), which introduces a new Resolution Assessment Part in the PRA Rulebook that comes into force on 1 August 2019.

[Read more](#)

## **OTHER DEVELOPMENTS**

### **FCA Handbook Notice 68**

On 26 July, the FCA published Handbook Notice 68, which describes the changes to the Handbook and other material made by the FCA Board under its legislative and other statutory powers on 11 July and 25 July. Part of Handbook Notice 68 makes changes to the Handbook to align it with the provisions of the Prospectus Regulation, which came into effect on 21 July.

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