

Regulatory Academy

Monday 11-Friday 15 October 2021



Programme



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Regulation in context

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Between Monday 11 and Friday 15 October our Financial Services Regulatory team will host a series of foundational training sessions across a variety of regulatory topics and themes.

We will focus on a particular theme or area each day, with structured 30-45 minute sessions aimed at providing junior or generalist or transactional lawyers with a high level overview of the UK regulatory framework and key issues. These sessions will of course also be a good refresher for more senior team members who wish to join. No prior regulatory knowledge or experience will be assumed.

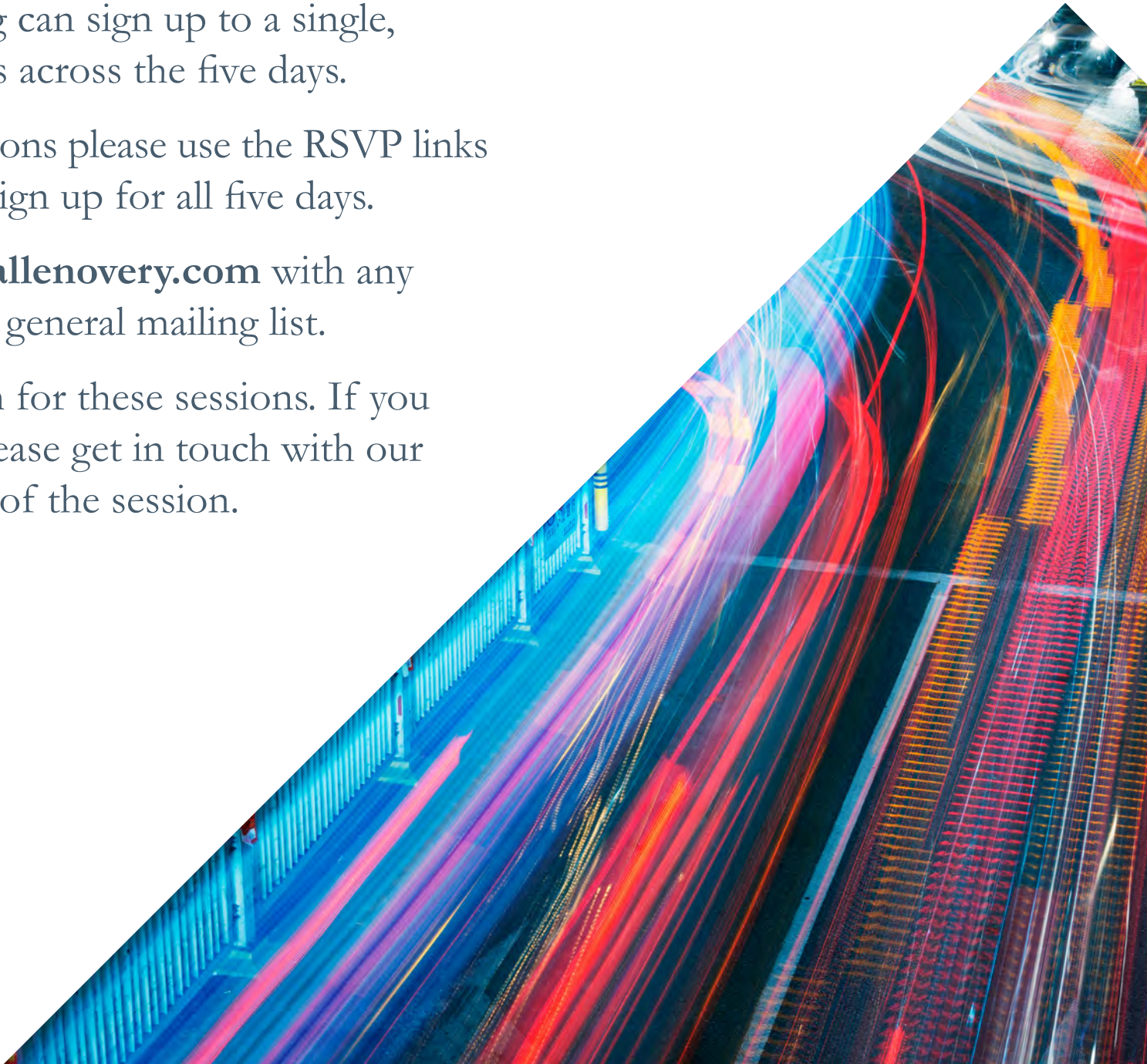


Clients interested in attending can sign up to a single, multiple or indeed all sessions across the five days.

To sign up for any of the sessions please use the RSVP links on each page, or [this link](#) to sign up for all five days.

Please email carrie.dwyer@allenovery.com with any queries or to be added to our general mailing list.

We will use our Zoom system for these sessions. If you have any technical queries, please get in touch with our [AV Support team](#) in advance of the session.





Day one – Regulation in context

Time	Topic	Speaker	Host
9am-9.05am	<i>Welcome</i>		
9.05am-9.45am	Regulation in context	Kate Sumpter	N/A
9.45am-10am	<i>Break</i>		
10am-10.45am	The regulatory perimeter	Nadia Pascal	Kirsty Taylor
10.45am-11am	<i>Break</i>		
11am-11.30am	Financial promotions	Jamie Turner	Oonagh Harrison
11.30am-11.45am	<i>Break</i>		
11.45am-12.30pm	Cross border business	Bob Penn	N/A
12.30pm-12.45pm	<i>Break</i>		
12.45pm-1.15pm	Conduct and culture and the SMCR	Oliver Palmer	Damian Carolan

Presenters



CONTENTS

Session descriptions

Regulation in context

This session will ‘set the scene’ for the remaining content of the Regulatory Academy. We will consider the who, what, why and how of financial services regulation: who are the UK’s financial services regulators, what do they regulate, why are financial services regulated at all, and how is the regulatory regime constructed. We will pay particular attention to the objectives of the regulators and the way in which these objectives inform our understanding of the regulatory regime.

The regulatory perimeter

The regulatory perimeter determines which activities require authorisation and what level of protection consumers can expect for the financial services and products they purchase. The perimeter is decided by the Government and Parliament through legislation. This session will explore that legislation and key issues and themes.

Financial promotions

We will provide an introduction to financial promotions covering some of the common pitfalls and practical considerations that will help you to navigate the regime.

Cross border business

Brexit has shone a light on the importance of understanding jurisdictional regimes for undertaking financial services business and, in particular, when and how those might support the provision of cross-border services. In this session, we will discuss the key features of the UK’s approach to cross-border business, including the Overseas Persons Regime and the UK regulators’ approach to branch authorisations. We will also discuss the key issues to consider when looking to provide services from the UK into other jurisdictions.

Conduct and culture and the SMCR

During the first five years of the SMCR being in force, industry trends and standards for best practice have emerged in key areas, such as fitness and propriety assessments, handovers between Senior Managers and regulatory references. Firms have also had to grapple with a number of post-implementation challenges along the way, especially in relation to the management of employee misconduct under the SMCR and the FCA’s more recent focus on ‘non-financial misconduct’. In this session, we will reflect on some of the key themes, trends and challenges that firms have faced since the implementation of the SMCR.



Day two – Banks and bank regulation

Time	Topic	Speaker	Host
9am-9.45am	Capital requirements and resources	Alex Forzani	Bob Penn
9.45am-10am	<i>Break</i>		
10am-10.45am	Liquidity, leverage, governance and remuneration	Jack Pettejohn	Bob Penn
10.45am-11am	<i>Break</i>		
11am-11.45am	Recovery and resolution	John Budd	Kate Sumpter
11.45am-12pm	<i>Break</i>		
12pm-12.45pm	Outsourcing and operational resilience	Greg Talbot	Kate Sumpter
12.45pm-1pm	<i>Break</i>		
1pm-1.30pm	AML	Victoria Ferres	Nikki Johnstone

Presenters

Session descriptions

Capital requirements and resources

This session will provide an introduction to the basics of regulatory capital. It will explain why regulatory capital is important to the operation of the banking system and give participants an overview of the relevant international, EU and UK prudential standards including risk-weighted assets, leverage and liquidity ratios and total loss absorbing capacity. The session will also highlight the key changes to the regime which were introduced by the recast capital requirements package and investment firms regulation.

Liquidity, leverage, governance and remuneration

This session will cover the regimes for liquidity, leverage, governance and remuneration. These requirements form, in addition to own funds and capital requirements, the remainder of the financial requirements as well as the core non-financial aspects of the recently revamped Capital Requirements Regulation and Directive regime. We will consider:

- Eligible assets available for use to meet liquidity requirements, and how short and long term liquidity requirements are calibrated;
- The funding sources permitted for use to meet leverage requirements and the amount of these required to be held;
- The effect of governance requirements on senior staffing and management structure; and
- How remuneration obligations affect schemes, policies, procedures and employment contracts.

Recovery and resolution

This session will provide an introduction to recovery and resolution, the tools to address bank failure developed by regulators following the global financial crisis. We will start by looking at the origins of the regime in the problem of “too big to fail”. Next, we will cover what is meant by recovery planning, the main resolution strategies, and the different regulators involved. The session will conclude by providing an overview of current developments and areas that are likely to be encountered in practice

Outsourcing and operational resilience

Many firms increasingly depend on third party service providers, whose services may be necessary to effectively serve customers. This session provides a high level overview of the rules and guidance that may be relevant to an outsourcing (for example SYSC 8, the EBA Guidelines and the PRA’s Supervisory Statement SS2/21) and explains key regulatory concepts such as critical or important outsourcings. We will also introduce the PRA’s operational continuity rules, Supervisory Statement SS9/16 and some future developments.

AML

During this session we will provide an overview of the anti-money laundering framework in place in the UK and explain how it fits alongside both European and international AML standards. We will also explain some of the key features of the UK regime and highlight relevant developments in this area.



Day three – Financial markets

Time	Topic	Speaker	Host
9am-9.45am	UK MiFID II/MiFIR	Jamie Turner and Raluca Dumitru	Nick Bradbury
9.45am-10am	<i>Break</i>		
10am-10.30am	UK MiFID II/MiFIR	Jamie Turner and Raluca Dumitru	Nick Bradbury
10.30am-10.45am	<i>Break</i>		
10.45am-11.30am	Client assets and client money	Kelesi Blundell	Damian Carolan
11.30am-11.45am	<i>Break</i>		
11.45am-12.15pm	Market abuse	Nick Chapman	Oonagh Harrison
12.15pm-12.30pm	<i>Break</i>		
12.30pm-1.15pm	Clearing and settlement	Kelesi Blundell	Damian Carolan

Presenters



Session descriptions

UK MiFID II/MiFIR

Join us for a whistle stop tour of the key topics in MiFID designed to demystify and give you a foundational understanding of this key piece of financial markets regulation and all of the many, many accompanying acronyms.

Client assets and client money

In this session we will provide an introduction to the UK client assets and money rules – including the statutory framework in which they sit.

The custody of client assets is a regulated activity under the UK regime and the holding of assets and money by regulated firms is subject to a complex set of regulatory rules.

Compliance with the client asset and money rules has long been a focus of the UK Financial Conduct Authority and, as such, remains a hot topic.

Market abuse

In this talk, we will look back at the introduction of the Market Abuse Regulation (MAR) and some of the key issues and areas of regulatory scrutiny that have emerged in the five years since it came into force. We will also discuss the UK's onshoring of MAR in the wake of Brexit, the impact of the COVID-19 pandemic, and look ahead at a number of market and regulatory developments on the horizon.

Clearing and settlement

During this session we will provide an introduction to the concepts of clearing and settlement – two key post-trade mechanisms that are fundamental to the efficient and safe functioning of our financial markets.

The session will include discussion on settlement finality protections under UK law and provide a brief introduction to the UK EMIR clearing obligation.



Day four – Payments, fintech and consumer credit

Time	Topic	Speaker	Host
9am-9.45am	Payment services and e-money regulation	Jamie Greenwood	Nikki Johnstone
9.45am-10am	<i>Break</i>		
10am-10.45am	Data, security and authentication for payments	Martin Dowdall	Ben Regnard-Weinrabe
10.45am-11am	<i>Break</i>		
11am-11.45am	Open banking & finance. Opportunities and challenges	Rory Copeland	Ben Regnard-Weinrabe
11.45am-12pm	<i>Break</i>		
12pm-12.45pm	Consumer credit and credit brokering	Sophie Skeet	Jo Owens

Presenters

Session descriptions

Payment services and e-money regulation

We will provide an overview of key conduct of business requirements in the principal legislation for payment services and e-money, namely the EU Payment Services Directive, EU E-money Directive and onshored UK legislation based on those directives.

Data, security and authentication for payments

A practical look at strong customer authentication (SCA). Why it matters, when it's required, and how it can be avoided. We also take a look at some forthcoming changes to SCA requirements in the UK.

Open banking & finance: opportunities and challenges.

We will set the scene with an overview of the EU and UK regimes regulating account information and payment initiation services, including the UK Open Banking initiative. We then address, from both a legal and a practical perspective, the opportunities for providers of those services, and related obligations imposed on them and the providers of the accounts they access.

Finally, we will discuss recent initiatives (including EU and UK consultations) on extending the Open Banking concept to other financial products, under Open Finance initiatives.

Consumer credit and credit brokering

This introduction to consumer credit will outline the regulatory perimeter of consumer credit activities. Discussion of the regulatory perimeter will cover consumer credit fundamentals such as the definitions of 'credit' and 'regulated credit agreement', certain commonly used exemptions, and an overview of activities such as lending and credit-brokering. We will also explain in broad terms the application of the Consumer Credit Act 1974 to regulated credit agreements and some of the consequences of non-compliance.



Day five – Fund and investment firm regulation

Time	Topic	Speaker	Host
9am-9.45am	Investment funds regulatory framework	Rachael Heron	Matt Huggett
9.45am-10am	<i>Break</i>		
10am-10.45am	Prudential regulation of investment firms	Jack Prettejohn	Kirsty Taylor
10.45am-11am	<i>Break</i>		
11am-11.45am	Regulation of sustainable finance	Louise Denman	Tamara Cizeika
11.45am-12pm	<i>Break</i>		
12pm-12.45pm	Regulatory enforcement	David McMenamin	Calum Burnett
12.45pm-1pm	<i>Break</i>		
1pm-1.45pm	Close and Q&A	A&O's Financial Services Regulatory partners	N/A

Presenters

Session descriptions

Investment funds regulatory framework

This session will provide an overview of the AIFMD regime and the fund marketing rules post Brexit.

Prudential regulation of investment firms

This session will cover all aspects of the UK's forthcoming Investment Firms Prudential Regime (IFPR), which will replace a number of different prudential regimes that apply to MiFID firms from the start of 2022. This regime is a fresh take on the rules for investment firms and adopts a regime that is tailored to this part of the financial services sector. We will review the obligations created by the IFPR in respect of capital funding and liquid assets, limits on concentration risk, the revised risk management structure (replacing the ICAAP and ILAAP), governance and remuneration, regulatory reporting and disclosure.

Regulation of sustainable finance

This session will provide an introduction to sustainable/green finance regulation, including the key aims of the initiatives, the risk of greenwashing and an overview of the legislation and regulations to be aware of. It will particularly focus on this from a UK and EU perspective but will also touch on other initiatives globally.

Regulatory enforcement

This session will highlight the key areas of focus for the FCA and the PRA from an enforcement perspective, including areas of particular enforcement focus such as governance, culture, individual accountability, non-financial misconduct, treating customers fairly, market abuse, financial crime, cyber security, data breaches and operational resilience. We will share insights into how the FCA and the PRA are conducting their enforcement investigations, especially in light of the FCA's sustained high volume of investigations and the impact of Covid-19 on current enforcement investigations.

Close and Q&A

Delegates may ask a panel of our regulatory partners questions resulting from any of the sessions or, in the absence of any questions hear expert views on current regulatory hot topics.

Global presence

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