



Regulatory
Financial Sector



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CLARITY MATTERS

The ever-increasing level of regulation of the financial services sector, and the need to protect hard-won reputations, means that clear, high quality and relevant advice is a must for FSA-regulated firms.

CURRENT CHALLENGES

Financial services regulation is going through a period of unprecedented, politicised change, not only in relation to rules that firms must follow, but also in relation to the EU and UK regulatory framework.

We have helped clients deal with measures on short selling, bonuses and the FSA's remuneration code as well as how the Alternative Investment Fund Management Directive will impact their business. The FSA's more intrusive and confrontational approach means that our clients look to us to help them prepare for questions and challenges from the regulator.

We have also helped individuals facing market abuse investigations, and can advise on how to handle the FSA's confrontational approach.

OUR EXPERIENCE

FSA authorisations

We regularly advise clients on whether they need to be regulated. The work we undertake ranges from structuring deals to ensure that business can be done without needing to be FSA authorised, to acting for clients applying for FSA authorisation.

Our lawyers have acted on authorisation applications in the following areas:

- Fund management
- Corporate finance advice
- E-money
- Venture capital
- Banking
- Post-authorisation work

Our team has developed close relationships with authorisation applicants in order to ensure that, once authorisation has been achieved, the client is in a position to comply with the FSA's detailed Conduct of Business requirements.

Dealing with the practical and administrative burden of compliance often comes as a culture shock to newly authorised firms. We see our role in the authorisation process as an ongoing one: getting clients comfortable with their new obligations, helping them put in place structures to deal with their regulator's key concerns and advising them on the opportunities and risks posed by upcoming changes.

It is important to give clients not just the technical analysis and advice but also an overview of what it means to be regulated, how the regulator thinks and how to develop a risk-based approach to compliance. This can involve helping with staff training, briefing senior management and assistance in preparing for FSA inspection visits.

We aim to ensure that clients can comply (and are able to demonstrate compliance) with the FSA rules without the burden of compliance soaking up so much time and resource that it becomes an impediment to the client's business.

Cross-border issues affect many of our clients and we work closely with an established network of overseas law firms on such issues.

FSA and overseas rules

The team advises a wide variety of established, regulated firms on compliance with the FSA rules. The advice includes Conduct of Business Rules work and the applicability of overseas regulatory requirements. Cross-border issues affect many of our clients and we work closely with an established network of overseas law firms on such issues.

The regulatory landscape is constantly evolving and ongoing continuity of regulatory advice is crucial for firms as they get to grips with changes to the rules. To address this we can also provide a regulatory update service.

FSA Enforcement

As well as advising clients on how to comply with the FSA rules we have considerable experience of acting for clients facing FSA enforcement issues. The focus of this work is on maintaining or rebuilding the client's relationship with the FSA. The firm has acted for clients facing action ranging from mis-selling cases and investigations into breaches of capital requirements.

Market regulators

In addition to the FSA Rules, our team advises on the interpretation and application of the rules relating to the equity markets - AIM and the Official List, including the disciplinary and grievance procedures for nominated advisers and sponsors, and the application of the Takeover Code.



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