



Financial Regulatory Developments Focus

In this week’s newsletter, we provide a snapshot of the principal US, European and global financial regulatory developments of interest to banks, investment firms, broker-dealers, market infrastructure providers, asset managers and corporates.

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Bank Prudential Regulation & Regulatory Capital

US Board of Governors of the Federal Reserve System Finalizes Rule on Capital Plan and Stress Testing

On November 25, 2015, the US Board of Governors of the Federal Reserve System approved a final rule to modify its capital plan and stress testing rules, which would take effect for the 2016 capital plan and stress testing cycle. Largely similar to the proposed rule, the final rule modifies the timing for certain regulatory requirements that have not yet been incorporated into the capital plan and stress testing framework. Firms subject to the supplementary leverage ratio would begin to incorporate it into their 2017 capital plan and stress testing cycle. All firms would continue to use the generally applicable risk-based capital framework for stress-testing exercises. However, firms with at least \$250 billion in total consolidated assets or \$10 billion in on-balance sheet foreign exposures would continue to be subject to the advanced approaches risk-based capital framework for their regulatory capital ratios. The common equity tier 1 capital requirement in the Federal Reserve Board's revised regulatory capital rules will be fully phased in over the nine-quarter planning horizon of the 2016 capital plan and stress testing cycles. The final rule eliminates the requirement for firms to calculate a tier 1 common ratio.

The Federal Reserve Board press release and the final rule are available at:

<http://www.federalreserve.gov/newsevents/press/bcreg/20151125a.htm> and
<http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20151125a1.pdf>.

US Federal Reserve Board Proposes Rule Requiring Large Banking Organizations to Publicly Disclose Several Measures of their Liquidity Profile

On November 24, 2015, the US Federal Reserve Board issued a proposed rule that would require large banking organizations to publicly disclose certain measures of their liquidity profile, including, for the first time, quantitative liquidity risk metrics. The proposed rule would require large banking organizations to disclose, on a quarterly basis, their consolidated Liquidity Coverage Ratios based on averages over the prior quarter. In addition, firms would have to disclose their consolidated High-Quality Liquid Asset amounts, organized by HQLA category, as well as their projected net cash outflow amounts, including retail inflows and outflows, derivatives inflows and outflows as well as various other measures. The required disclosures are based generally on a template approved by the Basel Committee on Banking Supervision with enhancements to reflect US implementation of LCR requirements.

The Federal Reserve Board press release and the proposed rule are available at:

<http://www.federalreserve.gov/newsevents/press/bcreg/20151124a.htm> and
<http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20151124a1.pdf>.

US Federal Reserve Board Announces Implementation of Several Recommendations to Enhance Supervision of Large and Complex Banking Organizations

On November 24, 2015, the US Federal Reserve Board announced the implementation of several recommendations to enhance the supervision of large and complex banking organizations. These recommendations followed a comprehensive review of Reserve Bank procedures for supporting sound supervisory decisions as well for resolving differing staff opinions related to the supervision of large and complex organizations. Among other issues, the review identified inconsistencies in practices by Reserve Banks as well as in documentation generated by supervisory teams. The review also noted that a formal process for raising divergent staff views had not been established. As a result, the Operating Committee of the Large Institution Supervision Coordinating Committee (known as LISCC), which coordinates the supervision of the largest, most systemically important financial institutions in the US, will oversee the establishment of minimum operating and documentation standards for all supervisory activities. The Federal Reserve System will also work to develop policies and practices to encourage the exchange of differing staff views on all supervisory matters. Additionally, the Federal Reserve System will be developing a curriculum specifically designed for the supervision of large financial institutions for its examiner commissioning and training program.

The Federal Reserve Board press release and the review are available at:

<http://www.federalreserve.gov/newsevents/press/bcreg/20151124b.htm> and
<http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20151124b1.pdf>.

European Commission Proposal on Establishment of European Deposit Insurance Scheme

On November 24, 2015, the European Commission published a legislative proposal together with a press release on the establishment of a new European Deposit Insurance Scheme. The EDIS would be a euro area-wide insurance scheme for bank deposits, strengthening the EU's economic and monetary union, setting out measures to reduce risk in the banking sector and amending the Single Resolution Mechanism Regulation. The scheme would initially consist of a reinsurance scheme for participating national Deposit Guarantee Schemes in the first three years, after which co-insurance schemes would be put into place for four years, whereby contributions to the EDIS would increase. The EDIS would be funded by contributions made by banks established in the Single Supervisory Mechanism and a full European scheme would be in place by 2024. National schemes would only be able to access EDIS funds if clear conditions are met. The EDIS would encourage national schemes to manage any possible risks cautiously and would be mandatory for Member States covered by the SSM. The scheme would also be open to those Member States who are not covered by the SSM but who would like to join the Banking Union. National DGSs already provide protection at a national level. The EDIC would back these with a common European scheme.

The press release and legislative proposal are available at:

http://europa.eu/rapid/press-release_IP-15-6152_en.htm?locale=en and
<http://ec.europa.eu/transparency/regdoc/rep/1/2015/EN/1-2015-586-EN-F1-1.PDF>.

European Banking Authority Publishes Assessment on Pillar 3 Reports for 17 European Banks

On November 27, 2015, the European Banking Authority published its first annual assessment on the Pillar 3 reports of a sample of European banks for the 2014 financial year. The report evaluates the compliance of banks against the disclosure requirements set out in the Capital Requirements Regulation. The report states there has been an increase in the quality of disclosures, in particular relating to clear disclosure indices and information on risk model parameters. Areas that could be improved further include: (i) the breakdown of capital requirements by exposure classes; (ii) the breakdown of internal ratings-based risk parameters by exposures and geography; and (iii) the assessment of the status, remuneration and asset encumbrance of global systemically important institutions. The report also includes a comparison of the revised Basel Pillar 3 requirements published by the Basel Committee in January 2015 against the current disclosure requirements set out in the CRR.

The report is available at:

<http://www.eba.europa.eu/documents/10180/950548/EBA+Report+on+banks%27%20transparency.pdf>.

EU Regulation on Closely Correlated Currencies Published in Official Journal of the European Union

On November 27, 2015, the Regulation on implementing technical standards for closely correlated currencies as set out in the CRR was published in the Official Journal of the European Union. Closely correlated currencies are currencies that meet specific criteria set out in the CRR, which states that firms may provide lower own funds requirements against foreign exchange risk for positions in relevant closely correlated currencies. The pairs of currencies that meet such criteria are set out in the Annex to the Regulation. The list of closely correlated currencies will be updated yearly.

The Regulation is available at: http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2015.313.01.0030.01.ENG&toc=OJ:L:2015:313:TOC.

UK Banking System Stress Test Results Published

On December 1, 2015, the Bank of England published the results of the 2015 UK banking system stress tests. The 2015 stress test was the BoE's second concurrent stress test of the UK banking system and covered seven major UK banks

and building societies. The BoE's Financial Policy Committee will not be taking any macroprudential actions on bank capital in response to the results, considering that the banking system is sufficiently capitalized to support the real economy in a severe global stress scenario. The Prudential Regulation Authority determined that the stress test showed that five of the seven participating firms did not have any capital inadequacies (Barclays, HSBC, Lloyds Banking Group, Nationwide Building Society and Santander UK) but that both The Royal Bank of Scotland Group and Standard Chartered had not met their individual capital requirements. However, the PRA had not required those two firms to submit revised capital plans on the basis that certain steps had already been taken by the firms. As per the BoE's Approach to Stress Testing the UK Banking System published in October 2015, the BoE will run its first annual cyclical scenario concurrent stress test in 2015, the results for which will be published in Q4 2016.

The results are available at: <http://www.bankofengland.co.uk/financialstability/Documents/fpc/results011215.pdf>.

Conduct and Culture

Federal Reserve Bank of New York Executive Vice President Musalem Delivers Remarks on Reform of Banking Culture

On November 23, 2015, Federal Reserve Bank of New York Executive Vice President Alberto G. Musalem delivered remarks regarding the New York Fed's initiatives to endorse a positive banking culture. Mr. Musalem explained that the New York Fed's interest in reforming culture is a product of events since the financial crisis, including recent incidents of misconduct such as the manipulation of LIBOR. In his speech, Mr. Musalem offered three messages to the banking industry: (i) cultural problems are the banking industry's responsibility to solve; (ii) a bank's implicit norms – especially those reinforced through incentives – must align with the public purpose of banking; and (iii) the aim of reforming bank culture should be to restore trust.

Mr. Musalem delivered his remarks at an event hosted by the Goethe University of Frankfurt's Institute for Law and Finance titled "Towards a New Age of Responsibility in Banking and Finance: Getting the Culture and the Ethics Right". His speech is available at: <https://www.newyorkfed.org/newsevents/speeches/2015/mus151123>.

Cyber Security

Committee on Payments and Market Infrastructures and International Organization of Securities Commissions Consultation on Cyber Resilience

On November 24, 2015, the Committee on Payments and Market Infrastructures and the Board of the International Organization of Securities Commissions published a consultation paper related to guidance on cyber resilience for Financial Market Infrastructures. The guidance aims to encourage FMIs to pre-empt and respond rapidly to cyber-attacks and deals with five primary risk management categories that are significant for the cyber resilience of FMIs: (i) governance; (ii) identification; (iii) protection; (iv) detection; and (v) response and recovery. The guidance states that continuous improvements to systems must be made to maximize cyber resilience, that it is imperative for FMIs to resume operations rapidly and safely after a successful cyber-attack and that senior management attention is critical to cyber resilience strategy. Comments on the consultation are due by February 23, 2016.

The consultation is available at: <http://www.bis.org/cpmi/publ/d138.pdf>.

Derivatives

US Commodity Futures Trading Commission Unanimously Approves Proposed Rules on Automated Trading

On November 24, 2015, the US Commodity Futures Trading Commission approved proposed rules, known collectively as Regulation Automated Trading (or otherwise known as Regulation AT), that aim to implement risk controls, transparency measures, and other safeguards to enhance regulation of automated trading on US Designated Contract

Markets. The proposed risk controls, including maximum order message and size parameters, standards for development, testing and monitoring of algorithmic trading systems, among other requirements, would apply to: (i) market participants using algorithmic trading systems, referred to as “AT Persons” in the proposed rules; (ii) clearing member Futures Commission Merchants with respect to their AT Person customers; and (iii) DCMs executing AT Person orders. Regulation AT would require submission of reports on risk controls, as well as maintenance of books and records regarding such risk controls and other algorithmic trading procedures, by AT Persons and clearing member FCMs for review by DCMs. The proposed rules would also require registration of persons engaged in significant proprietary algorithmic trading in key products through direct electronic access to a DCM who are not currently registered with the CFTC. Regulation AT is intended to include greater transparency around DCM trade matching platforms and promote use of self-trade prevention tools by market participants on DCMs. Finally, in response to evolving markets and trading technology, Regulation AT would require all AT Persons to become members of a Registered Futures Association and further require RFAs to consider membership rules addressing algorithmic trading for each category of member in the RFA. The notice of proposed rulemaking will be open for a 90-day public comment period.

The CFTC press release and the proposed rulemaking are available at:

<http://www.cftc.gov/PressRoom/PressReleases/pr7283-15> and

<http://www.cftc.gov/idc/groups/public/@newsroom/documents/file/federalregister112415.pdf>.

Enforcement

US New York State Department of Financial Services Enforcement Order against Barclays

On November 18, 2015, the New York State Department of Financial Services announced that Barclays will pay an additional \$150 million penalty for misconduct related to automated, electronic foreign exchange trading through its “Last Look” system. Barclays was also ordered to terminate its Global Head of Electronic Fixed Income, Currencies and Commodities Automated Flow Trading. This action brings the overall penalty Barclays has paid to NYDFS for foreign exchange enforcement actions to \$635 million. Barclays Last Look system was designed to protect Barclays against “toxic order flow” caused by another market maker’s more sophisticated electronic trading system detecting market movement some milliseconds before the Barclays’ systems. As such, Last Look imposed a hold period between its receipt of a customer order and its acceptance and execution of the same in order to allow Barclays’ systems time to properly adjust prices based on such market movement. According to the order, in certain instances Barclays used its Last Look system to automatically reject client orders that would otherwise be unprofitable for the bank due to subsequent price movements during the milliseconds-long hold period. Furthermore, Barclays failed to disclose to clients the reason that the trades were rejected.

The NYDFS press release and order are available at: <http://www.dfs.ny.gov/about/press/pr1511181.htm> and <http://www.dfs.ny.gov/about/ea/ea151117.pdf>.

UK Prudential Regulator Fines Firm for Outsourcing Failures Impacting its Capital Position

On November 27, 2015, the PRA brought enforcement action against R. Raphael & Sons Plc for failings related to outsourcing certain functions to other group companies. Raphaels provides consumer finance facilities, offers savings accounts and owns ATMs around the UK which are available for public use. Under a joint venture agreement, two other group companies were to provide various aspects of Raphaels’ finance function, including payment of third parties on behalf of Raphaels and replenishment of cash stocks in the ATMs. A written agreement on the outsourced functions was not entered into until 21 months after the provision of the outsourced services began. During the relevant time, various employees of one of the group companies improperly transferred funds without the knowledge or consent of Raphaels. The improper transfers impacted Raphaels’ regulatory capital in that it had large exposures to one group company.

Unaware of the improper transfers, Raphaels submitted inaccurate regulatory returns to the regulators and failed to have an accurate understanding of its capital position. The PRA fined Raphaels for breach of Principle 3 of the PRA's Principles of Business which state that a firm must take reasonable care to organize and control its affairs responsibly and effectively, with adequate risk management systems, imposing a financial penalty of £1,278,165.

The PRA's Final Notice is available at:

<http://www.bankofengland.co.uk/pr/Documents/supervision/enforcementnotices/en271115.pdf>.

UK Regulator Fines Barclays Bank for Financial Crime Failings

On November 25, 2015, the Financial Conduct Authority fined Barclays Bank plc £72,069,400 for failing to minimize financial crime risks appropriately. The failings of the bank relate to a transaction worth around £1.88 billion that was arranged and executed for ultra-high net worth clients that were politically exposed and should therefore have been subject to enhanced due diligence checks. The FCA found that a lower level of due diligence was undertaken by Barclays for those clients and that Barclays had not followed its own standard procedures, going to unacceptable lengths to accommodate the clients in question. Whilst the FCA did not specifically find that the transaction itself involved financial crime, this is the largest fine to be imposed by the FCA (and its predecessor, the Financial Services Authority) for failing to minimize financial crime risks.

The FCA notice is available at: <http://www.fca.org.uk/static/documents/final-notices/barclays-bank-nov-2015.pdf>.

UK Serious Fraud Office Agrees First UK Deferred Prosecution Agreement for Bribery Failings

On November 30, 2015, the UK Serious Fraud Office announced that its application for a Deferred Prosecution Agreement with Standard Bank Plc had been approved by Lord Justice Leveson at Southwark Crown Court. This is the first time that a DPA has been used in the UK. Standard Bank was subject to an indictment for failure to prevent bribery in contravention of the UK Bribery Act 2010. Under the terms of the DPA, the indictment has been suspended and Standard Bank must pay €25.2 million (made up of disgorgement profits and a financial penalty) to the SFO and €7 million to the Government of Tanzania. The bank has also agreed to cooperate fully with the SFO and will be subject to an independent review of its anti-bribery and corruption policies and procedures. A separate penalty of €4.2 million has been agreed between the US Securities and Exchange Commission for separate related conduct.

The SFO announcement and the DPA are available at: <http://www.sfo.gov.uk/press-room/latest-press-releases/press-releases-2015/sfo-agrees-first-uk-dpa-with-standard-bank.aspx>.

Financial Services

New York State Department of Financial Services Proposes New Anti-Terrorism and Anti-Money Laundering Regulation

On December 1, 2015, the New York State Department of Financial Services proposed a new anti-terrorism and anti-money laundering regulation, known as the Transaction Monitoring and Filtering Program regulation. The main requirements of the proposed regulation include maintenance by each regulated institution of (i) a transaction monitoring program for the purpose of monitoring transactions after their execution for potential BSA/AML violations and suspicious activity reporting and (ii) a watch list filtering program to prevent transactions, before their execution, that are prohibited by applicable sanctions, including OFAC and other sanctions lists, politically exposed persons lists, and internal watch lists. The proposed regulation sets forth additional minimum requirements for each institution's Transaction Monitoring and Filtering Program and also includes an annual certification requirement, modeled on Sarbanes-Oxley, that senior financial executives must certify that their institutions have necessary systems in place to identify and prevent illicit transactions.

The regulation will be published in the New York State Register, commencing a 45-day notice and comment period.

The NYDFS press release is available at: <http://www.dfs.ny.gov/about/press/pr1512011.htm> and the proposed Transaction Monitoring and Filtering Program regulation is available at: <http://www.dfs.ny.gov/legal/regulations/proposed/rp504t.pdf>.

European Banking Authority Publishes Results of 2015 EU-wide Transparency Exercise

On November 24, 2015, the EBA published a report setting out the results of its 2015 EU-wide transparency exercise. The results provide data on capital positions, risk exposure amounts and asset quality on a bank-by-bank basis for 105 banks from 21 EEA countries. The report is based on existing supervisory reporting data submitted to the EBA and shows that capital levels have strengthened through banks raising additional equity and retaining earnings. The report also shows that quality of assets and levels of profitability have improved since 2014 and that there has been a general increase in the resilience of the EU banking sector since December 2014.

The results are available at: <http://www.eba.europa.eu/-/eu-banks-better-capitalised-in-2015-but-npls-remain-of-concern>.

Committee on Payments and Market Infrastructures Reports on Digital Currencies

On November 23, 2015, the CPMI published a report on digital currencies. The report aims to address the various impacts that digital currencies may have on financial markets and the wider economy, such as potential disruptions to business models and the creation of new economic interactions. The report, amongst other things, deals with regulatory issues and approaches for digital currencies such as: (i) consumer protection; (ii) prudential and organizational rules for different stakeholders; and (iii) specific operating rules as payment mechanisms. The report states that coordinated approaches for regulation at a global level may be important in addition to ones taken at national level, and lists five possible categories of actions: (i) to highlight the risks towards users and investors and influencing the market through moral suasion; (ii) to regulate specific entities; (iii) to assess whether existing regulatory arrangements can be applied to digital currencies; (iv) to seek a broader approach to regulation, for example, by national regulators making consumer protection arrangements that apply to other payment methods used by consumers also apply to transactions conducted with digital currencies; and (v) national regulators banning the use of digital currencies in their respective jurisdictions.

The report is available at: <http://www.bis.org/cpmi/publ/d137.pdf>.

MiFID II

Potential Delay to MiFID II Entering into Force

On November 27, 2015, the European Parliament issued a press release announcing that it has informed the European Commission that it is ready to accept a one-year delay to the Market in Financial Instruments Directive II entering into force. The European Parliament also published two letters addressed to Lord Jonathan Hill, Commissioner for Financial Stability and the Commission, on the same date. The first letter states that such a delay would be subject to two conditions. The Commission would have to: (i) finalize the implementing legislation as soon as possible, taking into account the European Parliament's comments on content (which are set out in the European Parliament's second letter); and (ii) regularly report to the European Parliament on the progress related to MiFID II implementation, timelines and key objectives.

The European Parliament's press release is available at:

http://www.europarl.europa.eu/pdfs/news/expert/infopress/20151127IPR05110/20151127IPR05110_en.pdf, the first letter to Commissioner Hill is available at: https://europe.fia.org/sites/default/files/content_attachments/D56697_Hill_postponement%20date%20of%20application%20MiFID%20II_MiFIR%20-%20ND.PDF and the second letter to Commissioner Hill is available at:

https://europe.fia.org/sites/default/files/content_attachments/D51226_Hill_Regulatory%20technical%20standards%20under%20MiFID%20II_MiFIR%20-%20CL.PDF.

Recovery & Resolution

US Federal Reserve Board Approves Final Rule Related to Emergency Lending Procedures

On November 30, 2015, the US Federal Reserve Board approved a final rule detailing its procedures for emergency lending under Section 13(3) of the Federal Reserve Act. The Dodd-Frank Wall Street Reform and Consumer Protection Act limited the Federal Reserve Board's emergency lending authority to programs and facilities with "broad-based eligibility" established with the approval of the US Secretary of Treasury and prohibited lending to entities that are insolvent, among other things. The final rule clarifies the Federal Reserve Board's implementation of these and other statutory requirements. Some of the changes from the proposed rule include additional limitations to the definition of "broad-based" to support the revisions made by the Dodd-Frank Act that a program should not be for the purpose of aiding specific companies to avoid bankruptcy or resolution. The final rule also broadens the definition of insolvency to cover situations where a company has not yet entered formal bankruptcy or resolution proceedings, but may be insolvent from an accounting or other perspective. Under the final rule, all lending programs under Section 13(3) must be approved by the Secretary of the Treasury, though the Federal Reserve Board must still find that "unusual and exigent circumstances" exist as a pre-condition to authorizing emergency credit programs. The final rule also requires that the interest rate for credit extended under Section 13(3) be set at a level that is a premium to the market rate in normal circumstances, affords liquidity in unusual and exigent circumstances as well as encourages repayment and discourages use of the program as circumstances normalize. The final rule will take effect January 1, 2016.

The Federal Reserve Board press release and the final rule are available at:

<http://www.federalreserve.gov/newsevents/press/bcreg/20151130a.htm> and
<http://www.federalreserve.gov/newsevents/press/bcreg/bcreg20151130a1.pdf>.

European Commission Announces Date of Single Resolution Fund Becoming Fully Operational

On November 30, 2015, the Council of the European Union published a press release announcing that a sufficient number of EU Member States have ratified an Intergovernmental Agreement (known as an IGA) on the Single Resolution Fund. This means that the Single Resolution Mechanism, which aims to ensure the orderly resolution of failing banks without any recourse to taxpayers' funds, will enter into force on January 1, 2016, as envisaged. The full resolution powers of the Single Resolution Board will therefore apply as of this date and the SRF will begin to be credited with funds from national resolution funds in the euro area. The IGA sits alongside the SRM Regulation and, as a treaty, required the ratification of national parliaments by November 30, 2015.

The press release is available at:

http://www.consilium.europa.eu/press-releases-pdf/2015/11/40802205655_en_635844766200000000.pdf.

Securities

European Commission Publishes Proposed Prospectus Regulation

On November 30, 2015, the European Commission published a proposed Prospectus Regulation as part of the EU Capital Markets Union initiative. The proposed Prospectus Regulation would replace the current EU Prospectus Directive, revising the regime for companies to raise money on public markets or by public offer to potential investors. The key changes include: (i) increasing the threshold for when a prospectus would be required for offers with a total consideration from €100,000 to €500,000; (ii) removing the option for Member States to require a prospectus below that minimum threshold; (iii) giving Member States the option to give an exemption from the prospectus requirement for

capital raisings with a total consideration of between €500,000 and €10 million for domestic offers for which no passport notification to other Member States is required; (iv) aligning the definition of SMEs with that under MiFID II so that the SME-specific regime is also available to SMEs with an average market capitalization of less than €200 million, (increased from €100 million) not listed on a regulated market; (v) creating a system for frequent issuers using an annual “Universal Registration Document”; (vi) providing for a simplified disclosure regime for secondary issuances by listed firms; and (vii) establishing a single access point, provided by the European Securities and Markets Authority, for all prospectuses approved within the European Economic Area, although approvals will remain the responsibility of national listing agencies.

The Proposed Regulation is available at: http://ec.europa.eu/finance/securities/docs/prospectus/151130-proposal_en.pdf

Upcoming Events

December 11, 2015: European Central Bank public hearing on use of Options and Discretions by EU Member States and National Regulators under CRD IV (registration closed).

December 14, 2015: European Commission Conference on Impact of CRD IV on Bank Financing of the Economy.

December 15, 2015: EBA Public Hearing on Proposed Guidelines on Anti-Money Laundering and Countering the Financing of Terrorism (registration closed).

December 18, 2015: EBA Public Hearing on Draft Regulatory Technical Standards on Cross-Border Intragroup Liquidity Flows (registration closed).

January 5, 2016: EBA Public Hearing on Draft Guidelines on Communication between National Regulators Supervising Credit Institutions and their Auditors (registration closes: December 15, 2015).

January 13, 2016: EBA Public Hearing on Disclosure of Confidential Information in Summary or Collective Form under the Bank Recovery and Resolution Directive (registration closes: December 23, 2015).

January 18, 2016: EBA Public Hearing on Common Procedures for Information Exchange between National Regulators on Proposed Acquisitions and Increases of Qualifying Holdings (registration closes: January 4, 2016).

January 25, 2016: ESMA Open Hearing on Validation and Review of Credit Rating Agency Methodologies.

Upcoming Consultation Deadlines

December 7, 2015: FCA Consultation on Part III of Implementation of the Undertakings for Collective Investments in Transferable Securities V Directive.

December 7, 2015: PRA and FCA Consultation on Regulatory References.

December 7, 2015: CPMI Consultation on Correspondent Banking Reforms.

December 16, 2015: ECB Consultation on use of Options and Discretions under CRD IV.

December 17, 2015: HM Treasury Consultation on Legislative Amendments to Implement UCITS V.

December 18, 2015: FCA Asset Management Market Study.

December 22, 2015: FCA and HM Treasury Consultation on Public Financial Guidance.

December 22, 2015: FCA and HM Treasury Call for Input on Improving Access to Financial Advice for Consumers.

December 24, 2015: ESMA Consultation on RTS for the European Single Electronic Format under the Transparency Directive.

December 27, 2015: ESMA Consultation on Indirect Clearing under the European Market Infrastructure Regulation and Markets in Financial Instruments Regulation.

December 28, 2015: Federal Deposit Insurance Corporation FAQs on Brokered Deposits.

January 6, 2016: European Commission Consultation on EU Covered Bond Framework.

January 6, 2016: European Commission Consultation on EU Venture Capital Investment Funds Regulation and European Social Entrepreneurship Funds Regulation.

January 13, 2016: EBA Consultation on Draft RTS on Cross-Border Intragroup Liquidity Flows.

January 14, 2016: European Commission Consultation on Impact of Maximum Remuneration Ratio between Variable to Fixed Remuneration and Overall Efficiency of Remuneration Rules.

January 15, 2016: PRA Consultation on Implementation of Ring Fencing for Core UK Financial Services and Activities.

January 18, 2016: PRA Consultation on Identifying Other Systemically Important Institutions.

January 22, 2016: EBA Consultation on Draft Guidelines on Application of Definition of Default under the CRR.

January 22, 2016: European Supervisory Authorities Consultation on Anti Money Laundering Guidelines.

January 27, 2016: EBA Consultation on Draft Guidelines for Disclosure of Confidential Information under the BRRD.

January 28, 2016: EBA Consultation on Draft Guidelines on Treatment of Credit Valuation Adjustment Risk under the Supervisory Review and Evaluation Process.

February 1, 2016: Federal Reserve Board Total Loss-Absorbing Capacity and Related Requirements Proposal.

February 4, 2016: FCA Consultation on Implementation of Market Abuse Regulation.

February 5, 2016: Basel Committee Consultation on Capital Requirements for Simple, Transparent and Comparable Securitizations.

February 10, 2016: EBA Consultation on Common Procedures for Information Exchange between National Regulators on Proposed Acquisitions.

February 12, 2016: Basel Committee Consultation on TLAC Holdings.

February 19, 2016: ESMA Discussion Paper on Validation and Review of CRA Methodologies.

February 20, 2016: FCA Consultation on Amending Guidance on Delaying Disclosure of Inside Information.

February 23, 2016: CPMI and IOSCO Consultation on Cyber Resilience.

This newsletter is intended only as a general discussion of these issues. It should not be regarded as legal advice. We would be pleased to provide additional details or advice about specific situations if desired. If you wish to receive more information on the topics covered in this publication, you may contact your usual Shearman & Sterling representative or any of the following:

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