

**Minutes of the Meeting of the
CITY OF LONDON LAW SOCIETY REGULATORY LAW COMMITTEE**
Held on Thursday 20 February 2025 at 12:30 pm
Conference call

Attending	Firm Represented
Hannah Meakin (Chair)	Norton Rose Fulbright
Anita Edwards (Committee Secretary)	
Joshua Creutzberg (Solicitor non-member)	
Brian McDonnell (Vice Chair)	McDonnell Ellis
Peter Bevan	Linklaters
Clive Cunningham	Herbert Smith Freehills
Anthony Ma	CLSC/CLLS
Matthew Baker	Bryan Cave Leighton Paisner
Alex Ainley	Simmons & Simmons
Sam Brewer	Travers Smith

Apologies:

- Jake Green (Ashurst)
- Kevin Hart (CLLS)
- Simon Morris (CMS)
- William Garner (Charles Russell Speechlys)

A. MATTERS FOR DISCUSSION

A.1 Approval of minutes of January 2025 meeting

No objections to the minutes of the Committee meeting held on 16 January 2025 were raised.

A.2 Papers submitted since last meeting:

- FCA and FOS Call for Input: Modernising the Redress System
- FCA DP24/2: Improving the UK transaction reporting regime
- CP24/2, Part 2: Greater transparency of our enforcement investigations
- CP24/27: Advice Guidance Boundary Review – proposed targeted support reforms for pensions (*submitted 20/2*)
- CP24/29: Private Intermittent Securities and Capital Exchange System: sandbox arrangements (*to be submitted shortly*)

The Chair ran through the papers submitted and thanked the committee. An update was also provided on the PISCES paper.

A.2 PRA and FCA joint consultation paper – Remuneration reform

The content of the consultation was summarised to the Committee. It was noted that a draft response had been circulated to Members ahead of the meeting, which supports the proposals overall but takes

the opportunity to suggest adopting the proposed approach more widely, for consistency across the remuneration rules for different types of firm.

Members raised no further comments in relation to the response and it was agreed that the draft would be circulated once more for any further comments ahead of submission.

A.3 Operational resilience papers:

- **FCA CP24/28: Operational Incident and Third Party Reporting**
- **BoE consultation – Operational resilience: operational incident and outsourcing and third-party reporting for financial market infrastructures**
- **PRA CP17/24 – Operational resilience: Operational incident and outsourcing and third-party reporting**

One Member provided an overview of the papers, the context and the proposals.

In relation to incident reporting, it was noted that this regime will sit alongside the payment services regulatory reporting regime, which might be problematic for payment services firms. Members also discussed the differences between these standards and the EU's Digital Operational Resilience Act, which could be onerous for anyone that is subject to both, given the amount of data required.

In relation to third party arrangements, Members flagged that the proposed regime would sit on top of the material outsourcing regime, which could lead to some practical difficulties for firms as there are some differences between the two as well as additional definitions that add to the complexity.

Other points discussed included the types of firm covered by the scope of the proposed regime and how certain relationships between firms should be addressed.

It was agreed that a draft response would be prepared and circulated to Members for review and comment.

A.4 FCA DP24/4: Regulating cryptoassets – Admissions & Disclosures and Market Abuse Regime for Cryptoassets

It was noted that a draft response had been prepared and circulated to the Committee ahead of the meeting.

Members discussed their views on the paper. Potential issues discussed in relation to admissions and disclosures included the risk that multiple admission documents could be prepared which are inconsistent with each other, reducing clarity for retail investors. Another point raised was that the level of due diligence that trading platforms are required to carry out under the proposals might not be manageable in terms of resourcing and may cause concerns around liability for these platforms. The possibility of competition issues arising from territoriality aspects of the proposal was also discussed.

In relation to market abuse, it was suggested that more consideration should be given to market manipulation and that it may be helpful for the FCA to have more of an active role in monitoring and taking action in relation to it. It was also suggested that the proposals around insider dealing and the inside information disclosure requirements should be reconsidered to ensure they work in the context of cryptoassets.

It was agreed that Members would share any further comments on the draft response following the meeting.

A.5 FCA CP24/30: A new product information framework for Consumer Composite Investments

Members discussed their views on the proposals. It was agreed that the Committee would not respond to this paper, as it relates largely to the technical characteristics of the disclosure summary.

B. POSSIBLE MATTERS FOR DISCUSSION AT THIS OR SUBSEQUENT MEETINGS

Members were invited to consider their interest in responding to the following papers:

- B.1 FCA DP24/3: Pensions: Adapting our requirements for a changing market**
- B.2 FCA CP24/24: The MiFID Organisational Regulation**
- B.3 FCA CP25/2: Further changes to the public offers and admissions to trading regime and the UK Listing Rules**

The Committee noted that the Company Law Committee was considering responding to this paper.

- B.4 FCA CP25/3: Consultation on further proposals for firms operating public offer platforms**
- B.5 Treasury Committee call for evidence on AI in financial services**

C. ANY OTHER BUSINESS

- C.1 New members**

Members discussed the potential for further new members to join the Committee.

- C.2 Discussion of market trends, questions, knowledge sharing**

The Committee discussed whether it should begin looking proactively at broader issues in addition to those raised in consultation/discussion papers. Members agreed to consider potential issues to discuss at the next meeting.

- C.3 LinkedIn page**

It was noted that updates would generally be published on the Committee's LinkedIn page at least once per month, to include highlighting key points from responses submitted by the Committee.

- C.4 Reminder: next meeting is in person (20 March 2025)**

Members were reminded that the next meeting will take place in person, although a dial-in will also be offered.

D. NOTICES TO MEMBERS

Various notices were read out to Members, including in relation to upcoming CLLS events and a CLLS AI survey.