

CITY OF LONDON LAW SOCIETY

FINANCIAL LAW COMMITTEE

Minutes for the meeting held at 12.45 pm on 15 October 2025

at the offices of Herbert Smith Freehills Kramer LLP and also by Teams.

Present:	Sarah Smith (Baker & McKenzie LLP) (Chairman) – in person Edward Fife (Slaughter and May) – in person Nick May (Herbert Smith Freehills Kramer LLP) – in person Alexander Shopov (Linklaters LLP) – in person Matt Dunn (Clifford Chance LLP) – in person Greg Brown (Allen Overy Shearman Sterling LLP), as alternate for Fiona Fitzgerald – in person Nigel Ward (Ashurst LLP) – in person Adam Pierce (Dentons UK and Middle East LLP) – in person Presley Warner (Gibson, Dunn & Crutcher LLP) – in person James Bresslaw (Simmons & Simmons LLP) – in person Flora McLean (Freshfield Bruckhaus Deringer LLP) – in person Emma Giddings (Norton Rose Fulbright LLP) – by Teams Paul Mullen (Hogan Lovells International LLP), as alternate for Penny Angell – by Teams
Attending:	Kevin Hart (CLLS) (Legal Policy Analyst) – by Teams Natalie Butchart (Slaughter and May) (Secretary) – in person Avril Forbes (Clifford Chance LLP) – in person

1. APOLOGIES FOR ABSENCE

The Chairman opened the meeting and reported that apologies had been received from Natalie Lewis (Travis Smith LLP) and Nick Swiss (Eversheds Sutherland (International) LLP).

2. APPROVAL OF MINUTES

The minutes of the last meeting, held on 16 July 2025, were approved.

3. DIGITAL ASSETS (S. SMITH)

3.1 Law Commission Calls for Evidence, Consultation Papers and Final Reports

The Chairman reported that members of the digital assets working group had prepared two papers in response to the [Law Commission Digital assets and \(electronic\) trade documents in private international law, including Section 72 of the Bills of Exchange Act 1882 Consultation Paper published 5 June 2025](#). Both papers were submitted on 8 September 2025:

- the first paper provides a response to various proposals made with respect to digital assets generally in the Consultation Paper, and in particular, to matters discussed in Chapter 5 and 6 of the Consultation Paper (this paper is referred to as the “Principal Response”); and



CLLS Financial Law Committee Response

- the second paper provides a response focused on Chapter 7 of the Consultation Paper – “Electronic Trade Documents (ETDs) and section 72 of the Bills of Exchange Act 1882” – and also takes into account the document entitled “ETDs in Private International Law: FAQs” prepared by members of the Commercial and Common Law team at the Law Commission, published in October 2024, (this paper is referred to as the “ETD Response”).



Law Commission_ETDs at

The Chairman noted that of the responses that have been made publicly available several of them agree with the position of this Committee with regards to both party autonomy and ETDs.

3.2 Digitalisation Taskforce Interim Report

The Chairman reported that, following the publication on the 15 July 2025 of the Digitalisation Taskforce's [Final Report](#) setting out its recommendations for modernising the UK shareholder framework, Lucy Fergusson, who leads the CLLS Company Law Committee's working group on share digitisation, contacted the Chairman of this Committee indicating that the working group were hoping to open channels of communication with the DBT to provide input on the implementation of the recommendations, in particular with regards to taking security over shares without a certificate. The Chairman confirmed that this Committee would be keen to liaise with the Company Law Committee in engaging with the DBT on this matter.

The Chairman further reported that on 9 October 2025, the government announced the appointment of Mark Austin CBE to establish and chair the Dematerialisation Market Action Taskforce (DEMAT) and published [Terms of Reference](#) setting out the objectives and governance structure of the DEMAT. This Committee will continue to co-ordinate with the Company Law Committee with respect to any consultations or similar outreach from the DEMAT.

3.3 LawTech UK

The Chairman reported that on 5 August 2025, LawTech UK announced the establishment of the [International Jurisdiction Taskforce](#) (IJT), a new independent body convened to reduce international barriers to the adoption of digital technology. The body will be chaired by Sir Geoffrey Vos and brings together legal experts from across the world. The Chairman suggested that this Committee indicate its willingness to engage with the IJT.

3.3 FCA Consultation on fund tokenisation

The Chairman reported that on 14 October 2025, the FCA published a [consultation paper](#) on its proposed new rules for fund tokenisation and direct-to-fund dealing. The consultation sets out how the FCA aims to support innovation in UK asset management, while protecting consumers.

4. **MACDONALD HOTELS LTD V BANK OF SCOTLAND PLC**

[Macdonald Hotels Ltd and another v Bank of Scotland plc \[2025\] EWHC 32 \(Comm\)](#)

Avril Forbes reported that a final form draft of a note prepared by a working group of the Committee, on the issues in this case raising concern, in particular with respect both to the requirements for the valid execution of a deed and the relevance of Law Commission working papers to the construction of statutory provisions, had been circulated with the Agenda for this meeting for approval by the Committee.

The members of this Committee approved the final form draft of the note for publication. Prior to publication, it was noted that the final form note would be shared with the CLLS Company Law Committee to be tabled at the next meeting of that Committee on 23 November 2025 for endorsement by that Committee.

The members of the Committee thanked Avril for her work in preparing the note.

5. **CLLS GUIDE ON ENGLISH LAW OPINION LETTERS**

The Chairman reported that a first meeting of the working group, set up to consider updates to the Guide, would be held on 16 October 2025.

6. **REPORT OF THE UK INDEPENDENT EXPERT PANEL ON CORPORATE RE-DOMICILIATION**

The Chairman advised the Committee that there was no update to report on this item, as the Government has not yet published details of the consultation. It will remain a watching brief item.

7. **UPDATES/CURRENT STATUS**

7.1 **National Security and Investment Act 2021 (P. ANGELL)**

The Chairman delivered an update on this matter provided by Penny Angell prior to the meeting. It was reported that on 22 July 2025, the Chancellor of the Duchy of Lancaster of the Cabinet Office issued a [statement](#) announcing:

- the intention to bring forward secondary legislation before Parliament to remove the requirement for business to have to notify certain internal reorganisations and the appointment of liquidators, special administrators and official receivers;
- the launch of the 12-week consultation, promised in the policy paper issued by the UK Government on the UK's Modern Industry Strategy published on 23 June 2025, on proposed updates to the Notifiable Acquisition Regulations, which set out the sensitive sectors of the economy subject to mandatory notification under the Act;
- the publication of the [2024-2025 Annual Report](#); and
- a plan to publish more guidance in due course based on stakeholder feedback.

Following consultation with the Committee's NSIA working group, it was concluded that (1) there was no requirement for the Committee to respond to specific points in the consultation and (2) there was no appetite to seek further clarity on the scope of the exemption in paragraph 7 to Schedule 1 of the NSIA (in particular whether the acquisition or exercise of voting rights would be viewed as a step taken “*for the purpose of preserving the value of security or of realising it*”).

It was noted that the CLLS Insolvency Law committee had written a letter to the UK Government welcoming the proposal to exempt the appointment of liquidators, special administrators, and official receivers; and had received a response back to their letter to say that the Government is working through the detail of the insolvency exemption with a view to laying secondary legislation when parliamentary time allows, but with no further details provided on timing.

7.2 ECONOMIC CRIME AND CORPORATE TRANSPARENCY ACT 2023

The Chairman reported that Companies House had confirmed 18 November 2025 as the commencement date for mandatory identity verification of company directors. Members of the Committee discussed the new requirements, in particular with regards to the ability to conduct reliable due diligence on ID verification status; and the potential consequential impact on condition precedent requirements, legal opinions and timing/closing mechanics.

The Committee agreed that this was an area of practice to keep under review.

7.3 CLLS ESG (E. GIDDINGS)

Emma Giddings reported that members of the CLLS ESG Committee had worked with members of the CLLS Environmental Law Committee to prepare and submit responses to the three consultations launched by the UK Government on 25 June 2025 seeking views on:

- [Climate-related transition plan requirements](#) – options to take forward climate-related transition plan requirements in order to provide the market with credible and decision useful information;
- [Exposure drafts: UK Sustainability Reporting Standards](#) – the Government's draft UK Sustainability Reporting Standards based on the International Sustainability Standards Board standards; and
- [Assurance of sustainability reporting](#) - the Government's proposal for greater regulatory oversight of third-party assurance services for sustainability-related financial disclosures.

Emma noted that the UK Government had confirmed that it would not be proceeding with a UK Green Taxonomy.

8. LAW COMMISSION 14TH PROGRAMME OF LAW REFORM – DEEDS

The Chairman reported that on the 4 September 2025, the Law Commission published its [14th programme of law reform](#) with one of its proposed projects being a review of the law of deeds (covering both deeds executed on paper and electronically), including consideration of:

- broad issues about the efficacy of deeds, including whether the concept remains fit for purpose;
- whether there should be amendments to the existing requirements of deeds, including witnessing, attestation, and delivery; and
- whether amendments to the law of deeds are required to ensure that compliance with the requirements of deeds can be facilitated by smart contracts.

It was agreed that the Committee should keep a watching brief on this item.

9. ANY OTHER BUSINESS

9.1 [Dunn v Kazolides \[2025\] EWHC 2212 \(Ch\)](#)

In this case the High Court considered the application of the decision in Macdonald Hotels Ltd and another v Bank of Scotland plc [2025] EWHC 32 (Comm) (see item 4 above). However, it did not reach a conclusion on the applicability of the *obiter dicta* comments of Pelling J in relation to execution of deeds because the cause of action in this case had accrued more than 12 years before the issue of claim, making it immaterial if the relevant contract was a deed or not. However, several points of interest are to be noted:

- Macdonald Hotels was not endorsed; and
- another means of evidencing “intention” was approved – no express intention clause was included in the joint venture agreement but, in Sharif A Shivji K.C’s view, the use of

"IN WITNESS whereof the Parties hereto have executed this instrument as their Deed" and the inclusion of "Signed as a Deed" in each of the signature blocks satisfied the statutory requirements.

9.2. [National Iranian Oil Company, Retirement, Saving and Welfare Fund of Oil Industry Workers v Crescent Gas Corporation Limited \[2025\] EWCA Civ 1211](#)

The Court of Appeal considered and dismissed an appeal concerning the interpretation and effect of section 53(1)(b) of the Law of Property Act 1925, holding that the section requires personal signature by the trustee and that signature by their agent would not be sufficient.

On 13 October 2025, the Court of Appeal granted National Iranian Oil Company, Retirement, Saving and Welfare Fund of Oil Industry Workers permission to appeal to the Supreme Court. The Committee agreed that this was an important case and a watching brief would be kept on the appeal.

9.3 [Vietjet Aviation JSC v FW Aviation \(Holdings\) 1 Ltd \[2025\] EWCA Civ 783](#)

The Court of Appeal drew a distinction between an assignee's entitlement to exercise contractual rights assigned to it pursuant to a security agreement and its rights to enforcement the security. The former could arise immediately but the latter only upon a stated trigger event.

The Court also considered the meaning of 'financial institution' in the context of permitted loan transfers, i.e. had the loans in question been transferred to a permitted financial institution (a 'Qualifying Lender') within the definition of the loan transfer provisions. It gave the term a broad meaning – following the case of Argo Fund Ltd v Essar Steel [\[2006\] EWCA Civ 241](#) – concluding that an English SPV that had been set up to acquire the loans fell within the definition.

Permission to appeal the decision was lodged with the Supreme Court on 26 August 2025 but has not yet been granted. The Committee agreed to keep a watching brief on the case.

9.4 [Re Waldorf Production UK Plc \[2025\] EWHC 2297 \(Ch\)](#)

The High Court refused to sanction the Part 26A restructuring plan for Waldorf Production UK plc but issued a leapfrog certificate allowing the company to appeal directly to the Supreme Court bypassing the Court of Appeal. The Committee agreed that this was an important case and a watching brief would be kept on the appeal.

10. **NEXT MEETING**

The Committee was reminded that the next meeting will be held 12:45 pm on 14 January 2025 at the offices of Dentons UK and Middle East LLP.

There being no further business, the meeting closed.