

**Minutes of Meeting of the
City of London Law Society Regulatory Law Committee (the "Committee")**

Held on Tuesday 12 September 2023 at 12:30pm

via video conference

ATTENDEES

Present	Firm Represented
Karen Anderson (Chair)	Herbert Smith Freehills LLP
Matthew Baker	Bryan Cave Leighton Paisner
Nick Bonsall	Slaughter and May
Richard Everett	Travers Smith LLP
William Garner	Charles Russell Speechlys
Kevin Hart	City of London Law Society (CLLS)
Angela Hayes	DAC Beachcroft
Anthony Ma	Deloitte
Brian McDonnell	McDonnell Ellis LLP
Simon Morris	CMS Cameron McKenna Nabarro Olswang

1. MINUTES OF THE PREVIOUS MEETING

A.1 Approval of minutes of August meeting

The minutes of the meeting of the Committee held on 15 August 2023 were approved.

A.2 [CP11/23 – PRA statement on the review of rules](#) – due 29 September 2023

The members agreed to take comments on the draft response by email to be received not later than 25 September 2023.

A.3 [CP10/23 – Solvent exit planning for non-systemic banks and building societies](#) – due 27 October 2023

Members discussed the PRA's proposal for a new set of rules to be introduced for banks and building societies that fall below both O-SII and the Operational Continuity Part of the PRA Rulebook. The proposal would require those firms to prepare plans for a solvent exit.

Members noted that for new and smaller firms there are barriers to making a solvent exit viable, including the risk of contractual breaches against third parties. Members discussed whether the PRA's

proposal created a further barrier to entry to new market participants, and whether the benefits which might be achieved through the imposition of the requirement were warranted given the impact of the proposals on the industry and noting that for such new entrants, in the initial years, most deposits would be small and covered by the FSCS.

Members acknowledged that the requirement would provide the PRA with another tool and that the requirements could help to develop firms' understanding of how to exit from PRA-regulated activities while still solvent and serve as a first step towards planning to meet the more stringent requirements of the O-SII and the Operational Continuity part of the handbook.

Members agreed that a draft response would be prepared.

A.4 [HMT: CP and CfE on ban on cold calling for consumer financial services and products](#) –due 27 September 2023

Members discussed the Government's commitment to extend the prohibition on cold calling to all financial promotions covered by RAO. The consultation did not contain draft legislation and proposed using existing legal tools to expand and cover these financial promotions.

Members noted that there was concern within the industry that the proposal could affect their legitimate communications with customers. Members also discussed the potential impacts of the proposal on governance, given that marketing was often carried out by third parties. A member noted that the proposal could be a hindrance to the distribution of services and potentially a barrier to entry; and that the logic of the paper was in effect that the only permitted method of distribution was through an existing arrangement.

Members noted that the more nefarious issues created by cold calling did not come from the regulated sector and the proposal was unlikely to do little to deter fraudsters. It was noted that there was a consultation on an exception to allow FCA or PRA regulated businesses to communicate in this way where they have an established relationship, and the call would be envisaged. It was noted that the Committee may want to support a viable exception for regulated firms.

Members agreed that a draft response would be prepared.

A. POSSIBLE MATTERS FOR DISCUSSION AT THIS OR SUBSEQUENT MEETINGS

B.1 [FCA: Quarterly Consultation No. 41](#) – response due 9 October 2023

It was agreed that the Committee would not respond to this consultation.

B.2 [PRA consults on Securitisation - General Requirements](#) – response due 30 October 2023

B.3 [FCA consults on rules relating to securitisation](#) – response due 30 October 2023

It was agreed that responses to these papers would be left to the Financial Law Committee.

B. ANY OTHER BUSINESS

No AOB.

C.1 New member – results of voting

It was agreed that Diego Ballon Ossio would be admitted as a member.

C.2 New chair and vice chair

Votes cast by members had been unanimously supportive of the nomination of Hannah Meakin as the new Chair and Brian McDonnell as the new Vice Chair (subject to the approval of the main CLLS Committee).

The Committee thanked Karen Anderson for her work as Co-Chair and then Chair between July 2014 and September 2023.

C.3 Any other business

It was noted that the CLLS's annual lecture on the rule of law would be taking place on 8 November 2023 and that details would be on the main CLLS intranet.