


**Sea of Change**

Regulatory reforms – reaching new shores



**EU Legislation Pilot**  
A course through the shoals  
Q1 2015

C L I F F O R D  
C H A N C E



## Post-crisis Initiatives

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## CAPITAL REQUIREMENTS REGULATION

Regulation (EU) No 575/2013

Plus secondary legislation



### PROCESS STATUS



### OBSERVATIONS



- 01 Increased capital requirements especially for large banks
- 02 New Basel 3 metrics (liquidity coverage, stable funding, leverage ratio)
- 03 Non-zero capital requirements for exposures to CCPs
- 04 Revised rules on derivatives
- 05 Restates old regulatory capital rules as EU Regulation

### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



Capital usage and asset mix

Derivatives netting

Credit exposures/netting

Cleared OTC and futures  
business

Trade finance

Wholesale activities

Regulatory reporting

## BANKING DIRECTIVE

Directive 2013/36/EU

### PROCESS STATUS



### OBSERVATIONS

- 01 Licensing conditions for banks
- 02 New governance and compensation requirements
- 03 Capital buffers

### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



Compensation

### KEY

### PROCESS STATUS FLAGS at Q1 2015

Text finalised, implementation in execution



Near-final, implementation imminent



Text developing – expected to be finalised in 2015



Negotiations opened



Proposal awaited



### OBSERVATION FLAGS

Supplementary UK legislation



Eurozone measure



Too big to fail measure



Shadow banking measure



Consumer protection measure



Non-EU laws equivalence assessment



Flagship measure



Connected to or potential clash with  
other legislation showing same flag



IMPACT AFFECTED NOT AFFECTED

Governance and internal management



Legal vehicles



Treasury and collateral



Onboarding and documentation



Counterparty risk and liability



IT and operations



**KEY**

**SINGLE SUPERVISORY MECHANISM REGULATION**  
Regulations (EU) Nos 1022 and 1024/2013 plus ECB Regulation

**PROCESS STATUS**



**OBSERVATIONS**



Main impact is for Eurozone banks

- 01 ECB becomes supervisor of major Eurozone banks
- 02 Consolidated supervision by ECB at level of Eurozone parent

**IMPACT**

COMMERCIAL BANKING & TRANSACTION SERVICES

INVESTMENT BANKING



**DEPOSIT GUARANTEE DIRECTIVE 2**  
Directive 2014/49/EU

**PROCESS STATUS**



**OBSERVATIONS**



- 01 Upfront funding of protection schemes
- 02 Premium level set at 0.8% of covered deposits
- 03 7-day payout schedule

**IMPACT**

COMMERCIAL BANKING & TRANSACTION SERVICES

INVESTMENT BANKING



Deposit taking

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KEY

## BANK RESOLUTION AND RECOVERY DIRECTIVE

Directive 2014/59/EU



### PROCESS STATUS



### OBSERVATIONS



- 01 Recovery and resolution tools for banks, investment firms, parents, financial firms, branches
- 02 Living wills (recovery and resolution plans)
- 03 Powers to order change to intragroup legal/contractual/operational/financial arrangements, divestment, cease activities, replace management, etc
- 04 Sale, bridge bank, asset separation and bail-in tools
- 05 Minimum level of bail-in-able debt required
- 06 Powers to close out/prevent close-out, suspend performance, vary contracts, oblige continuation of services, restrict security enforcement
- 07 Safeguards for shareholders and counterparties
- 08 Contributions to national resolution funds
- 09 Winding-up Directive applied to investment firms

### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



Shared services

Shared services

Outsourcing and suppliers

Outsourcing and suppliers

Derivatives and other products

## OMNIBUS DIRECTIVE 2

Directive 2014/51/EU



### PROCESS STATUS



### OBSERVATIONS



Primary effect is modification of Solvency 2

- 01 Amends Prospectus Directive re: role of ESMA

### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



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IT and operations



KEY

## FINANCIAL TRANSACTION TAX

CNS 2013/45



### PROCESS STATUS



### OBSERVATIONS

Proposal reactivated early 2015

- 01 Tax on purchase/sale/right to dispose/exchange of financial instruments, derivatives, repos and securities loans

### IMPACT

COMMERCIAL BANKING & TRANSACTION SERVICES

INVESTMENT BANKING



Clearing and settlement services

Sales and trading  
Prime finance  
Derivatives

## SINGLE RESOLUTION MECHANISM REGULATION

Regulation (EU) No 806/2014



### PROCESS STATUS



### OBSERVATIONS



Main impact is for Eurozone banks

- 01 Establishes Single Resolution Board for Eurozone banks/parents/entities under ECB consolidated supervision  
02 Bank resolution fund established  
03 Recovery and resolution tools as for BRRD (2014/59/EU)

### IMPACT

COMMERCIAL BANKING & TRANSACTION SERVICES

INVESTMENT BANKING



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Supplementary UK legislation



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### IMPACT AFFECTED NOT AFFECTED

Governance and internal management



Legal vehicles



Treasury and collateral



Onboarding and documentation



Counterparty risk and liability



IT and operations



KEY

## MONEY MARKET FUNDS REGULATION

COD 2013/306

### PROCESS STATUS



### OBSERVATIONS



- 01 Licensing regime for MMFs
- 02 Restrictions on eligibility of securitisations, deposits, derivatives, repos as investments
- 03 Concentration and credit assessment rules

### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



Reinvestment products

Client money options

Operation of MMFs

## SECURITIES FINANCING REGULATION

COD 2014/17

### PROCESS STATUS



### OBSERVATIONS



- 01 Reporting of securities financing transactions to Trade Repositories
- 02 Disclosure by funds of use of financing transactions
- 03 Restrictions on rehypothecation of collateral

### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



Fund administration

Prime broking

Securities lending

Derivatives

Clearing services

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Governance and internal management



Legal vehicles



Treasury and collateral



Onboarding and documentation



Counterparty risk and liability



IT and operations



**BARRIER REGULATION (REGULATION ON SEPARATION OF TRADING ACTIVITIES)**  
COD 2014/20 

**PROCESS STATUS**



**OBSERVATIONS**



01 Separation of trading from traditional banking

**IMPACT**

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING




Regulatory information

Regulatory information

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Proposal awaited 

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Supplementary UK legislation 


Eurozone measure 


Too big to fail measure 

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Consumer protection measure 

Non-EU laws equivalence assessment 


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Legal vehicles 

Treasury and collateral 

Onboarding and documentation 

Counterparty risk and liability 

IT and operations 



## ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE

Directive 2011/61/EU

Plus secondary legislation

### PROCESS STATUS



### OBSERVATIONS



Various teething troubles arising during transposition

- 01 Licensing regime for managers of AIFs
- 02 Marketing regimes for AIFs
- 03 Depositary must be appointed

### IMPACT

COMMERCIAL BANKING & TRANSACTION SERVICES



Depositary and custody services

INVESTMENT BANKING



Hedge fund creation and sales  
Prime broking

## SHAREHOLDERS RIGHTS DIRECTIVE 2

COD 2014/121

### PROCESS STATUS



### OBSERVATIONS

- 01 Intermediaries obliged to identify shareholders and transmit information
- 02 Asset managers/institutional investors to have shareholder engagement policy, publicise investment strategy and align with liability profile

### IMPACT

COMMERCIAL BANKING & TRANSACTION SERVICES



Custody

INVESTMENT BANKING



Prime finance

### KEY

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Proposal awaited

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Supplementary UK legislation

Eurozone measure

Too big to fail measure

Shadow banking measure

Consumer protection measure

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Flagship measure

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**IMPACT** AFFECTED NOT AFFECTED

Governance and internal management

Legal vehicles

Treasury and collateral

Onboarding and documentation

Counterparty risk and liability

IT and operations

## KEY

### EUROPEAN ACCOUNT PRESERVATION ORDERS REGULATION

Regulation (EU) No 655/2014

#### PROCESS STATUS



#### OBSERVATIONS

Applies to accounts provided by banks

UK has opted out

01 Cross-border freezing orders

#### IMPACT

COMMERCIAL BANKING & TRANSACTION SERVICES

INVESTMENT BANKING



Cash accounts

Cash accounts

### MARKETS IN FINANCIAL INSTRUMENTS REGULATION

Regulation (EU) No 600/2014



Plus ESMA consultation | Secondary legislation

#### PROCESS STATUS



#### OBSERVATIONS



Further issues: see under Infrastructures

- 01 New rules about waivers for equities market price transparency
- 02 Transparency rules introduced for bond and derivatives markets
- 03 New content of transaction reports
- 04 Derivatives may be declared subject to trading obligation on regulated market, MTF or OTF
- 05 Indirect clearing of futures to be regulated
- 06 Product monitoring and intervention
- 07 Passporting regime for non-EEA firms overhauled

#### IMPACT

COMMERCIAL BANKING & TRANSACTION SERVICES

INVESTMENT BANKING



Clearing services

Dark pools

FX

Fixed income

Futures and OTC derivatives

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Proposal awaited



### OBSERVATION FLAGS

Supplementary UK legislation



Eurozone measure



Too big to fail measure



Shadow banking measure



Consumer protection measure



Non-EU laws equivalence assessment



Flagship measure



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IMPACT ○ AFFECTED ○ NOT AFFECTED

Governance and internal management



Legal vehicles



Treasury and collateral



Onboarding and documentation



Counterparty risk and liability



IT and operations



## MARKETS IN FINANCIAL INSTRUMENTS DIRECTIVE 2

Directive 2014/65/EU (Plus ESMA consultation)



### PROCESS STATUS



### OBSERVATIONS



Further issues: see under  
*Infrastructures*

- 01 Structured deposits brought into scope
- 02 In-house crossing and platform rules reformed – new concept of Organised Trading Facility
- 03 New product approvals processes stipulated and customers'-interest test required
- 04 Revised record-keeping rules
- 05 Algorithmic trading, High Frequency trading and Direct Market Access all subject to limitations
- 06 Commissions rules revised
- 07 Staff compensation regulated
- 08 Commodities business subject to position limits

### IMPACT

#### COMMERCIAL BANKING & TRANSACTION SERVICES



Deposit products  
Securities services

#### INVESTMENT BANKING



Trading structures and services across all products  
Direct market access and wholesale client services  
Commodities business  
Regulatory reporting

## MARKET ABUSE REGULATION

Regulation (EU) No 596/2014

### PROCESS STATUS



### OBSERVATIONS

- 01 Broader scope of insider dealing and market manipulation regime: e.g. benchmarks, spot commodities, instruments not traded on regulated markets
- 02 Market manipulation can be done by placing orders
- 03 Disruption of trading system constitutes manipulation
- 04 Accepted market practice defence to abuses subject to ESMA approval

### IMPACT

#### COMMERCIAL BANKING & TRANSACTION SERVICES



Securities services

#### INVESTMENT BANKING



Commodities  
Derivatives  
Securities  
Own-account and client trading

### KEY

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Proposal awaited



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Supplementary UK legislation



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Flagship measure



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**IMPACT** ○ AFFECTED ○ NOT AFFECTED

Governance and internal management



Legal vehicles



Treasury and collateral



Onboarding and documentation



Counterparty risk and liability



IT and operations



## KEY

### MARKET ABUSE DIRECTIVE 2

Directive 2014/57/EU

#### PROCESS STATUS



#### OBSERVATIONS

01 Criminalises insider dealing and manipulation

#### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

01 02 03 04 05 06

Securities services

INVESTMENT  
BANKING

01 02 03 04 05 06

Commodities

Derivatives

Securities

Own-account and client  
trading

### UCITS DIRECTIVE 5

Directive 2014/91/EU

#### PROCESS STATUS



#### OBSERVATIONS



01 Upgrades depository regime to match AIFMD

02 Remuneration of fund managers

#### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

01 02 03 04 05 06

Depository and custody  
services

INVESTMENT  
BANKING

01 02 03 04 05 06

Retail products

### PROCESS STATUS FLAGS at Q1 2015

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Negotiations opened



Proposal awaited



### OBSERVATION FLAGS

Supplementary UK legislation



Eurozone measure



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### IMPACT



AFFECTED



NOT AFFECTED

Governance and internal management



Legal vehicles



Treasury and collateral



Onboarding and documentation



Counterparty risk and liability



IT and operations



## KEY

### EU INSOLVENCY REGULATION

COD 2012/360

#### PROCESS STATUS



#### OBSERVATIONS

- 01 Broader coverage of pre-insolvency procedures
- 02 Streamlined process for determining COMI
- 03 Insolvency of groups to be coordinated and stays of affiliate proceedings enabled
- 04 Netting agreements expressly protected

#### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING

- 01 02 03 04 05 06 01 02 03 04 05 06
- Lending Derivatives

### PAYMENT ACCOUNTS DIRECTIVE

Directive 2014/92



#### PROCESS STATUS



#### OBSERVATIONS



- 01 Price transparency on payment accounts
- 02 Opening and switching of payment accounts
- 03 Right to a basic payment account

#### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING

- 01 02 03 04 05 06 01 02 03 04 05 06
- Payments and cash management

### PROCESS STATUS FLAGS at Q1 2015

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Negotiations opened



Proposal awaited



### OBSERVATION FLAGS

Supplementary UK legislation



Eurozone measure



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Shadow banking measure



Consumer protection measure



Non-EU laws equivalence assessment



Flagship measure



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### IMPACT AFFECTED NOT AFFECTED

Governance and internal management



Legal vehicles



Treasury and collateral



Onboarding and documentation



Counterparty risk and liability



IT and operations



**KEY**

**PAYMENT SERVICES DIRECTIVE 2**  
COD 2013/264



**PROCESS STATUS**



**OBSERVATIONS**



- 01** Broader currency and geographical scope for consumer protection
- 02** Third-party providers' right to access account data and initiate payments
- 03** On-line security standards

**IMPACT**

COMMERCIAL BANKING & TRANSACTION SERVICES      INVESTMENT BANKING



Payments and cash management

**INTERCHANGE REGULATION**  
COD 2013/265



**PROCESS STATUS**



**OBSERVATIONS**



- 01** Cap on interchange fees for debit and credit card payments
- 02** Separation of card schemes from processors
- 03** Single card, multiple payment applications
- 04** Unbundled pricing
- 05** Acquirers to provide statements to merchants

**IMPACT**

COMMERCIAL BANKING & TRANSACTION SERVICES      INVESTMENT BANKING



Payments

**PROCESS STATUS FLAGS** at Q1 2015

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Negotiations opened

Proposal awaited

**OBSERVATION FLAGS**

Supplementary UK legislation

Eurozone measure

Too big to fail measure

Shadow banking measure

Consumer protection measure

Non-EU laws equivalence assessment

Flagship measure

Connected to or potential clash with other legislation showing same flag

**IMPACT** **AFFECTED** **NOT AFFECTED**

Governance and internal management

Legal vehicles

Treasury and collateral

Onboarding and documentation

Counterparty risk and liability

IT and operations

**KEY**

**INVESTOR COMPENSATION SCHEMES DIRECTIVE 2**  
COD 2010/199

**PROCESS STATUS**



**OBSERVATIONS**



Proposal has been on ice since 2011; expected to be revived now Deposit Guarantees and MIFID2 are settled

- 01** Updated scope and level of investor compensation schemes
- 02** Custody risk to be covered
- 03** Funds to have target size and covered by levies up to 0.5% of monies and assets held/managed

**IMPACT**

COMMERCIAL BANKING & TRANSACTION SERVICES

INVESTMENT BANKING

- 01 02 03 04 05 06 01 02 03 04 05 06

Custody

Broking

Depository services

**SECURITIES LAW LEGISLATION**

**PROCESS STATUS**



**OBSERVATIONS**

Legal Certainty Group's work to be recast as a Regulation

Various non-papers, but no official proposal yet

- 01** Code of law for securities held in accounts

**IMPACT**

COMMERCIAL BANKING & TRANSACTION SERVICES

INVESTMENT BANKING

- 01 02 03 04 05 06 01 02 03 04 05 06

Custody

Prime broking

Securities lending

Collateral

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Governance and internal management



Legal vehicles



Treasury and collateral



Onboarding and documentation



Counterparty risk and liability



IT and operations



## CAPITAL MARKETS UNION

COM(2015) 63

### PROCESS STATUS



Consultation document  
issued by EU Commission

### OBSERVATIONS



- 01 Single Securitisation Market
- 02 Simplification of Prospectus Directive
- 03 Development of markets for venture capital and SMEs
- 04 Integrated covered bond market
- 05 Improved cross-border collateral flow

## KEY

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Governance and internal management

Legal vehicles

Treasury and collateral

Onboarding and documentation

Counterparty risk and liability

IT and operations



**KEY**

**DATA PROTECTION REGULATION**  
COD 2012/11



**PROCESS STATUS**



**OBSERVATIONS**



- 01 Improved rights for data subjects: access, rectification, portability of data, profiling
- 02 Duty to notify data breaches
- 03 Data protection officer to be appointed
- 04 “One-stop shop” for supervision of multi-country data controllers and processors

**IMPACT**

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



Cash and payment services

Retail products

Custody

**ELECTRONIC IDENTIFICATION REGULATION**  
Regulation (EU) No 910/2014

**PROCESS STATUS**



**OBSERVATIONS**



- 01 Obligation to heed approved electronic identification methods
- 02 Trust services regulated
- 03 Website authentication rules

**IMPACT**

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



Cash and payment services

Broking

Securities services

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Governance and internal management



Legal vehicles



Treasury and collateral



Onboarding and documentation



Counterparty risk and liability



IT and operations



**KEY**

## FUNDS TRANSFERS REGULATION 2

COD 2013/24



### PROCESS STATUS



### OBSERVATIONS

No progress since Q1 2014

- 01 Wire transfers to include payee information
- 02 Cards, e-commerce and m-commerce brought in-scope
- 03 Payee's payment service providers to identify beneficiary for payments originating outside EU
- 04 Modified record-keeping rules

### IMPACT

COMMERCIAL BANKING & TRANSACTION SERVICES      INVESTMENT BANKING



Payment services

## ANTI-MONEY LAUNDERING DIRECTIVE 4

COD 2013/25



### PROCESS STATUS



### OBSERVATIONS

No progress since Q1 2014

- 01 Due diligence: exemptions cut back but some simplifications; lower threshold for one-off transactions
- 02 Domestic politicians become politically exposed persons
- 03 Revised rules on beneficial ownership of entities
- 04 Transaction monitoring thresholds lowered

### IMPACT

COMMERCIAL BANKING & TRANSACTION SERVICES      INVESTMENT BANKING



Cash and payment services

Broking

Securities services

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Negotiations opened



Proposal awaited



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Supplementary UK legislation



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## IMPACT AFFECTED NOT AFFECTED

Governance and internal management



Legal vehicles



Treasury and collateral



Onboarding and documentation



Counterparty risk and liability



IT and operations



## CYBERSECURITY (NETWORK AND INFORMATION SECURITY) DIRECTIVE

COD 2013/27

### PROCESS STATUS



### OBSERVATIONS



- 01 New regulatory authorities established
- 02 Security standards for market operators (including banks, exchanges, CCPs, e-commerce platforms)
- 03 Reporting of security incidents mandated and public disclosure possible

### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



Payment services

Trading platforms

### KEY

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Governance and internal management



Legal vehicles



Treasury and collateral



Onboarding and documentation



Counterparty risk and liability



IT and operations



**KEY**

## SEPA REGULATION

Regulation (EU) No 260/2012

amended by Regulation (EU) No 248/2014



### PROCESS STATUS



### OBSERVATIONS



- 01 Euro credit transfer and direct debit instructions to conform to SEPA requirements
- 02 Retirement of pre-SEPA payment systems
- 03 Direct debit interchange fees mainly prohibited

### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



Payments

## EMIR (OTC DERIVATIVES AND CLEARING REGULATION)

Regulation (EU) No 648/2012



Plus secondary legislation

### PROCESS STATUS



### OBSERVATIONS



- 01 Clearing and risk management obligation for OTC derivatives
- 02 Trade repository reporting obligation for all derivatives
- 03 Licensing conditions for CCPs and Trade Repositories
- 04 Obligations of clearing members across all products

### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



Cash equities

Derivatives

Clearing

Futures

FX

Cash equities

FX

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## KEY

### MARKETS IN FINANCIAL INSTRUMENTS REGULATION

Regulation (EU) No 600/2014 of 15 May 2014



Plus ESMA consultation

#### PROCESS STATUS



#### OBSERVATIONS



Further issues: see under  
*Development of financial services law*

- 01 Obligation for trading venues to make transparency data available
- 02 Record-keeping rules for trading venues
- 03 All derivatives traded on Regulated Markets to be cleared at CCPs
- 04 Non-discriminatory access to CCPs, to data-feeds and to benchmarks

#### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



Clearing services

Futures

FX

### MARKETS IN FINANCIAL INSTRUMENTS DIRECTIVE 2

Directive 2014/65/EU



Plus ESMA consultation

#### PROCESS STATUS



#### OBSERVATIONS



Further issues: see under  
*Development of financial services law*

- 01 Governance rules for Regulated Markets
- 02 Regulated Markets to have rules on resilience, circuit-breakers, Direct Market Access, tick sizes
- 03 Trading venues to synchronize business clocks
- 04 New rules for MTF and OTF operators
- 05 Regulatory regime for Data Reporting services providers

#### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



MTF and OTF functions

### PROCESS STATUS FLAGS at Q1 2015

Text finalised, implementation in execution



Near-final, implementation imminent



Text developing – expected to be finalised in 2015



Negotiations opened



Proposal awaited



### OBSERVATION FLAGS

Supplementary UK legislation



Eurozone measure



Too big to fail measure



Shadow banking measure



Consumer protection measure



Non-EU laws equivalence assessment



Flagship measure



Connected to or potential clash with other legislation showing same flag



**IMPACT** ○ AFFECTED ○ NOT AFFECTED

Governance and internal management



Legal vehicles



Treasury and collateral



Onboarding and documentation



Counterparty risk and liability



IT and operations



KEY

## CENTRAL SECURITIES DEPOSITORIES REGULATION

Regulation (EU) No 909/2014

### PROCESS STATUS



### OBSERVATIONS



- 01 Licensing conditions and interoperability for CSDs
- 02 T+2 settlement and settlement discipline rules
- 03 Financial collateral to be held in CSDs
- 04 Individual and omnibus accounts choice mandated

### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



Custody and settlement services

Equities and fixed income services

## BENCHMARKS REGULATION

COD 2013/314

### PROCESS STATUS



### OBSERVATIONS

- 01 Ban on use of unauthorised benchmarks
- 02 Administrators regulated and contributors subject to code of obligations
- 03 Consumer-facing duties re: use of benchmarks

### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING



Lending

Derivatives

Fund administration

## PROCESS STATUS FLAGS at Q1 2015

Text finalised, implementation in execution

Near-final, implementation imminent

Text developing – expected to be finalised in 2015

Negotiations opened

Proposal awaited

## OBSERVATION FLAGS

Supplementary UK legislation

Eurozone measure

Too big to fail measure

Shadow banking measure

Consumer protection measure

Non-EU laws equivalence assessment

Flagship measure

Connected to or potential clash with other legislation showing same flag

## IMPACT AFFECTED NOT AFFECTED

Governance and internal management

Legal vehicles

Treasury and collateral

Onboarding and documentation

Counterparty risk and liability

IT and operations

## CENTRAL COUNTERPARTIES RESOLUTION LEGISLATION

### PROCESS STATUS



### OBSERVATIONS



No official EU proposal yet  
CPSS-IOSCO principles likely to inform proposal

01 Procedures for resolution of failing CCPs without recourse to insolvency proceedings

### IMPACT

COMMERCIAL BANKING  
& TRANSACTION SERVICES

INVESTMENT  
BANKING

01 02 03 04 05 06 01 02 03 04 05 06

Securities services

Equities

Derivatives

### KEY

### PROCESS STATUS FLAGS at Q1 2015

Text finalised, implementation in execution



Near-final, implementation imminent



Text developing – expected to be finalised in 2015



Negotiations opened



Proposal awaited



### OBSERVATION FLAGS

Supplementary UK legislation



Eurozone measure



Too big to fail measure



Shadow banking measure



Consumer protection measure



Non-EU laws equivalence assessment



Flagship measure



Connected to or potential clash with other legislation showing same flag



**IMPACT** AFFECTED NOT AFFECTED

Governance and internal management



Legal vehicles



Treasury and collateral



Onboarding and documentation



Counterparty risk and liability



IT and operations



## United Kingdom



**Christopher Bates**  
Partner, London

T: +44 20 7006 1041  
M: +44 7785 700236  
E: [chris.bates@cliffordchance.com](mailto:chris.bates@cliffordchance.com)



**Simon Crown**  
Partner, London

T: +44 20 7005 2944  
M: +44 7900 167265  
E: [simon.crown@cliffordchance.com](mailto:simon.crown@cliffordchance.com)



**Simon Gleeson**  
Partner, London

T: +44 20 7006 4979  
M: +44 7977 423944  
E: [simon.gleeson@cliffordchance.com](mailto:simon.gleeson@cliffordchance.com)



**Caroline Meinertz**  
Partner, London

T: +44 20 7006 4253  
M: +44 7717 693723  
E: [caroline.meinertz@cliffordchance.com](mailto:caroline.meinertz@cliffordchance.com)



**Monica Sah**  
Partner, London

T: +44 20 7006 1103  
M: +44 7747 627820  
E: [monica.sah@cliffordchance.com](mailto:monica.sah@cliffordchance.com)



**Dermot Turing**  
Consultant, London

T: +44 20 7006 1630  
M: +44 7717 542812  
E: [Dermot.turing@cliffordchance.com](mailto:Dermot.turing@cliffordchance.com)

## Europe



**Frank Graaf**  
Partner, Amsterdam

T: +31 20711 9150  
M: +31 621238601  
E: [frank.graaf@cliffordchance.com](mailto:frank.graaf@cliffordchance.com)



**Marc Benzler**  
Partner, Frankfurt

T: +49 697199 3304  
M: +49 1709222892  
E: [marc.benzler@cliffordchance.com](mailto:marc.benzler@cliffordchance.com)



**Christian Kremer**  
Partner, Luxembourg

T: +352 485050 0201  
M: +352 621148189  
E: [christian.kremer@cliffordchance.com](mailto:christian.kremer@cliffordchance.com)



**Alberto Manzanares**  
Partner, Madrid

T: +34 91590 9490  
M: +34 649488857  
E: [alberto.manzanares@cliffordchance.com](mailto:alberto.manzanares@cliffordchance.com)



**Lucio BonavitaCola**  
Partner, Milan

T: +39 028063 4238  
M: +39 3479571560  
E: [lucio.bonavitaCola@cliffordchance.com](mailto:lucio.bonavitaCola@cliffordchance.com)



**Frederick Lacroix**  
Partner, Paris

T: +33 14405 5241  
M: +33 688144673  
E: [frederick.lacroix@cliffordchance.com](mailto:frederick.lacroix@cliffordchance.com)



## International



**Tamer Amara**  
Partner, Moscow  
T: +7 495725 6449  
M: +7 9859972023  
E: tamer.amara  
@cliffordchance.com



**Steven Gatti**  
Partner, Washington D.C  
T: +1 202912 5095  
M: +1 2024136852  
E: steven.gatti  
@cliffordchance.com



**Nick O'Neill**  
Partner, New York  
T: +1 212878 3119  
M: +44 7798503501  
E: nick.oneill  
@cliffordchance.com



**Tim Plews**  
Partner, Middle East  
T: +966 11 250 6588  
M: +966 555 156 153  
E: tim.plews  
@cliffordchance.com



**Nish Shetty**  
Partner, Singapore  
T: +65 6410 2285  
M: +65 81287412  
E: nish.shetty  
@cliffordchance.com



**Mark Shipman**  
Partner, Hong Kong  
T: +852 2825 8992  
M: +852 90390009  
E: mark.shipman  
@cliffordchance.com



**TieCheng Yang**  
Partner, Beijing  
T: +86 106535 2265  
M: +86 13910895267  
E: tiecheng.yang  
@cliffordchance.com



**Eiichi Kanda**  
Managing Partner, Tokyo  
T: +81 35561 6643  
M: +81 8013859816  
E: eiichi.kanda  
@cliffordchance.com



**Jeremy Connick**  
Partner, Africa  
T: +44 20 7006 4237  
M: +44 7919880895  
E: jeremy.connick  
@cliffordchance.com



**Rahul Guptan**  
Partner, India  
T: +65 6410 2295  
M: +65 96556276  
E: rahul.guptan  
@cliffordchance.com



**C L I F F O R D**  
**C H A N C E**

Clifford Chance, 10 Upper Bank Street, London, E14 5JJ

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