

Part VII Transfers

The FMLC will send a letter to the Financial Conduct Authority (“FCA”), regarding the Part VII process of transferring insurance contracts in light of Brexit.

Brexit Advisory Group Meeting

The next High Level Advisory Group (“HLAG”) meeting is scheduled to take place on Wednesday 21 March from 9.30-11.00am at the Bank of England. Contact: executivesupport@fmlc.org

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DLT and Governing Law: Forthcoming FMLC paper

Distributed Ledger Technology (“DLT”) systems involve databases that are shared across digital networks. DLT systems are decentralised, borderless and span several jurisdictions, which can often lead to issues of legal uncertainty. Market infrastructures, regulated firms, members of the public and others conducting transactions thereupon might be left vulnerable to multiple—and potentially inconsistent—assertions of governing law. As highlighted in a [report](#) entitled *The Distributed Ledger Technology Applied to Securities Market*, published in February 2017 by the European Securities Markets Authority (“ESMA”), issues might stem from the lack of clarity on where assets and their records are located in a DLT environment.

The FMLC has drafted a paper on governing law and related conflicts of law issues in the context of DLT systems. The paper outlines possible connecting factors to be used when identifying the governing law for the proprietary effects of transactions conducted on a DLT system.

The paper will soon be available on the FMLC [website](#).

Brexit and the BRRD

The FMLC Working Group on Brexit and the Banking Resolution and Recovery Directive (“BRRD”) will meet in the coming weeks for the first time since December 2016.

Members of this Working Group hope to reassess legal uncertainties concerning the BRRD, in relation to interim developments in the Brexit negotiations.

If you would like to inquire about your firm’s participation in this group, please contact Venessa Parekh at research@fmlc.org.