

# Stakeholders' Newsletter

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## *Paper on Markets in Financial Instruments SI*

The FMLC has published a paper outlining legal uncertainties arising from the changes proposed by the [Draft Markets in Financial Instruments \(Amendment\) \(EU Exit\) Regulations 2018](#).

## *Coming Soon: Letter on Financial Services (Implementation of Legislation) Bill*

The FMLC has resolved to send a letter to HM Treasury, highlighting two issues of legal uncertainty which are likely to arise from the [Financial Services \(Implementation of Legislation\) Bill](#).

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## Brexit Update: “Onshoring” Draft Statutory Instruments (“SIs”)

With the U.K.’s withdrawal from the E.U. looming—unless a transitional period is confirmed, HM Government has continued to plan for a “no deal” Brexit and published draft secondary legislation “onshoring” E.U. legislation into the U.K. statute book. The FMLC is conducting a review of the following draft statutory instruments, which have been published recently and are of particular relevance to the financial markets:

- [Draft Financial Services and Markets Act 2000 \(Amendment\) \(EU Exit\) Regulations 2019](#)
- [Draft Financial Conglomerates and Other Financial Groups \(Amendment\) \(EU Exit\) Regulations 2018](#)
- [Draft Transparency of Securities Financing Transactions and of Reuse \(Amendment\) \(EU Exit\) Regulations 2019](#)
- [Draft Securitisation \(Amendment\) \(EU Exit\) Regulations 2019](#)
- [Draft Financial Services Contracts \(Transitional and Saving Provision\) \(EU Exit\) Regulations 2019](#) and [Draft Financial Services Contracts \(Transitional and Saving Provision\) \(EU Exit\) \(No.2\) Regulations 2019](#)

If you or a colleague would like to contribute to the FMLC’s review of these SIs, please do contact Venessa Parekh at: [research@fmlc.org](mailto:research@fmlc.org).

## New Working Group on Brexit—Financial Contracts—Reverse Enquiry

In a no deal Brexit, market participants have raised the question of whether reverse enquiry arrangements within individual E.U. Member States might function as a panacea to uncertainties, arising in relation to contractual continuity and the ability to perform existing obligations across the U.K.-E.U. border.

The FMLC has resolved to establish a Working Group, to evaluate, case studies, the provisions for reverse enquiry in three or four Member States. Working Group Members will also analyse the legislative precautions taken by U.K. regulators to anticipate and resolve issues relating to contractual continuity, as well as any legal complexities that are likely to rise from prospective reverse enquiry arrangements.

If you would like to inquire about your firm’s participation in this Working Group or for more information, please email Clare Wiles at: [legalanalysis@fmlc.org](mailto:legalanalysis@fmlc.org).

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