



Financial  
Services  
and Markets  
Regulation

## Leading Law Firm 2013

Hedge Fund Journal Awards

## Best European Law Firm

Hedgeweek Global Awards 2012

## Core strengths

Our international regulatory team undertakes financial services and markets regulatory work for asset management companies, brokerage houses, investment exchanges, investment banks, commodity and energy traders and other financial institutions operating in international financial markets. In London we are the only practice to focus significantly on both the sell side (through our investment banking client base) and buy side (through our market leading asset management practice and client base). We also have a highly rated practice relating to exchanges, trading systems and commodities.

The core team is based in London, with our wider team operating from our offices across Europe, the Middle East and Asia. We work closely with other specialists within the firm's financial markets practice to offer our clients a cohesive multi-disciplinary service at the leading edge of the financial services industry.

## Our services

The core focuses of our financial services and markets regulatory practice are:

### FSMA and FSA Rules

- advising on all aspects of the law, regulation and documentation applicable to the trading, clearing and settlement of transactions in securities, derivatives and other financial instruments (both on exchange and over the counter), and to asset management activities, including market conduct/conduct of business compliance.

### Business structuring

- establishing and structuring of businesses in the UK and Europe in the context of the relevant regulatory regimes. This includes advice relating to whether activities require a regulatory authorisation, systems and controls, risk management, compliance, document management, outsourcing arrangements and advice on the promotion of investment products and services in Europe and internationally.

### Investigations and contentious matters

- providing remedial investigative services to clients in the financial services sector, to assist them in addressing regulatory issues at an early stage.
- advising on regulatory disputes and disciplinary matters for financial institutions and individuals.
- providing risk management advisory services on areas of key focus for the FSA and other European regulators.
- providing front office training sessions to European and US hedge fund managers.

As well as advising clients on regulatory issues relevant to their compliance obligations, we are involved in various initiatives to develop industry standards and shape regulatory policy, for example, through our work with AIMA, the hedge fund industry body.

### Simmons & Simmons navigator: funds

Our online regulatory service provides information in relation to over 80 jurisdictions and is user-friendly, reliable and cost-effective. The four current products are:

- navigator: funds
- navigator: closed-ended products
- navigator: share disclosure
- navigator: derivatives.

“A key player in advising clients on developments in the regulatory framework”

Chambers 2012

We advise the top 10 investment banks, many of the world's largest financial conglomerates and more than half of the top 50 European hedge fund managers

## Expertise in practice

### European and US hedge fund managers

- on complex insider dealing and market abuse issues (eg private side lender information, alpha capture systems, sectoral correlation issues).

### Financial services firms

- on compliance with disclosure of major shareholding requirements across the globe including analysing the impact of such rules in the context of synthetic trading and stock borrowing and lending.

### Various clients

- on the introduction of short selling rules: helping clients to understand their obligations and put in place the necessary compliance procedures; working with the FSA and other regulators to clarify the new rules .

### Lehman Brothers International (Europe) (LBIE)

- advising clients with exposure to LBIE on their position under trading documents in relation to set-off/netting, termination and recovery of assets; on the registration of trading documentation with third parties; working with various fund management industry bodies, and advising clients, on the valuation of positions with LBIE for the purposes of net asset value (NAV) calculations.

### Mitsubishi UFJ Trust and Banking Corporation (MUTB)<sup>1</sup>

- on the regulatory aspects of a business and capital alliance with Aberdeen

Asset Management PLC (Aberdeen), involving the acquisition by MUTB of 9.9% of the issued share capital of Aberdeen with an option to acquire a further 10%.

### AIMA

- chairing the AIMA market ethics working group, which produced scenario-based guidance on market abuse for the hedge fund industry; heavy involvement in discussions with the Hedge Fund Working Group to improve its proposals for voluntary standards .

### Markets in Financial Instruments Directive (MiFID)

- UK implementation of MiFID: obtaining clarity for clients on a number of complex issues; producing standard documentation with clients, some of which attained “industry standard” status.

### Barclays Bank plc

- on the largest synthetic collateralised loan obligation (CLO) to be fully placed on the bond market, valued at US\$5bn (including advice on regulatory capital implications under the current FSA regulatory capital rules and the rules following implementation in the UK of the Basel II requirements).

### Chicago Climate Exchange, Inc

- on its arrangements with the International Petroleum Exchange (IPE) in London for the listing of cash and futures contracts in European Climate Exchange (ECX Inc) Carbon Financial

Instruments (CFI Inc) on the IPE.

### State of Qatar

- on the establishment of the Qatar Financial Centre (QFC) and the regulated financial services sector within the QFC.

### A major US securities house

- on its UK/European regulatory strategy and infrastructure, and ongoing regulatory and business requirements.

### A major UK investment bank

- on regulatory issues arising in respect of complex, international tax driven structured transactions.

### Various clients

- on electronic bilateral trading and order routing systems and on the cross-border business of alternative trading systems such as Blackbird (swaps).

### A US investment bank

- on an investigation by CONSOB (Italian regulator) and potential investigation by the FSA relating to insider dealing.

### European Financial Institutions

- on a sanctions procedure filed against them and several foreign hedge funds by the AMF (French regulator), concerning the issue of a bond redeemable by shares.
- on its involvement in the FSA's investigation into “Split Capital” investment trusts and subsequent insurance claim.

1. Advising with TMI Associates (the firm's joint venture partner in Japan)

## Key international contacts

Key contact biographies can be viewed at [simmons-simmons.com](http://simmons-simmons.com)

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