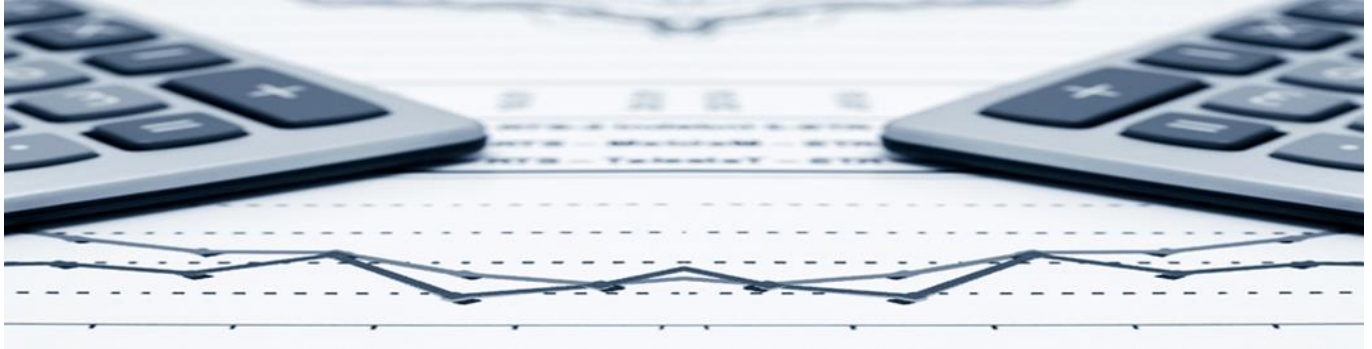




FINANCIAL REGULATION

Regulatory due diligence



The challenges you face

In an increasingly, zero tolerance regulatory environment identifying legal and regulatory risk within financial service firms is critically important.

To manage those risks, financial services firms expect strategic support, based on technical expertise, combined with a clear understanding of regulatory enforcement risk to identify and diagnose regulatory issues and risks within business areas, so that you can respond to regulatory scrutiny, investigation by the regulator and in consideration of corporate M&A deals. A clear risk based assessment is often needed to allow businesses to make informed decisions, to develop and manage risks and remedial strategies and solutions.

The expertise you need

We have a strong reputation in assisting clients with identifying and reviewing regulatory risks across financial services businesses. Based on our wide experience, we have developed a review process that takes a comprehensive, commercially-savvy approach to identifying regulatory business risks.

Successfully identifying risks can involve the review of a significant volume of documents, on-site visits to your offices and close liaison with business teams by our legal and compliance teams.

We will produce a detailed report, setting out recommended control improvements, timelines, and an analysis of residual regulatory and legal risk with RAG ratings. Our reports will be phrased as legal advice, therefore gaining the benefit of privilege.

We will work with you to assess each risk in line with your internal risk framework, before suggesting and helping to implement recommendations for reducing your exposure. We can provide as much or as little support as you require and we have the flexibility and resource within our team to be able to support projects of all sizes.

As part of our legal and regulatory risk review process, our Regulatory Risk and Compliance Practice Group can provide regulatory due diligence to support:

- ▶ Pre-transaction due diligence (for either purchase or sale side);
- ▶ Back book sampling; and
- ▶ Quality of advice reviews.

Our experience

Our approach is flexible and can be tailored to suit your specific client needs and demands. The scope of our regulatory due diligence includes:

- ▶ Review of regulatory permissions and authorisations to ensure coverage of products and services, for several banking and asset finance clients, review of appointed representative arrangements and third party supplier arrangements, including historic permissions or arrangements.
- ▶ Business servicing and outsourcing arrangements, including collections practices and complaints process adherence and procedures for the monitoring and compliance of outsourced service providers.
- ▶ Relationships and correspondence with regulatory bodies, including periodic returns, non-routine correspondence and breaches of regulatory reporting requirements.
- ▶ Business conduct and compliance manuals, internal policies and procedures and compliance monitoring activity.
- ▶ Compliance infrastructure and oversight, including board and committees set up, risk and governance frameworks, lines of defence models, training and competency and record keeping policies and procedures.
- ▶ Approved Persons and Senior Managers and Certification Regime: allocation of control functions, certification roles, responsibilities maps, CVs, statements of responsibility and processes for regulatory training.

Who to contact

If you would like to know more or would like to discuss anything further, please contact:

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