



3VB Regulatory Update – COVID-19

3VB barristers summarise and set out in this note the main measures taken by the regulators to date and key points that the industry and its professional advisers should be aware of.

The UK financial services regulators, the Financial Conduct Authority (**FCA**) and Prudential Regulation Authority (**PRA**) – a subsidiary of the Bank of England – have, over the past six weeks, issued publications and taken steps to seek to protect the markets and consumers in response to the COVID-19 crisis, introducing a raft of new guidance designed for these extraordinary times.

Financial conduct authority

Resilience and priorities

The FCA's first statement on COVID-19 was published on 4 March 2020¹ and focussed on the financial services sector's response to the outbreak and resilience, referring to its earlier consultation paper on operational resilience generally.² For FCA-solo regulated firms, the FCA has reminded firms that their capital and liquidity buffers are to be used in times of stress³ and has indicated that the FCA intends to provide flexibility to regulated firms to ensure that they continue operating in this challenging period.

The FCA stated its intention to delay or postpone regulatory activity not critical to protecting consumers and market integrity in the short-term and to extend closing dates for open consultations, to allow both the FCA's and firms' focus to be on the current pandemic and resulting financial issues.⁴

The FCA has also set out information relating to firms' own operational resilience and the particular issues faced by mutual societies with applications and annual returns⁵, and AGMs to consider.⁶

Financial relief for customers

Mortgages⁷

Since 20 March 2020, temporary guidance applying both to mortgage lenders and administrators and to home purchase providers and administrators has been in place which permits customers to request a 3-month payment holiday, which firms, under that guidance, should grant, unless it can demonstrate it is reasonable and in the customer's best interest to do otherwise.

Unsecured lending

From 14 April 2020, after a brief consultation period, the FCA has brought into force temporary guidance (to be reviewed in 3 months), which aims to relieve financial pressure on customers in the following areas:

- Personal loans
- Credit cards
- Overdrafts

Personal loans⁸ and credit cards⁹

Consumers benefit from a series of measures designed to help with short-term cash flow problems because of COVID-19.

Where a personal loan or credit card customer is already experiencing or reasonably expects to experience temporary payment difficulties as a result of circumstances relating to COVID-19, and wishes to receive a payment deferral (a zero payment arrangement), the firm should grant it, for 3 months (unless in the customer's interest not to do so).

The personal loan temporary guidance applies to those customers with personal loans, credit cards, store cards or catalogue credit, but not high-cost short-term (**HCST**), buy now pay later (**BNPL**), hire-purchase (including motor finance), peer to peer, pawnbroking, or premium finance.

Firms are also encouraged to review their rates to ensure that Principle 6 (treating customers fairly – TCF) continues to be met in light of COVID-19.

To give practical effect to the request for a payment deferral, the FCA has disapplied CONC 6.7.18 R and 6.7.19 R – see the amendment made at CONC 6.7.17(4) R – such that firms are not obliged to make enquiries with each customer to determine the circumstances of the payment deferral request, or whether this is not in the customer's interests.

The FCA has also noted in its temporary guidance that the credit reference agencies¹⁰ have, through the Steering Committee on Reciprocity (**SCOR**) agreed Coronavirus Data Reporting Guidance which protects consumer credit scores when payment deferrals are triggered as a result of the COVID-19 pandemic.

Since 19 March 2020, the FCA has maintained a webpage addressing the key types of insurance that consumers are most likely to make a claim under as a result of the COVID-19 pandemic.

Overdrafts¹¹

Overdraft facility customers can request a £500 overdraft at 0% interest (subject to affordability). Credit card firms are also encouraged to review overdraft interest rate pricing to ensure that Principle 6 (treating customers fairly – **TCF**) continues to be met in light of COVID-19.

Motor finance¹²

On 27 April 2020, the FCA announced a range of measures to provide consumers in the motor finance sector with temporary support in the light of COVID-19, which complement and mirror those which were already in force in relation to other unsecured lending. The temporary guidance permits a 3-month payment deferral, upon request by the customer and provided that it was not against the customer's interests (again, disapplying CONC 6.7.18 and 6.7.19 R).

The temporary guidance also invites firms to work with a customer reaching a balloon payment at the end of a motor finance agreement, and to find an appropriate solution where that payment cannot be made due to COVID-19 related financial difficulties. The guidance further proposes that firms should not take steps to terminate an agreement or repossess a vehicle where there is Covid-19 related financial difficulty.

Other forms of credit¹³

Separate guidance for HCST credit, including payday loans, was brought into force on 27 April 2020 pursuant to which consumers may request, and firms should grant, a one-month payment deferral (where not against the customer's interests).

In respect of BNPL agreements, rent-to-own agreements and pawnbroking, firms should consider redemption periods, potential waivers of interest and extensions to plan periods. Again, the refinancing rules in CONC are to be disappplied.

It is worth noting that, after a short (72 hours) consultation period, the FCA agreed that this guidance should not apply to peer-to-peer (P2P) pawnbroking for the sake of consistency with the personal loans guidance, which excludes P2P platforms.¹⁴

Consumer impact¹⁵

In furtherance of its consumer protection objective,¹⁶ the FCA has published a webpage warning consumers of new scam activities to be aware of – from false investment promises, to frauds initiated under the pretence of a good cause.

Insurance

Consumers

Since 19 March 2020, the FCA has maintained a webpage addressing the key types of insurance that consumers are most likely to make a claim under as a result of the COVID-19 pandemic. This publication answers commonly asked questions in relation to travel insurance; refers vehicle owners to the Department for Transport's website in relation to MOT testing (a six-month exemption has been put in place); and also addresses business interruption and event cancellation insurance.

In relation to the latter, the FCA's expectation is that firms should consider very carefully the needs of their customers and show flexibility in their treatment of them.

SMEs

Building on that approach, on 15 April 2020, the FCA issued a "Dear CEO Letter" to firms insuring small and medium-sized enterprises (**SMEs**) specifically in relation to business interruption insurance. The FCA highlighted that insurers and brokers have an essential role to play in supporting their customers who may be unclear whether they have the appropriate cover. The FCA's letter also emphasises the importance of assessing and paying claims quickly, noting that, where payment of policies is disputed, this may fall within the jurisdiction of the Financial Ombudsman Service (**FOS**) (for claims of up to £355,000), which may result in a faster decision than another dispute resolution process.

As noted in 3VB's recent Insurance Litigation – COVID-19 paper,¹⁷ it is unlikely that standard business interruption insurance policies will respond to losses caused by COVID-19, but some extensions to those policies might do so – a point reflected in the FCA's "Dear CEO Letter", which recognises that, where there is only basic business interruption cover, insurers would have no obligation to pay out in relation to COVID-19.

The PRA notes that any changes made to the ECL to estimate the overall impact of COVID-19 will be subject to very high levels of uncertainty.

Business lending¹⁸

In tandem with the Government's Coronavirus Business Interruption Loan Scheme¹⁹ (CBILS),²⁰ on 15 April 2020, the FCA issued a second "Dear CEO Letter" to firms lending to small businesses. Whilst acknowledging that the activity of lending to an SME sits mostly outside the FCA's scope, in reliance upon the Senior Managers and Certification Regime (SMCR) and the industry code, the Lending Standards Board's Standards of Lending Practice for Business Customers, the FCA's expectation is for firms to take reasonable steps to ensure that Senior Managers with responsibility for small business lending are discharging their responsibilities suitably, to collect information on the bank's treatment of SMEs, and, where appropriate, to challenge Senior Managers.

The "Dear CEO Letter" builds upon a publication already issued on 20 March 2020 by the FCA, which stated that, when assessing the creditworthiness of a customer applying for such a loan, a firm is able to take a range of income and expenditure information into account.²¹

On 27 April 2020, the FCA augmented those communications with a statement on the CBILS and the new Bounce Back Loan Scheme (BBL)²² notifying the industry of the Government's changes to the criteria that lenders must apply when considering firms for a loan under these schemes.

On 28 April 2020, the FCA issued a further "Dear CEO Letter" reminding banks of their obligations to treat their corporate clients fairly when negotiating new or existing debt facilities and notifying firms that the FCA was aware of instance in which banks have exerted pressure to secure roles on equity mandates and that the FCA would not hesitate to take action were there further evidence of such conduct.²³

Short selling

Whilst the regulators in Italy, Spain, France and other European countries, particularly those severely affected by COVID-19, issued temporary short-selling restrictions to ward against extreme market volatility in trading,²⁴ the FCA has not followed suit with similar short selling bans. However, the FCA has amended the threshold for notifying a net short position under the Short Selling Regulation (SSR), in line with the decision of the European Securities and Markets Authority (ESMA)²⁵ from 0.2% of issued share capital to 0.1%.

Prudential regulation authority

Annual stress tests and changes to the supervisory approach²⁶

On 20 March 2020, the Bank and the PRA announced a series of measures aimed at alleviating the operational burden on PRA-regulated firms and Bank-regulated financial market infrastructures in the wake of the COVID-19 outbreak. This includes the cancellation of the 2020 stress test for the eight major UK banks and building societies. This measure is intended to help lenders focus on meeting the needs of UK households and businesses via the continuing provision of credit.

Furthermore, in order to ensure that supervisory engagement focuses on the most important matters relating to financial stability, the safety and soundness of firms, and protection of policyholders, including the impact of COVID-19, the PRA will modify its approach to supervision. Its supervisors will review their work plans so that non-critical data requests, on-site visits and deadlines can be postponed, where appropriate. This includes pausing the skilled persons Section 166 reviews relating to the reliability of banks' regulatory returns that were announced in October 2019.

IFRS 9, capital requirements and loan covenants²⁷

On 26 March 2020, the PRA issued a "Dear CEO Letter", giving guidance to the firms in three areas: (i) consistent and robust IFRS 9 accounting and the regulatory definition of default; (ii) the treatment of borrowers who breach covenants due to COVID-19; and (iii) the regulatory capital treatment of IFRS 9. The PRA's messages on accounting will be particularly relevant to firms finalising March/April year-end annual financial statements and Q1 quarterly reports based on IFRS, as directors will need to take decisions about forward-looking expected credit loss (ECL) estimates.

The PRA will accept a delay of up to two months for annual reports and accounts and a delay of up to one month for other items.

Consistent and robust IFRS 9 accounting and the regulatory definition of default

The PRA notes that any changes made to ECL to estimate the overall impact of COVID-19 will be subject to very high levels of uncertainty. The PRA is particularly concerned about the risk of firms recognising inappropriate levels of ECL as a significant overstatement of ECL could prompt behaviour that leads to unnecessary tightening in credit conditions. To mitigate this risk, the PRA considers it critical that firms:

- make well-balanced and consistent decisions that consider not just the potential impact of the virus, but also take full account of the unprecedented level of support provided by governments and central banks domestically and internationally to protect the economy; and
- consider the actions that will be and have already been taken to support borrowers, including the offer of payment holidays. The PRA's expectation is that eligibility for, and use of, the UK Government's policy on the extension of payment holidays should not automatically, other things being equal, result in the loans involved being moved into Stage 2 or Stage 3 for the purposes of calculating ECL or trigger a default under the EU Capital Requirements Regulation (CRR). This expectation extends to similar schemes to respond to the adverse economic impact of the virus.

Treatment of borrowers who breach covenants due to COVID-19

Loan covenants play an important role in lenders' credit risk management. However, the PRA considers it important that such risk management takes into account fully the differences between "normal" covenant breaches and some of the breaches that might occur because of the COVID-19 pandemic.

Reiterating the message set out in the joint statement issued by the Financial Reporting Council, the FCA and the PRA on the same day,²⁸ the PRA urged lenders to consider carefully their responses to potential breaches of covenants arising directly from the COVID-19 pandemic and its consequences. Where those uncertainties are of a general nature or are firm-specific but unrelated to the solvency or liquidity of the borrower, the PRA expects lenders to consider the need to treat them differently compared to uncertainties that arise because of borrower specific issues and in doing so consider waiving the resultant covenant breach.

The PRA's expectation is that a covenant breach or waiver of a covenant relating to a modification of the audit report attached to audited financial statements because of the COVID-19 pandemic should not automatically, other things being equal, trigger a default under CRR or result in a move of the loans involved into Stage 2 or Stage 3 for the purposes of calculating ECL.

Regulatory capital treatment of IFRS 9

The PRA reminded firms that transitional arrangements in CRR mean that the regulatory capital impact of ECL is being phased in over time and during 2020, firms can add back Common Equity Tier 1 (CET 1) equivalent to up to 70% of "new" provisions due to IFRS 9. Firms are encouraged to make use of the transitional arrangements.

Regulatory reporting and disclosure amendments²⁹

On 2 April 2020,³⁰ the PRA outlined its approach to regulatory reporting and Pillar 3 disclosure for UK banks, building societies, designated investment firms and credit unions in response to COVID-19 and the European Banking Authority's (EBA) "Statement on supervisory reporting and Pillar 3 disclosures in light of COVID-19"³¹ which was published on 31 March 2020.

Regulatory reporting

For certain aspects of the CRR and Bank Recovery and Resolution Directive (BRRD) harmonised reporting, the PRA will accept delayed submission of up to one month, where the original remittance deadlines fall on or before 31 May 2020. This includes reporting on COREP solvency, large exposures and concentration risk and leverage ratio. However, the remittance dates for information on liquidity coverage ratio, the Additional Liquidity Monitoring Metrics and information on institutions' liability structure will not be delayed.

The PRA will also accept delayed submission for the following aspects of PRA-owned regulatory reporting where the remittance deadlines contained in the PRA rulebook fall on or before 31 May 2020: Annual report and accounts; PRA 108 – Memorandum items, FSA 015 – Sectoral information; Quarterly returns for Credit Unions; Ring fenced bodies returns – RFB001 to RFB003; PRA 104-107 Forecast financial statements; and REP005 – 2019 High earners report. The PRA will accept a delay of up to two months for annual reports and accounts and a delay of up to one month for other items.

The PRA will consider whether delayed submission will be extended to reporting beyond that due by the end of May 2020 in due course.

Pillar 3 disclosure

As to Pillar 3 disclosures, the PRA will be flexible in its expectations of firms' publication timeline and understands that: (i) for many firms there may be a lag time between the publication of financial statements and Pillar 3 disclosures; and (ii) as the deadline for publication of firms' financial statements has been delayed by up to two months, it follows that firms' Pillar 3 disclosures, which are published at the same time or a reasonable amount of time after the financial statements, will also be delayed significantly compared to the usual publication date.

The PRA will therefore take a flexible approach to assessing the reasonableness of any delay to the publication of the Pillar 3 disclosure for quarterly, half-yearly or annual disclosures that firms would normally expect to disclose on or before 31 May 2020.

Where firms reasonably anticipate that publication of their Pillar 3 reports will be delayed, the PRA expects that firms will inform supervisors and market participants of the delay, the reasons for such delay and to the extent possible the estimated publication date.

During the time of COVID-19 related disruption to the economy, the PRA expects banks to focus on continuing to service and support their customers and clients.

Senior managers and certification regime (SM&CR)³²

On 3 April 2020, the PRA and FCA published a joint statement on their expectations of dual-regulated firms under the SM&CR during the COVID-19 pandemic. The key points are as follows:

- Firms are required to update and resubmit a Statements of Responsibilities (**SoRs**) if there are “significant changes” to Senior Management Functions (**SMFs**) responsibilities. However, the regulators understand the current operational challenges and are keen to ensure that firms prioritise their resources appropriately. Therefore, they expect firms to resubmit relevant SoRs as soon as reasonably practicable taking into account the current circumstances and understand that firms may take longer than usual to submit revised SoRs.
- For firms dealing with temporary SMF absences linked to the COVID-19 outbreak, the regulators’ preference is that those SMF’s Prescribed Responsibilities (**PRs**) should be re-allocated among the firm’s remaining SMFs until a permanent replacement for the vacant SMF is identified and approved. If this is not possible due to reasons relating to the pandemic, a firm can temporarily allocate them to the individual who is acting as interim SMF under the “12-week rule”, even if they are, at the time, unapproved as an SMF. The 12-week rule allows individuals to perform SMFs without approval for up to 12 weeks in a consecutive one-year period if their firm experiences an SMF vacancy that is (a) temporary; and/or (b) reasonably unforeseen.
- The regulators do not require or expect firms to designate a single SMF to be responsible for all aspects of their response to COVID-19, save for the identification of “key workers” which, firms should allocate to the CEO (SMF1).³³
- An individual performing a “required” or “mandatory” SMF under the FCA or PRA’s rules should only be furloughed as a measure of last resort.

Leverage ratio

From 9 April 2020, banks subject to the UK leverage ratio have been able to request a modification by consent to the PRA rules which would require the bank to calculate the exposure value of regular-way purchases and sales awaiting settlement in its UK leverage exposure measure according to the amending Regulation to the Capital Requirements Regulation (CRR 2), Article 429g.^{34,35}

The PRA notes that the rule modification by consent would allow firms to calculate the UK leverage ratio consistent with the Financial Policy Committee’s (**FPC**) long-standing view on the appropriate treatment of unsettled sales against cash payables relating to unsettled purchases. The PRA considers that this is likely to support market making and therefore market functioning.

Usability of liquidity and capital buffers³⁶

On 20 April 2019, the PRA published a set of Questions and Answers on the usability of liquidity and capital buffers in response to the COVID-19 outbreak.

The PRA reiterated its and the FPC’s expectation that “*all elements of the substantial capital and liquidity buffers that have been built up by banks exist to be used as necessary to support the economy.*”

Liquidity buffers

During the time of COVID-19 related disruption to the economy, the PRA expects banks to focus on continuing to service and support their customers and clients. Banks are expected to use their liquidity buffers in doing so, even if this means Liquidity Coverage Ratios (**LCR**) go significantly below 100%. The PRA still expects that banks will continue to manage their liquidity risk in a prudent way. However, it recognises that this is not the same thing as maintaining the LCR ratio at a consistently high level.

There is no requirement on banks to rebuild liquidity buffers within a specific time period. The PRA has stated that once the current period of stress is over, where banks have made use of their liquidity buffers, it will give them a “sufficient period of time” for the buffers to be restored. In determining this, the PRA will take the individual circumstances of the bank into account.

Capital buffers

Banks can be subject to four types of buffers above the regulatory minimum CET1 capital requirements: (i) systemic buffers; (ii) the capital conversion buffer; (iii) the countercyclical capital buffer (**CCyB**); and (iv) the PRA buffer.

The PRA notes that the CCyB was designed so that it can be released as a stress emerged. Consistent with this, reflecting the disruption associated with COVID-19, on 11 March 2020, the FPC decided to reduce the UK CCyB rate to zero.

Banks can draw down on all available capital buffers starting with any additional capital buffer held above their regulatory buffers. Whilst a bank should notify the PRA if its capital level is, or is forecast to be, below the level of capital the PRA asks it to maintain, this should just be viewed as part of its usual supervisory communication. If a bank has used its PRA buffer (the top part of the regulatory buffer), it will start to draw down on the other regulatory buffers.

As with the liquidity buffer, there is no pre-specified time period during which banks must rebuild their capital buffers. The PRA will give them a sufficient period of time to do so once the current period of stress is over. Further, the FPC has stated that it expects to maintain the 0% rate for the CCyB for at least 12 months.



The FCA is flexing its regulatory muscles to press ahead with its consumer protection objective to the greatest extent possible.

Comment

The FCA is flexing its regulatory muscles to press ahead with its consumer protection objective to the greatest extent possible. However, in seeking to comply with the immediate actions to be considered under the consumer-focused COVID-19 guidance, as is the nature of all decision-making in relation to this pandemic, firms must be careful to have an eye to the future in addition to the pressing needs of the present time. For example, a customer may regard a payment deferral or relaxation as fair treatment in the immediate term, but the customer may not fully comprehend that one of the consequences of this is effectively increasing their debt burden over time, which may be undesirable, unaffordable or otherwise unsuitable for them. Thus, it is important that firms remember the full comports of PRIN 6, which is to treat customers fairly and pay due regard to their interests. This will be likely also to trigger PRIN 7 – the obligation upon firms to pay due regard to the information needs of their client and communicate in a way that is clear, fair and not misleading. One suspects that this means that, in order to pay due regard to a customer's interests, firms may be required to highlight matters, by providing clear, fair and not misleading information to customers in relation to the consequences that their customers, who are focused on the here and now, have not yet contemplated.

The FCA is also keen to avoid the delays and mistakes of the past. The sentence in the SME lending "Dear CEO Letter" that the FCA's objective is *"to ensure that there is not a repeat of the well documented historic issues in the treatment of SMEs"* is a reminder of earlier industry or regulatory failings, including the interest rate hedging product review, LIBOR manipulation and the FCA's review into RBS' treatment of SME customers transferred to its former Global Restructuring Group (GRG). In both Dear CEO Letters concerning SMEs, the FCA has referred to its newly established small business unit, which will coordinate the FCA's activities across SME business issues, to gather intelligence, ensure a co-ordinated response and address any issues arising.

The primary aim of the measures introduced by the PRA (together with measures introduced by the Bank and its policy committees) has been to reduce the pressure on financial services institutions so that they can help UK businesses and households bridge across the economic disruption resulting from COVID-19. In particular, the Bank and the PRA have sought to relax some of the regulatory controls that may otherwise restrict the provision of financial services (for example, capital and liquidity buffers). The regulators also acknowledge the operational challenges that regulated firms themselves are facing and measures such as delayed reporting deadlines, the postponement of non-critical supervisory actions and the guidance provided in relation to the SM&CR should mitigate these challenges and provide firms with some clarity on what the regulators expect.

However, firms should pay close attention to the extent to which (if at all) their obligations under the regulators' rules have been varied (for example, the deadline for some reporting obligations have not been extended). Firms should also continue to maintain adequate records for the future. In relation to the SM&CR regime for example, an unapproved individual acting up as an SMF under the 12-week rule will not have a SoR (unless the firm applies for them to be permanently approved as that SMF). It is therefore essential that firms ensure that their records (Responsibilities Maps, role profiles etc.) keep a clear "running commentary" of any temporary allocation of PRs to unapproved individuals during the COVID-19 pandemic.

Footnotes

1. <https://www.fca.org.uk/firms/information-firms-coronavirus-covid-19-response#regulatory-change>
2. <https://www.fca.org.uk/publication/consultation/cp19-32.pdf>
3. <https://www.fca.org.uk/news/statements/fca-expectations-financial-resilience-fca-solo-regulated-firms>
4. Those delays in both FCA activity and required deadlines for firms' responses is set out at <https://www.fca.org.uk/firms/information-firms-coronavirus-covid-19-response#regulatory-change>
5. <https://www.fca.org.uk/firms/mutual-societies-forms>
6. <https://www.fca.org.uk/firms/information-firms-coronavirus-covid-19-response#mutual>
7. <https://www.fca.org.uk/firms/mortgages-coronavirus-guidance-firms>
8. <https://www.fca.org.uk/publications/finalised-guidance/personal-loans-coronavirus-temporary-guidance-firms>
9. <https://www.fca.org.uk/publications/finalised-guidance/credit-cards-retail-revolving-credit-coronavirus-temporary-guidance-firms>
10. The three main UK credit reference agencies: Equifax, Experian and TransUnion.
11. <https://www.fca.org.uk/publications/finalised-guidance/overdrafts-coronavirus-temporary-guidance-firms>
12. <https://www.fca.org.uk/publications/finalised-guidance/motor-finance-agreements-and-coronavirus-temporary-guidance-firms>
13. <https://www.fca.org.uk/publications/finalised-guidance/high-cost-short-term-credit-and-coronavirus-temporary-guidance-firms>
14. <https://www.fca.org.uk/publication/feedback/fs20-4.pdf>, page 18
15. <https://www.fca.org.uk/news/news-stories/avoid-coronavirus-scams>
16. See section 1B FSMA. The FCA also has a statutory responsibility for overseeing the Money Advice Service, which aims to help mitigate problems by educating consumers in relation to financial matters.
17. <https://www.3vb.com/knowledge-hub/news-detail/insurance-litigation-and-business-interruption-amid-covid-19>
18. <https://www.fca.org.uk/publication/correspondence/dear-ceo-lending-small-businesses-coronavirus.pdf>
19. On 20 April 2020, the Government will launch its Coronavirus Large Business Interruption Loan Scheme (CLBILS) for businesses with a turnover of over £45m: <https://www.gov.uk/guidance/apply-for-the-coronavirus-large-business-interruption-loan-scheme>. The current CLBILS assists firms with turnovers of between £25m and £50m.
20. <https://www.gov.uk/government/collections/financial-support-for-businesses-during-coronavirus-covid-19>
21. <https://www.fca.org.uk/firms/business-loans-which-coronavirus-business-interruption-loan-scheme-applies>
22. <https://www.fca.org.uk/news/statements/uk-coronavirus-business-interruption-loan-scheme-cbils-and-new-bounce-back-loan-scheme-bbl>
23. <https://www.fca.org.uk/publication/correspondence/dear-ceo-ensuring-fair-treatment-corporate-customers-preparing-raise-equity-finance.pdf>
24. See <https://www.fca.org.uk/markets/short-selling/restrictions-prohibitions>
25. <https://www.fca.org.uk/markets/short-selling/statement-short-selling-bans-and-reporting>
26. <https://www.bankofengland.co.uk/news/2020/march/boe-announces-supervisory-and-prudential-policy-measures-to-address-the-challenges-of-covid-19>
27. <https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/letter/2020/covid-19-ifrs-9-capital-requirements-and-loan-covenants.pdf?la=en&hash=77F4E1D06F713D2104067EC6642FE95EF2935EBD>
28. <https://www.bankofengland.co.uk/prudential-regulation/publication/2020/joint-statement-by-the-fca-frc-and-pra-on-covid-19>
29. <https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/publication/2020/regulatory-reporting-covid-19.pdf?la=en&hash=8B7DC0B5B5B0B5563ADCB54E45FE32A5B561527>
30. The statement was updated on 9 April 2020 to extend the deadline of two additional returns.
31. <https://eba.europa.eu/eba-provides-additional-clarity-on-measures-mitigate-impact-covid-19-eu-banking-sector>
32. <https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/publication/2020/smcr-and-covid-19-pra-and-fca-expectations-of-firms.pdf?la=en&hash=861BDC09A6333F4B2D0DA8BFC3F19BD1DE3DD4BD>
33. <https://www.bankofengland.co.uk/news/2020/march/guidance-for-schools-colleges-and-local-authorities-on-maintaining-educational-provision>
34. Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 575/2013 as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No 648/2012.
35. Article 429g would otherwise apply from 28 June 2021.
36. <https://www.bankofengland.co.uk/prudential-regulation/publication/2020/buffer-usability-qanda>

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