SLAUGHTER AND MAY

Promoting the UK as a *Treasury Centre*

Legal and regulatory considerations

A policy discussion paper produced for the Association of Corporate Treasurers

8 September 2026

ACT TREASURY EXCELLENCE AS STANDARD

Contents

What is a treasury centre?

A corporate treasury centre is a central unit within a business that oversees all aspects of a group's financial risks, specifically by managing a group's cash, liquidity, and funding, including exposure to foreign exchange and interest rates, to support business investment and long-term growth. A corporate treasury function may also have oversight of payments, insurance and pension funding. As such, a corporate treasury centre is the nexus between the providers of finance/financial services and the financial needs of its business.

There are various levers available to Government to enhance business growth in the UK. This paper discusses some specific legal and regulatory levers that, cumulatively, could support the attraction and retention of corporate treasury centres as a strategic priority for the UK economy.

Introduction

In June 2026, Barclays published a major report, "Attracting Global Capital in the UK" (the **Barclays report**), which identifies, among other objectives, the attraction and retention of corporate treasury centres as a strategic priority for the UK economy. The report recommended that the UK should develop a standalone, coordinated strategy to attract and retain corporate treasury centres, consolidating fragmented policy levers across tax, regulation, infrastructure and immigration into a clear, visible proposition led by HM Treasury. Barclays articulates the overarching policy objective as follows:

> "… to re-establish the UK as the default location for complex, cross-border treasury operations, particularly for multinational groups (both global and UK-headquartered) with sophisticated liquidity, FX, and risk management needs. This requires both deepening efforts to retain existing centres and expanding efforts to draw in new ones. Achieving this requires treating corporate treasury centres as strategic financial infrastructure, supported by an explicit national strategy rather than implicit assumptions about London's historic strength."
>
> Barclays, June 2026

This paper seeks to identify specific action points that the UK Government could pursue in support of this policy objective, categorised under the following headings:

— **Part I: Locating Treasury in the UK** – measures directly relevant to the decision to site treasury operations in the UK, including tax friction points, regulatory perimeter issues, uncertainties and certain limitations of debt capital markets and derivatives regulation.

— **Part II: Attracting Companies to the UK** – measures relevant to corporate domiciliation and listing choices, including corporate and equity market reforms, which may have an indirect impact on siting decisions for treasury operations.

— **Part III: Supporting a world-leading financial services sector** – measures which are important to the functioning and availability of a high-quality financial services sector, which have knock-on effects for corporate customers in terms of the availability or cost of banking, capital markets and payments services.

Within each Part, items are sub-categorised according to complexity and timeframe. Short-term measures are the "low-hanging fruit" – measures which seem capable of prompt implementation at relatively low cost. Items categorised as medium- to longer-term are either more complex or likely to require further engagement and discussion.

Why should the UK look to attract treasury centres?

"A central policy of encouraging organisations to locate their treasury functions in the UK would explicitly recognise the important role of corporate treasury centres within the broader financial ecosystem, not only as clients of financial firms but also in boosting demand for fintech and ancillary professional services such as accounting, law and insurance. It would also help to reinforce the UK's reputation as a global financial centre and provide tangible evidence of the Government's policy to support business.

A practical first step and positive signal of intent could be for the Government to announce an expansion of the remit of the UK Office for Investment: Financial Services (OfI:FS), which provides concierge-style support to international financial services firms seeking to expand into the UK, directly to attract and retain the corporate treasury centres of non-financial businesses."

Annette Spencer, CEO, ACT

Re-establishing the UK as the default location for treasury operations

This paper is primarily focussed on legal and regulatory deliverables which appear to be capable of relatively straightforward resolution by Government and regulators/policymakers at low/no cost. We are aware, that there may, of course, be higher priority issues that do not meet these criteria that are important drivers of treasury/corporate location decisions. Examples include measures to increase the amount of capital available to invest in growth companies, streamlining the tax regime, reducing employment law burdens, alleviating the corporate reporting rules and a reset of the EU-UK relationship. In particular:

— **Fiscal competitiveness**: The UK's headline corporation tax rate of 25% compares unfavourably with key competitor jurisdictions, including Ireland (12.5%), and Singapore, where the Finance and Treasury Centre scheme offers a concessionary rate of 8% or 10% on qualifying treasury income – against a standard rate of 17%. Luxembourg and the Netherlands also offer competitive treaty networks, favourable withholding tax regimes, and regulatory environments specifically designed to accommodate treasury and finance company operations. A comprehensive review of the UK's corporate tax competitiveness for treasury operations, benchmarked against these and other appropriate jurisdictions is outside the scope of this paper, but might be considered as a complement to the legal and regulatory measures discussed below.

— **Talent availability**: Talent mobility is one of the fragmented policy levers requiring consolidation (which is noted in the Barclays report). The cost and complexity of sponsoring senior treasury professionals under the Global Business Mobility/Senior or Specialist Worker visa routes, the Immigration Skills Charge, and general processing times may affect the UK's ability to attract the experienced international professionals needed to staff sophisticated treasury operations. Singapore's streamlined Employment Pass process for finance roles, and Ireland's access to EU freedom of movement, represent competitive advantages that the UK could seek to address through targeted immigration reforms.

These matters are clearly crucial to the discussion and cannot be overlooked. We are also mindful that there is no "one size fits all" when it comes to business and a purpose of this paper is to elicit views from corporate treasurers and other stakeholders as to which reforms should be prioritised. As the voice of the corporate treasury profession, the ACT will continue to explore these broader themes in greater depth in the coming months.

A number of the issues highlighted in this paper might, of themselves, be viewed as points of detail (small issues or barriers). However, their collective impact, in the context of a clear policy objective to promote the UK as a centre for treasury operations, could be significant over time.

While conscious that day-to-day priorities constrain the bandwidth of many treasury teams to engage with consultation detail and policy making, corporate engagement – planning for operational changes and advocating on measures that matter – is crucial to shaping a competitive UK regime that attracts capital and investment and lowers costs.

The ACT and Slaughter and May are keen to hear from treasurers on points of friction and the practical impacts of regulatory agenda. To share views or feedback, please get in touch with any of the contacts listed at the end of this paper.

Why are legal and regulatory considerations important to treasury?

"Good regulation that is predictable and proportionate enhances financial stability. But regulatory 'friction' can act as a brake on the efficient financing of business growth. Some of these friction points may seem relatively trivial but nevertheless fairly straightforward to remove. Other points are more complex or particular to circumstances, especially where a UK corporate treasury centre is financing a multinational group. However, the cumulative benefit of addressing a number of these friction points could be significant. The challenge could be likened to Gulliver being tied down by the many threads of the Lilliputians – it will require a number of threads to be cut to get Gulliver back on his feet. We believe that with a concerted push from the UK Government under the umbrella of a clear policy objective, the UK could attract and retain the next generation of corporate treasury centres."

James Winterton, Associate Director Policy & Technical, ACT

Important note

This paper has been produced by Slaughter and May on behalf of the Association of Corporate Treasurers (**ACT**)[1]. It has been prepared to support the ACT in eliciting views from corporate treasurers and other interested stakeholders with regard to legal and regulatory constraints/areas of friction that the UK Government and regulators could seek to address in furtherance of a general policy objective to promote the UK as a preferred location for corporate treasury operations.

It describes a selection of areas of legal friction and action points, as suggested by Slaughter and May, which the ACT believes could influence the appeal of the UK as a treasury centre. It also highlights some topics which the UK Government is currently progressing or investigating and which, from a corporate treasury perspective, might be viewed as priorities. It does not purport to be a comprehensive review of all of the legal or regulatory issues that may be relevant to decisions regarding the siting of treasury operations (for example, this paper does not address fiscal or employment law matters in any detail).

The contents of this paper and the viewpoints are presented as a basis for further discussion and engagement. They should not be taken as any recommendation or endorsement by either the ACT or Slaughter and May of the relative importance of individual issues. The relevance and materiality of the issues highlighted to a specific business will depend on the particular circumstances of the business concerned. Any policy views expressed in this discussion paper do not necessarily constitute an official position of the ACT, its officers or individual members.

Although Slaughter and May has taken all reasonable care in providing legal and regulatory input to the ACT, nothing in this paper constitutes legal advice and should not be relied upon as a substitute for such advice. No responsibility is accepted by Slaughter and May or any of its partners, employees or agents, or by the ACT or any of its employees or agents, for any cost, loss or liability, however caused, occasioned to any person by reliance on it.

[1] *The ACT is the professional body for treasurers and associated roles in the UK and beyond. Its purpose is to set standards and qualifications in treasury, support and develop treasurers throughout their careers, and ensure the voice of the real economy is heard by regulators, policymakers and employers. The ACT was one of the first professional bodies in treasury, established in the 1970s, and is the only treasury association to hold a Royal Charter.*

Part I: Locating treasury in the UK

Measures of direct relevance to treasury operations.

1. Short term measures ("low-hanging fruit")

1.1 The Double Taxation Treaty Passport (DTTP) regime

Overseas lenders, which rely on the UK's network of double taxation treaties to receive interest payments free of UK withholding tax (**Treaty Lenders**), regularly provide loan finance to UK entities. Satisfaction of the substantive criteria for exemption from withholding in the relevant treaty does not, of itself, entitle the UK borrower to rely on that exemption. The relevant procedural formalities must be completed. This means that in order to pay interest to a Treaty Lender without a deduction for UK withholding tax (which is due to increase from 20% to 22% with effect from 6 April 2027), either (i) the lender must hold a "passport" under HMRC's DT Treaty Passport Scheme (**DTTP Scheme**, see further below), with the borrower obtaining a direction from HMRC in reliance on that passport, or (ii) an application for a direction must be made to HMRC and the relevant foreign taxing authority via the ordinary treaty clearance procedure.

The ordinary clearance procedure is both administratively cumbersome (often requiring the application to be sent first to the overseas tax authority for certification and then sent on to HMRC), and puts the borrower at a potential cash flow disadvantage.

Standard market lending terms require the borrower to pay interest to lenders free of any deduction for UK withholding tax (provided the lender cooperates in completing any procedural formalities). This means that if interest becomes payable prior to a direction from HMRC being obtained that treaty relief is available, the borrower must in principle withhold tax, while at the same time being (typically) contractually obliged to 'gross-up' the Treaty Lender. The parties must then await a repayment from HMRC (assuming a direction is subsequently received) and as the refund is made to the lender, the borrower must rely on contractual protections in the loan agreement requiring the lender to pass the refund back to the borrower.

The DTTP Scheme (comprising the DTTP1 passport and DTTP2 direction to pay gross applications) was introduced to simplify the process of making interest payments to overseas lenders without, or with a reduced rate of, withholding tax, in accordance with the relevant double tax treaty. The DTTP Scheme has expedited the process of treaty clearance as the lender can obtain the treaty passport well in advance of entering into any loan agreement, if it does not already have one. It is therefore only the DTTP2 form which the borrower must submit once the loan has been entered into. As a result, the time to complete the application, and for HMRC to review and issue the direction, is reduced. Although the borrower can provisionally apply the treaty rate of withholding upon receipt of an acknowledgment of submission of the DTTP2 form (and a direction following a successful application backdates to the date of submission of the DTTP2 form), there is still a level of risk involved if the application is ultimately unsuccessful and a direction to apply the treaty rate is not received.

Further, the DTTP Scheme process remains administratively burdensome – it requires a lender to apply for a passport and then a borrower to apply for, and HMRC to issue, a direction on a loan-by-loan basis. Any direction received also automatically ceases to have effect in a range of circumstances (meaning a new DTTP2 form must be submitted). These changes in circumstance can include those as minor as a change of address of the lender or borrower.

A Government consultation seeking views on whether and how the administration of double tax treaty relief could be simplified closed very recently. The consultation document states that the Government has not yet determined how best to reform the current regime. It asks for views on whether treaty relief should operate on a self-assessment basis, enabling UK payers to apply the relief without a prior HMRC direction. The Government's decision to consult on the simplification of double tax treaty relief processes is welcome and offers an opportunity for UK borrowers (and lenders) to help shape a system which is faster and less administratively burdensome. This could involve a lender-led self-certification regime to streamline the process (which would allow the borrower to rely on the Treaty Lender's self-certification regarding eligibility for treaty relief), as exists in other countries such as the United States and Ireland.

Viewpoint: Any self-certification scheme will need to be carefully framed to incorporate appropriate safeguards for borrowers, for example, clear HMRC guidelines as to the information required from lenders in order to self-certify (which can be reflected in contractual terms). The ACT has submitted a response to the consultation jointly with the Loan Market Association which includes more detailed views on areas of friction and potential solutions. We would urge the Government to assess and progress the outcomes of this consultation as a priority.

1.2 Clarity on recent changes to HMRC practice

Treasurers build long-term funding arrangements on the assumption that settled HMRC practice will hold. Where practice shifts without explanation, these arrangements may be undermined and the UK's reputation for administrative predictability suffers, alongside its competitiveness.

HMRC has recently changed its practice in two areas without explaining why. Both changes have an adverse effect on the UK's competitiveness. The two areas are:

— **Treaty relief for transparent lenders***:* It was HMRC's practice to give a direction to pay gross to a transparent lender where the person(s) behind the transparent lender are entitled to treaty relief. HMRC have now communicated that they cannot give such a direction to a borrower making payments to transparent lenders where the underlying persons are not all resident in the same territory as the transparent lender, even though a successful treaty claim could be made for repayment of the withholding tax.

— **Late payment interest concession***:* Where a borrower has voluntarily disclosed that it has paid interest without withholding tax, without first obtaining a direction to pay gross, and the lender is entitled to treaty relief, HMRC previously operated a concession to assess only the late payment interest and not the tax on the interest payment itself[2]. However, HMRC announced in December 2025 a review and temporary pause in processing disclosures of failure to comply with the requirement to withhold tax on interest payments to overseas lenders[3]. HMRC's recently published consultation on simplifying treaty relief from withholding tax on interest paid overseas (see 1.1 above) acknowledges this paused concessionary treatment but explicitly states that views are not sought on whether the concession should be reinstated or modified. Any reform of the treaty relief

[2] *See INTM413230 - Transfer pricing: the main thin capitalisation legislation: The interaction between UK taxing rights and double taxation agreements.*
[3] *See INTM413205 - Transfer pricing: the main thin capitalisation legislation: HMRC review and temporary pause in processing disclosures.*

system could ultimately resolve this issue, providing further impetus for the progression of efforts to simplify existing processes.

Viewpoint: We would recommend reinstating HMRC's previous position or, if this is not possible, HMRC should be clear when changing a long-running practice as to why the position has changed.

1.3 Uncertainty in the application of FSMA to corporate treasury functions

A corporate treasury function is not a financial institution, yet the more sophisticated the treasury operations, the harder and more expensive it becomes to establish this basic point. This is the wrong signal to send to the corporate groups the UK is trying to attract.

Treasury companies do not usually need to seek authorisation under FSMA[4] because of the application of certain exclusions in the RAO,[5] but the underlying analysis is unduly complex. In particular, some of the RAO exclusions are subject to a "MiFID override" (a provision retained and adapted in domestic law post-Brexit) which, in short, disapplies those exclusions for entities that provide investment services on a professional basis (thereby bringing them back within the regulatory perimeter and requiring FSMA authorisation). The purpose of the override is to ensure that firms within the MiFID-derived perimeter cannot step back out of regulation via RAO exclusions. However, in practice, the override introduces an additional layer of complexity to the perimeter analysis for corporate treasury functions. Although corporate treasuries will typically conclude (often with legal advice) that they are not operating as investment firms and so can rely on the relevant exclusions, the need to navigate the override makes this conclusion less accessible and creates avoidable uncertainty and advisory costs. These challenges generally grow as the complexity and sophistication of the treasury function concerned increase.

Viewpoint: The Government should consider reforming the MiFID override – either by removing it entirely, by making more targeted amendments or by issuing official guidance confirming that it has no effect for corporate treasury functions – while avoiding unintended perimeter consequences for authorised firms.

1.4 Clarity in the application of perimeter guidance for cryptoassets

As digital assets start to enter mainstream funding practices, treasurers need clarity at the outset on whether ordinary course activities involving them bring the treasury function within the regulatory perimeter. The FCA recently published a consultation paper on perimeter guidance for new cryptoasset regulated activities[6] which implicitly suggests that ordinary-course treasury activities involving cryptoassets will not fall within the FSMA perimeter. The proposed amendments to the FCA's Perimeter Guidance manual in that consultation paper include helpful Q&A-style guidance on whether certain activities are caught by the new cryptoasset regime, but do not specifically address corporate treasury activities.

[4] *Financial Services and Markets Act 2000.*
[5] *:Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544).*
[6] *See FCA Consultation Paper CP26/13, April 2026.*

Viewpoint: The FCA should consider including a specific Q&A section for corporate treasurers to provide greater clarity and certainty as the UK embraces this new asset class.

1.5 Intra-group exemptions under UK EMIR

Treasury centres rely on intra-group hedging as part of ordinary risk management strategies, but the exemptions that make intra-group hedging viable have for some years been sustained by a temporary regime with a fixed expiry, leaving treasurers unable to plan multi-year hedging programmes with certainty.

The intra-group exemptions[7] from clearing and margin requirements for transactions between UK entities and non-UK group entities under UK EMIR depend on equivalence determinations that, for many jurisdictions, have never been made. The UK's temporary intra-group exemption regime (**TIGER**) has been repeatedly extended as a result and is currently due to expire on 31 December 2026. This has been a source of ongoing regulatory uncertainty for treasury operations that manage risk across borders through intra-group derivatives.

The FCA and HM Treasury have been working to make the intra-group exemptions for overseas group entities permanent and the approach more flexible by removing the equivalence determination and the requirement for an application to the FCA as a precondition, replacing them with a notification-based regime.

The [statutory instrument] implementing this change was laid before Parliament on 6 July 2026. The reforms set out are intended to make the process of obtaining and using intra-group exemptions simpler and faster:

- Intention to rely on the clearing exemption in intra-group transactions between two UK counterparties will no longer require notification to the FCA (where the required conditions are met), aligning the regime for clearing exemptions, with the current regime for margin exemptions.
- Intention to rely on the clearing and margining exemptions in intra-group transactions between UK and non-UK group entities will require notification to the FCA, which is given 30 days to object. This replaces the current application-based approach under TIGER, which requires FCA approval within 3 months of notification.
- Transitional provisions ensure that firms currently benefitting from exemptions granted under TIGER will continue to benefit from them when TIGER expires without the need to notify the FCA, subject to certain conditions.

The FCA has been preparing rules to operationalise these legislative changes on intra-group exemptions which are expected to be published shortly[8].

The justification for these changes is that intra-group transactions do not increase systemic risk in the same way as third-party exposures. HM Treasury considers the changes desirable to facilitate the international competitiveness of the UK economy and its growth in the medium to long term.

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[7] *See Articles 3, 4 and 11 of Regulation (EU) No 648/2012 as it forms part of domestic law in the United Kingdom.*
[8] CP25/30: Streamlining the UK EMIR Intragroup Regime | FCA.

Viewpoint: The Government should continue to pursue these reforms and bring them into effect this year.

1.6 Scope of DTR 4.4.2 exemptions from financial reporting

For corporate treasurers, simplified access to debt issuances for retail investors provides a valuable additional funding route (see 2.4 below). However, an issuer stepping outside the wholesale-denomination or the "plain vanilla listed bond" (**PVLB**) perimeter is subject to materially shortened reporting deadlines, deterring precisely the low-denomination issuance the UK's recent reforms were supposed to encourage.

The deadline for a public company to file accounts under the Companies Act 2006 is 6 months after financial year end (s.442(2)(b) Companies Act 2006). This period is effectively shortened for public issuers by the Disclosure and Transparency Rules (**DTRs**):

- DTR 4.1.3R requires an issuer with transferable securities admitted to trading to publish its annual financial report no later than 4 months after financial year end.
- DTR 4.2.2R requires publication of a half-yearly financial report no later than 3 months after the end of the half-year period.

These requirements as well as, more broadly, the annual financial report requirements in DTR 4.1 and the half-yearly financial report requirements in DTR 4.2, do not apply to issuers that issue exclusively: (1) debt securities in denominations of at least €100,000[9] (or equivalent) per unit (i.e. wholesale debt) and/or (2) plain vanilla listed bonds, regardless of denomination and provided that they are issued by an equity shares commercial company (**ESCC**) subsidiary (DTR 4.4.2R).

An issuer seeking to issue low denomination bonds (or with low denomination bonds in issue) outside of the PVLB regime therefore cannot do so without being subject to the requirements in DTR 4.1 and 4.2.

The scope of DTR 4.4.2 is one of the reasons why some issuers (who are not already subject to the DTRs by virtue of an equity listing) might not want to pursue issuance of low denomination bonds outside the PVLB regime. This risks undermining the steps the UK is taking to encourage retail bond issuance through the amended prospectus rules and PVLB regime (see 2.4 below).

Viewpoint: The scope of DTR 4.4.2 is one of the reasons why some issuers resist issuance of low denomination bonds. The FCA could address this by allowing all issuers of low denomination bonds to do so without being subject to the shortened reporting deadlines in DTR 4.1 and 4.2.

[9] *This euro-denominated threshold is a hangover from EU-derived rules. We imagine the FCA will address this technical correction in due course, subject to considering any implications for pre-existing issuances. We are not aware that it causes any particular issues in practice.*

2. Medium to longer-term measures

2.1 EU/UK EMIR divergence

Where the UK and EU reach the same policy result through different mechanics, treasurers in cross-border businesses assume the burdens of two compliance frameworks for a singular set of trades. Divergence is therefore only beneficial where it results in better regulation – and/or (from a UK perspective), provides a clear competitive advantage.

The notification-based intra-group regime proposed under UK EMIR (discussed at 1.5 above) is a step forward but is also an example of continuing and potentially unnecessary divergence between the UK and EU intra-group exemption regimes. While the EU's EMIR 3.0 also removes the equivalence condition, it does so in favour of a jurisdiction "blacklist" or "negative list" approach rather than a notification-based regime as proposed for UK EMIR. Accordingly, parties subject to both regimes still need to consider differing sets of obligations.

Other examples of divergence that can be perceived as unnecessary (when balanced against the friction created) include the formulation of the exemptions from reporting requirements relating to the intra-group regime. Under EU EMIR the reporting exemption is not available where the parent is in a third country (so is not available, for example, if the EU party has a UK parent). Under UK EMIR the reporting exemption is not limited in this way. The implications of this divergence for corporate groups with cross-border EU-UK operations include the following:

— **Duplication***:* Under EU EMIR, counterparties within the same corporate group remain subject to transaction reporting requirements in respect of intra-group derivative contracts, notwithstanding that such transactions may benefit from an exemption from the clearing obligation. In practice, this necessitates the adoption of parallel compliance processes, with the EU-facing leg of each intra-group arrangement being disclosed in full to a trade repository authorised within the EU.

— **Asymmetrical Reporting Obligations***:* Where a UK-incorporated parent entity enters into derivative transactions with a subsidiary established in an EU member state, the parent may avail itself of the intra-group reporting exemption available under UK EMIR and is accordingly relieved of any obligation to report those trades within the UK. The EU subsidiary, however, remains independently bound by EU EMIR to submit details of the identical transaction to an EU-registered trade repository, giving rise to a misalignment in the reporting obligations applicable to each side of the same trade.

— **Increased Compliance Costs***:* Groups with cross-border operations spanning both the UK and the EU are required to establish and maintain distinct reporting and monitoring frameworks to satisfy the respective requirements of each regime. Given that EU EMIR imposes more exacting obligations in this regard, corporate treasury functions face a materially higher administrative burden and greater associated legal expenditure in order to ensure ongoing compliance across both jurisdictions.

Viewpoint: The Government could seek to minimise unnecessary additional divergence – particularly in areas (such as intra-group reporting) where divergence increases costs without enhancing systemic risk management. For the existing points of divergence identified above and in 1.4, the UK's approach should be retained, and the UK could encourage the EU to align its standards with those in the UK's updated regime where possible.

2.2 Transfer pricing

Transfer pricing requirements for ordinary course intra-group treasury arrangements, including cash pooling, intercompany loans and guarantees, can be disproportionately complex. The situation is further complicated for cross-border treasury arrangements between UK and overseas companies in the same group (see below). Group treasury functions frequently need to prepare extensive documentation or seek advance pricing agreements (**APAs**) to support positions that are unlikely to be controversial.

Simplifying those requirements could reduce compliance costs and improve liquidity across corporate groups by allowing treasurers to manage and deploy intra-group funding more efficiently.

In cross-border contexts, we acknowledge that the introduction of safe harbour ranges would not protect against the risk that the overseas tax authority gives no weight to the application of a safe harbour in the UK. For genuinely routine, low-risk activity, safe harbours would reduce the compliance burden in the UK and taxpayers may be able to get comfortable that the risk of challenge is low in the other jurisdiction. To give the most certainty in cross-border contexts, however, a bilateral APA would be required (i.e. one agreed with both HMRC and the tax authority in the other jurisdiction).
A simplified application process for an APA, involving greater standardisation in terms of the information to be provided (which should be achievable for routine treasury activities) might at least speed up the process for reaching agreement with the overseas tax authority (which in our experience, typically takes more than 2 years).

Viewpoint: The Government and HMRC could consider introducing a simplified approach for routine treasury functions, for example by providing safe harbour ranges for intra-group pricing or a fast-track APA process that reduces the time and cost of obtaining certainty for standard intra-group arrangements.

2.3 Simplification of distribution/deductibility rules

The UK tax rules distinguishing between deductible interest payments and non-deductible "distributions" (within the meaning of the Corporation Tax Act 2010 and the Corporation Tax Act 2009) can create uncertainty where commercial debt instruments include features such as interest rate ratchets, equity kickers or other contingent returns. The consequence of re-characterisation as a distribution is severe: the payment becomes non-deductible for the issuer and may be subject to different withholding tax treatment.

Convertible bonds, for example, are fixed rate bonds that contain an option for the bondholder to convert the bond into ordinary shares of the issuer (or an entity closely related to the issuer), during a specified period and at a specified price. Convertibles are an important part of the funding toolkit in down-cycles. The key attraction for issuers is cheaper debt; the equity conversion right offers value to investors that compresses the coupon, which is why convertibles tend to resurface in volatile markets against a backdrop of higher interest rates.

For a UK issuer, one of the conditions for re-characterisation as a distribution relates to conversion features, with an exception for securities that are either listed on a recognised stock exchange, or not so listed but issued on terms which are "reasonably comparable" to those of listed securities. More clarity on when an issued security is "reasonably comparable" to an equivalent listed security would be helpful.

Other examples of instruments with such features are common in sponsor-backed acquisition financing structures, management buy-outs and financings for growth-stage businesses. These may include instruments that include payment-in-kind toggles or revenue or profit-linked returns, or equity warrants ("kickers"), which are used to attract capital and/or allow the business to preserve cash during periods of growth or integration following acquisitions.

These important funding tools should not need to be designed around the risk that interest payments in respect of the debt instrument are mischaracterised as distributions. Greater certainty in this area would likely increase the accessibility of these funding options, which can both support growth and resilience.

Viewpoint: The Government could review and simplify these rules to provide greater certainty that common commercial lending structures will be respected as debt for tax purposes and will not be inadvertently re-characterised as distributions. This would provide welcome certainty for both issuers and investors and ensure the legislation achieves what it is intended to achieve.

2.4 Eligibility for "plain vanilla listed bonds" (PVLBs)

Retail bond issuance provides businesses with an additional and potentially significant funding channel. Retail issuance is common in certain other jurisdictions (Italy for example[10]) and encouraging broader retail issuance is a key plank of the agenda for growth in support of the UK debt capital markets.

The changes made to the prospectus rules under the POATRs[11], which took effect in January 2026, have already created additional flexibility and reduced friction for issuers of debt on the main market of the London Stock Exchange. This could be built on through further targeted reforms (in addition to those discussed at 1.6 above). In particular, the new rules for PVLBs, which are intended to remove regulatory disincentives to issuing low-denomination bonds capable of retail participation, are available only to eligible issuers (namely, corporate issuers listed in the UK or subsidiaries of UK-listed entities whose debt securities can be guaranteed by the UK-listed parent). For example, most utility companies will not be eligible as debt is typically guaranteed at operating company rather than listed parent level.

Viewpoint: Expanding the eligibility criteria could encourage more issuers to consider PVLB issuance and help build momentum for retail participation in the bond market.

2.5 Central bank corporate bond facilities

Historically, central bank corporate bond purchase programmes have influenced where multinational groups locate treasury centres, particularly for groups that centralise debt issuance through a

[10] *See Borsa Italia: flyermot.en.pdf*

[11] *Public Offers and Admissions to Trading Regulations 2024.*

dedicated finance or treasury subsidiary. The structure of any future UK facility must be flexible for multinational groups if it is to attract corporate treasury centres to the UK.

The ECB's Corporate Sector Purchase Programme (**CSPP**) required non-bank issuers to be incorporated in the euro area for the issued bonds to be eligible for purchase, regardless of where the ultimate parent was located.[12] This incentivised groups to establish euro-area-incorporated treasury/finance subsidiaries. By contrast, the Bank of England's Corporate Bond Purchase Scheme (**CBPS**) applied a broader "material contribution to UK economic activity" test, allowing non-UK incorporated companies with genuine UK business to qualify.[13] Both programmes are currently inactive: the CBPS was fully unwound by April 2024, and the ECB discontinued CSPP reinvestments from July 2023.

Viewpoint: Although neither programme is currently active, any future UK corporate bond facility should preserve the more flexible substance-based eligibility test and allow UK finance/treasury subsidiaries of overseas parents to qualify. It would also be useful to clarify that overseas parents with a UK corporate treasury centre would prima facie be considered an issuer that makes a material contribution to UK economic activity.

The Government should consider whether the absence of an active facility could put the UK at a disadvantage were the ECB to restart its programme.

[12] *https://www.ecb.europa.eu/press/pr/date/2016/html/pr160421_1.en.html*
[13] *Corporate bond purchase scheme: eligibility and sectors | Bank of England*

Part II: Attracting companies to the UK

This Part addresses corporate law and corporate mobility reforms that affect the overarching decision to incorporate, list, or base a group (or its regional headquarters) in the UK – a precondition to locating treasury operations in the UK.

3. Short term measures ("low-hanging fruit")

3.1 Re-domiciliation regimes

Companies are hesitant to re-locate operations to another jurisdiction where this would involve a costly restructuring. Reform in this area may make it easier for corporate groups to relocate their operations to the UK.

The 2024 Expert Panel on Corporate Re-Domiciliation contained proposals for a new regime enabling a foreign company to "transform" itself into a UK company (inward re-domiciliation). On 25 March 2026, the Government launched Consultation: Implementing a UK corporate re-domiciliation regime. The proposals in the consultation are based on the framework recommended in the 2024 Report and seek views on the design for an inward corporate re-domiciliation regime that would allow non-UK companies to re-domicile in the UK by changing their place of incorporation while maintaining their legal identity and contractual relationships. Alongside the consultation paper, the Government published an initial assessment of the likely impact of an inward-only regime. This consultation closed on 19 June and an announcement is awaited on next steps.

Viewpoint: These are important proposals which would reduce barriers to multinational companies migrating to the UK without the need for costly corporate restructurings. Although this is a complex, multi-year project and demand is likely to be modest initially, a well-designed regime could serve as a meaningful signal of the UK's openness to international business. The Government should proceed with these proposals and work with other countries, particularly in the EU and the United States, to enable companies to migrate from those jurisdictions to the UK and to resolve technical issues around mutual recognition.

The Government could also assess the value of an outward re-domiciliation as a companion to the inward regime, as is available in other jurisdictions (including Singapore and Hong Kong, which have recently introduced or enhanced re-domiciliation frameworks). A credible bi-directional regime would signal openness and reduce the perception that the UK is creating barriers to corporate mobility.

3.2 Maintaining the competitiveness of UK equity markets

The regulation of equity markets plays a meaningful part in decisions around corporate headquarters and listing locations (the choice of which may influence the choice of location for treasury operations). To ensure the UK continues to be a key centre for capital markets and related financial services and treasury functions, it is important that London's equity capital markets continue to maintain their regulatory competitiveness – particularly as many companies are likely to continue to face pressure to transfer their existing listing to the US or to IPO in the US instead of the UK.

Over the last few years, various de-regulatory changes have been made to the ongoing obligations of companies with shares listed in London and to the eligibility criteria that apply to companies seeking a listing here, and some of the rules around secondary fundraisings by listed companies have been relaxed (see 3.3 below). These changes have made it quicker and easier for UK listed companies to bid successfully for desirable assets, offer their own shares as consideration in a takeover or other M&A transaction and to do a rights issue or other large secondary fundraising (of up to 75% of a company's existing share capital) without having to publish a UK prospectus.

As a result, overall, the regulatory regime for UK listed companies is now on a par with, if not ahead of, the regime in most competitor markets. Ensuring London continues to be able to attract and retain listed companies now depends principally on addressing "non-regulatory" issues. This includes measures to boost capital availability and liquidity (as well as topics outside the scope of this paper such as valuations and attracting the best talent).

Increasing the amount of capital invested by pension schemes in UK listed companies would help to boost capital markets, but opinions differ on how best to achieve this. In particular, mandating schemes to invest a minimum percentage of their assets in UK equities would be controversial, for example, if UK equity returns were not in line with whatever the default option currently looks like: (see 7.8 in Part III below).

In terms of measures to support liquidity, increasing transparency is an important first step. UK equity trading is fragmented across the London Stock Exchange and other trading venues, multilateral trading facilities, systematic internalisers (potentially) and OTC trading reported through approved publication arrangements. Introducing a consolidated tape for equities would help to give a more complete picture of the level of liquidity available across UK trading venues, and hence to produce more accurate comparisons with US markets. The FCA has recently finalised a policy framework for a UK equity consolidated tape and is consulting on some remaining details such as inclusion of systematic-internaliser quotes and commercial arrangements[14].

We note that efforts in co-operation with US regulators to reduce regulatory friction for companies that wish to maintain a dual listing in London and the US have also begun:

— In September 2025, the UK and US established the Transatlantic Taskforce for Markets of the Future partly to explore options for improving links between UK and US markets and reducing areas of friction, particularly for UK-listed companies that already have, or may in future seek, a listing of their shares or American depositary receipts (ADRs) in New York, and vice versa.

— In July 2026 the Taskforce made a number of recommendations including, in relation to capital markets, that the FCA and SEC should work together to reduce regulatory frictions around cross-border capital raisings and that the SEC should introduce proposed reforms to its rules for Foreign Private Issuers.

It is important that corporate groups, who are well-placed to highlight instances of friction, are appropriately represented in these discussions and play a role in any future discussions regarding the UK's approach to dynamic alignment with other jurisdictions.

Viewpoint: The FCA should be encouraged to continue to push forward in a timely manner the introduction of a consolidated tape for equities. It should also be encouraged to work with the SEC to reduce frictions arising from US-UK dual listings, including the points recommended by the Transatlantic Taskforce mentioned above.

[14] *Equities consolidated tape | FCA*

These steps, combined with the implementation of other recommendations in this paper, would help to incentivise corporates to maintain a primary or secondary listing in the UK, which in turn could encourage them to base their headquarters and treasury operations here.

3.3 Secondary Capital Raising Review (SCRR) recommendations

The more quickly and cheaply equity can be raised in UK markets, the more attractive a location the UK will be for corporate groups. In recent years, various steps have been taken towards this goal in the UK, including changes to implement certain SCRR recommendations (such as permitting companies to issue up to 20% of their existing share capital on a non-pre-emptive basis, provided certain conditions are met), reforms to the listing regime and to the regimes governing public offers and prospectuses. As a result, many of the areas in which the UK was previously out-of-line with comparable equity markets have been addressed. However, the SCRR made several further recommendations in 2022 that are yet to be implemented and would be likely to reduce remaining frictions in the UK equity markets.

Certain of the unimplemented SCRR reforms would further streamline the capital raising process and thereby increase the UK's competitiveness. The following SCRR recommendations, for example, remain outstanding:

(A) the Secretary of State should be empowered to make regulations shortening the notice periods for shareholder meetings (other than an annual general meeting) to seven clear days. Where a company needs to seek shareholder approval in order, for example, to authorise the board to issue additional shares, such as in a large rights issue, shortening the notice period for the shareholder meeting would reduce the total duration of the rights issue and hence reduce execution risk and, potentially, underwriting costs;

(B) the FCA should shorten the minimum period for which a rights issue or open offer must remain open from 10 business days to 7 business days; and

(C) the Government should address deficiencies in the "Gazette route" for making a pre-emptive offer, for example by:

- permitting a company to exclude shareholders in overseas jurisdictions where the cost of obtaining advice on how to comply with local securities laws would be disproportionate to the benefit of extending the offer to investors in that jurisdiction;

- allowing fractional entitlements to be aggregated and sold in the market; and

- permitting new shares to be offered to security holders with a contractual right to them, such as convertible bondholders, warrant holders and preference shareholders.

Viewpoint: Implementing these remaining SCRR recommendations would reduce friction and bring the UK further into line with comparable equity markets. If the Gazette route deficiencies were fixed, more companies would follow the statutory pre-emption rules without needing to seek shareholder approval to disapply them when doing a rights issue or open offer.

3.4 Reform of section 755 Companies Act 2006

Securitisation is a source of funding used commonly by the financial sector as a capital management tool (for example, in connection with mortgage lending) but is also used by corporates. By transferring pools of receivables or other income-generating assets to a special purpose vehicle within a securitisation structure, a corporate can access financing from capital markets on terms that may be more attractive than traditional secured or unsecured borrowing.

Section 755 of the Companies Act 2006 prohibits private companies from offering "securities" to the public. Importantly, it does not distinguish between shares and debt securities[15], meaning that issuers of debt securities in the UK usually need to be public companies. This results in a number of additional/more onerous requirements, including a minimum share capital of £50,000 (25% of which must be paid up in cash), a requirement for a trading certificate, a requirement for a minimum of two directors and a qualified company secretary and a shorter period following its accounting reference date within which to hold its AGM (6 as opposed to 9 months).

This statutory requirement was designed with trading companies in mind, rather than financing SPVs, and can be argued to be overly burdensome in the context of securitisations, giving rise to unnecessary layers of administration and cost. This has prompted calls for reforms that would allow securitisation SPVs to operate under a framework more closely aligned with their limited purpose, bankruptcy-remote nature and specialised creditor arrangements.

Viewpoint: Section 755 is not generally considered to offer any meaningful protections in the context of debt securities marketed to sophisticated investors (such as securitisation investors). While these arguments apply to companies issuing wholesale debt securities generally, in securitisation where the debt issuers are securitisation special purpose entities, they are arguably particularly unduly onerous. The Government could consider reform in this area, allowing private companies to more easily tap capital markets, as well as providing benefits in the context of structured finance.

4. Medium to longer-term measures

4.1 An effective corporate merger regime

The Joint Working Group of the Company Law Committees of the CLLS and the Law Society of England and Wales noted in its response to the 2026 re-domiciliation consultation:

"Should the government wish to further enhance the competitiveness of the UK legal framework for companies, we also urge it to consider introducing a regime to permit mergers of companies, including cross-border mergers, which are a feature of many other regimes."

The cost and ease of implementing corporate restructurings can support the attractiveness of a jurisdiction as a location for headquartering multinational groups. A merger is a form of corporate restructuring which involves the dissolution of one or all of the companies involved, alongside a transfer of assets and liabilities. A statutory mechanism that enables mergers by operation of law has

[15] *Securities" includes "shares and debentures". "Debentures" are further defined in section 738 Companies Act 1985 to include debenture stock, bonds and any other securities of a company.*

valuable benefits in terms of streamlining mergers which otherwise involve multiple steps or transactions to achieve the same result.

Part 26 of the Companies Act 2006 (sections 895 to 901; arrangements and reconstructions) enables eligible companies to enter into a compromise or arrangement with their members or creditors. (Only member schemes are discussed below.) In very broad terms, if a scheme is approved by 75% of the company's members and sanctioned by the court, it binds all the company's members.

Where a scheme of arrangement under Part 26 (i) is proposed for the purposes of, or in connection with, a scheme for the reconstruction of any company or companies, or the amalgamation of any two or more companies; and (ii) under the scheme the whole or any part of the undertaking or property of any company concerned in the scheme (transferor company) is to be transferred to another company (transferee company), the court has power to do various things to facilitate the reconstruction or amalgamation. These powers include ordering that the whole or any part of the undertaking and property or liabilities of the transferor company be transferred to the transferee company and that the transferor company be dissolved. In effect, section 900 therefore enables one company to merge into another, with only the transferee surviving.

However, section 900 is limited in various ways. In particular: (i) it applies only to companies incorporated under UK companies legislation; and (ii) its usefulness has been substantially restricted by the decision of the House of Lords in *Nokes v Doncaster Amalgamated Collieries Ltd*[16]. In *Nokes*, a majority of the House of Lords held that the statutory predecessor to section 900 could not be used to transfer "property" where the consent of a third party is required or the property is, by its nature, incapable of transfer. This decision effectively means that a reconstruction or amalgamation under section 900 is viable only where the transferor does not hold any property that requires third party consent to transfer or, if it does, the transferor is able to obtain consent from each third party. Because many commercial contracts contain restrictions on assignment without consent, section 900 is usually not viable.

Under Part 27 of the Companies Act 2006 (sections 902 to 941; mergers and divisions of public companies), certain additional procedural requirements apply if a scheme of arrangement proposed under Part 26 involves (i) a public company; (ii) a reconstruction of the company or the amalgamation of two or more companies; (iii) a "merger" or "division" as defined in Part 27; and (iv) shareholders in the transferor company receiving shares in the transferee company. The rules in Part 27 were designed to implement EU company law Directives. In practice, however, no applications under Part 27 are believed to have been made – partly because of the restrictions referred to in the previous paragraph.

So although UK company law does include a statutory merger regime, it is useable only in certain narrow circumstances[17]. Instead, companies need to use other methods to achieve a similar commercial outcome. Usually this involves one company acquiring either (i) the business and assets of the other, by entering into a business sale agreement with the selling company; or (ii) all the shares in the other company – for example, by entering into a share sale agreement with each shareholder or by using a scheme of arrangement under Part 26 (in which shareholders in the company to be acquired effectively agree to "swap" their shares for shares in the buyer). While effective, these methods can be more complex, expensive, and time-consuming than a straightforward statutory merger in which two companies are combined by operation of law in a single step.

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[16] *[1940] AC 1014.*

[17] *Part 7 of the Financial Services and Markets Act 2000 includes a mechanism to enable the assets and liabilities of a banking or insurance business to be transferred from one company to another by operation of law, subject to the approval of the court and compliance with various safeguards (known as a "Part 7 transfer").*

Many other jurisdictions – including the United States and certain EU member states – provide domestic companies with the ability to implement statutory mergers, giving their businesses a more efficient path to corporate combination. The UK's lack of an effective statutory merger regime can therefore make it uncompetitive and a less attractive jurisdiction for corporate restructuring and inward investment. This is compounded by the fact that, since Brexit, UK companies can no longer merge with EEA companies under the cross-border mergers regime: see 4.2 below.

Viewpoint: The Government could consider amending section 900 of the Companies Act 2006 so that on a scheme for the reconstruction of any company or companies, or the amalgamation of any two or more companies, the court would have power to order the transfer of all types of property, subject to appropriate safeguards (i.e. removing the restricting effect of Nokes). Essentially, this would enable two UK companies to combine via a single court-approved step in which the assets and liabilities of the transferor would be inherited by the transferee (universal succession).

This reform would not remove existing shareholder protections applicable to Part 26 schemes, including the requirement for shareholder approval. Rather, it would increase the utility of the Part 26 process by enabling the transfer to take effect without the need to seek third-party consents. At the same time, the Government could consider revoking the additional rules in Part 27 of the Companies Act 2006. Such reforms could reduce transaction costs, enhance the UK's competitiveness as a jurisdiction for corporate activity, and bring the domestic framework into line with international best practice.

4.2 Re-introduction of a cross-border mergers regime

Cross-border mergers are permitted in all EU member states. Instead of having to implement liquidations, business transfer agreements and transfer contracts piecemeal, under the EU regime a group can merge a company registered in one EEA state into a company registered in another EEA state through a single court-supervised process. This regime is a valuable tool, particularly for intra-group reorganisations.

Prior to Brexit, this mechanism, which emanated from the EU Cross-Border Merger Directive, was available to UK companies pursuant to the Companies (Cross-Border Mergers) Regulations 2007 (SI 2007/2974). While there were some criticisms around certain aspects of the process, and the tool was not used frequently, it proved valuable on certain occasions. For example, a number of groups in the financial services and insurance sectors used it to tidy up their European operations immediately prior to Brexit.[18]

The EU Cross-Border Merger regime was revoked in 2020 when the UK left the EU, because it depends on reciprocity and mutual recognition. Reintroducing a mechanism to enable UK companies to merge with EEA companies, and vice versa, would now require specific agreement between the UK Government and the European Commission. Although this may be challenging at present, the Government should consider seeking such an agreement at the next suitable juncture.

[18] *Including Hiscox, AIG Europe and M&G.*

Viewpoint: A cross-border merger regime would share features with the re-domiciliation regime (discussed at 3.1 above) and could be developed as a companion reform. It would be of particular value for groups reorganising treasury operations between jurisdictions.

4.3 Dematerialisation of shares in UK companies

Paper share certificates create inefficiency in the UK's settlement infrastructure and impede retail participation; the reforms currently underway are important to ensure the UK remains on a par with other competing markets and to attract corporate issuers.

In its July 2025 report, the Government's Digitisation Taskforce set out recommendations for modernising the UK's framework for share ownership in listed companies[19]. It proposed a three-step transition to a fully digitised and intermediated model of shareholding that will end with all UK-traded shares being held in CREST, or another central securities depository, via intermediaries (an intermediated model). Essentially the recommendations are designed to improve the "plumbing" of UK capital markets and bring the UK more into line with shareholding systems in other developed markets; and to make it easier, quicker and cheaper for individuals to hold and trade shares, which in turn should help foster a culture of equity ownership and boost UK stock markets. For companies, moving to a digitised model should save time and costs by reducing physical movements of paper and helping to facilitate electronic communications with, and payments to, investors.

On 14 July 2026, the Dematerialisation Market Action Taskforce (**DEMAT**) published a detailed report setting out the steps that need to be taken to remove paper share certificates for UK-traded shares – i.e. shares in UK-incorporated companies that are admitted to trading on a UK regulated market, such as the LSE's Main Market, or an SME Growth Market in the UK, such as AIM. The Government has accepted DEMAT's recommendations and will legislate accordingly.

The removal of paper share certificates is the main element of Step 1 in the three-step journey. Step 1 is expected to be implemented by the end of 2027. The legislative changes will be made in 2027, although the exact date has not yet been announced. A draft SI is expected shortly. As part of the implementation process, the DEMAT intends to consult with lenders to determine the implications of digitisation for share collateral arrangements forming part of lending transactions.

This timetable should coincide with the merger of stamp duty and stamp duty reserve tax (**SDRT**) into a new Securities Transfer Tax (**STT**), details of which were announced by HMRC on 13 July (although HMRC have not yet committed to an exact date, beyond it being in 2027). As now, it will not be lawful to register the transfer of a digitised share in a UK-incorporated company until the relevant STT has been paid, unless an exemption applies; however, the introduction of an online portal to digitise the reporting and payment of STT should make it quicker to get transfers registered.

More detail of the issues and recommended solutions for Steps 2 and 3 will be set out in a further DEMAT report to be published next year. The Government aims to start Step 3 by the end of the current Parliament – i.e. by July 2029 – although completion of the timetable for Step 3 will depend on various factors, including the Government's legislative programme.

[19] *Digitisation Taskforce - July 2025 - GOV.UK.*

Viewpoint: The Government should continue to treat this project as a priority, provide the leadership and resources needed to drive the project forward, and set clear milestones and deliverables to ensure that it is not delayed.

4.4 Market abuse regime alignment

For corporate groups subject to both UK and EU Market Abuse Regulations (**MAR**), or considering arrangements that would bring them within the perimeter of both regimes, differences between the two sets of rules (divergence) create complexity. Working with the EU to align EU MAR[20] and UK MAR[21] more closely would simplify the regime and reduce the risk of inadvertent breach in areas of misalignment.

Although any changes to UK MAR would require careful scrutiny, in general it would be helpful to issuers – particularly those already subject to both the EU and UK regimes, or those that may become so in future – if the UK regime could remain aligned with the EU regime except where there is a compelling case for divergence (in which case, efforts should be made to convince the EU of the reciprocal benefits of aligning EU MAR with UK MAR).

For example, in the context of inside information:

— **Intermediate step in a protracted process:** Following amendments made on 5 June 2026, under article 17 EU MAR the requirement to announce inside information as soon as possible does not apply where the inside information relates to "intermediate steps in a protracted process".[22] In such circumstances, an issuer must make an announcement only when the final step in the process is taken – such as when definitive transaction documents are signed or the board gives final approval. Before the final step is taken, the issuer will not be "delaying" making an announcement, so it will not need to satisfy the conditions for delaying disclosure. There is no direct equivalent in article 17 UK MAR.

— **Circumstances in which an issuer can delay disclosure of inside information:** More significantly, EU MAR now sets out different rules on when an issuer can delay announcing inside information. To be permitted to delay announcing inside information, an issuer must satisfy certain conditions set out in article 17 EU MAR and in ESMA Guidance. The amendments to these conditions in article 17 EU MAR were also made on 5 June 2026, and ESMA is currently consulting on amendments to its Guidance. The same amendments have not been made to UK MAR.

As a result, an issuer that is subject to both EU MAR and UK MAR now needs to apply two sets of rules that have a similar purpose but that are different in certain important respects. As a minimum, this creates complexity; at worst it could mean that, in attempting to comply with one regime, an issuer fails to comply with the other.

Viewpoint: Reducing this divergence would support London's wider competitiveness by making UK-based treasury teams less likely to face duplicative compliance analysis when operating across UK and EU markets.

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[20] *Regulation (EU) No 596/2014, as amended.*
[21] *Regulation (EU) No 596/2014, as it forms part of the domestic law in the UK.*
[22] *Article 17(1) Regulation (EU) No 596/2014, as amended.*

4.5 Captive insurance regime

Captive insurance is a relatively standard practice for large groups, but at present, there are no UK-domiciled captives. This is attributed to the absence of any distinct FSMA authorisation regime for captive insurers. A UK captive insurance regime which enables UK corporate groups to establish a captive onshore has the potential to deliver efficiencies and cost savings compared to the offshore alternatives, depending on its scope and structure.

Presently, a group wishing to establish a captive in the UK must obtain authorisation for an entity to effect or carry out contracts of insurance. That entity is then subject to broadly the same capital, governance, reporting and other regulatory requirements under Solvency UK as a commercial insurer underwriting third-party business, notwithstanding its materially different risk profile. As a result, no captive insurers are currently established in the UK and UK groups use offshore captives, based principally in Guernsey, where more than 40% of FTSE 100 companies have captives domiciled.[23]

The Government announced plans to introduce a new captive insurance framework as part of the Chancellor's Mansion House speech in July 2025. The PRA and FCA subsequently published parallel consultations (PRA CP11/26 and FCA CP26/29), which close on 14 October 2026. Subject to the outcome of those consultations, implementation is expected in mid-2027 following publication of the final rules and policy materials.

Under the PRA's proposals, a new category of "UK captive insurer" would be created in the PRA Rulebook and sit outside the Solvency UK regime. Initially, the framework would be available only to single-parent captives, being UK limited companies wholly owned within the parent group, and UK captives would be restricted in the types of business they may write. Captive insurers would be subject to simplified capital requirements, a streamlined authorisation process and a lighter-touch supervisory regime than non-captive insurers.

The PRA anticipates that the new framework could encourage UK groups that do not currently operate a captive to establish one domestically, reducing the costs associated with using offshore jurisdictions. Groups with existing overseas captives may also consider relocating them to the UK to benefit from operational and administrative efficiencies. More broadly, the availability of a simplified onshore captive regime could enhance the attractiveness of the UK as a location for corporate groups. Whether these anticipated benefits materialise in practice remains to be seen.[24]

The principal question is whether the proposed regime will be sufficiently competitive to attract business away from established offshore captive centres such as Guernsey, which offer a favourable tax environment and a mature captive management and regulatory ecosystem. The UK framework is narrower than a number of competing regimes, as it would not initially accommodate group, association or protected cell company (**PCC**) captives and would offer no associated tax advantages. As a result, the regime would not facilitate "rent-a-captive" structures, and smaller corporate groups would need to establish standalone captives, increasing costs.

HM Treasury has, however, proposed rule changes that would permit PCC structures in the future. This includes changes to FSMA being introduced by the Financial Services and Markets Bill 2026-27 to provide for the establishment and operation of "insurance vehicles", which will allow new insurance transformer vehicles (a special purpose vehicle used to transfer insurance risk to investors) to operate within the captive insurance framework.

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[23] *According to Guernsey Finance, as cited in PRA consultation paper: CP11/26 – A tailored regime for captive insurance | Bank of England.*

[24] *See Slaughter and May: The UK captive insurance regime proposals: implications for the Insurance sector.*

Viewpoint: These are welcome proposals which should be implemented broadly in their current form and to the announced timetable. Priority should be given to consulting on, and ultimately extending the regime to, PCC captives to ensure that it delivers practical benefits for UK corporate groups of all sizes.

4.6 Reinstatement of the Office of Tax Simplification (OTS)

The OTS was abolished in 2022 on the basis that tax simplification should be embedded as a core priority within HMRC and HM Treasury, rather than delegated to a separate body. In practice, however, there is little evidence that simplification has become a central feature of tax policymaking, and recent legislative changes have often increased complexity, increasing costs for corporates operating in the UK. Although the OTS's influence was limited by the fact that the Government was under no obligation to implement its recommendations, and often chose not to do so, a dedicated simplification body would nevertheless be a valuable addition.

Viewpoint: Reinstating an independent body dedicated to identifying opportunities for simplification could help promote a more coherent and sustained focus on reducing unnecessary complexity within the tax system.

Part III: Supporting a world-leading financial sector

This Part addresses regulatory measures impacting the financial services sector and the cost, breadth and availability of financial services and related infrastructure to corporate customers.

5. The Leeds Reforms

As a preliminary point, we would observe that most aspects of the Leeds Reforms of relevance to treasury operations are currently moving forward, with clear timetables having been laid out. For example:

— The ring-fencing review concluded in May 2026 with a comprehensive reform package, and this has resulted in proposals to amend primary legislation in the Financial Services and Markets Bill 2026-27 (**FSMB**) that is currently going through Parliament.

— The Basel 3.1 final rules were published in January 2026, with phased implementation confirmed for 1 January 2027, and certain market risk reforms (the review of the trading book's internal model approach) coming into effect a year later on 1 January 2028.

— The UK's transition to T+1 settlement is legislatively mandated for 11 October 2027 (and as noted at 4.3 above, paper share certificates are to be abolished by end 2027, in parallel with T+1 implementation).

— The National Payments Vision (which incorporates the stablecoin regulatory framework and tokenised settlement instruments as key workstreams) continues to be implemented through the Payments Vision Delivery Committee, which published its Payments Forward Plan in February 2026.

— The Pension Schemes Act received Royal Assent in April 2026 (which includes, among other things, a statutory power enabling trustees to pass a resolution conferring an express power to return defined benefit scheme surpluses to the employer).

The FSMB is one of the main legislative vehicles through which the Leeds Reforms will be implemented, although it does not cover the entire programme. In short, it aims to modernise how the financial services sector is regulated, supporting it to grow and to lend more to businesses. In line with the post-Brexit approach in financial services legislation, the FSMB largely aims to update the statutory framework through which HM Treasury, the PRA and the FCA are empowered to develop the detail in secondary legislation and/or regulatory rules. For example, the FSMB contains a mechanism allowing elements of the excluded activities and prohibitions framework of the bank ring-fencing regime that is currently fixed in secondary legislation to be updated through PRA rules, which should allow the regime to respond more flexibly to changes in market practice.

Clearly there is the possibility of a change in direction or delay on some of these reforms as a result of recent political upheaval. There remains debate on whether some of these initiatives go far enough (in particular, in terms of the balance between risk management and growth). However, on the assumption that the new leadership in the UK continues to support the present course – and subject to specific points on some of these topics, some of which are included in our suggestions below – the overall picture in terms of financial regulation is of a reform agenda with momentum.

Against that backdrop, it is also important to acknowledge the value to corporates of long-term stability and regulatory certainty, a message the ACT hears frequently from its members.

6. Short term measures ("low-hanging fruit")

6.1 Ring-fencing reform

The ring-fencing regime is often considered a significant UK-specific regulatory burden constraining the provision of banking services to large corporates and, by extension, the attractiveness of the UK as a hub for treasury operations. An independent review of the ring-fencing regime[25] concluded that the regime is worth retaining for the largest UK banks but recommended several important changes both to the way in which the regime operates and its interaction with the resolution regime.

Reform is underway and it is hoped this will result in a reduction in operational complexity[26]. Proposed reforms will narrow the ring-fencing perimeter and permit ring-fenced banks to provide a broader suite of products to corporate clients, including simple derivatives and hedging instruments such as inflation swaps. If realised alongside the FPC's capital proposals (see 7.1 below), these reforms should translate into a wider pool of available credit and a more competitive financial services market for corporate treasurers.

The PRA is consulting (CP10/26) on changes to the continuity of provision of services rules for ring-fenced banks which would remove the shared services rules from the Rulebook. This would allow banks more flexibility as to how they share operational resources across the ring fence (such as data-processing services, information technology and back-office functions).

Viewpoint: In the context of the current consultation, the PRA should ensure the output confirms explicitly that centralised treasury functions of regulated firms – including cash management, intercompany funding, liquidity management and hedging – may be conducted on a shared basis across ring-fenced and non-ring-fenced entities (subject to appropriate governance and risk management controls).

6.2 Streamlining Know-Your-Customer (KYC) requirements

Whilst KYC requirements perform an important role in preventing financial crime, repetitive requirements can be administratively burdensome for corporate customers without furthering KYC's purpose.

Reforms to KYC requirements are primarily focussed on improving the quality of the underlying data and digital identity infrastructure rather than directly reducing the repetitive and overlapping KYC obligations that corporates face when dealing with banks and financial institutions. This applies in both directions, since corporates are often required to KYC-check banks which, as PRA-regulated entities, are subject to extensive disclosure and reporting requirements themselves, resulting, from a treasurer's perspective, in unnecessary duplication.

Some building blocks for improving data quality and sharing are being put in place – verified registries and data-sharing frameworks – but a comprehensive solution that directly alleviates the repetitive KYC burden on corporates (as distinct from improving the quality of underlying data for compliance purposes) is not being addressed as a single initiative or policy objective.

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[25] *Safeguarding_Stability__Enabling_Growth.pdf*
[26] *PRA announces ring-fence change to reduce costs | Bank of England*

Recent amendments to the Money Laundering Regulations[27], for example, make some targeted improvements that aim to reduce some friction, but they do not provide for shared reliance on centralised KYC.

Viewpoint: It would be helpful to both financial institutions and corporates to draw together the initiatives that feed into these requirements into a single workstream, with a focus on further streamlining beneficial ownership verification and AML screening, ideally on a pan-European/cross-border basis.

7. Medium to longer-term measures

7.1 Capital requirements for UK banks

Capital requirements have an obvious impact on the cost of and access to capital for the real economy. The Bank of England's Financial Policy Committee (**FPC**) published its Financial Stability Report in December 2025, committing to review banks' capital and leverage ratio requirements. On 7 July 2026, it announced a set of concrete proposals that will be put forward for consultation in early 2027.

Some specific refinements to the capital regime for UK banks we would highlight include the following:

— It was observed in the FPC's December 2025 capital review and summary of stakeholder feedback that UK banks tend to preserve some capital headroom over regulatory minimum requirements, in part due to a reluctance to drawdown buffers because of resulting investor and rating agency perceptions. It may be helpful for the Government (in collaboration with affected UK banks) to engage formally with rating agencies on how they treat orderly buffer drawdowns in order to reach agreement that drawdowns which are in line with supervisory expectations will not trigger ratings downgrades.

— UK banks are also reluctant to drawdown buffers due to uncertainty on how quickly the PRA expects firms to rebuild buffers following a drawdown. The PRA should publish guidance on expected rebuild timeframes in order to reduce concern of any drawdown triggering immediate supervisory pressure to recapitalise.

The FPC and PRA also intend to bring forward a package of targeted measures intended to make the leverage ratio framework more proportionate and more effective.

Viewpoint: Progressing these reforms is to be encouraged from a corporate perspective. They are directed at UK-regulated banks but they flow through to treasury operations primarily because of their effect on pricing and availability of banking services.

[27] *The Money Laundering and Terrorist Financing (Amendment) Regulations 2026.*

7.2 Basel 3.1 and trade finance costs

The implementation of Basel 3.1 and the calibration of capital requirement weightings have significant implications for the cost and availability of trade finance products to corporate treasurers.

A key area of concern has been the credit conversion factor (**CCF**) applicable to performance bonds, bid bonds, and similar transaction-related contingent items. The CCF determines the weighting that banks must apply to off-balance sheet exposures in determining how much of those exposures should be treated as credit exposure for regulatory capital purposes. The Basel standard prescribes a 50% CCF for these instruments – a figure originally calibrated in the 1980s.

Empirical data collected by the ICC and Global Credit Data (**GCD**) over 20 years across a portfolio of 16 GCD member banks demonstrates that the actual CCF for performance guarantees averages approximately 10% for defaulted customers – far below the regulatory assumption.[28] A 50% CCF (versus 20%) would represent a 150% increase in capital allocated to these products, which may translate into higher pricing for corporate customers. The ICC illustrated that pricing on a £10m performance guarantee for an obligor with a probability of default of 0.2% and a one-year tenor could increase from £120,000 to £300,000 per annum.[29]

The PRA's final Basel 3.1 rules (PS1/26, January 2026) include a preferential 20% CCF for warranties, tender bonds, performance bonds, advance payment guarantees, retention guarantees and guarantees not having the character of credit substitutes and a more restrictive 50% CCF for "other issued off-balance sheet items not having the character of credit substitutes".

Viewpoint: The Government should ensure that the preferential UK CCF applies clearly to the full range of performance guarantees and other transaction-related contingent items that exhibit conversion rates below the original Basel assumption. Any instruments falling outside that bucket would attract materially higher capital charges. The Government should also ensure the UK does not adopt a more conservative treatment than the EU for commitments to issue such instruments, as this would place UK banks at a competitive disadvantage.

7.3 Use of Private Credit Ratings

Insurance capital is now a significant source of long-dated corporate funding, and the terms on which insurers may rely on private ratings influence the availability, pricing and structuring of UK insurer-backed lending to corporates.

UK and European Solvency II rules are already restrictive in respect of the ability of insurers to use private ratings as a substitute for public ratings, but to date UK regulators have at least been tolerant of the use of private ratings to inform insurers' internal ratings or validation process, provided they can demonstrate the robustness and compliance of their internal ratings with a UK recognised credit rating agency. Recent reports seem to indicate that the FCA and PRA might be considering further tightening on the use of private ratings to restrain over-reliance due to concerns of opacity and reliability. No firm steps have been taken yet in this regard and there is no indication of the full extent of any potential further tightening, but any further restrictions on the use of private ratings could have an impact on the

[28] *ICC United Kingdom/GCD 2023, Update to ICC/GCD 2022 Performance Guarantees Paper*
[29] *ICC United Kingdom, Response to PRA proposals on Basel 3 Regulations (July 2025)*

availability, pricing and structuring of UK insurer-backed funding to corporates, as a result of insurers facing increased friction when investing in privately rated debt. This is in contrast to their US competitors, where NAIC treatment of private ratings has helped support insurer investment in corporate credit.

Viewpoint: The Government should resist further tightening on private ratings to the extent it would reduce the availability of insurer capital to corporate borrowers.

7.4 Enhancing digital issuance infrastructure

Access to means of digital issuance is likely to become increasingly important in attracting corporate issuers to the UK. Until digital issuance is possible on a permanent footing the UK will continue to trail centres that have already legislated for it.

The Government's Digital Securities Sandbox (**DSS**), introduced in 2023, has already begun to drive the development of the financial market infrastructure (FMI) needed to support distributed ledger technology (**DLT**) and digital bond markets. In March 2025, the Government launched the Digital Gilt Instrument (**DIGIT**) Pilot, establishing the UK's first FMI for a fully "digitally native" bond – a DLT-based bond existing entirely outside traditional financial market infrastructure. In June 2026, HSBC Orion was selected to operate the programme.

Despite this progress, the UK has seen limited development in tokenised bonds (traditional bonds whose ownership is represented by a token on a blockchain) and continues to lag behind jurisdictions such as Hong Kong, Singapore, France, Germany and Luxembourg.

Viewpoint: Building on the Law Commission's recommendations on digital assets and electronic trade documents, the Government could consider legislating to facilitate the issuance of debt securities using distributed ledger technology on a permanent, non-sandbox basis. This could include providing legal certainty around the status of digitally native bonds and clarity on stablecoins and tokenised deposits as a viable payments leg for digital

7.5 Reforms to UK payments regulation

Regulated stablecoins and tokenised deposits offer corporate treasurers the prospect of 24/7 instant settlement, programmable payments, and reduced reliance on traditional correspondent banking for cross-border liquidity. The Barclays report specifically recommends that the UK should "champion the UK as a hub for digital assets and expedite tokenised sterling deposit (**GBTD**) and stablecoin regulation – so treasurers can participate in the new economy quicker." The attractiveness of the UK as a location to adopt these instruments depends on the existence of clear regulatory frameworks.

The National Payments Vision (being implemented through the Payments Vision Delivery Committee) incorporates stablecoin regulation and tokenised settlement instruments as key workstreams. In May 2026, the FCA and Bank of England set out a shared vision for tokenisation in UK wholesale markets, signalling a shift from isolated DLT pilots towards modernising the wider FMI to support tokenised securities.

In parallel, the Bank of England has published a joint policy statement and draft rules in July 2026 to enable sterling stablecoins to become a viable store of value and method of payment. These changes include tweaks to backing asset composition requirements (from 60:40 to 70:30) and an update to the per-coin holding limits for individuals and businesses. The Bank of England's November 2025 consultation proposed per-stablecoin holding limits of £20,000 for individuals and £10 million for businesses. Multiple respondents have argued that the £10m business cap would rule out many wholesale and corporate treasury use cases such as B2B cross-border payments and settlement of tokenised financial instruments. The measure has since been replaced with a £40bn guardrail on the level of issuance per systemic stablecoin.

In April 2026, HM Treasury announced it intends to regulate stablecoin payments as payment services and published a draft SI amending the Financial Services and Markets Act 2000 (Cryptoassets) Regulations 2026. This signals that stablecoin payments will sit within the established payments regulatory architecture, likely more familiar to corporate treasurers, rather than being treated (and regulated) as a "crypto" instrument under the FCA's new cryptoassets regime.

Viewpoint: The Government should continue to work openly with industry to ensure that the regulatory frameworks for sterling payment stablecoins and tokenised deposits accommodate corporate treasury use cases (including intra-group transfers and liquidity management, as well as collateralised lending). A clear and timely UK framework would give treasury centres confidence to adopt these instruments ahead of competing jurisdictions.

7.6 Multi-currency notional pooling

Multi-currency notional pooling is a core cash management tool for multinational treasury centres, allowing groups to offset surplus and deficit balances across currencies without physical cash transfers or FX conversions. The UK has historically been a common hub for these structures given its status as a leading FX centre. However, the regulatory treatment of notional pooling in the UK has become less favourable than in some competing jurisdictions:

- Basel 3 leverage ratio and liquidity requirements treat gross balances, not net, making notional pooling more expensive for banks to offer.
- Competing centres (particularly the Netherlands and Singapore) continue to offer more flexible pooling structures through banks that have invested in these capabilities.

Viewpoint: The PRA should review whether the capital and leverage treatment of notional pooling arrangements, where supported by legally enforceable offset agreements, could be made more proportionate. Reducing the regulatory cost of providing these structures would help retain the UK's position as a preferred hub for multi-currency cash management.

7.7 FX and money market infrastructure

Treasury centre location decisions are heavily influenced by access to deep FX and money market liquidity. London's position as the world's largest FX trading centre and the UK's time zone bridging

Asian and US trading hours remain structural advantages (as noted in the Barclays report). However, following Brexit, although the UK continues to participate in the Single Euro Payments Area (**SEPA**) as a non-EEA member, there remain some administrative frictions for treasury centres that manage significant euro-denominated flows. For example, payments may require full address details of the payer or payee, and the Bank Identifier Code (**BIC**) of the beneficiary bank may need to be provided.

We note that some positive steps have been taken. The Bank of England's renewed Real-Time Gross Settlement service (**RT2**) went live in April 2025, delivering a more resilient, flexible and innovative sterling settlement system. CHAPS transitioned to ISO 20022 messaging in June 2023, aligning with global standards. In February 2026 the Bank published a policy statement confirming that CHAPS settlement hours will be extended from 06:00 to 01:30 under an optional participation model, with go-live targeted for September 2027. In May 2026, the Bank published a further consultation paper on extending RTGS and CHAPS settlement hours towards near-24/7 settlement, including weekend and bank holiday settlement, which could significantly benefit treasury operations managing global liquidity across time zones, albeit with resourcing implications.

Viewpoint: The Government should: (i) ensure the extended settlement hours policy statement and consultation results in timely implementation (but taking into account the practical implications for corporates and treasurers); (ii) work to preserve and strengthen UK PSPs' continued access to SEPA infrastructure; and (iii) explore bilateral arrangements with the EU to facilitate euro payment flows for UK-based treasury operations.

7.8 Pension fund investment and capital mobilisation

Aside from the direct relevance to corporate groups sponsoring UK defined benefit (**DB**) pension schemes, the impact of pensions legislation is also important to maintaining the UK's image as a market with clear, predictable rules governing private investment.

The Government should be cautious about using pensions legislation to mandate particular asset allocations by occupational pension schemes. Over recent decades, UK pension schemes have dramatically reduced their allocations to UK equities in favour of global diversification, and the UK pension system now has a significantly lower absolute and relative allocation to domestic equities than most of its international peers. There is wide agreement that encouraging UK pension schemes to allocate more capital to UK equities is a necessary part of efforts to revitalise UK capital markets, but opinions differ on how best to achieve this.

The Mansion House Accord provides a voluntary framework for seventeen of the largest workplace pension providers to increase their defined contribution default funds' investment in private markets and UK assets. The Government has taken reserve powers in the Pension Schemes Act 2026 to impose asset allocation requirements if industry progress is insufficient.

In the context of DB schemes, where benefits are fixed and trustees are responsible for ensuring sufficient assets are available to meet those liabilities, mandating a minimum investment in UK assets is controversial. Occupational pension scheme investment decisions are generally made by trustees with fiduciary duties to act in members' best financial interests, and requiring schemes to invest in particular asset classes or UK assets would cut across that principle by requiring fiduciaries to make investment decisions which may not be in members' interests to achieve political objectives.

Viewpoint: For companies considering whether to locate group treasury functions in the UK, mandating minimum investments would weaken the UK's image as a market with clear, stable rules rather than one in which private investment is subject to political direction. Additional guidance is expected on trustees' investment duties, and the Government should not act beyond this to fetter trustees' investment decisions, except through an optional 'default' option. This would preserve confidence in the UK pensions framework and strengthen the UK's position as a predictable financial centre.

Glossary

ACT	Association of Corporate Treasurers
ADR	American Depositary Receipt
AIM	Alternative Investment Market
AML	Anti-Money Laundering
APA	Advance Pricing Agreement
Basel 3.1	Latest Basel banking capital standards package
BIC	Bank Identifier Code
Cash Pooling	Group liquidity management arrangement aggregating balances across entities
CBPS	Corporate Bond Purchase Scheme
CCF	Credit Conversion Factor
CHAPS	Clearing House Automated Payment System
CLLS	City of London Law Society
CP	Consultation Paper
CREST	UK central securities settlement system
Cross-Border Merger Directive	EU regime enabling statutory mergers between companies in different EEA states
CSPP	Corporate Sector Purchase Programme
DEMAT	Dematerialisation Market Action Taskforce
DIGIT	Digital Gilt Instrument Pilot
DLT	Distributed Ledger Technology
DSS	Digital Securities Sandbox
DTTP	Double Taxation Treaty Passport
DTTP Scheme	Double Taxation Treaty Passport Scheme
DTTP1	Treaty Passport application form
DTTP2	Application to rely on a Treaty Passport
DTR	Disclosure and Transparency Rules
ECB	European Central Bank
EEA	European Economic Area
EMIR	European Market Infrastructure Regulation
ESCC	Equity Shares Commercial Company
ESMA	European Securities and Markets Authority
EU MAR	EU Market Abuse Regulation
FCA	Financial Conduct Authority
FMI	Financial Market Infrastructure
FPC	Financial Policy Committee
FSMA	Financial Services and Markets Act 2000
FSMB	Financial Services and Markets Bill 2026-27

FTSE 100	Financial Times Stock Exchange 100 Index
FX	Foreign Exchange
GBTD	Tokenised Sterling Deposit
GCD	Global Credit Data
ICC	International Chamber of Commerce
Intra-group Hedging	Derivative transactions used within a corporate group to manage risk centrally
IPO	Initial Public Offering
KYC	Know Your Customer
LSE	London Stock Exchange
MAR	Market Abuse Regulation
MiFID	Markets in Financial Instruments Directive
NAIC	National Association of Insurance Commissioners
Notional Pooling	Cash pooling structure where balances are offset notionally without physical transfers
OTC	Over-the-Counter
OTS	Office of Tax Simplification
Part 7 Transfer	Court-approved transfer of banking/insurance business under FSMA
Part 26 Scheme	Scheme of arrangement under Part 26 Companies Act 2006
Part 27 Merger Regime	Companies Act provisions originally created to implement certain EU merger/division directives
PCC	Protected Cell Company
POATRs	Public Offers and Admissions to Trading Regulations 2024
PRA	Prudential Regulation Authority
PS	Policy Statement
PSP	Payment Service Provider
PVLB	Plain Vanilla Listed Bond
RAO	Financial Services and Markets Act 2000 (Regulated Activities) Order 2001
Ring-fencing Regime	UK rules separating core retail banking activities from investment banking activities
RT2	Renewed Real-Time Gross Settlement Service
RTGS	Real-Time Gross Settlement
SCRR	Secondary Capital Raising Review
SDRT	Stamp Duty Reserve Tax
SEC	U.S. Securities and Exchange Commission
SEPA	Single Euro Payments Area
SI	Statutory Instrument
SME	Small and Medium-sized Enterprise
Solvency II	EU prudential regime for insurers
Solvency UK	UK prudential regime for insurers
SPV	Special Purpose Vehicle

STT	Securities Transfer Tax
T+1	Settlement one business day after trade date
TIGER	Temporary Intragroup Exemption Regime
Treaty Lender	Overseas lender entitled to treaty-based withholding tax relief
UK EMIR	UK version of EU EMIR retained in domestic law after Brexit
UK MAR	UK version of the EU Market Abuse Regulation retained in domestic law after Brexit.
Universal Succession	Transfer of all assets and liabilities by operation of law on a merger

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