



UCITS V level 2 Regulation, SFTR and consequential changes to the Handbook

ICAEW welcomes the opportunity to comment on the consultation paper 16/14 *UCITS V level 2 Regulation, SFTR and consequential changes to the Handbook* published by Financial Conduct Authority on 19 May 2016, a copy of which is available from this [link](#).

This response of 19 July 2016 has been prepared on behalf of ICAEW by the Financial Services Faculty. As a leading centre for thought leadership on financial services, the Faculty brings together different interests and is responsible for representations on behalf of ICAEW on governance, regulation, risk management, auditing and reporting issues facing the financial services sector. The Faculty draws on the expertise of its members and more than 25,000 ICAEW members involved in financial services.

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MAJOR POINTS

We have read the proposals set out to amend the rules and guidance in the Client Assets sourcebook (CASS) and agree with all of them as they will provide clarity and consistency in the application of CASS and CASS-related Handbook provisions. We seek only to make one point.

We feel that the document incorporates elements of the regulation affecting trustees and depositaries that are not part of the Rulebook making it difficult to comply with all relevant regulations. The document could be an important opportunity to reference all relevant regulations (in appendices if necessary) and this would help better adherence to the rules.

ICAEW supports the development of principled, wide application guidance, which does not detract from the ability of professionals to use their judgement and experience to consider a particular set of circumstances.