



Michael McKee

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Michael McKee is Head of the firm's European Financial Services Regulatory practice. The team handles both contentious and non-contentious regulatory issues for clients across the full spectrum of financial services.

He has over 30 years' experience in the financial services sector having practised at major international law firms in London and with several years of in-house experience at Citigroup where he provided legal advice to the trading floor and other parts of the business.

Michael also has wide-ranging experience of banking and investment banking issues having worked for some years as Executive Director at the British Bankers Association where he led the negotiation of major European Directives such as the Markets in Financial Instruments Directive and the Market Abuse Directive on behalf of the banking industry in the UK. He also has a deep understanding of payments law and led the implementation of PSD across more than 20 countries for a major UK bank. His deep understanding of financial services law and regulation includes a wide range of contacts within the Prudential Regulation Authority and the Financial Conduct Authority and contacts with regulators across Europe and elsewhere.

In addition, Michael has extensive experience of private banking and wealth management including fund regimes such as AIFMD. He has worked for many non-European fund managers entering Europe advising them about the requirements for funds and other wealth products and also on the set up of fund structures in the UK and Europe particularly Luxembourg and Ireland.

In February 2012 he was appointed as a member of the Executive Board of the International Regulatory Strategy Group of CityUK and the Corporation of London. The IRSG develops the UK financial services industry's position on a range of important international regulatory issues.

Michael also has a broad experience across a wide range of payment schemes and payment services working with clients for many years. Clients include major banks and payment institutions operating globally and across Europe as well as within the UK together with a range of clients purchasing payment services from payment services providers. Michael has

RELATED SERVICES

- Litigation, Arbitration and Investigations
- Finance
- Intellectual Property and Technology
- EU Law and Policy
- Data Protection, Privacy and Security
- International Trade, Regulatory and Government Affairs
- Corporate
- Investigations
- Restructuring
- Global Governance and Compliance
- Real Estate
- Real Estate Asset Management
- Technology Transactions and Strategic Sourcing
- White Collar and Corporate Crime

RELATED SECTORS

- Financial Services
- Energy and Natural Resources
- Technology

advised with regard to the role of the Bank of England and The UK Payment Services Regulator in relation to UK payment schemes and also with regard to the application of EU law to payment services across Europe.

- Insurance

He has worked on many payment schemes, including BACS, Faster Payments, CHAPS, SEPA CT and DD, Target 2, SWIFT, CREST, LIPS, Link, Vocalink IAD, Visa, Mastercard. He also worked on the implementation of the Payment Services Directive/PSRs for RBS Group operating across more than 20 countries in Europe. The work involved multiple banks within the group and also multiple divisions offering payment services and was a two year project of mandatory regulatory change including dealing with ongoing policy developments and implementation changes at the EU and national level.

Michael also provided the external advice and documentation for the adherence of eight RBS Group banks to SEPA and provided the external advice to RBS relating to the regulatory aspects of the divestment of WorldPay including obtaining the authorisation of WorldPay as a payment institution.

EXPERIENCE

Michael's recent experience includes advising:

- A UK bank on its membership of BACS and amendments to the BACS scheme including the risks for the bank associated with these amendments.
- The operators of the LIPS scheme on the payments regulatory framework in the UK and how it applies to that scheme.
- A European client on the UK payments schemes and the UK payments regulatory environment and their application to the business of Vocalink.
- A UK bank on its membership of the Faster Payments Scheme including the risks for the bank associated with membership of that scheme.
- On mobile payments issues including mobile payment apps and agreements to provide mobile payment services.
- A payment institution on regulatory issues associated with its membership of Visa in the context of the acquisition of Visa Europe Limited by Visa Inc.
- A UK banking group on the requirements of 20 UK, Irish and pan-European payment schemes in the context of the bank's reorganisation in preparation for UK ring-fencing within its group.

Additional payments related experience of Michael can be provided if required.

CREDENTIALS

Professional Qualifications

- Solicitor of the Senior Courts of England and Wales

Recognitions

Michael won awards for his work on financial services regulatory matters including, in particular, the implementation of the Markets in Financial Instruments Directive.

Education

- Queen's University, Belfast, LLB, 1st Class Hons, 1984
- Queens' College, Cambridge, LL.M, 1st Class Hons, 1986
- Queen Mary College, University of London, Post-Graduate Diploma in International Arbitration, Distinction, 1990

Memberships

- Liveryman of Worshipful Company of International Bankers
- Member of Chartered Institute of Arbitrators.

INSIGHTS

Michael is an author of FinBrief - Global finance updates blog. Read his insights on legal issues relating to finance, markets and their regulation.

- FCA provides industry an extra 6 months for full Strong Customer Authentication compliance
- FSB Report Stage 1: Enhancing Cross-Border Payments
- Confirmation of payee by the major banks to commence by 31 March 2020
- MIFID II review in the context of the market impact of COVID-19
- DLA Piper hosted the UK Finance Annual Mortgage Conference, November 2019
- FCA confirms new rules for non-UCITS retail schemes investing in inherently illiquid assets

Publications

Speech by the FCA Chair on the Risks of Online Cryptoasset Promotions

8 September 2021

On 6 September 2021 the Chair of the Financial Conduct Authority (FCA) and Payment Systems Regulator, Charles Randell, gave a speech to the Cambridge International Symposium on Economic Crime about the risks of token regulation.

UK Regulators set out expectations for Diversity & Inclusion in the Financial Sector

8 July 2021

On 7 July 2021, three UK regulators (the Financial Conduct Authority (FCA), Prudential Regulation Authority (PRA) and the Bank of England) published Discussion Paper 21/2: Diversity and inclusion in the financial sector – working together to drive change (DP 21/2).

FCA Research finds increased Cryptoasset Ownership but Declining Consumer Understanding

22 June 2021

On 17 June 2021, the Financial Conduct Authority (FCA) published a Research Note on cryptoasset ownership. According to the Research Note, the FCA estimates that 2.3 million adults now hold cryptoassets (up from 1.9 million last year).

Financial Stability Board consults on Targets for Cross-Border Payments

10 June 2021

On 31 May 2021, the Financial Stability Board (FSB) published a consultative document on Targets for Addressing the Four Challenges of Cross-Border Payments (Consultation).

Deadline extension for Strong Customer Authentication

27 May 2021

On 20 May 2021, the Financial Conduct Authority (FCA) further delayed the deadline for Payment Service Providers (PSPs) to implement Strong Customer Authentication (SCA) for e-commerce platforms by six months. The new deadline is 14 March 2022.

First FCA consultation on reforming capital markets post-Brexit

7 May 2021

On 28 April 2021, the FCA published Consultation Paper 21/9 (CP 21/9), which sets out proposals to amend conduct and organisational requirements under MiFID II (as implemented in the UK) in relation to SME and FICC research inducement rules and best execution reports.

Why Diversity and Inclusion are Regulatory Issues

31 March 2021

On 17 March 2021, the CEO of the Financial Conduct Authority (FCA), Nikhil Rathi, gave a speech at the launch of the HM Treasury Women in Finance Charter Annual Review.

The CEO noted that the FCA and the Prudential Regulation Authority are developing a joint approach to Diversity & Inclusion (D&I) for all financial services firms.

Mr Rathi set out some of the broad areas in which the FCA is focusing on D&I in its approach to regulation in the UK.

Contactless Payments Limit to be raised to GBP100

4 March 2021

On 3 March 2021, the Financial Conduct Authority (FCA) published Policy Statement 21/2 on amendments to the single and cumulative transaction limits for contactless payments (PS 21/2). Coinciding with the budget, PS 21/3 announced that the single transaction limit for contactless card payments will be increasing from GBP45 to GBP100 and the cumulative transaction limit before reauthentication is increasing from GBP130 to GBP300. The changes apply from 3 March 2021.

FCA Proposals to regulate the Funeral Plans Sector

3 March 2021

On 2 March 2021, the FCA published a consultation paper explaining their proposals for the regulation of the pre-paid funeral plans sector (the Consultation). The Consultation had been commissioned after the Treasury's Call for Evidence in June 2018 found "significant customer harm" in the market including the mis-selling of products, poor disclosure and high upfront costs.

PRA consults on implementation of Basel III standards in the UK

3 March 2021

On 12 February 2021, the Prudential Regulation Authority (PRA) published Consultation Paper (CP5/21) on the implementation of the Basel III standards into UK law (CP). This is the first major PRA publication after the end of the Brexit transitional period. The draft rules are generally closely aligned (but not identical) to the corresponding requirements under the EU's CRR II.

FSB Letter To G20 Finance Ministers And Central Bank Governors

1 March 2021

On 24 February 2021, the Chair of the Financial Stability Board (FSB) Randal K. Quarles wrote an open letter to Finance Ministers and Central Bank Governors on the FSB's key priorities for 2021 ahead of their virtual meeting on 26 February 2021.

ESMA warns of risks to retail investors of social media driven share trading

18 February 2021

On 17 February 2021, the European Securities and Markets Authority (ESMA) published a statement to highlight to retail investors the risks connected to trading decisions exclusively based on the exchange of views, informal recommendations and sharing of trading intentions through social networks and unregulated online platforms.

FCA payments and e-money consultation on changes to SCA-RTS and approach document

17 February 2021

On 27 January 2021, the UK Financial Conduct Authority (FCA) published Consultation Paper 21/3 on proposed changes to the manner in which the FCA regulates payment services and the issuance of electronic money (CP 21/3). The consultation for the following initiatives will remain open until 30 April 2021.

FCA is consulting to raise the contactless limit to GBP100

8 February 2021

On 27 January 2021, the Financial Conduct Authority (FCA) published Consultation Paper 21/3 on proposed changes to the manner in which the FCA regulates payment services and the issuance of electronic money (CP 21/3).

PRA evaluation of the senior managers and certification regime

27 January 2021

On 15 December 2020, the Prudential Regulation Authority (PRA) published an evaluation of the Senior Managers and Certification Regime (SMCR). The PRA found that the regime has generally been successful in improving conduct and accountability. A large majority (around 95%) of the firms surveyed told the PRA that the SMCR was having a positive effect on individual behaviour. However, the PRA's evaluation also identified some unintended consequences such as a lack of diversity in recruitment.

PRA evaluation of the senior managers and certification regime

27 January 2021

On 15 December 2020, the Prudential Regulation Authority (PRA) published an evaluation of the Senior Managers and Certification Regime (SMCR).

ESMA guidance on the application of reverse solicitation following the end of the Brexit transition period

14 January 2021

On 13 January 2021, the European Securities and Markets Authority (ESMA), the European Union's (EU) securities markets regulator, issued a public statement to remind firms of the second Markets in Financial Instruments Directive 2014/65/EU (MiFID II) requirements on the provision of investments services to retail or professional clients by firms not established or situated in the EU. This statement was issued to raise ESMA concerns over "questionable practices by firms around reverse solicitation" since the end of the Brexit transition period.

HM Treasury consultation on regulatory approach to cryptoassets and stablecoins

13 January 2021

On 7th January 2021, HM Treasury published a consultation paper outlining the UK's proposed regulatory approach to cryptoassets and stablecoins (the "Consultation").

The Consultation represents the first stage of HM Treasury's consultative process on the broader regulatory approach to these assets. Within the paper, HM Treasury acknowledged the benefits of such products and reiterated its intention to ensure that the UK remains a "world-leader" in financial technology, while seeking to mitigate related risks to consumers and financial stability.

Boardroom Brexit: What the deal means for trade in services

31 December 2020

Boardroom Brexit

The TCA has substantial sectoral coverage, including professional and business services (e.g. legal, auditing, architectural services), delivery and telecommunication services, computer-related and digital services, financial services, research and development services, most transport services and environmental services.

The FCA's extension of the deadlines for the Certification Regime and Conduct Rules

30 November 2020

On 28 October 2020, the Financial Conduct Authority (FCA) published a policy statement titled 20/12: Extending the implementation deadlines for the Certification Regime and Conduct Rules (PS20/12). PS20/20 summarises the feedback received from its consultation on extending the implementation deadlines for the Senior Managers and Certification Regime and Conduct Rules as well as outlining its finalised rules for the extended guideline.

MiFID II: Research Unbundling - First Evidence

12 November 2020

On 2 September 2020, the European Securities Markets Authority (ESMA) published its second Trends, Risks and Vulnerabilities Report of 2020.

Our responses to HM Treasury's consultation on taxation of alternative fund structures

2 September 2020

As announced at Spring Budget 2020, the government is pursuing a review of the UK funds regime. HM Treasury opened a consultation, which seeks to gather evidence and explore the attractiveness of the UK as a location for the intermediate entities

through which alternative funds hold fund assets.

FCA publishes the findings of a review into relending by firms that offer high-cost credit

6 August 2020

On 6 August 2020, the Financial Conduct Authority (FCA) published a report setting out review findings of relending by firms in the high-cost lenders portfolio. The FCA also commissioned a study by PWC as an aid to understand repeat borrowing in the high-cost credit market.

FCA publishes draft guidance to firms on maintaining access to cash for customers

29 July 2020

On 16 July 2020, the Financial Conduct Authority (FCA) published draft guidance setting out its expectations for banks, building societies and credit unions when considering closing branches or ATMs, or converting a free to use ATM to pay to use.

ESMA - Response to the European Commission's consultation on the Digital Finance Strategy

22 July 2020

On 29 June 2020, the European Securities and Markets Authority (ESMA) published its response to the European Commission's consultation on a new digital finance strategy for the European Union.

European Commission issues notice to stakeholders post-Brexit

16 July 2020

On 13 July 2020, the European Commission (EC) published a notice to stakeholders post-Brexit. As the United Kingdom has withdrawn from the European Union, the Withdrawal Agreement provides for a transition period ending on 31 December 2020.

FCA publishes FS20/10 feedback statement and additional guidance for payment and e-money firms

10 July 2020

On 9 July 2020, the Financial Conduct Authority (FCA) published Feedback Statement 20/10 (FS 20/10), summarising and responding to feedback received from a previous consultation. On the same date, the FCA also released additional finalised guidance for payment and e-money firms.

ESMA Guidelines on Compliance Function under MiFID II

23 June 2020

On 5 June 2020, the European Securities and Markets Authority (ESMA) published new guidelines for the Compliance Function under the second Markets in Financial Instruments Directive 2014/65/EU (MiFID II), replacing the previous ESMA guidelines on the same topic issued in 2012.

ESMA Publishes 2019 Annual Report and Updates 2020 Annual Work Programme

18 June 2020

On 15 June 2020, the European Securities and Markets Authority (ESMA) published its 2019 Annual Report, which included a revised version of its 2020 Annual Work Programme and a review of its key actions from 2019.

High Court provides guidance on SIPP administrators' duties to execution-only clients

28 May 2020

On 18 May 2020, the High Court delivered its judgement in Russell Adams v Options SIPP UK LLP regarding the potential liability of an execution-only Self-Invested Personal Pension (SIPP) provider to an investor whose underlying investment in the SIPP incurred significant losses.

FCA launches consultation on strengthening customer protections at payment firms

26 May 2020

On 22 May 2020, the Financial Conduct Authority (FCA) launched a Consultation on additional guidance for payment firms to strengthen the way they safeguard customer funds.

EBA publishes inquiry into Dividend Arbitrage Trading Schemes and announces 10 point action plan

22 May 2020

On 12 May 2020, the European Banking Authority (EBA) published its Report into dividend arbitrage trading schemes and announced a 10 point Action Plan to enhance the future regulatory framework.

European Commission: Proposed Amendments to the CRR

11 May 2020

On 28 April 2020, the European Commission (EC) published a proposal for a Regulation amending the Capital Requirements Regulation (EU) 575/013 (CRR) in response to the COVID-19 pandemic. The EC proposals are meant to complement the existing flexibility in the current framework and are designed to "maximise the capacity of credit institutions to lend and to absorb losses related to the COVID-19 pandemic".

FCA provides industry an extra 6 months for full Strong Customer Authentication compliance

4 May 2020

On 30 April 2020, the UK's Financial Conduct Authority (FCA) granted the payments industry an additional 6 months to meet the requirements of Strong Customer Authentication (SCA).

FSB Report Stage 1: Enhancing Cross-Border Payments

21 April 2020

Faster, cheaper, more transparent and more inclusive cross-border payment services, including remittances, would have widespread benefits for citizens and economies worldwide, supporting economic growth, international trade, global development and financial inclusion.

FCA and PRA's expectations of dual-regulated firms in the UK as a result of COVID-19

14 April 2020

On 3 April 2020, the Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) jointly published a statement (Regulatory Statement) explaining their expectations of regulated firms and setting out their joint approach to the Senior Managers and Certification Regimes (SMCR) for dual-regulated firms in light of the coronavirus COVID-19 outbreak.

Delay in full implementation of confirmation of payee by the major banks due to COVID-19

9 April 2020

On 20 March 2020, the Payment Systems Regulator (PSR) announced that it was permitting the UK's six largest banking groups, which cover 90% of bank transfers, to not fully implement Confirmation of Payee (CoP) by 31 March 2020.

Financial conduct authority publishes its 2020/2021 business plan

9 April 2020

On 7 April 2020, the Financial Conduct Authority (FCA) published its business plan for the year 2020/21 (Business Plan), setting out its priorities for the near future, but also in the long run.

Update: Delay in full implementation of Confirmation of Payee by the major banks due to COVID-19

9 April 2020

On 20 March 2020, the Payment Systems Regulator (PSR) announced that it was permitting the UK's six largest banking groups, which cover 90% of bank transfers, to not fully implement Confirmation of Payee (CoP) by 31 March 2020.

FCA publishes guidance on UK mortgage "payment holidays" relating to COVID-19

7 April 2020

Following an announcement by the UK government on 17 March 2020, the Financial Conduct Authority (FCA) has published guidance for participants in the residential mortgages sector, setting out their expectations in respect of payment holidays that are to be offered to customers experiencing financial difficulties arising from the COVID-19 outbreak.

COVID-19 and its impact on the financial services sector

6 April 2020

The coronavirus outbreak has already had a significant impact on the UK and the global economy, leading to market uncertainty, falls in asset prices, disruption in businesses' cashflows and increased demand for short-term credit. In response to this, UK and EU authorities are taking action to support the economy and facilitate the flow of capital. This article explains how the coronavirus outbreak and the associated measures affect the financial services sector in the EU and UK.

FCA feedback statement on climate change and green finance

6 April 2020

On 16 October 2019, the Financial Conduct Authority (FCA) published its Feedback Statement on Climate Change and Green Finance (FS19/6), setting out a summary of responses to its discussion paper and next steps.

Investment fund liquidity – plugging the leaks

6 April 2020

We look at the various regulatory initiatives taking place in 2020 in relation to liquidity considerations for open-ended investment funds. These developments are relevant to managers of openended funds seeking to manage their liquidity risk and ensure regulatory compliance going forward.

HM Treasury – Response to consultation on pre-paid funeral plans

31 March 2020

On 11 March 2020, HM Treasury published the response to its consultation paper on the regulation of pre-paid funeral plans. The consultation had originally been launched in 2018 following concerns about consumer detriment in the pre-paid funeral plan market.

Contactless Limit in the UK to be increased to GBP45

30 March 2020

On 24 March 2020, UK Finance announced that the spending limit for contactless card payments will be increased from GBP30 to GBP45 with a national-roll out commencing on 1 April 2020. UK Finance is the trade association for the UK banking and financial services sector.

BoE proposes an Open Data Platform for SME Finance

26 March 2020

On 12th March 2020, the Bank of England (BoE) published a Paper proposing an Open Data Platform to facilitate access to finance for small and medium sized enterprises (SMEs).

COVID-19 and its impact on the financial services sector

23 March 2020

The coronavirus outbreak has already had a significant impact on the UK and the global economy, leading to market uncertainty, falls in asset prices, disruption in businesses' cashflows and increased demand for short-term credit.

Confirmation of Payee by the major banks to commence by 31 March 2020

23 March 2020

Banks currently use unique identifiers (usually sort code and account number) entered by the payer to identify the receiving account. Whilst the intended payee's name may be provided, there is currently no mandate to check that name against the account to which the unique identifiers relate.

HM treasury publishes financial services future regulatory framework review

17 March 2020

On 11 March 2020, HM Treasury published its response to a call for evidence on the coordination between UK financial services regulators by the UK government. The call for evidence is part of the Financial Services Future Regulatory Framework Review (Review), which was launched in July 2019 and aims to assess how the UK regulatory landscape should adapt in the following

years to ensure it remains fit for purpose.

It's time to talk about money – a speech by Sir Jon Cunliffe

5 March 2020

On 28 February 2020, Sir Jon Cunliffe, Deputy Governor for Financial Stability at the Bank of England, gave a speech on the future of money to the London School of Economics.

FCA highlights its areas of concern in financial services markets

2 March 2020

On 18 February 2020, the Financial Conduct Authority (FCA) has published its annual Sector Views.

Anti-Money Laundering Bulletin - Winter 2020

28 February 2020

Anti-Money Laundering Bulletin

Welcome to the winter 2020 edition of DLA Piper's AML Bulletin.

FCA publishes new rules to promote shareholder engagement

25 October 2019

On 31 May 2019, the Financial Conduct Authority (FCA) published policy statement (PS19/13) setting out new rules which aim to improve shareholder engagement from life insurers and asset managers. The policy statement provides feedback to the relevant Consultation Paper (CP19/7) and implements the requirements which were introduced by the revised Shareholder Rights Directive (SRDII).

FCA confirms new rules for non-UCITS retail schemes investing in inherently illiquid assets

3 October 2019

On 30 September 2019, the Financial Conduct Authority (FCA) published a press release confirming new rules relevant to specific forms of open-ended funds, which invest heavily in inherently illiquid assets (such as property).

Anti-Money Laundering Bulletin - Autumn 2019

30 September 2019

Anti-Money Laundering Bulletin

Welcome to the autumn 2019 edition of DLA Piper's AML Bulletin. In this issue we provide updates on anti-money laundering and counter-terrorist financing news, both in the UK and internationally, covering the period from June 2019 to September 2019.

FATF publishes new rules for the regulation of virtual assets

30 September 2019

On 21 June 2019, the Financial Action Task Force (FATF) published an updated version of its recommendations on international

standards on combating money laundering and the financing of terrorism and proliferation (Recommendations), to include an interpretative note, clarifying the application of the Recommendations with regards to virtual assets and Virtual Asset Service Providers (VASPs) (Interpretative Note).

Events

Previous

Webinar: The Capital Markets Union Action Plan

25 November 2020

Webinar

International Financial Services Regulation: What will be big in 2021?

28 October 2020

Webinar

Michael is a frequent speaker and commentator on financial regulation.