

**CIRCULAR ON THE AGREEMENT BETWEEN ESMA AND EU SECURITIES
REGULATORS WITH THE UK'S FINANCIAL CONDUCT AUTHORITY AS
PART OF A NO-DEAL BREXIT SCENARIO**

The securities industry is being informed that on 1 February 2019, the European Securities and Markets Supervision Authority ('ESMA') issued a press release with regards to Memoranda of Understanding ('MoUs') executed between ESMA and European securities regulators with the United Kingdom ('UK')'s Financial Conduct Authority ('FCA'). The MoUs form part of authorities' preparations should the UK leave the EU without a withdrawal agreement, the no-deal Brexit scenario.

The MoUs that have been executed are set out below:

1. An MoU between ESMA and FCA regarding the exchange of information in relation to the supervision of credit rating agencies and trade repositories; and
2. A multilateral MoU (MMoU) between EU/EEA securities regulators and the FCA with respect to supervisory co-operation, enforcement and exchange of information between individual regulators and the FCA (in relation to, inter alia, market surveillance, investment services and asset management services). This will allow certain activities, such as fund manager outsourcing and delegation, to continue to be carried out by UK based entities on behalf of counterparties based in the EEA.

The Authority is pleased to advise that the MFSA is one of the EU/EEA securities regulators that is a signatory of the MMoU referred in point 2 above.

A copy of EMSA's press release may be accessed through the following [link](#).

Contacts

Should you have any queries on the above, please do not hesitate to contact Mr Joseph J Agius, Deputy Head, Securities and Markets Supervision (jagius@mfsa.com.mt) or Ms Jeanelle Newell, Senior Analyst, Securities and Markets Supervision (jnewell@mfsa.com.mt) or brexit@mfsa.com.mt for any further clarifications.

Communications Unit