

## So... you want to be a UK bank?

### Start with making a success of your Regulatory Business Plan

Having convinced investors to invest in your new bank, you now face the challenge of persuading the regulator that your plan is viable and its risks manageable. The only way to do this is to prepare a robust and compelling Regulatory Business Plan (RBP).

The Bank of England receives 20-30 RBPs each year. Many are rejected because applicants have not appreciated the scale of the task or the rigour that the PRA and FCA expect. Rejection leads to delays in getting to market and additional costs, which can be significant.

For most management teams, preparing an RBP is an unfamiliar one-off process. Assistance from an experienced professional adviser is essential to make this arduous, game-changing process successful. An important benefit of having a good advisor is enabling the management team to focus on making the new business a reality.

**We have helped several household-name clients to submit RBPs in order to achieve authorisation for a start up or approval of a variation of permission. We help our clients in a wide variety of areas, including assisting them to:**

- Understand how the iterative process with the PRA and FCA works.
- Plan and prepare the development of the RBP alongside the building of the business:
  - develop and document products; and
  - complete regulatory applications.
- Meet regulatory expectations for the RBP:
  - describe the business model from strategy, competitive positioning and product evolution through to operational implementation;
  - governance and evolution of the board, including committees, management structure and Senior Managers Regime;
  - risk management and compliance including cybersecurity, outsourcing, technology, conduct risk and operational resilience; and
  - consistency with other documents and regulatory submissions – policies, procedures, recovery and resolution, ICAAP, ILAAP, etc.
- Prepare for PRA/FCA ‘deep dives’ and interviews.
- Anticipate the regulators’ likely challenges;
- Manage iterations of the RBP document to the standards expected.

Hogan Lovells offers you a powerful combination of legal advisers and regulatory consultants with an established track record. Our team has wide experience that goes beyond legal compliance and banking regulation to capabilities that include conduct risk, governance, FinTech, prudential risk and financial analysis.

We look forward to meeting you to understand your requirements and to explore how we could work together.

## We provide our clients with a powerful combination of legal advisers and regulatory consultants. Our track record includes advising:

- Goldman Sachs on establishing Marcus, the UK retail bank, including assisting with the regulatory approval process, policies and procedures and producing customer documentation.
- Numerous FinTech start-ups on becoming authorised for a range of regulated activities, launching and developing their services and products, the drafting of customer terms and on-going compliance matters.
- A leading challenger bank in obtaining a variation of permissions to enable it to undertake a wider range of financial services activities.
- Hampden & Co, the British independent private bank, on the set up of this new private bank, including the regulatory approval process and producing all customer documentation.
- A global online e-commerce platform in obtaining authorisation with the FCA for carrying out credit broking activities in the UK and advising on new arrangements for the launch of a co-brand credit card.
- An innovative digital retail start-up bank on structure, building the business and rolling out its products. We also provided extensive support in designing and preparing the Regulatory Business Plan

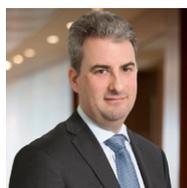
## Your contacts



**Richard Barfield**  
Business Consultant  
T +44 20 7296 5516  
richard.barfield@hoganlovells.com



**James Black**  
Partner, London  
T +44 20 7296 5898  
james.black@hoganlovells.com



**Jon Chertkow**  
Partner, London  
T +44 20 7296 2191  
jonathan.chertkow@hoganlovells.com



**Rachel Kent**  
Partner, London  
T +44 20 7296 5825  
rachel.kent@hoganlovells.com



**Emily Reid**  
Practice Area Leader, London  
T +44 20 7296 5362  
emily.reid@hoganlovells.com



**Jennifer Steven**  
Director Consulting, London  
T +44 20 7296 5039  
jennifer.steven@hoganlovells.com



**Michael Thomas**  
Partner, London  
T +44 20 7296 5081  
michael.thomas@hoganlovells.com



**Roger Tym**  
Partner, London  
T +44 20 7296 2470  
roger.tym@hoganlovells.com



**Caroline Walters**  
Director Consulting, London  
T +44 20 7296 2091  
caroline.walters@hoganlovells.com

[www.hoganlovells.com](http://www.hoganlovells.com)

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