

Glenda Davies



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SJ Berwin have recently added strength and depth to their Financial Services Group by recruiting Glenda Davies, who has a background working for regulatory and industry organisations in the financial services sector.

The Financial Services and Markets Bill will require all those working in the financial sector to liaise closely in order to understand the full implications of the legislation and its impact on their working environment. Regulators must work closely with lawyers, and each must be aware of the views and attitudes of financial advisers, bankers, brokers, fund managers and other industry practitioners.

SJ Berwin & Co have a long-established Financial Services Group which contains two of the leading practitioners in the field in Charles Abrams, who heads the group, and Tamasin Little. Members of the group sit on several of the panels responding to the consultation on the Financial Services and Markets Bill and the rules to be made under it, namely the Association of Private Client Investment Managers and Stockbrokers (APCIMS), the CBI, the Futures and Options Association, and a committee of specialist securities lawyers established by the City of London Law Society.

The decision to recruit Glenda Davies in a professional support role indicates the firm's commitment to broadening its expertise. Ms Davies, who started her career at the Stock Exchange, is a former Head of Conduct of Business at the Securities and Futures Authority who became the SFA's Director of Regulatory Policy. After four years at the SFA, she joined the London Investment Banking Association (LIBA) as Director, Securities and Investments. LIBA is a trade association representing the major investment and merchant banks operating in the UK: this experience, combined with her regulatory background, means that Ms Davies is well equipped to sift information and advise on its practical significance to SJ Berwin's lawyers and clients.

Ms Davies drafted a number of the SFA's conduct of business rules, and her work at LIBA brought her into contact with

regulation from an industry perspective. Speaking about this background, Ms Davis said:

'I have the experience to understand what most upsets those in the financial services sector and hopefully assist regulators and government officials to address industry concerns.'

The market abuse provisions of the bill will inevitably command a great deal of attention. The definition of 'market abuse', the sanctions proposed by the draft legislation, and the arguments over whether the Financial Services Authority's powers to fine those who are found to have committed market abuse are criminal in nature according to the *European Convention on Human Rights* are still the subject of intense debate. Ms Davies hopes that the preoccupation with a number of key issues will not detract from the attention given to more ordinary problems, such as the scope of any overseas person exemption. She also points out that there are still debates over a number of provisions under the Financial Services Act, which indicates how important it is to learn from the experience to date and get the drafting right this time round.

Ms Davies recognises the problems faced by the FSA in pulling together into one coherent whole the existing regulatory regimes. The approach of adopting a high level of generality to cover diverse market sectors and products is understandable, but risks regulated firms being uncertain of what is expected of them. This is a particular problem when the penalties for rule breach are severe. 

Julian Harris

Senior Information Officer, IALS

CURRICULUM VITAE

After taking a history degree at Cambridge University, Ms Davies joined the Stock Exchange as a research assistant to assist the legal team working on the Exchange's defence of the charges brought by the Office of Fair Trading under the Restrictive Practices Act. Her work included an investigation of the numerous registrable restrictions alleged, which numbered over 150 and were derived from rules which went back as far as the 1840s. The headline restrictions were single capacity trading and minimum commissions, both of which were eventually abandoned by the Exchange following an out of court settlement. Ms Davies went on to become Head of Conduct of Business and then Director of Regulatory Policy at the Securities and Futures Authority over a four-year period before moving to the London Investment Banking Association as Director, Securities and Investments.