



## Katten Financial Markets and Funds *Quick Take*

October 2024

### **A Greener Tomorrow: CFTC Issues Final Guidance for Listing Voluntary Carbon Credit Derivatives**

*By Carl Kennedy*

After five years of consultations, public meetings and roundtable discussions, the Commodity Futures Trading Commission (CFTC or Commission) has issued [final regulatory guidance](#) for exchanges, which list financial contracts aimed at decarbonization efforts. [The Commission approved](#) the Final Guidance on September 20, which outlines factors that CFTC-registered designated contract markets (DCMs) must consider when listing derivatives contracts that reference voluntary carbon credits (VCCs). The Final Guidance is intended to ensure that DCMs comply with certain Core Principles set forth in the Commodity Exchange Act (CEA) and CFTC regulations when listing VCC derivatives contracts for trading. [Read about CFTC VCCs guidance.](#)



### **Premerger Filing Requirements Under Hart-Scott-Rodino Set to Expand Significantly**

*By Jonathan Rotenberg, Zachary Beal, Gabriella Weick*

On October 10, the Federal Trade Commission (FTC), after a 5-0 vote, issued a final rule amending the Premerger Notification Rules that implement the Hart-Scott-Rodino Antitrust Improvements Act of 1976 (HSR Act). The final rule represents the most significant amendment to US premerger antitrust reporting requirements in decades and includes sweeping changes to the premerger Notification and Report Form (HSR Form). [Read Katten's advisory.](#)

## **EU/UK**

### **Nathaniel Lalone Comments on Compliance Warning in the FCA's Recent Fine**

Financial Markets and Funds Partner Nathaniel Lalone discusses with *Law360* the implications of the FCA issuing its largest fine for 2024 to Starling Bank Ltd. for inadequate anti-money laundering and sanctions controls. Nate says that the fine underscores the seriousness of financial sanctions screening but warns that egregious cases like Starling Bank's should not



indicate that the FCA is only looking to target extreme violators. [Read about Nate's comments.](#)

## **FCA Consults on Guidance for UK Trade Repositories' UK EMIR Reporting Requirements**

*By Carolyn Jackson, Ciara McBrien*

On September 4, the Financial Conduct Authority (FCA) published a website seeking feedback (Consultation) on draft questions and answers (Q&As) intended to assist UK trade repositories (TRs) registered under Article 55 of the UK European Market Infrastructure Regulation (UK EMIR) with implementing the updated reporting requirements under Article 9 of UK EMIR. The new reporting requirements will come into effect on 30 September, subject to a transitional period for certain rules. [Read about UK trade repositories reporting.](#)

## **UK Parliament Introduces Bill Categorising Certain Digital Assets as “Personal Property”**

*By Carolyn Jackson, Nathaniel Lalone, Neil Robson, Christopher Collins, Ciara McBrien, Sara Portillo*

On 11 September, the Property (Digital Assets etc) Bill was introduced to the House of Lords and received its first reading. If enacted, the Bill will confirm that certain types of digital assets are capable of being recognized as personal property under English law. The Draft Bill provided that “a thing (including a thing that is digital or electronic in nature) is capable of being the object of personal property rights even though it is neither – (a) a thing in possession, nor (b) a thing in action.” By contrast, the Bill makes it clear that a “thing” is not prevented from being the object of personal property rights merely because it is neither a thing in action nor a thing in possession: i.e., “a thing (including a thing that is digital or electronic in nature) is not prevented from being the object of personal property rights merely because it is neither - (a) a thing in possession, nor (b) a thing in action.” [Read about Parliament's Bill.](#)



## **Futures & Options World Discusses the FCA's Latest Consultation on Derivatives Market Risk With Nathaniel Lalone**

Financial Markets and Funds Partner Nathaniel Lalone spoke with *Futures & Options World* on the recent Financial Conduct Authority (FCA) consultation on the derivatives trading obligation (DTO) and post-trade risk reduction (PTRR) services, which aims to reduce systemic risk in UK derivatives markets. Open until September 30, the consultation includes the FCA's plans to update the list of derivatives under the DTO to include certain Secured Overnight Financing Rate (SOFR) swaps, and to expand the scope of PTRR services beyond portfolio compression. [Read about Nate's comments.](#)



## Deadline Approaching: ESG Corporate Reporting Requirements for Large Companies

By Neil Robson

Published by *Grip*, the article explores the Corporate Sustainability Reporting Directive (CSRD), which the EU adopted to align with the Paris Agreement's climate change goals. Effective from January 2023, the CSRD mandates that all large companies and most listed companies disclose information about the risks and opportunities arising from social and environmental issues, as well as the impact of

their activities on people and the environment. This directive aims to modernize and strengthen the rules concerning social and environmental reporting, allowing stakeholders to evaluate the sustainability performance of companies as part of the European Green Deal. [Read Katten's article.](#)

---

### ICYMI

Here's a look back at recent client advisories from Katten.

- [“Foreign Investment and National Security: Navigating Heightened Scrutiny of US, EU and UK Cross-Border Deals,”](#) October 16, 2024
- [“Bitnomial Exchange Sues SEC, Challenging Agency's Authority Over XRP Futures,”](#) October 11, 2024
- [“SEC Revises Tick Size, Access Fees and Round-Lot Definition and Takes Steps to Disseminate Odd-Lot and Other Better Priced Orders,”](#) September 23, 2024
- [“Corporate Transparency Act: January 1, 2025 Filing Deadline and Recent Developments,”](#) September 17, 2024

---

### CONTACTS

For questions about developments in the [Financial Markets and Funds](#) industry, please contact any of the following Katten attorneys.



[Cathleen A. Booth](#)

[vCard](#)



[Daniel J. Davis](#)

[vCard](#)



[Carl E. Kennedy](#)

[vCard](#)



[Christopher T. Shannon](#)

[vCard](#)



[Lance A. Zinman](#)

[vCard](#)



Attorney advertising. Published as a source of information only. Newsletters and advisories give general information only as of the publication date. They are not intended as legal advice, opinion or to give a comprehensive analysis. The information contained herein is not to be used as a substitute for legal or other professional advice, please contact us for specific advice.

**CONFIDENTIALITY NOTICE:** This electronic mail message and any attached files contain information intended for the exclusive use of the individual or entity to whom it is addressed and may contain information that is proprietary, privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient, you are hereby notified that any viewing, copying, disclosure or distribution of this information may be subject to legal restriction or sanction. Please notify the sender, by electronic mail or telephone, of any unintended recipients and delete the original message without making any copies.

Katten refers to Katten Muchin Rosenman LLP and the affiliated partnership as explained at [katten.com/disclaimer](https://katten.com/disclaimer). Katten Muchin Rosenman UK LLP, a Limited Liability Partnership with registered number OC312814, a law firm in England & Wales authorised and regulated by the Solicitors Regulation Authority.

**Privacy**

For details on how we handle personal information, please reference our [Privacy Notice](#) and [Cookie Notice](#). To opt-out from receiving marketing communications from Katten, please click on the unsubscribe link below. Opting out of receiving marketing communications will not affect our continuing communications with you for the provision of our legal services. If you wish to update your contact details or for any queries, please contact [kattenmarketingtechnology@katten.com](mailto:kattenmarketingtechnology@katten.com).

[katten.com](https://katten.com)

[Manage Your Preferences](#) | [Unsubscribe](#) | [Update Contact Details](#) | [Privacy Notice](#)