

SLAUGHTER AND MAY

Fluent in Fintech



**Whether you are developing, procuring, or investing in financial technology we understand the opportunities and challenges your business can face and we are keen to support ambitious and entrepreneurial firms breaking new ground in the fintech sector.**

Our Fintech Team has been supporting clients from across the full fintech spectrum: ranging from established international financial institutions and global technology and telecoms providers, to investors and start-ups with the potential to become market disrupters.

We advise on the legal implications of developments across a broad fintech waterfront, including payments, insurtech, regtech, legaltech, data analytics, machine learning and automation, cyber risk and distributed ledgers, but our interest spans any and all legal implications for innovation and growth in the fintech sector.

We know that established businesses, new entrants and aspiring entrepreneurs can have different risk appetites and in some cases very different motivations and objectives. We acknowledge this in our advisory approach by tailoring the scope and intensity of our input to meet your specific needs and requirements: we are well known for our legal ability and our client-focussed service, but we are also deliberately flexible in our approach.

On the following pages we present a handful of case studies that illustrate some of the ways we have supported businesses entering and growing in the fintech sector.

**We would be delighted to discuss your needs and how we could support you, so please get in touch. Our contact details appear on the final page.**



“They are efficient and always show the highest level of professionalism, and the quality of the final product always impresses us... They’re a terrific firm. I really enjoy working with them.”

Chambers UK 2017

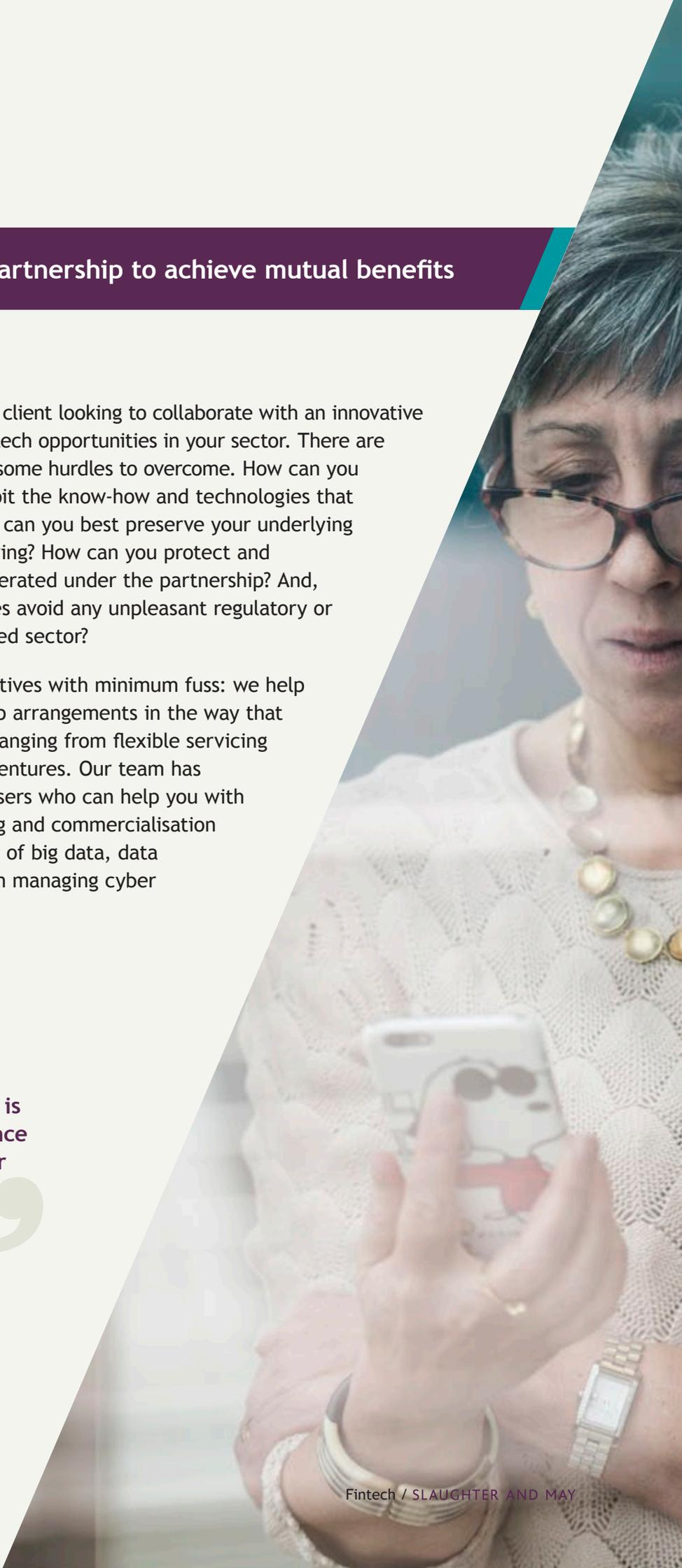
## 1. Entering into a fintech partnership to achieve mutual benefits

You are a large technology/telecoms client looking to collaborate with an innovative payments provider to exploit the fintech opportunities in your sector. There are many opportunities for you but also some hurdles to overcome. How can you most effectively integrate and exploit the know-how and technologies that each of you bring to the table? How can you best preserve your underlying rights in your bespoke product offering? How can you protect and commercialise any data used or generated under the partnership? And, how do you make sure your activities avoid any unpleasant regulatory or legal obstacles in this highly regulated sector?

We can help you achieve your objectives with minimum fuss: we help our clients to implement partnership arrangements in the way that best meets their particular needs, ranging from flexible servicing arrangements to stand-alone joint ventures. Our team has experienced technology and IP advisers who can help you with your IP and data ownership/licensing and commercialisation strategies; issues relating to the use of big data, data protection and data security; and on managing cyber risks and implementing controls.

**“Slaughter and May’s strength is without a doubt the intelligence and depth of subject matter expertise of their lawyers.”**

Chambers UK 2018





**“The team is very commercially savvy and technically very strong.”**

Chambers UK 2018

## 2. Taking a strategic minority stake in a promising disruptive new business

You are an international financial services provider or telco looking to expand your digital offering. You plan to make a small investment in a number of start-ups developing exciting new technology and data analytic tools. Time and budget are likely to be short for each investment, but you need them all to happen smoothly and without exposing your group to unnecessary legal, regulatory or reputational risk. You may not have sufficient time, budget or skills internally to verify that the technology or tools on offer are as good as they sound.

For decades our firm has been helping its clients to complete corporate transactions big and small across every imaginable sector. Our approach to advising on investments in high growth technology firms is very much tailored to that context. By drawing on all of the experiences of our firm and its many clients we can help you to focus on the business risks and value drivers that will matter most to you. Together we can then identify ‘clear bright line’ issues for any negotiation, and we can support you all the way through that process. Ultimately our aim is to secure you the legal rights you want and need, whether in relation to board positions, management information, exit/transfer restrictions, non-dilution protections, keyman risks, IP/IT warranty protections, technology licensing, and more. We can be robust when needed but always pragmatic, commercial and measured.

# Case studies /

## 3. Using data to understand your customers and the wider market

You are a US or Asia-based fintech firm with operations in Europe. You want to make greater use of the user data you generate and acquire to spot trends and consumer patterns that might then be commercialised. You know you need robust licensing arrangements in place to support your use of third party data. We can provide the specialist advice you will need to ensure that you obtain the necessary rights, and that your use of the data remains compliant with the EU and UK data protection regimes. We will discuss with you issues around anonymisation of data, data subject consent, transparency, and the transfer of data outside of Europe, and with the EU Data Protection Regulation coming into force, we can also help you future proof your plans.

We take a commercial and strategic approach to privacy and data protection law which we believe differentiates us. We will work with you to find pragmatic solutions to the sometimes complex multi-jurisdictional privacy and data issues that can arise. Our focus is on enabling your business objectives. We also understand why you will want to look at privacy compliance within a broader cyber security context and we recognise the business opportunities that good data security can generate. A privacy by design approach, which we can help you implement, can ensure privacy and information security are embedded at the core of any big data or data analytics project.

**The ‘really supportive, knowledgeable’ team at Slaughter and May provides ‘superb service’ with ‘very quick response times’, and is ‘willing and able to involve lawyers from other practice areas to address matters holistically’.**

Legal 500 2017

## 4. Minimising the regulatory burdens for digital financial services

You are a growing fintech business. You have an established brand in the US and are now looking to break into the EU financial services market with your innovative technology-based financial products or services. How do you get your head around the complex web of regulators that spans the EU? Which of the multitude of EU financial regulatory regimes do you need to focus on, and which are most likely to affect how you do business in the EU? Does your product or service need a regulatory permission or licence and if so how will you obtain it quickly and without hassle?

We can help you to navigate the EU's regulatory regimes and to mitigate the burdens that may flow from them so that you can focus on what matters most to you. We are providing regulatory support to businesses active across the EU fintech markets. This ranges from help at the earliest stages of product development, where regulatory feasibility and testing can be critical, through to the launch and international expansion of high-growth services, where regulatory licences and passports become relevant. After an initial surge of interest in the digital/mobile payments and e-money sector, where many of our fintech clients had been focussed, we now see a diverse range of other innovative plays, including around flexible e-wallet products, regtech, data analytics and AI tools, blockchain-based identification processes and transaction mechanisms and more.

We have been able to make use of our relationships with key regulators in the UK and abroad, and with leading local regulatory advisers, to help smooth the path for our more internationally-focussed fintech clients. More generally, we draw on the experiences of our firm and its many clients to help you anticipate and overcome regulatory hurdles when designing, developing, and rolling-out your digital financial services and products.



# Our Fintech Team /

Rob Sumroy and Ben Kingsley co-head our fintech team, which numbers more than 40 experienced lawyers from our Technology, Data, Financial Services, IP, Corporate, Financing, Anti-trust, Tax, Employment and Real Estate practices. We are ranked in the first tier for fintech in Legal 500. For further information on any fintech related matter, please speak to your usual Slaughter and May contact or either of Rob or Ben.



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“They are good commercial lawyers with a willingness to think out of the box. I would always look to hire them for complicated or innovative work.”

Chambers UK 2018