SHOOSMITHS EIGHT

FSC

Financial Services Compliance

Legal assurance. Practical compliance.
Built for regulated growth.

FOR
WHAT
MATTERS

The FSC compliance challenge

Our problem statement:

Regulated businesses need broader capability but operate lean teams.

As financial services regulators have shifted their focus from actions to outcomes, compliance has moved from episodic, project-based advice to an evergreen operating requirement and a condition of sustainable growth. At the same time, regulators have become increasingly data-driven, technology-enabled and interventionist, with greater supervisory capacity and more proactive scrutiny of firms. Businesses need to secure and maintain permissions, evidence effective oversight, achieve good outcomes, respond to regulatory change, remediate issues and defend their position when challenged, all while enabling commercial objectives.

This places increasing pressure on legal and compliance teams that have not grown at the same pace as regulatory expectations. It also demands a broader mix of skills. Compliance work is rarely purely legal or purely operational; it requires regulatory judgement, compliance design, implementation support, assurance testing, data review, remediation capability, project management and credible engagement with regulators.

This creates a delivery gap: lean teams need dynamic capacity and multidisciplinary support across the full compliance spectrum, advisory, implementation and assurance, delivered in a way that is legally robust, commercially proportionate and operationally practical.

Problem accelerators

- **lean teams**
  Legal and compliance teams are being asked to manage rising regulatory expectations without equivalent increases in headcount
- **multidisciplinary work**
  The changing nature of compliance now requires a blend of legal, compliance, implementation, assurance, data and remediation capability
- **evidence-based scrutiny**
  Firms need to show that governance, controls and customer outcomes operate effectively in practice
- **growth and transaction pressure**
  New products, acquisitions, change of control, market entry and integration can add pressure on top of BAU
- **event-driven risk**
  Distress, complaints, investigations, litigation, remediation and skilled person reviews require rapid, coordinated support.

Modern FS compliance increasingly touches every aspect of the FS lifecycle, requiring flexible capacity and multidisciplinary expertise.

The market gap

Traditional delivery models force clients to choose between operational simplicity, legal assurance and proportionate resourcing.

Premium full-service solutions

For complex compliance work, clients often turn to a law firm or Big Four provider because they want simplicity, senior judgement and confidence that the whole project is properly assured.

That can be proportionate for the top end of the value chain. But if the entire project is delivered through the same premium model, clients can end up paying top-end rates for work that is operational, process-driven or capable of being delivered more efficiently.

Risk: simple to buy, but expensive to deliver.

Multi-provider delivery

The alternative is to assemble a team from multiple providers: lawyers, compliance consultants, data specialists, remediation teams, project support and technology providers.

That can create a more proportionate delivery model, but it leaves lean teams coordinating suppliers, reconciling inputs and making sure no gaps emerge in the assurance wrapper.

Risk: better task-level resourcing, but fragmented delivery and a weakened assurance.

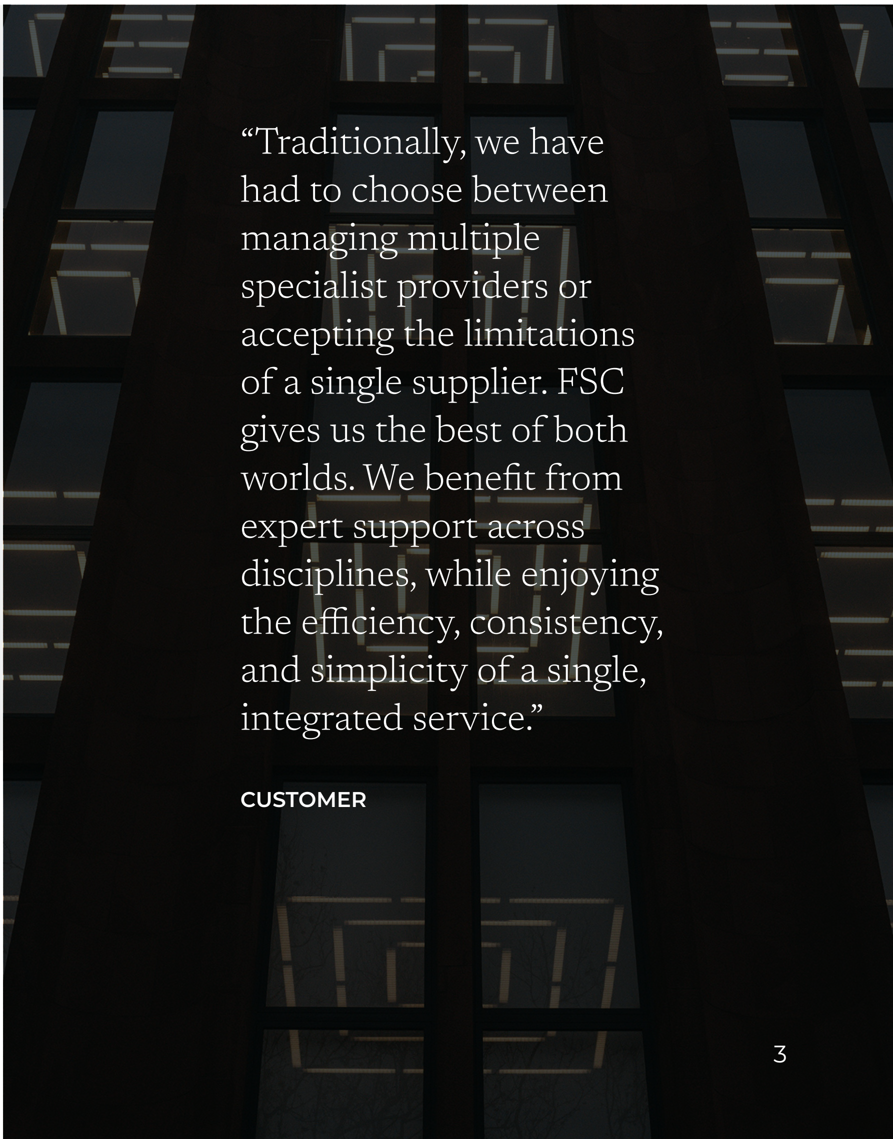
FSC closes this gap

FSC gives clients the best of both worlds: the right specialist for each task, delivered through one coordinated Shoosmiths-led proposition.

We assemble legal, compliance, assurance, data, technology, remediation and programme delivery capability around the work, so clients get the right skills at the right price point without managing multiple disconnected suppliers.

Shoosmiths remains the single procurement point and accountable lead, giving clients one line of responsibility and a seamless assurance wrapper across the whole project.

The result: right-level resourcing, single-point accountability and legally assured delivery.



"Traditionally, we have had to choose between managing multiple specialist providers or accepting the limitations of a single supplier. FSC gives us the best of both worlds. We benefit from expert support across disciplines, while enjoying the efficiency, consistency, and simplicity of a single, integrated service."

CUSTOMER

What is FSC by Shoosmiths?

A coordinated, multidisciplinary proposition for the full financial services compliance lifecycle.

FSC is Shoosmiths' integrated financial services compliance proposition, assembled by Shoosmiths EIGHT.

It gives regulated businesses flexible access to the legal, compliance, assurance, data, remediation and programme delivery capability they need, through one coordinated Shoosmiths-led model.

FSC is designed for the moments when internal teams need additional capacity or specialist support: market entry, BAU compliance, growth, transactions, remediation and regulatory response.

Unlike a traditional premium advisory model, FSC does not force every part of the work into the same delivery layer. We assemble the right specialists around the task, so clients get the right person doing the right work at the right price point.

At the same time, Shoosmiths remains the single procurement point and accountable lead, giving clients one coordinated engagement structure and a seamless assurance wrapper across the project.

FSC helps clients move from fragmented compliance support to one legally robust, commercially proportionate and operationally practical delivery model.

FSC The four layered benefits of our FSC model

MULTIDISCIPLINARY CAPABILITY

Legal, regulatory, compliance, assurance, data, remediation, technology and delivery expertise in a one-stop-shop.

PROPORTIONATE RESOURCING

The right specialist for each task, rather than premium resourcing across the entire engagement.

SINGLE-POINT ACCOUNTABILITY

One coordinated Shoosmiths-led engagement with legal assurance across the project.

SEAMLESS LEGAL ASSURANCE

Legal judgement and privilege embedded where required, providing a consistent assurance wrapper across the engagement.

Financial Services Compliance lifecycle map

Flexible, multidisciplinary support at every stage of a regulated business

FSC supports regulated businesses through the recurring events and pressure points that arise across their lifecycle. Clients can access FSC at any stage, for a defined output, additional capacity or an integrated programme of work.

FS LIFECYCLE	MARKET ENTRY	OPERATION	GROWTH	DISTRESS
Client objective	Supporting new entrants and established businesses entering regulated markets, launching new propositions or seeking additional permissions, **all on a robust and scalable footing.**	Helping regulated businesses demonstrate that governance, controls and customer journeys are working effectively in practice and delivering good outcomes.	Helping businesses pursue acquisitions, launch products, enter new markets and scale without creating avoidable regulatory hurdles.	Helping businesses anticipate regulatory distress, respond decisively and deliver a credible route to evidenced recovery.
Example outcomes	• regulatory perimeter and route-to-market assessments • authorisation and variation of permission support • regulatory business plans and application materials • governance and compliance framework design • operational and launch readiness reviews • FCA engagement	• outcomes and customer journey testing • product governance and fair value reviews • Consumer Duty and thematic assurance • governance, SMCR and board effectiveness reviews • regulatory change and gap assessments • fractional compliance and implementation support	• regulatory investment diligence • change of control and controller analysis • post-acquisition integration planning • new product and market expansion support • scalable compliance operating models • buy-and-build compliance and governanceblueprints	• regulatory perimeter and route-to-market assessments • authorisation and variation of permission support • regulatory business plans and application materials • governance and compliance framework design • operational and launch readiness reviews • FCA engagement

FINANCIAL SERVICES COMPLIANCE

From permission to operation, growth and recovery, FSC assembles the **right team** around the business event, with **one accountable lead** and a **continuous legal assurance wrapper**.

Use cases

Four focused FSC propositions

Focused propositions built around recurring, high-value client needs.

FSC supports regulated businesses through the recurring events and pressure points that arise across their lifecycle. Clients can access FSC at any stage, for a defined output, additional capacity or an integrated programme of work.

MARKET ENTRY	OPERATION	GROWTH	DISTRESS
MARKET ENTRY & AUTHORISATION	**OUTCOMES ASSURANCE**	**MERGERS & ACQUISITIONS**	**REGULATORY DISTRESS & REMEDIATION**
Turning regulatory ambition into a credible, permission-ready and scalable business.	Independently testing and evidencing whether compliance arrangements deliver the intended outcomes in practice.	Supporting investment decisions, transaction execution, integration and scalable post-deal growth.	Anticipating regulatory pressure, maintaining continuity and delivering a credible route to evidenced recovery.

Each proposition provides a clear route into FSC while drawing on the full breadth of its multidisciplinary capability

FSC USE CASE

MARKET ENTRY → OPERATION → GROWTH → DISTRESS

FSC for Market Entry & Authorisation

Turning regulatory ambition into a credible, **permission-ready business.**

Entering a regulated market requires more than securing permission. The regulatory model, commercial proposition, governance and operational infrastructure must work together, and provide a credible platform for operation and sustainable growth.

FSC brings together cross-functional expertise to help new entrants and established businesses define the right route to market, navigate authorisation and build the practical foundations needed to launch, operate and scale with minimum friction. Our lawyers will clearly articulate the requirements whilst our consultants, often ex regulators, provide boots-on-the-ground support to translate those requirements into proportionate governance, controls and operating practices capable of standing up to regulatory scrutiny of new applications.

Where FSC supports market entry

1. Route-to-market design

Defining the regulatory perimeter, permissions strategy and operating model around the commercial proposition, identifying the most practical route to launch and the regulatory dependencies that shape it.

2. Authorisation & regulatory engagement

Developing the regulatory business plan, application materials and supporting evidence, with coordinated support for FCA engagement, questions and challenge.

3. Compliance infrastructure

Designing and implementing proportionate governance, policies, controls, monitoring and accountability arrangements tailored to the business model and credible in practice.

4. Launch readiness & scale

Testing whether the business is ready to operate, addressing implementation gaps and establishing a compliance model that can adapt as products, customers and markets grow.

Value to the business

FSC helps businesses:

- ✓ identify the clearest and most commercially viable route to market
- ✓ present a coherent and credible proposition to the regulator, to maximise the prospect of a right-first-time outcome
- ✓ align regulatory requirements with the planned business model
- ✓ move from application to operational readiness with fewer delivery gaps
- ✓ create a scalable compliance platform for future products, permissions and growth.

Relevant markets

- Fintech
- Insurance
- Asset Management
- Consumer Credit
- Banking
- Asset Finance

FSC for Outcomes Assurance

Processes demonstrate what a firm intended to do. Outcomes show whether it worked. Evidence enables the firm to prove it.

Good policies, processes and controls remain essential but they are no longer the yardstick against which firms are measured. The real test is whether they deliver the intended outcomes in practice and whether this can be evidenced to the board, customers and regulators.

FSC combines legal, regulatory, compliance, data and assurance expertise to help firms define the outcomes that matter, independently test what customers experience and turn the findings into targeted improvements. This provides credible evidence that compliance arrangements are operating and the intended outcomes achieved.

Where FSC supports the business

1. Outcomes & evidence frameworks

Defining the intended outcomes across products, customer journeys and regulatory obligations, together with the measures, data and tolerances needed to evidence whether they are being achieved.

2. Independent outcomes testing

Testing customer journeys, files and customer outcomes to establish what customers actually experience, including whether different groups or customers in vulnerable circumstances receive poorer outcomes.

3. Thematic audit & assurance

Providing independent, risk-based reviews across priority areas such as product governance, price and value, customer support, complaints, financial crime and third-party delivery.

4. Insight, action & verification

Turning findings into clear actions for management and the board, supporting targeted improvements and re-testing to verify that interventions have delivered the intended effect.

Value to the business

FSC helps regulated firms:

- ✓ move beyond process assurance to demonstrate real-world outcomes
- ✓ give boards clearer evidence and confidence over regulatory performance
- ✓ identify emerging issues and target investment where it will have greatest impact
- ✓ validate whether changes have genuinely improved customer experience
- ✓ build a defensible evidence base for audit, governance and regulatory scrutiny.

MARKET ENTRY → OPERATION → GROWTH → DISTRESS

FSC for Mergers & Acquisitions

Unlocking value from regulated **financial services transactions.**

In financial services, regulatory permissions, governance and compliance capability are fundamental to both the value of an acquisition and a buyer's ability to realise its growth plan.

FSC brings together legal, regulatory, compliance and implementation expertise across the transaction lifecycle, helping investors validate the opportunity, progress the deal, accelerate post-closing integration and create a scalable platform for further growth.

Where FSC supports the deal

1. Investment diligence

Assessing whether the target's permissions, governance and compliance infrastructure support the investment thesis, identifying opportunities for improvement and value creation.

2. Deal execution

Managing controller analysis, change of control notifications and regulatory engagement to support a smoother path to completion.

3. Value-creation integration

Translating diligence findings into an actionable integration roadmap, with embedded delivery support to strengthen governance, align group standards and realise efficiencies.

4. Buy-and-build enablement

Designing a scalable compliance blueprint for future acquisitions, enabling portfolio aggregation, consolidation, permission efficiencies and sustainable expansion.

Value to the business

FSC helps investors and management teams:

- ✓ validate the regulatory foundations of the investment thesis
- ✓ increase confidence in the route to completion
- ✓ accelerate integration and the realisation of operational efficiencies
- ✓ protect enterprise value through stronger governance and compliance infrastructure
- ✓ create a repeatable compliance platform for further acquisitions and growth.

Relevant markets

- Fintech
- Insurance
- Asset Management
- Consumer Credit
- Banking
- Asset Finance

FSC for Regulatory Distress & Remediation

Regulatory scrutiny, customer harm or control failures can quickly consume management capacity, restrict strategic options and undermine confidence in the business. Effective preparation and decisive execution are critical to protecting operational continuity, permissions and enterprise value.

FSC helps firms anticipate, prepare for and navigate regulatory distress. We identify warning signs through red-flag reviews, test readiness through shadow skilled person assessments, and establish practical playbooks for rapid response. If an event occurs, FSC provides a single, coordinated team to contain the impact, keep the business operating and move from immediate response to evidenced recovery, minimising impacts to enterprise value.

Where FSC supports regulatory distress

Regulatory response & strategy

Establishing the facts, defining the response strategy and coordinating engagement with the FCA, skilled persons and other stakeholders to create clarity, control and confidence in the event of an incident.

Independent preemptive testing & war-gaming

Undertaking targeted reviews, shadow skilled person assessments, file testing and outcomes analysis to identify the root causes, scale and implications of issues before they materialise or the position escalates.

Remediation & redress delivery

Designing and mobilising proportionate remediation programmes, combining legal interpretation, operational delivery, data analysis, customer redress, quality assurance and scalable resource.

Recovery & verification

Independently testing whether remedial actions have worked, evidencing sustainable improvement and strengthening governance, controls and reporting to support a credible return to BAU.

Value to the business

FSC helps regulated businesses and their management teams:

- ✓ take control quickly and establish a clear, coordinated response
- ✓ maintain confidence with regulators, boards, investors and other stakeholders
- ✓ reduce management distraction through an integrated delivery team
- ✓ protect permissions, reputation and enterprise value while remediation is completed
- ✓ create an evidenced route back to stable operation, strategic flexibility and future growth.

Relevant situations

- FCA scrutiny
- skilled person reviews
- investigations
- customer harm
- complaints and redress
- control failures
- growth restrictions

Contact us to start your FSC journey

WAYNE GIBBARD
PARTNER AND
FSC CO-LEAD
wayne.gibbard@shoosmiths.com

SUZANNE TAYLOR
PARTNER AND
FSC CO-LEAD
suzanne.taylor@shoosmiths.com

FSC helps regulated businesses access the legal assurance, compliance expertise and practical delivery capability needed to enter markets, sustain effective compliance, pursue growth and navigate regulatory pressure.

Whether you are preparing for a new opportunity, seeking independent assurance or responding to an immediate regulatory challenge, we can assemble the right team around your needs through one coordinated Shoosmiths-led engagement.

To discuss your priorities or identify the right entry point into FSC, please contact our FSC co-leads.

Wider team

FSC draws on Shoosmiths' wider financial services, regulatory, corporate, disputes and commercial expertise wherever specialist legal input is required. This enables us to provide joined-up support across the full lifecycle of a regulated business.

SHOOSMITHS EIGHT

Solutions you might not expect. Expertise you do.

shoosmiths.com/eight

FOR WHAT MATTERS