

# Memorandum of Understanding on macroprudential information sharing between the Commission de Surveillance du Secteur Financier and the Bank of England

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This Memorandum of Understanding is made BETWEEN

Commission de Surveillance du Secteur Financier, with its headquarters at 283, route d'Arlon  
L-1150 Luxembourg, Grand-Duchy of Luxembourg, hereinafter the 'CSSF',

AND

The Bank of England, with the Bank's headquarters at Threadneedle Street, London EC2R 8AH,  
United Kingdom

(And hereinafter jointly 'the Authorities' and each of them, individually, 'an Authority'.)

## Definitions

For the purpose of this Memorandum of Understanding:

- **‘applicable legal framework’** means any law, regulation or requirement applicable to the CSSF or to the Bank of England, in respect of its relevant functions;
- **‘disclosing Authority’** means an Authority that discloses, or receives a request for disclosure of, confidential information within the meaning of and pursuant to this Memorandum of Understanding;
- **‘receiving Authority’** means an Authority that has received, or makes a request for disclosure of, confidential information from a disclosing Authority pursuant to this Memorandum of Understanding;

## Section I – General provisions

### *Article 1*

#### **Purpose and general principles**

1. The purpose of this Memorandum of Understanding (MoU) is to formalise information sharing arrangements in the context of financial stability monitoring, systemic risk assessment, and the adoption and/or activation of macroprudential policy measures, or of other financial stability tasks relating to investment funds between
  - a. CSSF; and
  - b. the Bank of England.

Such cooperation is essential in order to promote the integrity, stability and efficiency of the financial system.

2. This MoU focuses on information exchange between the Bank of England on the one hand, and the CSSF on the other hand, in the fields listed in Annex 2. This MoU complements any other memoranda of understanding between the Authorities.
3. This MoU represents a statement of intent between the Authorities and does not constitute a legally binding and/or legally enforceable agreement. In particular, it does not: (a) create any rights or obligations for any of the Authorities or third parties; (b) modify or supersede any laws, regulations and requirements in force or applying to the Authorities; and (c) represent a waiver to the immunity or the submission to the jurisdiction of any court. Neither Authorities nor any third party can bear or seek any liability regarding the performance of this MoU.

### *Article 2*

#### **Principles regarding exchange of information and assistance**

1. Each Authority intends to share and provide the other Authority, on a timely basis upon request, where appropriate and insofar as is feasible and to the extent permitted by their applicable legal framework, with any information or assistance that is necessary for the exercise of the other Authority’s responsibilities in the context of financial stability monitoring, systemic risk assessment, and the adoption and/or activation of macroprudential policy measures or of other financial stability tasks, pursuant to the fields listed in Annex 2 relating to investment funds.

2. The Authorities also intend to share, on their own initiative and on a best efforts basis, relevant information in their possession or discovered regarding the fields listed in Annex 2, where such information relates to the adoption and/or activation of macroprudential policy measures or of other financial stability tasks.
3. With respect to information shared on request in accordance with paragraph 1 above, the authorities intend to transmit a request for information in written or electronic form to the relevant contact person identified in the contact list referred to in Article 3 of this MoU.
4. Where a request for information or assistance is denied, or the information requested is not available, the Authority receiving the request intends to provide the reasons for not sharing the information or not granting assistance.
5. The Authorities intend to also advise each other, where reasonable and proportionate, of any aspect of their regulatory and supervisory systems within their jurisdiction which is likely to have a significant bearing on the fields listed in Annex 2.

### *Article 3*

#### **Contact lists**

1. In order to allow for smooth communication, the Authorities intend to nominate contact persons who represent them in the activities covered by this MoU (see list in Annex 1 providing the contact details of the contact persons).
2. The Authorities intend to maintain up-to-date contact lists, and review the contact lists each year. The Authorities intend to inform each other of any changes in those contacts without undue delay. The Annex with the contact lists may be amended without the need to amend this MoU.

### *Article 4*

#### **Confidentiality**

1. The Authorities acknowledge that all information exchanged on the basis of this MoU may be confidential information within the meaning of the Authorities' applicable legal frameworks. The Authorities acknowledge that all information exchanged on the basis of this Memorandum of Understanding shall be treated as if it is confidential unless specified otherwise.
2. The Authorities will preserve the confidentiality of the information received to the extent permitted by the applicable legal framework. Any confidential information received by the Authorities on the basis of this MoU will be used exclusively within the responsibilities of the respective Authority and will not be disclosed except as set out below.
3. The Authorities will ensure that all persons dealing with, or having access to confidential information provided by the other Authority (including members of the Authority, employees, and any external providers having access to confidential information) are bound by the obligations of professional secrecy in compliance with the applicable legal frameworks, including after the termination of their duties.
4. In providing the confidential information by electronic format or transferring the electronic documents through the Internet, the Authorities should ensure an adequate level of data security.
5. The Authorities should have appropriate arrangements in place to store, transfer and control the scope of confidential information internally.

6. Except as provided in paragraph 7, before a receiving Authority discloses any confidential information received from the disclosing Authority to a third party, the receiving Authority will request and obtain prior written consent, which will not be unreasonably withheld, from the disclosing Authority. Before disclosing the confidential information to such a third party, the receiving Authority will obtain a commitment from that party that information will be kept confidential.
7. If the receiving Authority is required by statute or legal process to disclose confidential information received under this MoU to a third party, it will, to the extent permitted by law, inform the disclosing Authority about such possible onward sharing. If the disclosing Authority does not consent to such disclosure, then, the receiving Authority will take all available and appropriate steps to resist disclosure, including by employing legal means to challenge the order and by advising the third party requiring such information of the possible negative consequences that such disclosure might have on the future exchange of confidential information between the Authorities.
8. No privileges or confidentiality associated with information provided by an Authority are intended to be waived as a result of sharing such information pursuant to this MoU.

#### *Article 5*

##### **Data protection**

1. The Authorities are bound by the applicable legal framework to the protection of personal data contained in the information that they exchange under the terms of this MoU.

#### *Article 6*

##### **Status of this Memorandum of Understanding**

1. This MoU is without prejudice to other specific cooperation arrangements that each Authority might conclude.
2. The MoU has been prepared and signed in two equal copies in English. Any amendment to this MoU, including this Article, will be made by the Authorities' mutual consent, and formulated in English and have effect only if executed by the Authorities in writing.
3. This MoU enters into force on the date it is signed.
4. Either Authority may terminate their participation to this MoU by giving 30 days' prior written notice to the other Authority.
5. In the event of termination, Article 4 of this MoU will continue to apply to any confidential information provided under this MoU prior to termination.
6. This MoU will, upon written request of an Authority, be subject to review, and may be updated by written agreement.
7. In the case that one of the Authorities merges with another authority or agency or their competence is transferred to another authority or agency within their jurisdiction (succession), this MoU should be maintained with the same provisions, unless otherwise determined. This automatic succession will not affect the right of the Authorities, including any successor, to terminate the MoU in accordance with this Article.

## Section II – Specific provisions

### Article 7

#### On-going coordination/cooperation

1. The Authorities may conduct regular meetings, as appropriate, to discuss general matters relating to the fields listed in Annex 2, and to review the effectiveness of this MoU.
2. The Authorities may also convene ad-hoc meetings whenever either side reasonably requests on the basis that it has a material macroprudential concern.

### Article 8

#### Collection and exchange of information

1. Subject to proportionality considerations, the Authorities intend to share further information needed for the performance of their ongoing supervisory tasks and responsibilities in relation to the fields and circumstances listed in Annex 2.
2. This information includes regular data collected by authorities and also data collected on an ad-hoc basis.

### Article 9

#### Cooperation in relation to emergency situations /crisis management

1. Without prejudice to Article 2 of this MoU, the Authorities intend to inform each other immediately if they become aware of an incipient crisis such as, but not limited to, serious financial difficulties which might have an adverse impact on operations of the entities in the fields listed in Annex 2.
2. The Authorities also intend to inform each other if they become aware of the situations listed in Annex 2 in relation to the fields listed in Annex 2.

Signed at Luxembourg and London in two original copies signed by the duly authorised representatives.

For the Commission de Surveillance du Secteur  
Financier

Claude Marx, Director General



Date: 24 March 2025

For the Bank of England

Lee Foulger, Director, Financial Stability Strategy  
and Risk



Date: 3 April 2025

## Annex 1

### Contact details of contact persons

Signatory Authority	Department/Unit	Name and job title	Email	Telephone (including out of office, where relevant)
Commission de Surveillance du Secteur Financier (CSSF)	Asset Management, Prudential Supervision and Risk Management	Alain Hoscheid, Head of Department	direction@cssf.lu	(+352) 2625 1 - 2251
Bank of England	Asset Management, Insurance and Pensions team, Market-based Finance Division, Financial Stability Strategy and Risk	David Baumslag, Senior Manager	David.Baumslag@bankofengland.co.uk	+ 44 7967 279 727

## Annex 2

1. The fields intended to be in scope of the MoU are:
  - a. GBP money market funds with total net assets (TNA) exceeding GBP 500 million;
  - b. Significant GBP Liability-driven investment (LDI) funds; and
  - c. Other Investment Funds or money market funds with significant investments in UK markets or money market funds with significant UK investors.
2. Where it is agreed by the Authorities to be relevant and proportionate, the types of information intended to be in scope of the MoU, within the fields referred to under paragraph 1, may include, but are not limited to, the following:
  - a. Portfolio indicators of money market and LDI funds;
  - b. Stress tests of money market funds and LDI funds;
  - c. Information on the liabilities of money market funds; and
  - d. Any other relevant information for the purpose of this MoU.
3. Circumstances in which the Authorities intend to inform each other in relation to Article 8 include, but are not limited to:
  - a. regular exchange of GBP money market funds' reporting data;
  - b. as soon as reasonably practicable after:
    - i. a money market fund has suspended redemptions;
    - ii. a low volatility net asset value money market fund (LVNAV MMF) exceeds the 20 bps collar in terms of NAV difference;
    - iii. a public debt constant net asset value money market fund (public debt CNAV MMF) or LVNAV MMF applies liquidity fees, redemption gates, a suspension of redemptions, or takes no action following a breach of relevant regulatory thresholds under article 34 of the European Money Market Fund regulation; and
    - iv. a public debt CNAV MMF or LVNAV MMF automatically ceases to be a public debt CNAV MMF or LVNAV MMF following a suspension of more than 15 days on a period of 90 days;
  - c. when relevant conclusions are reached following assessments of Authorities in the context of systemic risks; and
  - d. as soon as reasonably practicable after a GBP LDI fund materially breaches its regulatory requirements.
4. Emergency situations in which the Authorities intend to inform each other in relation to Article 9 include, but are not limited to:
  - a. ad-hoc crisis reportings set up by Authorities; and
  - b. stressed market conditions materially impacting investment funds.