

## **Litigation Committee response to the Department for Business, Innovation & Skills' Consultation Paper entitled *Nullification of Ban on Invoice Assignment Clauses***

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The City of London Law Society (“CLLS”) represents approximately 15,000 City lawyers through individual and corporate membership including some of the largest international law firms in the world. These law firms advise a variety of clients from multinational companies and financial institutions to Government departments, often in relation to complex, multi-jurisdictional legal issues.

The CLLS responds to consultations on issues of importance to its members through its 19 specialist committees. This response has been prepared by the CLLS Litigation Committee (the “Committee”) and addresses the Department for Business, Innovation & Skills' Consultation Paper entitled *Nullification of Ban on Invoice Assignment Clauses* (the “Consultation Paper”).

The Committee has seen the response to the Consultation Paper by the CLLS's Financial Law Committee dated 2 February 2015, and agrees with that response. In particular, the proposed statutory instrument is far too broad. Even if there were a justification for promoting factoring amongst SMEs by means of a statutory ban of the sort proposed, the terms of the statutory instrument go far beyond that limited objective and risk damaging the standing of English law, and therefore of the English courts, in the international business community. The proposed statutory instrument also fails to address adequately the numerous technical issues that arise in relation to assignments.

18 February 2015

**THE CITY OF LONDON LAW SOCIETY  
Litigation Committee**

Individuals and firms represented on this Committee are as follows:

|                        |                                    |
|------------------------|------------------------------------|
| Simon James (Chairman) | Clifford Chance LLP                |
| Jan-Jaap Baer          | Travers Smith LLP                  |
| Duncan Black           | Field Fisher Waterhouse LLP        |
| Patrick Boylan         | Simmons & Simmons LLP              |
| Tom Coates             | Lewis Silkin LLP                   |
| Jonathan Cotton        | Slaughter & May LLP                |
| Andrew Denny           | Allen & Overy LLP                  |
| Angela Dimsdale-Gill   | Hogan Lovells International LLP    |
| Geraldine Elliott      | Reynolds Porter Chamberlain LLP    |
| Gavin Foggo            | Fox Williams LLP                   |
| Richard Foss           | Kingsley Napley LLP                |
| Tim Hardy              | CMS Cameron McKenna LLP            |
| Iain Mackie            | Macfarlanes LLP                    |
| Michael Madden         | Winston & Strawn LLP               |
| Gary Milner-Moore      | Herbert Smith Freehills LLP        |
| Hardeep Nahal          | McGuireWoods LLP                   |
| Stefan Paciorek        | DWK LLP                            |
| Kevin Perry            | Cooley (UK) LLP                    |
| Patrick Swain          | Freshfields Bruckhaus Deringer LLP |