

Chapter 1A

Introduction (Transparency rules)



**1 A.1 Application and purpose
(Transparency rules)**

Note: ESMA has also issued guidelines under article 16(3) of the ESMA Regulation covering ‘Alternative Performance Measures’, 5 October 2015 (ESMA/2015/1415).

1A.1.1 **G** The application of Chapters 4, 5 and 6 of *DTR* is set out at the beginning of each chapter and, where necessary, section.

1A.1.2 **R**

- (1) Neither this chapter nor Chapters 4, 5 or 6 of *DTR* shall apply in relation to an undertaking that falls within paragraph (2) or units of such an undertaking that fall within paragraph (3). [**Note: article 1.2 TD**].
- (2) The exemption set out in paragraph (1) applies to an undertaking if it is a unit trust or investment company
 - (a) the object of which is the collective investment of capital provided by the public, and which operates on the principle of risk spreading; and
 - (b) the units of which are, at the request of the holder of such units, repurchased or redeemed, directly or indirectly, out of the assets of that undertaking. [**Note: article 2.1(g) TD**]
- (3) Units of an undertaking that falls within paragraph (2) are securities issued by such an undertaking and representing the rights of the participants in such an undertaking. [**Note: article 2.1(h) TD**]

Purpose

1A.1.3 **G** The original purpose of the *transparency rules* was to implement the *Transparency Directive* and to make other rules to ensure there is adequate transparency of and access to information in the UK financial markets.

FCA performing functions as competent authority

1A.1.4 **G** **Other relevant parts of Handbook**

Note: Other parts of the *Handbook* that may also be relevant to persons to whom the *transparency rules* apply include *DEPP* (Decision Procedure and Penalties Manual) and Chapter 9 of *SUP* (the Supervision manual).

The following Regulatory Guides are also relevant:

1. The Enforcement Guide (*EG*)
2. [intentionally blank]

Note: A list of *regulated markets* can be found on the *FCA* website.