

Recognised Investment Exchanges

Chapter 1

Introduction

1.1 Application

- 1.1.1** **G** (1) The *rules* and *guidance* in this sourcebook apply to *recognised bodies* and to applicants for recognition as *RIEs* under Part XVIII of the Act (Recognised Investment Exchanges and Clearing Houses) and (as *RAPs*) under the *RAP regulations*.
- (2) The *recognition requirements* and *guidance* in **■ REC 2** relate primarily to *UK RIEs* which are recognised, or applying to be recognised, to operate a *regulated market* in the *United Kingdom*.
- (3) While some *recognition requirements* in **■ REC 2** apply to other *trading venues* operated by *UK RIEs*, *guidance* in respect of those venues is set out in **■ MAR 5** and **■ MAR 5A**.
- 1.1.1A** **G** The *guidance* in **■ REC 6A** applies to *EEA market operators* exercising *passporting rights* in the *United Kingdom*.
- 1.1.2** **G** (1) *UK RIEs* are *exempt persons* under section 285 of the Act (Exemption for recognised investment exchanges and clearing houses).
- (2) *UK RIEs* must satisfy *recognition requirements* prescribed by the Treasury (in certain cases with the approval of the Secretary of State) in the *Recognition Requirements Regulations*. *UK RIEs* must also satisfy the *MIFID/MiFIR requirements*. *RAPs* must satisfy the recognition requirements prescribed by the Treasury in the *RAP regulations*, under the *auction regulation* and must also be *UK RIEs* and so are subject to requirements under the *MIFID/MiFIR requirements*. *ROIEs* must satisfy *recognition requirements* laid down in section 292 of the Act (Overseas investment exchanges and overseas clearing houses).
- (3) *UK RIEs* must also comply with the following:
- (a) notification requirements in, and *notification rules* made under, sections 293 (Notification requirements) and 295 (Notification: overseas investment exchanges and clearing houses) of the Act; and
- (b) any rules made under the FCA's rule-making power in regulation 11 of the *Recognition Requirements Regulations*.
- 1.1.3** **G** (1) The *recognition requirements* for *UK recognised bodies* are set out, with *guidance*, in **■ REC 2**. The *RAP recognition requirements* (other

than requirements under the *auction regulation* which are not reproduced in *REC*) are set out, with *guidance*, in ■ REC 2A.

- (1A) Key relevant *MiFID/MiFIR requirements* directly applicable to *UK recognised bodies* are signposted as “**Notes**”.
- (2) The *notification rules* for *UK recognised bodies* are set out in ■ REC 3 together with *guidance* on those *rules*.
- (3) *Guidance* on the *FCA's* approach to the supervision of *recognised bodies* is given in ■ REC 4.
- (4) *Guidance* for applicants (and potential applicants) for *UK recognised body* status is given in ■ REC 5.
- (5) The *recognition requirements, notification rules, and guidance* for *ROIEs* and *guidance* for applicants (and potential applicants) for *ROIE* status are set out in ■ REC 6.
- (5A) *Guidance* for *EEA market operators* exercising their passporting rights in the *United Kingdom* is set out in ■ REC 6A.
- (6) The *fees rules* for *recognised bodies* and applicants are set out in ■ FEES 1, ■ 2, ■ 3 and ■ 4.