

Chapter 2

Recognition requirements

2.10 Financial crime and market abuse

2.10.1	UK	<p>Schedule to the Recognition Requirements Regulations, Paragraph 4(2)(f)</p> <p>Without prejudice to the generality of sub-paragraph [4(1)], the [UK RIE] must ensure that-</p> <p>appropriate measures (including the monitoring of transactions effected on the [UK RIE]) are adopted to reduce the extent to which the [UK RIE's] facilities can be used for a purpose connected withmarket abuse orfinancial crime, and to facilitate their detection and monitor their incidence;</p>
2.10.2	UK	[deleted]
2.10.3	G	<p>In determining whether a <i>UK recognised body's</i> measures are appropriate to reduce the extent to which its <i>facilities</i> can be used for a purpose connected with <i>market abuse</i> or <i>financial crime</i>, to facilitate their detection and to monitor their incidence, the <i>FCA</i> may have regard to:</p> <ul style="list-style-type: none">(1) whether the rules of the <i>UK recognised body</i> enable it to disclose any information to the <i>FCA</i>, or other appropriate bodies involved in the detection, prevention or pursuit of <i>market abuse</i> or <i>financial crime</i> in the <i>United Kingdom</i> or overseas; and(2) whether the arrangements, resources, systems, and procedures of the <i>UK recognised body</i> enable it to:<ul style="list-style-type: none">(a) monitor the use made of its <i>facilities</i> so as to obtain information regarding possible patterns of normal, abnormal or improper use of those <i>facilities</i>;(b) detect possible instances of <i>market abuse</i> and <i>financial crime</i>, for example, by detecting suspicious patterns in the use of its <i>facilities</i>;(c) communicate information about <i>market abuse</i> and <i>financial crime</i> promptly and accurately to appropriate organisations; and(d) cooperate with all relevant bodies in the prevention, investigation and pursuit of <i>market abuse</i> and <i>financial crime</i>.
2.10.4	G	<p>The law on <i>market abuse</i> and <i>financial crime</i>, including Part VI of the Criminal Justice Act 1988 and the <i>Money Laundering Regulations</i>, applies to <i>UK recognised bodies</i>. This <i>recognition requirement</i> (and this <i>guidance</i>) does not restrict, diminish or alter the obligations contained in that legislation.</p>