

Chapter 2

Recognition requirements

2.10 Financial crime and market abuse

- 2.10.1** **UK** **Schedule to the Recognition Requirements Regulations, Paragraph 4(2)(f)**
- Without prejudice to the generality of sub-paragraph [4(1)], the [UK RIE] must ensure that-
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 with market abuse or financial crime, and to facilitate their detection and monitor their incidence;
- 2.10.2** **UK** **[deleted]**
- 2.10.3** **G** In determining whether a *UK recognised body's* measures are appropriate to reduce the extent to which its *facilities* can be used for a purpose connected with *market abuse* or *financial crime*, to facilitate their detection and to monitor their incidence, the *FCA* may have regard to:
- (1) whether the rules of the *UK recognised body* enable it to disclose any information to the *FCA*, or other appropriate bodies involved in the detection, prevention or pursuit of *market abuse* or *financial crime* in the *United Kingdom* or overseas; and
 - (2) whether the arrangements, resources, systems, and procedures of the *UK recognised body* enable it to:
 - (a) monitor the use made of its *facilities* so as to obtain information regarding possible patterns of normal, abnormal or improper use of those *facilities*;
 - (b) detect possible instances of *market abuse* and *financial crime*, for example, by detecting suspicious patterns in the use of its *facilities*;
 - (c) communicate information about *market abuse* and *financial crime* promptly and accurately to appropriate organisations; and
 - (d) cooperate with all relevant bodies in the prevention, investigation and pursuit of *market abuse* and *financial crime*.
- 2.10.4** **G** The law on *market abuse* and *financial crime*, including Part VI of the Criminal Justice Act 1988 and the *Money Laundering Regulations*, applies to *UK recognised bodies*. This *recognition requirement* (and this *guidance*) does not restrict, diminish or alter the obligations contained in that legislation.