

Chapter 3

Notification rules for UK recognised bodies

3.14 Products, services and normal hours of operation

Purpose

3.14.1 **G** The purpose of **REC 3.14** is to ensure that the *FCA* is informed of planned changes to the services a *UK recognised body* intends to provide and of the normal hours of operation of those services. Unplanned suspensions of those services, unplanned changes in hours of operation and events causing a *UK recognised body* to be unable to provide those services should be notified to the *FCA* under the rules in **REC 3.15**.

Products and services

3.14.2 **R** Where a *UK RIE* proposes to *admit to trading* (or to cease to *admit to trading*) by means of its *facilities*:

- (1) a *specified investment* (other than a *security* or an *option* in relation to a *security*); or
- (2) a type of *security* or a type of *option* in relation to a *security*;

it must give the *FCA* notice of that event, and the information specified for the purposes of this rule in **REC 3.14.6 R** to the *FCA*, at the same time as that proposal is first formally communicated to its *members* or shareholders (or any group or class of them).

3.14.2A **R** When a *UK RIE* removes a *financial instrument* from trading on a *trading venue*, it must immediately give the *FCA* notice of that event and relevant information including particulars of that *financial instrument*, any derivative that is also removed from trading that relates or is referenced to that *financial instrument*, and the reasons for the action taken.

[**Note:** articles 32(2) and 52(2), paragraph 1 of *MiFID*. **REC 2.6.6UK(4)** requires that the *FCA* be notified when a trading suspension for a *financial instrument* is lifted or a *financial instrument* is re-admitted to trading. *MiFID ITS 2* specifies a format for communication by the operator to the *FCA*.]

3.14.3 **R** Where a *UK recognised body* proposes to provide (or to cease to provide) *clearing facilitation services* in respect of:

- (1) a *specified investment* (other than a *security* or an *option* in relation to a *security*); or
- (2) a type of *security* or a type of *option* in relation to a *security*;

it must give the *FCA* notice of that event and the information specified for the purposes of this *rule* in ■ REC 3.14.6 R, at the same time as that proposal is first formally communicated to its *members* or shareholders (or any group or class of them).

3.14.4 **R** [deleted]

3.14.5 **G** *Securities* falling within the same article in Part III of the *Regulated Activities Order* which may be given the same generic description (for example, *shares* admitted to the *UK official list*) will normally be regarded as being of the same type. *Options* in relation to the same type of *security* will normally be regarded as being *options* of the same type.

3.14.6 **R** The following information is specified for the purposes of ■ REC 3.14.2 R and ■ REC 3.14.3 R:

- (1) a description of the *specified investment* to which the proposal relates;
- (2) where that *specified investment* is a *derivative*, the proposed terms of that *derivative*; and
- (3) in the case of a *UK RIE* which is admitting that *specified investment* to trading, the name of any *RCH* which will provide clearing services in respect of that *specified investment* under an agreement with that *UK RIE*.

3.14.7 **R** Where:

- (1) a *UK RIE* proposes to amend the standard terms of any *derivative admitted to trading* by means of its *facilities*; or
- (2) a *UK RIE* proposes to amend the standard terms relating to any *derivative* in respect of which it provides *clearing facilitation services*;

it must give the *FCA* notice of that event, and written particulars of those proposed amendments, at the same time as that proposal is first formally communicated to its *members* or shareholders (or any group or class of them).

3.14.8 **R** Where a *UK recognised body* proposes to make (or to cease to make) arrangements for the safeguarding and administration of assets belonging to any other *person* (other than an *undertaking* in the same *group*), that *recognised body* must give the *FCA* notice of that event, and the information specified for the purposes of this *rule* in ■ REC 3.14.9 R, at the same time as that proposal is first formally communicated to its *members* or shareholders (or any group or class of them).

3.14.9 **R** The following information is specified for the purposes of ■ REC 3.14.8 R:

- (1) a description of the assets (or types of assets) to which the proposal relates; and

(2) the date or dates on which arrangements referred to in ■ REC 3.14.8 R will be made (or cease to be made).

3.14.10

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The FCA does not need to be notified of proposals to offer (or to withdraw offers of) safeguarding and administration services for individual assets of the same type. *Specified investments* (other than *securities*) falling within the same article in Part III of the *Regulated Activities Order* will normally be regarded as being of the same type. *Securities* falling within the same article in Part III of the *Regulated Activities Order* which may be given the same generic description (for example, *shares* admitted to the *UK official list*) will also normally be regarded as being of the same type.

Hours of operation

3.14.11

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Where a *UK recognised body* proposes to change its normal hours of operation or (for *RAPs*) the timing, frequency or duration of its bidding windows, it must give the FCA notice of that proposal, and particulars of, and the reasons for, the actions proposed, at the same time as the proposal is first formally communicated to its *members* or shareholders, or any group or class of them.