Chapter 3

Notification rules for UK recognised bodies

3

3.15 Suspension of services and inability to operate facilities

Purpose

3.15.1 G

(1) The purpose of ■ REC 3.15.2 R to ■ REC 3.15.5 G is to enable the *FCA* to obtain information where a *UK recognised body* decides to suspend the provision of its services in relation to particular *investments* or (for a *RAP*) decides to cancel an auction. Planned changes to the provision of services should be notified to the *FCA* under ■ REC 3.14.

(2) ■ REC 3.15.6 R to ■ REC 3.15.7 R provide for notification to the *FCA* where a *UK recognised body* is unable to operate or provide its *facilities* for reasons outside its control or where it decides to extend its hours of operation in an emergency.

(3) ■ REC 3.15.8R provides for notification to the *FCA* where a *RAP* has to cancel an auction in specified circumstances.

[**Note:** ■ REC 2.5.1(8) also requires a *UK RIE* to report its parameters for halting trading to the *FCA*]

Suspension of services

3.15.2 R

Where, for any reason, an *RIE* halts trading in a *financial instrument* on a *trading venue* which is material in terms of liquidity in that *financial instrument*,it must immediately give the *FCA* notice of that event, particulars of that *financial instrument*, and the reasons for the action taken.

[**Note:** article 48(5) of *MiFID* and *MiFID RTS 12*]

3.15.2A R

When a *UK RIE* suspends trading on a *trading venue* in any *financial instrument*, it must immediately give the *FCA* notice of that event and relevant information including particulars of 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*.]

3.15.3 R

Where a *UK recognised body* suspends providing *clearing facilitation services* generally in respect of any *derivative* (other than an *option* in relation to a *security*), type of *security* or type of option in relation to a *security*, it must immediately give the *FCA* notice of that event, particulars of that *derivative*,

type of *security* or type of *option* in relation to a *security*, as the case may be, and the reasons for the action taken.

3.15.4 R Where a *UK recognised body* suspends any arrangements it makes for the safeguarding and administration of any type of asset belonging to any other *person* (other than an *undertaking* in the same *group*), that *UK recognised body* must immediately give the *FCA* notice of that event, particulars of that type of asset and the reasons for the action taken.

3.15.5 G *Specified investments* (other than *securities* or *options* in relation to *securities*) falling within the same article in Part III of the *Regulated Activities Order* will normally be regarded as being assets 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 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.

Inability to operate facilities

3.15.6 R Where, because of the occurrence of any event or circumstances, a *UK recognised body* is unable to operate any of its *facilities* within its normal hours of operation, it must immediately give the *FCA* notice of that inability and inform the *FCA*:

(1) which *facility* it is unable to operate;

(2) what event or circumstance has caused it to become unable to operate that *facility* within those hours; and

(3) what action, if any, it is taking or proposes to take to enable it to recommence operating that *facility*.

Extension of hours of operation

3.15.7 R Where, because of the occurrence of any event or circumstances, a *UK recognised body* extends its hours of operation, it must immediately give the *FCA* notice of that event, and inform the *FCA*:

(1) what event or circumstance has caused it to do so;

(2) the new hours of operation; and

(3) the date on which it expects to revert to its normal hours of operation.

Recognised auction platforms - cancellation of auctions

3.15.8 R Where a *RAP* has to cancel an auction in the circumstances set out in regulation 11 of the *UK auctioning regulations*, it must immediately give the *FCA* notice of that cancellation.

3.15.9 G [deleted]