

Recognised Investment Exchanges

Chapter 4

Supervision

4.2 The supervisory relationship with UK recognised bodies

- 4.2.1** **G** The *FCA* expects to have an open, cooperative and constructive relationship with *UK recognised bodies* to enable it to have a broad picture of the *UK recognised body's* activities and its ability to meet the *recognised body requirements*. This broad picture is intended to complement the information which the *FCA* will obtain under section 293 of the *Act* (Notification requirements) or under *notification rules* made under that section (see ■ REC 3). The *FCA* will usually arrange meetings between the Infrastructure and Trading Firms Department and *members of the management body* of the *UK recognised body* for this purpose. The frequency and nature of these meetings may vary in accordance with the risk profile of the *UK recognised body*.
- 4.2.2** **G** *UK recognised bodies* are likely to develop and adapt their businesses in response to customer demand and new market opportunities. Where such developments involve changes to the way the *UK recognised body* operates, they are likely to involve changes to the way it satisfies the *recognised body requirements*.
- 4.2.3** **G** The *FCA* expects a *UK recognised body* to take its own steps to assure itself that it will continue to satisfy the *recognised body requirements* when considering any changes to its business or operations.
- 4.2.4** **G** However, the *FCA* also expects that *UK recognised bodies* will keep it informed of all significant developments and of progress with their plans and operational initiatives, and will provide it with appropriate assurance that the *recognised body requirements* will continue to be satisfied.