

## Chapter 6

# Systematic internalisers

6.1 Application

Who and what?

- 6.1.1
- R
- MAR 6.3A (Quality of execution) and ■ MAR 6.4A (Quotes in respect of non-equity instruments) apply to the following *firms* when dealing in the *United Kingdom*:

(1) a *MiFID investment firm* which is a *systematic internaliser* ; or

(2) a *third country investment firm* which is a *systematic internaliser* .
- [Note: article 35(8) of *MiFID*]
- 6.1.2

R

The *systematic internaliser* reporting requirement in ■ MAR 6.4.1 R applies to an *investment firm* which is authorised by the *FCA* .

[Note: articles 15(1) and 18(4) of *MiFIR*]
- Status of EU provisions as rules in certain instances
- 6.1.3

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[deleted]

6.1.4

R

■ GEN 2.2.22AR applies to ensure that a *third country investment firm* should not be treated in a more favourable way than an *EEA firm*.
- MAR 6/2
- www.handbook.fca.org.uk
- Release 35 ● Apr 2024

## 6.2 Purpose

### 6.2.1

**G**

The purpose of this chapter is to implement article 27(3) of *MiFID*, which deals with the requirements on *systematic internaliser*s to make available to the public data relating to the quality of execution of transactions. It also provides a *rule* (■ [MAR 6.4.1R](#)) requiring *investment firms* to notify the *FCA* when they become, or cease to be, a *systematic internaliser*, and which gives effect to articles 15(1) and 18(4) of *MiFIR*. Finally, ■ [MAR 6.4A.1R](#) makes clear that a *firm* is not subject to the publication obligations of article 18 of *MiFIR* if it satisfies the conditions set out in that *rule*.

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6.3

EU



6.3 Criteria for determining whether an  
investment firm is a systematic  
internaliser [deleted]

		<div><div></div><div>6.3A</div><div>Quality of execution</div></div>	
6.3A.1	R	[deleted]	
6.3A.2	R	[deleted]	



6.4 Systematic internaliser reporting requirement

- 6.4.1

**R**

An *investment firm* must promptly notify the *FCA* in writing of its status as a *systematic internaliser* :

  - (1) when it gains that status; or
  - (2) if it ceases to have that status.

[**Note:**articles 15(1) and 18(4) of *MiFIR*]
- 6.4.2

**G**

The notification under **MAR 6.4.1 R** can be addressed to the *firm's* usual supervisory contact at the *FCA* .



## 6.4A Quotes in respect of non-equity instruments

### 6.4A.1

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An *investment firm* is not subject to the publication obligations of article 18 of *MiFIR* if:

- (1) it makes an assessment in writing certifying that it meets the conditions specified and measures adopted under article 9 of *MiFIR* for the waiver; and
- (2) the *FCA* has not objected to the assessment.

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6.5

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6.5 Obligations on systematic  
internalisers in shares to make  
public firm quotes [deleted]



## 6.6 Size and content of quotes [deleted]

## 6.6

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6.7

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6.7 Prices reflecting prevailing market  
conditions [deleted]

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6.8 Liquid market for shares, share  
class, standard market size and  
relevant market [deleted]



6.9 Publication of quotes [deleted]

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6.10

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6.10 Execution price of retail client orders [deleted]

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6.11

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6.11 Execution price of professional client orders [deleted]

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R



6.12 Execution price of client orders not matching quotation sizes [deleted]

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6.13

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6.13 Standards and conditions for trading [deleted]



6.14

R



6.14 Limiting risk of exposure to multiple transactions [deleted]

