Chapter 1

Introduction

1.1 Application

1.1.1 G

(1) The *rules* and *guidance* in this sourcebook apply to *recognised bodies* and to applicants for recognition as *RIEs* under Part XVIII of the *Act* (Recognised Investment Exchanges and Clearing Houses) and (as *RAPs*) under the *RAP regulations*.

(2) The *recognition requirements* and *guidance* in ■ REC 2 relate primarily to *UK RIEs* which are recognised, or applying to be recognised, to operate a *regulated market* in the *United Kingdom*.

(3) While some *recognition requirements* in ■ REC 2 apply to other *trading venues* operated by *UK RIEs*, *guidance* in respect of those venues is set out in ■ MAR 5 and ■ MAR 5A.

1.1.1A G

[deleted]

1.1.2 G

(1) *UK RIEs* are *exempt persons* under section 285 of the *Act* (Exemption for recognised investment exchanges and clearing houses).

(2) UK RIEs must satisfy *recognition requirements* prescribed by the Treasury (in certain cases with the approval of the Secretary of State) in the *Recognition Requirements Regulations*. *UK RIEs* must also satisfy the *MiFID/MiFIR requirements*. *RAPs* must satisfy the recognition requirements prescribed by the Treasury in the *RAP regulations*, under the *UK auctioning regulations* and must also be *UK RIEs* and so are subject to the *MiFID/MiFIR requirements*. *ROIEs* must satisfy *recognition requirements* laid down in section 292 of the *Act* (Overseas investment exchanges and overseas clearing houses).

(3) UK RIEs must also comply with the following:

(a) notification requirements in, and *notification rules* made under, sections 293 (Notification requirements) and 295 (Notification: overseas investment exchanges and clearing houses) of the *Act*; and

(b) any rules made under the *FCA's* rule-making power in regulation 11 of the *Recognition Requirements Regulations*.

1.1.3 G

(1) The *recognition requirements* for *UK recognised bodies* are set out, with *guidance*, in ■ REC 2. The *RAP recognition requirements* (other than requirements under the *UK auctioning regulations* which are not reproduced in REC) are set out, with guidance, in ■ REC 2A.

(1A) Key relevant *MiFID/MiFIR requirements* directly applicable to *UK recognised bodies* are signposted as "**Notes**".

(2) The *notification rules* for *UKrecognised bodies* are set out in ■ REC 3 together with *guidance* on those *rules*.

(3) *Guidance* on the *FCA's* approach to the supervision of *recognised bodies* is given in ■ REC 4.

(4) *Guidance* for applicants (and potential applicants) for *UK recognised body* status is given in ■ REC 5.

(5) The *recognition requirements*, *notification rules*, and *guidance* for *ROIEs* and *guidance* for applicants (and potential applicants) for *ROIE* status are set out in ■ REC 6.

(5A) [deleted]

(6) The fees *rules* for *recognised bodies* and applicants are set out in ■ FEES 1, ■ 2, ■ 3 and ■ 4.