

HANDBOOK ADMINISTRATION (MiFID 2) INSTRUMENT 2017**Powers exercised**

- A. The Financial Conduct Authority makes this instrument in the exercise of:
- (1) the following powers and related provisions in or under the following sections of the Financial Services and Markets Act 2000 (the “Act”):
 - (a) section 137A (The FCA’s general rules);
 - (b) section 137T (General supplementary powers);
 - (c) section 139A (Power of the FCA to give guidance);
 - (d) section 226 (Compulsory jurisdiction);
 - (e) paragraph 23 (Fees) in Part 3 (Penalties and Fees) of Schedule 1ZA (The Financial Conduct Authority); and
 - (f) paragraph 13(1), (3) and (4) (FCA’s rules) of Schedule 17 (The Ombudsman Scheme);
 - (2) the powers of direction, guidance and related provisions in or under the following provisions of the Data Reporting Services Regulations 2017 (SI2017/699):
 - (a) regulation 7 (Application for authorisation);
 - (b) regulation 8 (Application for verification of compliance);
 - (c) regulation 11 (Cancellation of authorisation);
 - (d) regulation 12 (Variation of authorisation);
 - (e) regulation 20 (Guidance);
 - (f) regulation 21 (Reporting requirements); and
 - (g) regulation 40 (FCA: penalties, fees and exemption from liability in damages); and
 - (3) the other powers and related provisions listed in Schedule 4 (Powers exercised) to the General Provisions of the Handbook.
- B. The rule-making powers listed above are specified for the purpose of section 138G (Rule-making instruments) of the Act.

Commencement

- C. Part 2 of Annex A to this instrument comes into force on 2 April 2018.
- D. The remainder of this instrument comes into force on 3 January 2018, immediately after those parts of the following instruments which also come into force on the same day:
- (1) Glossary (MiFID 2) Instrument 2017;
 - (2) Markets and Organisational Requirements (MiFID 2) Instrument 2017; and
 - (3) Conduct, Perimeter Guidance and Miscellaneous Provisions (MiFID 2) Instrument 2017.

Amendments to the Handbook

- E. The modules of the Handbook of rules and guidance listed in column (1) below are amended in accordance with the Annexes to this instrument listed in column (2).

(1)	(2)
Glossary of definitions	Annex A
Senior Management Arrangements, Systems and Controls sourcebook (SYSC)	Annex B
Training and Competence sourcebook (TC)	Annex C
Fees manual (FEES)	Annex D
Conduct of Business sourcebook (COBS)	Annex E
Client Assets sourcebook (CASS)	Annex F
Market Conduct sourcebook (MAR)	Annex G
Supervision manual (SUP)	Annex H
Recognised Investment Exchanges sourcebook (REC)	Annex I

- F. The Financial Conduct Authority confirms and remakes in the Glossary of definitions:
- (1) the defined expressions “Financial Promotion Order” and “Regulated Activities Order”; and
 - (2) to the extent that they appear in the Glossary of definitions, the defined expressions relating to any other secondary legislation referred to in the Schedule to the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2017.

Citation

- G. This instrument may be cited as the Handbook Administration (MiFID 2) Instrument 2017.

By order of the Board
7 December 2017

Annex A

Amendments to the Glossary of definitions

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

Part 1: Comes into force on 3 January 2018

Insert the following new definitions in the appropriate alphabetical position. The text is not underlined.

high-frequency algorithmic trading technique means an *algorithmic trading* technique characterised by:

- (1) infrastructure intended to minimise network and other types of latencies, including at least one of the following facilities for algorithmic order entry: co-location, proximity hosting or high-speed *direct electronic access*;
- (2) system-determination of order initiation, generation, routing or execution without human intervention for individual trades or orders; and
- (3) high message intraday rates which constitute orders, quotes or cancellations.

[Note: article 4(1)(40) of *MiFID*]

key individual (in relation to a *UK recognised body*):

- (a) its chairman or president;
- (b) its *chief executive*;
- (c) a member of its *governing body*;
- (d) a *person* who, alone or jointly with one or more others, is responsible under the immediate authority of a *person* in (a), (b) or (c) or a committee of the *governing body* for the conduct of any *relevant function*.

Amend the following as shown.

contract for differences the *investment*, specified in article 85 of the *Regulated Activities Order* (Contracts for differences etc), which is in summary rights under:

- ...
- (c) a derivative instrument for the transfer of credit risk to which article 85(3) and (4) of the *Regulated Activities Order* applies [Note: paragraph 8 of Section C of Annex 1 to *MiFID*]; or
- (d) a derivative contract of a binary or other fixed outcomes nature to which article 85(4A) and (4B) of the *Regulated Activities Order* applies.
- designated investment*
- (1) a *security* or a *contractually-based investment* (other than a *funeral plan contract* and a right to or interest in a *funeral plan contract*), that is, any of the following investments, specified in Part III of the *Regulated Activities Order* (Specified Investments):
- ...
- (k) *contract for differences* (article 85); for the purposes of the *permission* regime, this is sub-divided into:
- ...
- (iv) *binary bet*;
- ...
- ...
- future*
- the *investment*, specified in article 84 of the *Regulated Activities Order* (Futures), which is in summary: rights under a contract for the sale of a commodity or property of any other description under which delivery is to be made at a future date and at a price agreed on when the contract is made and futures and forwards to which article 84(1A), (1B), (1C), (1CA) or (1D) of the *Regulated Activities Order* applies.
- option*
- the *investment*, specified in article 83 of the *Regulated Activities Order* (Options), which is in summary an option to acquire or dispose of:
- ...
- (d) a commodity to which article 83(2) and (4) of the *Regulated Activities Order* applies; or
- (e) a *financial instrument* in paragraph 10 of Section C of Annex 1 to *MiFID* to which article 83(3) and (4) of the *Regulated Activities Order* applies; or
- ...

periodic statement a report which a *firm* is required to provide to a *client* pursuant to:

...

- (d) *COBS* 16A.1.2R and *COBS* 16A.4.1EU where the *firm* is carrying on ~~*optional exemption business*~~ *MiFID optional exemption business*.

...

remuneration

- (1) ...
- (2) (in relation to those articles of the *MiFID Org Regulation* as applied in accordance with *SYSC* 1 Annex 1 2.8AR, *SYSC* 1 Annex 1 3.2-AR, *SYSC* 1 Annex 1 3.2-BR, *SYSC* 1 Annex 1 3.2CR, *SYSC* 1 Annex 1 3.3R; ~~*SYSC* 19F.1.1R; *SYSC* 19F.1.4R and *SYSC* 19F.1.5R~~ *SYSC* 19F.1.3R and *SYSC* 19F.1.4R) all forms of payments or financial or non-financial benefits provided directly or indirectly by a *firm* to *relevant persons* in the provision of one or more of *designated investment business*, *ancillary activities* and *ancillary services* to *clients*.

[Note: article 2(5) of the *MiFID Org Regulation*]

Delete the following definition. The text is not struck through.

money-market instrument

- (1) any of the following *investments*:
- (a) a *debenture* which is issued on terms requiring repayment not later than five years from the date of issue;
- (b) any *government and public security* which is issued on terms requiring repayment not later than one year or, if issued by a local authority in the *United Kingdom*, five years from the date of issue;
- (c) a *warrant* which entitles the holder to subscribe for an *investment* within (a) or (b);
- (d) a *certificate representing certain securities or rights to or interests in investments* relating, in either case, to an *investment* within (a) or (b);
- (e) an *option* relating to:
- (i) an instrument in (a) or (b); or
- (ii) currency of the *United Kingdom* or of any other country or territory; or

- (iii) gold or silver;
 - (f) a *future* for the sale of:
 - (i) an instrument in (a) or (b); or
 - (ii) currency of the *United Kingdom* or of any other country or territory; or
 - (iii) gold or silver;
 - (g) a *contract for differences* by reference to fluctuations in:
 - (i) the value or price of any instrument within any of (a) to (f); or
 - (ii) currency of the *United Kingdom* or of any other country or territory; or
 - (iii) the rate of interest on loans in any such currency or any index of such rates;
 - (h) an *option* to acquire or dispose of an instrument within (e), (f) or (g).
- (2) those classes of *financial instruments* which are normally dealt in on the money market, such as treasury bills, certificates of deposit and commercial papers and excluding instruments of payment.

[Note: article 4(1)(19) (17) of MiFID and article 11 of the *MiFID Org Regulation*]

Part 2: Comes into force on 2 April 2018

The following amendment, which was made in the Occupational Pension Scheme Firm (Conduct of Business and Organisational Requirements) Instrument 2017, is delayed to come into force on 2 April 2018 (and not 3 January 2018).

- OPS firm*
- (a) (except in *IPRU(INV)*) a *firm* which:
 - (i) carries on *OPS activity*; and
 - (ii) is one or more of the following:
 - ...
 - (C) a *company* which is:

...

- (III) an administering authority subject to the Local Government Pension Scheme (Administration) Regulations 2008 or the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014;
or

...

Annex B

Amendments to the Senior Management Arrangements, Systems and Controls sourcebook (SYSC)

In this Annex, underlining indicates new text and striking through indicates deleted text.

19F Remuneration and performance management of sales staff

19F.1 MiFID remuneration incentives

...

Purpose

~~19F.1.3~~ G ...

19F.1.2

MiFID requirement on remuneration incentives

~~19F.1.4~~ R ...

19F.1.3

Remuneration policies and practices

~~19F.1.5~~ R ...

19F.1.4

~~19F.1.6~~ G ...

19F.1.5

...

Annex C

Amendments to the Training and Competence sourcebook (TC)

In this Annex, underlining indicates new text and striking through indicates deleted text.

4 Specified modified requirements

4.1 Specified requirements for MiFID investment firms and for third country investment firms

...

4.1.4 R Unless the context requires otherwise the *rules* in column 1 of the table are amended as set out in column 2:

...

~~4.1.3~~ G *Rules* in this section relate to the requirements in SYSC 5.1.5ABR.
4.1.5

~~4.1.4~~ G For relevant individuals of an *incoming EEA firm*, with an establishment maintained by that *firm* (or its *appointed representative*) in the *United Kingdom*, the matters covered by SYSC 5.1.5ABR are matters reserved for the *United Kingdom* as the *Host State regulator*.
4.1.6

...

Annex D

Amendments to the Fees manual (FEES)

In this Annex, underlining indicates new text and striking through indicates deleted text.

3 Application, Notification and Vetting Fees

3.1 Introduction

...

Purpose

...

- 3.1.6E G (1) Application fees for authorisation under regulation 7 of the *DRS Regulations*, and for operators of *trading venues* seeking verification of their compliance with Title V of *MiFID II* under regulation 8 of the *DRS Regulations* and for variation of an authorisation under regulation 12 of the *DRS Regulations* are set out in the table at *FEES 3.2.7R*.

...

...

3.2 Obligation to pay fees

...

Table of application, notification, vetting and other fees payable to the FCA

3.2.7 R	Part 1: Application, notification and vetting fees		
	(1) Fee payer	(2) Fee payable (£)	Due date
	...		
	(zw) An applicant for authorisation under regulation 7 of the <i>DRS Regulations</i> , or the operator of a <i>trading venue</i> seeking verification of their compliance with Title V of <i>MiFID II</i> under regulation 8 of the <i>DRS Regulations</i> or an	Either (1), (2), or (3) applies as set out below: (1) If the applicant is applying for permission to operate one <i>data reporting service</i> , 5,000. (2) If the applicant is applying for	On the date the application is made.

<p>applicant for variation of an authorisation under regulation 12 of the <i>DRS Regulations</i>.</p>	<p>permission to operate more than one <i>data reporting services</i>, 50% of the fee at (1) for each additional service plus the fee at (1).</p> <p>(3) If the applicant is applying for variation of an authorisation, 50% of the fee at (1) for each additional service.</p>	
<p>...</p>		
<p>(zy) (1) Subject to (2) and (3) below, any <i>person</i> applying to connect to the <i>market data processor system</i> to provide <i>markets data (other than transaction reports)</i> under <i>MiFID H</i> and <i>MiFIR</i>.</p> <p>(2) If a <i>person</i> has previously applied as stated in (zy)(1) above and has been connected then no further fee is payable for any further such applications in relation to reporting the same data.</p> <p>(3) If a <i>person</i> has previously applied as stated in (zy)(1) above and makes a further application in relation to the provision of different data then a separate fee is payable for such application.</p>	<p>(1) Unless (2) applies, 10,000.</p> <p>(2) Any <i>incoming data reporting services provider</i> authorised by another <i>EEA State</i> will pay 80% of the fee at (1).</p>	<p>On the date the application is made.</p>
<p>...</p>		

...

TP 15 Transitional Provisions for the MiFID II Order

15.1	Introduction	
15.1.1	G	<i>FEES</i> TP 15 deals with transitional arrangements for applicants applying for <i>permissions</i> as introduced by the MiFID II Order.
15.2	Interpretation	
15.2.1	R	The “MiFID II Order” is the Financial Services and Markets Act 2000 (Regulated Activities) (Amendment) Order 2017 (SI 2017/ xxxx 488).
15.2.2	G	The MiFID II Order makes amendments to the Financial Services and Markets Act 2000 (Regulated Activities) Order (SI 2001/544) to transpose parts of <i>MiFID II</i> . The MiFID II Order was brought into force on 1st April 2017, and enables the <i>FCA</i> to determine applications made under it.
...		

Annex E

Amendments to the Conduct of Business sourcebook (COBS)

In this Annex, underlining indicates new text and striking through indicates deleted text.

1 Application

...

1 Annex 1 Application (see COBS 1.1.2R)

Part 1: What?

Modifications to the general application of COBS according to activities

1.	Eligible counterparty business	
1.1R	R	The <i>COBS</i> provisions shown below do not apply to <i>eligible counterparty business</i> .
	COBS provision	Description
	...	
	COBS 6.1ZA.2.12R <u>6.1ZA.16R</u>	...
	COBS 6.1ZA.2.18R <u>6.1ZA.22R</u>	...
	...	

...

2 Conduct of business obligations

...

2.3A Inducements relating to MiFID, equivalent third country or optional exemption business

...

Fees, commissions or non-monetary benefits which are designed to enhance the quality of a service

...

2.3A.9 R ...

[**Note:** article 11(2) of the *MiFID Delegated Directive*]

[~~Note: further guidance on this is contained in the FCA's Finalised Guidance on 'Supervising retail investment advice: inducements and conflicts of interest' (FG14/1), available at: <https://www.fca.org.uk/publication/finalised-guidance/fg14-01.pdf>~~]

Disclosure of payments or benefits received from, or paid to, third parties

...

- 2.3A.13 R In implementing the requirements of *COBS* 2.3A.10R to *COBS* 2.3A.12R, a *firm* must take into account the costs and charges rules set out in article 24(4)(c) of *MiFID* and article 50 of the *MiFID Org Regulation* (see *COBS* ~~6.1ZA.2.7R~~ 6.1ZA.11R to ~~6.1ZA.2.9R~~ 6.1ZA.13R and ~~6.1ZA.2.10EU~~ 6.1ZA.14EU).

...

Acceptable minor non-monetary benefits

...

- 2.3A.20 G *COBS* 2.3A.8R sets out the conditions to be met if a fee, commission or non-monetary benefit is designed to enhance the quality of the service to a *client*. Those conditions are also likely to be relevant to *firms* considering whether a ~~fee, commission or~~ non-monetary benefit is capable of enhancing the quality of the service to a *client* for the purposes of the rule on acceptable minor non-monetary benefits (see *COBS* 2.3A.19R(2)).

[Note: ...]

...

3 Client categorisation

3.1 Application

...

Mixed business

- 3.1.4 R If a *firm* conducts business for a *client* involving both:
- (1) *MiFID* or equivalent third country business; and
 - (2) other regulated activities subject to this chapter;

it must categorise that *client* for such business in accordance with the provisions in this chapter that apply to *MiFID* or equivalent third country business, including those provisions applied to ~~equivalent third country business~~ the equivalent business of a third country investment firm as a result of *COBS* 3.1.2AR.

...

3.6 Eligible counterparties

...

Elective eligible counterparties

- 3.6.4 R A *firm* may treat a *client* as an *elective eligible counterparty* in relation to business other than *MiFID* or *equivalent third country business* if:
- (1) the *client* is an undertaking and:
 - (a) is a *per se professional client* (except for a *client* that is only a *per se professional client* because it is an institutional investor under *COBS* 3.5.2R(5)) and:
 - (i) ...
 - (ii) ...
 - (b) requests such categorisation; and
 - (2) the *firm* adheres to the procedure set out at *COBS* 3.6.4BEU.

~~[Note: article 24(3) and the second paragraph of article 24(4) of *MiFID* and article 50(1) of the *MiFID implementing Directive*]~~

- 3.6.4A EU R ~~Article 71(1) of the *MiFID Org Regulation* explains which sorts of *per se professional clients* may be treated as *elective eligible counterparties*.~~
- Provided that it adheres to the procedure set out at *COBS* 3.6.4BEU, a *firm* may treat a *client* as an *elective eligible counterparty* in relation to *MiFID* or *equivalent third country business* if the *client*:
- (1) is an undertaking;
 - (2) is a *per se professional client*, except for a *client* that is only a *per se professional client* because it is an institutional investor under *COBS* 3.5.2R(5); and
 - (3) requests such categorisation.

~~[Note: first paragraph of article 30(3) of *MiFID*]~~

~~71 (1) In addition to the categories which are explicitly set out in Article 30(2) of Directive 2014/65/EU, Member States may recognise as eligible counterparty, in accordance with Article 30(3) of that Directive, an undertaking falling within a category of clients who are to be considered professional clients in accordance with paragraphs 1, 2 and 3 of Section I of Annex II to that Directive.~~

...

- 3.6.4C R (1) ~~COBS 3.6.4AEU and COBS 3.6.4BEU apply in relation to equivalent third country business.~~
- (2) ~~COBS 3.6.4AEU and COBS 3.6.4BEU do not apply in relation to any other business that is not MiFID business. [deleted]~~

...

3.7 Providing clients with a higher level of protection

...

- 3.7.3B G ...
EU

...

6 Information about the firm, its services and remuneration

...

6.1ZA Information about the firm and compensation information (MiFID provisions)

~~6.1.ZA.1~~ Application

- ~~6.1ZA.1.1~~ R (1) ...

- (2) ~~COBS 6.1ZA.2.12R-6.1ZA.16R~~ does not apply to a firm in respect of its MiFID optional exemption business.

- ~~6.1ZA.1.2~~ G ...

Effect of provisions marked “EU” for third country investment firms and MiFID optional exemption firms

- ~~6.1ZA.1.3~~ R ...

- ~~6.1ZA.1.3A 4~~ G ...

~~6.1ZA.2~~ Information about a firm and its services

- ~~6.1ZA.2.1 5~~ EU 47(1) Investment firms shall provide clients or potential clients with the following general information, where relevant:

...

...

~~6.1ZA.2.2~~ 6 G Reference in *COBS* ~~6.1ZA.2.4~~ 6.1ZA.5 to “Article 25(6) of Directive 2014/65/EU” is to the requirements in *COBS* 16A.2.1R.

~~6.1ZA.2.3~~ 7 G A *firm* disclosing details of its authorisation should refer to the appropriate form of words set out in *GEN* 4 Annex 1R or *GEN* 4 Annex 1AR as appropriate.

Information about a firm’s portfolio management service

~~6.1ZA.2.4~~ 8 EU 47(2) When providing the service of portfolio management, investment firms shall establish an appropriate method of evaluation and comparison such as a meaningful benchmark, based on the investment objectives of the client and the types of financial instruments included in the client portfolio, so as to enable the client for whom the service is provided to assess the firm’s performance.

...

...

Information concerning safeguarding of financial instruments belonging to clients and client money

~~6.1ZA.2.5~~ 9 EU 49(1) Investment firms holding financial instruments or funds belonging to clients shall provide those clients or potential clients with the information specified in paragraphs 2 to 7 where relevant.

...

...

~~6.1ZA.2.6~~ 10 G *Firms* subject to either or both the *custody rules* and the *client money rules* are reminded of the information requirements concerning *custody assets* and *client money* in *CASS* 9.3 (Prime brokerage agreement disclosure annex) and *CASS* 9.4 (Information to clients concerning custody assets and client money).

Information about costs and associated charges

~~6.1ZA.2.7~~ 11 R *COBS* 2.2A.2R requires a *firm* to provide a *client* with information about all costs and related charges. That information must include:

...

~~6.1ZA.2.8~~ 12 R (1) A *firm* must aggregate the information about costs and charges required by *COBS* 2.2A.2R and *COBS* ~~6.1ZA.2.7~~ 6.1ZA.11R, where those costs and charges are not caused by the occurrence of underlying market risk. This is to allow the *client* to understand the overall cost, and the cumulative effect on the return, of the

investment.

- (2) A *firm* must provide the *client* with an itemised breakdown of the costs and charges information required by (1) and *COBS* ~~6.1ZA.2.7R~~ 6.1ZA.11R when requested by the *client*.

...

- 6.1ZA.2.9 13 R (1) A *firm* must provide the information required by *COBS* ~~6.1ZA.2.7R~~ 6.1ZA.11R and *COBS* ~~6.1ZA.2.8R~~ 6.1ZA.12R in a comprehensible form in such a manner that the *client* is reasonably able to understand the nature and risks of the *investment service* and of the specific type of *financial instrument* that is being offered and, consequently, to take investment decisions on an informed basis.

...

- 6.1ZA.2.10 14 EU 50 (1) For the purposes of providing information to clients on all costs and charges pursuant to Article 24(4) of Directive 2014/65/EU, investment firms shall comply with the detailed requirements in paragraphs 2 to 10.

Without prejudice to the obligations set out in Article 24(4) of Directive 2014/65/EU, investment firms providing investment services to professional clients shall have the right to agree to a limited application of the detailed requirements set out in this Article with these clients. Investment firms shall not be allowed to agree such limitations when the services of investment advice or portfolio management are provided or when, irrespective of the investment service provided, the financial instruments concerned embed a derivative.

Without prejudice to the obligations set out in Article 24(4) of Directive 2014/65/EU, investment firms providing investment services to eligible counterparties shall have the right to agree to a limited application of the detailed requirements set out in this Article, except when, irrespective of the investment service provided, the financial instruments concerned embed a derivative and the eligible counterparty intends to offer them to its clients.

...

...

- 6.1ZA.2.11 15 G The *rules* on inducements in *COBS* 2.3A may also require a *firm* to disclose information to a *client* in relation to the benefits provided to a *firm*.

Information about costs and charges of different services or products

- 6.1ZA.2- R (1) This *rule* applies to a *firm* that offers an *investment service* with
~~12~~ 16 another service or product or as part of a package or as a condition of the same agreement or package.

...

Timing of disclosure

- 6.1ZA.2- EU 46(2) Investment firms shall, in good time before the provision of
~~13~~ 17 investment services or ancillary services to clients or potential clients, to provide the information required under Articles 47 to 50.

[**Note:** article 46(2) of the *MiFID Org Regulation*]

- 6.1ZA.2- G The following provisions of *COBS* reproduce the information requirements
~~14~~ 18 contained in Articles 47 to 50 of the *MiFID Org Regulation*: *COBS* ~~6.1ZA.2.1EU~~ 6.1ZA.5EU, *COBS* ~~6.1ZA.2.4EU~~ 6.1ZA.8EU, *COBS* ~~6.1ZA.2.5EU~~ 6.1ZA.9EU, *COBS* ~~6.1ZA.2.10EU~~ 6.1ZA.14EU, and *COBS* 14.3A.5EU.

Medium of disclosure

- 6.1ZA.2- EU 46(3) The information referred to in paragraphs 1 and 2 shall be
~~15~~ 19 provided in a durable medium or by means of a website (where it does not constitute a durable medium) provided that the conditions specified in Article 3(2) are satisfied.

[**Note:** article 46(3) of the *MiFID Org Regulation*]

Keeping the client up to date

- 6.1ZA.2- EU 46(4) Investment firms shall notify a client in good time about any
~~16~~ 20 material change to the information provided under Articles 47 to 50 which is relevant to a service that the firm is providing to that client. That notification shall be given in a durable medium if the information to which it relates is given in a durable medium.

[**Note:** article 46(4) of the *MiFID Org Regulation*]

Existing clients

- 6.1ZA.2- G (1) A *firm* need not treat each of several transactions in respect of the
~~17~~ 21 same type of *financial instrument* as a new or different service and so does not need to comply with the disclosure *rules* in this chapter in relation to each transaction.

[**Note:** recital 69 to the *MiFID Org Regulation*]

...

Compensation information

- 6.1ZA.2- R (1) A *firm* must make available to a *client*, who has used or intends to
 18 22 use a *firm's* services, information necessary for the identification of the *compensation scheme* or any other investor-compensation scheme of which the *firm* is a member (including, if relevant, membership through a *branch*) or any alternative arrangement provided for in accordance with the *Investor Compensation Directive*.

...

Record keeping: information about the firm and compensation information

- 6.1ZA.2- G *Firms* are reminded of the general record-keeping requirements in SYSC 9.
 19 23

...

9 Suitability (including basic advice) (non-MiFID provisions)

...

9.6 Special rules for giving basic advice on a stakeholder product

...

Requirements on first contact

...

- 9.6.6A G A *firm* will meet the requirements in respect of its obligation to provide written disclosure in the *rules* on describing the breadth of advice (*COBS 6.2A.5R 6.2B.33R*) and content and wording of disclosure (*COBS 6.2A.6R*) by providing its *basic advice* initial disclosure information (in *COBS 9 Annex 1R*).

- 9.6.8 R If a *firm's* first contact with a *retail client* is not face to face, it must:

...

- (3) (unless the relevant product is a *deposit-based stakeholder product*) if the contact is by spoken interaction, provide the *client* with the disclosure required by the *rules* on additional oral disclosure for firms providing restricted advice (*COBS 6.2A.9R 6.2B.38R*).

...

**9 Annex Basic advice initial disclosure information
1R**

This Annex belongs to *COBS* 9.6.5R(1)

Information that comprises the following:	
...	
8.	any relevant disclosure required by the <i>rules</i> on describing the breadth of advice (<i>COBS</i> 6.2A.5R <u>6.2B.33R</u>) and content and wording of disclosure (<i>COBS</i> 6.2A.6R).
...	

...

9A Suitability (MiFID provisions)

...

9A.2 Assessing suitability: the obligations

...

Bundled packages

- 9A.2.16 R Where a *firm* provides a *personal recommendation* recommending a package of services or products bundled pursuant to *COBS* ~~6.1ZA.2.12R~~ 6.1ZA.16R, the *firm* must ensure that the overall bundled package is suitable for the *client*.

...

...

9A.3 Information to be provided to the client

...

Suitability reports

- 9A.3.2 R (1) ~~This rule applies in relation to investment advice given to a retail client. [deleted]~~
- (2) When providing *investment advice* to a *retail client*, a *firm* must, before the transaction is concluded, provide the *client* with a *suitability report* in a *durable medium* specifying the advice given and how that advice meets the preferences, objectives and other characteristics of the *client*.

...

...

9A.4 Record keeping and retention periods for suitability records

- 9A.4.1 G A *firm* to which SYSC 9 applies is required to keep orderly records of ~~is its~~ business and internal organisation (see SYSC 9, General rules on ~~recording-keeping~~ record-keeping). The records may be expected to reflect the different effect of the requirements in this chapter depending on whether the *client* is a *retail client* or a *professional client*; for example, in respect of information about the *client* which the *firm* must obtain and whether the *firm* is required to provide a *suitability report*.

...

10A Appropriateness (for non-advised services) (MiFID provisions)

...

10A.2 Assessing appropriateness: the obligations

...

Bundled packages

- 10A.2.2 R Where a bundle of services or products is envisaged pursuant to COBS ~~6.1ZA.2.12R~~ 6.1ZA.16R, the assessment made pursuant to COBS 10A.2.1R must consider whether the overall bundled package is appropriate.

[Note: article 25(3) of *MiFID*]

...

No duty to communicate firm's assessment of knowledge and experience

- 10A.2.10 G If a *firm* is satisfied that the *client* has the necessary experience and knowledge to understand the risks involved in relation to the product or service, there is no duty to communicate this to the *client*. If the *firm* does so, it must not do so in a way that amounts to making a *personal recommendation* unless it complies with the *rules* in COBS 9A (MiFID provisions)).

...

10A.6 When a firm need not assess appropriateness

- 10A.6.1 G A *firm* need not assess appropriateness if it is receiving or transmitting an order in relation to which it has assessed suitability under COBS 9A (Suitability (MiFID provisions, ~~equivalent third country and optional exemption business~~)).

...

11 Dealing and managing

...

11.2 Best execution for AIFMs and residual CIS operators

...

Obligation to execute orders on terms most favourable to the client

11.2.1 R ...

[**Note:** The Committee of European Securities Regulators (CESR) has issued a Question and Answer paper on best execution under ~~MiFID~~ the first Markets in Financial Instruments Directive (MiFID I, 2004/39/EU). This paper also incorporates the European Commission's response to CESR's questions regarding the scope of the best execution obligations under ~~MiFID~~ MiFID I. The paper can be found at: https://www.esma.europa.eu/sites/default/files/library/2015/11/07_320.pdf]

...

11.2A Best execution – MiFID provisions

11.2A.1 R (1) Subject to (2) ~~and (3)~~ to (4), the following provisions apply to a *firm's* business other than *MiFID business* as if they were rules:

...

...

(3) This chapter does not apply (but COBS 11.2B applies) to *UCITS management companies*, when carrying on scheme management activity ~~which are subject to COBS 11.2B~~.

(4) This chapter does not apply (but COBS 11.2 applies) to *AIFMs* when carrying on AIFM investment management functions and *residual CIS operators*, ~~which are subject to COBS 11.2~~.

...

Duty of portfolio managers, receivers and transmitters to act in client's best interest

11.2A.34 Ⓔ ...
EU

...

11.7A Personal account dealing relating to MiFID, equivalent third country or optional exemption business

Application

...

11.7A.2 R ...

- (2) In this chapter, provisions marked “EU” which derive from recitals to *MiFID* or the *MiFID Org Regulation* apply to a *firm* in relation to ~~its equivalent third country~~ its business which is the *equivalent business of a third country investment firm* or *optional exemption business MiFID optional exemption business* as guidance.

...

Scope of personal transactions

11.7A.4 EU Article 28 of the *MiFID Org Regulation* sets out the scope of personal transactions.

28 For the purposes of ~~the~~ Article 29 and Article 37, a personal transaction shall be a trade in a financial instrument effected by or on behalf of a relevant person, where at least one of the following criteria are met:

...

11.7A.5 EU Article 29 of the *MiFID Org Regulation* sets out detailed provision concerning personal transactions.

- 29 (1) Investment firms shall ensure that relevant persons do establish, implement and maintain adequate arrangements aimed at preventing the activities set out in paragraphs 2, ~~and 3~~ and 4 in the case of any relevant person who is involved in activities that may give rise to a conflict of interest, or who has access to inside information within the meaning of Article 7(1) of Regulation (EU) No 596/2014 or to other confidential information relating to clients or transactions with of for clients by virtue of an activity carried out by him on behalf of the firm.
- (2) Investment firms shall ensure that relevant persons do not enter into a personal transaction which meets at least one of the following criteria:
- (a) that person is prohibited from entering into it under Regulation (EU) No 596/2014;
 - (b) it involves the misuse or improper disclosure of that confidential information;
 - (c) it conflicts or is likely to conflict with an obligation of the investment firm under Directive 2014/65/EU.

- (3) Investment firms shall ensure that relevant persons do not advise or recommend, other than in the proper course of employment or contract for services, any other person to enter into a transaction in financial instruments which, if it were a personal transaction of the relevant person, would be ~~cover~~ covered by ~~point (a) paragraph 2~~ or Article 37(2)(a) or (b) or Article 67(3);
- (4) Without prejudice to Article 10 (1) of Regulation (EU) No 596/2014, investment firms shall ensure that relevant persons do not disclose, other than in the normal course of his employment or contract for services, any information or opinion to any other person where the relevant person knows, or reasonably ought to know, that as a result of that disclosure that other person will or would be likely to take either of the following steps:
- (a) to enter into a transaction in financial instruments which, if it were a personal transaction of the relevant person, would be covered by ~~point (a) paragraphs 2 or 3~~ or Article 37(2)(a) or (b) or Article 67(3);
 - (b) to advise or procure another person to enter into such a transaction.
- (5) The arrangements required under paragraph 1 shall be designed to ensure that:
- (a) each relevant person covered by paragraphs 1, 2, 3 and 4 is aware of the restrictions on personal transactions, and of the measures established by the investment ~~firms~~ firm in connection with personal transactions and disclosure, in accordance with paragraphs 1, 2, 3 and 4;
 - (b) the firm is informed promptly of any personal transaction entered into by a relevant ~~persons~~ person, either by notification of that transaction or by other procedures enabling the firm to identify such transactions;
 - (c) a record is kept of the personal transaction notified to the firm of identified by it, including any authorisation or prohibition in connection with such a transaction.
- (6) ...

...

11A Underwriting and placing**11A.1 Underwriting and placing**

General requirements concerning underwriting and placing

...

- 11A.1.2 EU Article 38(1) of the *MiFID Org Regulation* sets out requirements for *firms* to provide specified information to issuer *clients* before accepting a mandate to manage an offering.

38 (1) Investment firms which provide advice on corporate finance strategy, as set out in Section B(3) of Annex I, and provide the service of underwriting or placing of financial instruments, shall, before accepting a mandate to manage the offering, have arrangements in place to inform the issuer client of the following:

...

- (e) the job titles and departments of the relevant ~~persons~~ individuals involved in the provision of corporate finance advice on the price and allotment of financial instruments; and

...

...

- 11A.1.6 EU Article 40 of the *MiFID Org Regulation* sets out additional requirements in relation to placing.

40 ...

- (3) Investment firms shall not accept any third-party payments or benefits unless such payments or benefits comply with the inducements requirements laid down in Article 24 ~~of~~ of Directive 2014/65/EU. In particular, the following practices shall be considered not compliant with those requirements and shall therefore be considered not acceptable:

...

...

- 11A.1.7 EU Article 41 of the ~~MiFID Org Regulation~~ *MiFID Org Regulation* sets out additional requirements in relation to advice, distribution and self-placement.

41 ...

(4) Investment firms ~~engaging in the offering of~~ which offer financial instruments issued that are by themselves or other group entities to their clients and ~~those instruments are that are~~ included in the calculation of prudential requirements specified in Regulation (EU) No 575/2013 of the European Parliament and of the Council¹, Directive 2013/36/EU of the European Parliament and of the Council² or Directive 2014/59/EU of the European Parliament and of the Council³, shall provide ~~such~~ those clients with additional information explaining the differences between the financial instrument and bank deposits in terms of yield, risk, liquidity and any protection provided in accordance with Directive 2014/49/EU of the European Parliament and of the Council.

...

11A.1.8 EU Article 42 of the ~~MiFID Org Regulation~~ MiFID Org Regulation sets out additional requirements in relation to lending on provision of credit in the context of underwriting or placement.

~~41~~ ...
42

11A.1.9 ~~R~~ ...
EU

...

14 Providing product information to clients

...

14.3A Information about financial instruments (MiFID provisions)

...

Timing of disclosure

...

14.3A.8 G The provisions in *COBS* that reproduce the information requirements contained in articles 47 to 50 of the *MiFID Org Regulation* are: *COBS* ~~6.1ZA.2.1EU~~ 6.1ZA.5EU, *COBS* ~~6.1ZA.2.4EU~~ 6.1ZA.8EU, *COBS* ~~6.1ZA.2.5EU~~ 6.1ZA.9EU, *COBS* ~~6.1ZA.2.10EU~~ 6.1ZA.14EU and *COBS* 14.3A.5EU.

...

16 Reporting information to clients (non-MiFID provisions)

16.1 Application

...

16.1.2 R ~~This chapter~~ COBS 16.2 to COBS 16.4 ~~applies~~ apply in relation to *designated investment business* other than *MiFID*, *equivalent third country* or *optional exemption business*.

...

**16
Annex
1R** **Trade confirmation and periodic information**

This annex forms part of *COBS 16.2.1R*

		(1) Trade confirmation information	(2) Periodic information (where trade confirmation information is not provided on a transaction by transaction basis, to be provided for each transaction carried out during the reporting period)
General			
...			
20	the customer/client identification (Note 10)	Y	Y
[Note: article 40(4) and recital 64 to the MiFID implementing Directive]			
...			
Note 10	This is the identity of the <i>client</i> or customer on whose benefit the <i>firm</i> is acting.		
[Note: article 40(5) of the MiFID implementing Directive]			

...

18 Specialist Regimes

...

18.3 Corporate finance business

...

Corporate finance business - non-MiFID business

18.3.3 R Only the provisions of *COBS* in the table apply to *corporate finance business* carried on by a firm which is not ~~*MiFID or equivalent third country business*~~ *MiFID or equivalent third country business* or *MiFID optional exemption business*.

...

...

Sch 1 Record keeping requirements

...

Sch 1.3G

Handbook reference	Subject of record	Contents of record	When record must be made	Retention period
...				
<i>COBS 2.3A.19R (f)(iv)</i> <u><i>2.3A.19R (5)(f)(iv)</i></u>	Trial periods of research received in accordance with <i>COBS 2.3A.19(f)</i> <u><i>2.3A.19R (5)(f)</i></u> .	Dates of any trial periods, and sufficient records to demonstrate compliance with the conditions in <i>COBS 2.3A.19(f)(i) to (iii)</i> <u><i>2.3A.19R(5)(f)(i) to (iii)</i></u> .	When the trial period is received	
...				

Annex F

Amendments to the Client Assets sourcebook (CASS)

In this Annex underlining indicates new text and striking through indicates deleted text.

7 Client money rules

...

7.10 Application and purpose

...

Credit institutions and approved banks

...

7.10.23 G *Firms* carrying on *MiFID business* are reminded of their obligation to supply investor compensation scheme information to *clients* under *COBS* 6.1.16R or *COBS* ~~6.1ZA.2.18R~~ 6.1ZA.22R (Compensation Information).

...

9 Information to clients

...

9.4 Information to clients concerning custody assets and client money

...

9.4.2A R (1) *Firms* to which *COBS* 6.1ZA applies are reminded of the requirements under article 49 of the *MiFID Org Regulation* (which are directly applicable to some *firms* and which are also applied to *firms* in other circumstances under *COBS* ~~6.1ZA.1.3R~~ 6.1ZA.3R) to provide certain information to a *client* when the *firm* is holding the *client's financial instruments* or funds (see *COBS* ~~6.1ZA.2.5EU~~ 6.1ZA.9EU).

...

Annex G

Amendments to the Market Conduct sourcebook (MAR)

In this Annex underlining indicates new text and striking through indicates deleted text.

5 **Multilateral trading facilities (MTFs)**

...

5.3A **Systems and controls for algorithmic trading**

...

Fees structures

...

5.3A.12 G Nothing in *MAR* 5.3A.11R prevents a *firm*:

...

(3) imposing a higher fee:

...

(c) on a *person* operating a ~~high-frequency~~ high-frequency
algorithmic trading technique ~~technique~~,

in order to reflect the additional burden on system capacity.

[**Note:** article 48(9) of *MiFID*]

Flagging orders, tick sizes and clock synchronisation

...

5.3A.14 R A *firm* must adopt tick size regimes in:

(1) shares, ~~depository receipts~~ depository receipts, *exchange-traded funds, certificates* and other similar *financial instruments* traded on the *MTF*; and

(2) ...

...

...

5.7 **Pre- and post-trade transparency requirements for equity and non-equity instruments: form of waiver and deferral**

- 5.7.1 R (1) ~~Unless (2),(3) or (4) applies, in respect of shares *admitted to trading on a regulated market*, a firm operating an *MTF* must make public, on reasonable commercial terms and on a continuous basis during *normal trading hours*:~~
- ~~(a) the current bid and offer prices which are advertised through its systems; and~~
 - ~~(b) the depth of trading interests at those prices.~~

[~~Note: Article 29(1) of *MiFID*~~]

- (2) ~~Paragraph (1) does not apply to systems operated by an *MTF* to the extent that those systems satisfy one of the criteria in (a) or (b), subject to (c):~~
- ~~(a) they must be based on a trading methodology by which the price is determined in accordance with a reference price generated by another system, where that reference price is widely published and is regarded generally by market participants as a reliable reference price;~~
 - ~~(b) they formalise negotiated transactions, each of which meets one of the criteria in (i) and (ii), subject to the provisions in (iii) and (iv):~~
 - ~~(i) it is made at or within the current volume weighted spread reflected on the order book or the quotes of the market makers of the *MTF* operating that system or, where the share is not traded continuously, within a percentage of a suitable reference price, being a percentage and a reference price set in advance by the system operator;~~
 - ~~(ii) it is subject to conditions other than the current market price of the share.~~
 - ~~(iii) For the purposes of (b), the other conditions specified in the rules of the *MTF* for a transaction of this kind must also have been fulfilled.~~
 - ~~(iv) Negotiated transaction has the meaning given in Article 19 of the *MiFID Regulation*.~~

[~~Note: Article 19 of the *MiFID Regulation* is reproduced in *MAR 5.7.9 EU*.~~]

- ~~(c) In the case of systems having functionality other than as described in (a) or (b), the disapplication does not apply to that other functionality.~~

(3) ~~Paragraph (1) does not apply in relation to orders held in an order management facility maintained by the MTF pending their being disclosed to the market.~~

(4) (a) ~~Paragraph (1) does not apply in relation to orders that are large in scale compared to normal market size for the share or type of share in question.~~

(b) ~~An order will be considered to be large in scale if it meets the criteria set out in Article 20 of the MiFID Regulation.~~

[~~Note: Article 20 of the MiFID Regulation is reproduced in MAR 5.7.10 EU.~~] [deleted]

...

5A Organised trading facilities (OTFs)

...

5A.3 Specific requirements for OTFs

...

Other MiFID obligations

5A.3.9 R ...

[~~Note: article 20(8) of MiFID. The above MiFID provisions are transposed as follows in the FCA Handbook:~~

(1) ...

(2) ~~COBS 2.1.1, COBS 4.2.1, COBS 4.3.1, COBS 2.2A.2, COBS 2.2A.3, COBS 2.3A.5, SYSC 19F.1.3~~ 19F.1.2 and ~~COBS 6.1ZA.2.12~~ 6.1ZA.16;

(3) ...

(4) ...; and

....]

...

5A.4 Trading process requirements

Rules, procedures and arrangements

5A.4.1 R A *firm* must have:

...

(2) objective criteria for the efficient execution of orders ~~which are established and implemented in non-discretionary rules;~~

[Note: article 18(1) of *MiFID*]

...

...

5A.5 Systems and controls for algorithmic trading

...

Fee structures

...

5A.5.12 G Nothing in *MAR* 5A.5.11R prevents a *firm*:

...

(3) imposing a higher fee:

...

(c) on a *person* operating a ~~high-frequency~~ *high-frequency algorithmic trading technique*,
~~technique~~ *technique*,

in order to reflect the additional burden on system capacity.

[Note: article 48(9) of *MiFID*]

...

7A Algorithmic trading

...

7A.3 Requirements for algorithmic trading

...

Record keeping

7A.3.8 R A *firm* must:

...

(2) (where it engages in a ~~high-frequency~~ *high-frequency algorithmic trading technique*) store, in the approved form, accurate and time-sequenced records of all its placed orders, including:

...

...

...

9 Data reporting service

...

9.3 Notification and information

...

Ad hoc notifications to the FCA

...

- 9.3.11 G Information to be provided in *MAR 9 Annex 9D* includes information relating to ~~planned significant changes to a data reporting services provider's IT system~~, breaches in physical and electronic security measures and service interruptions or connection disruptions.

...

9 Annex 3D Variation of Authorisation of a Data Reporting Services Provider (DRSP)

~~[Editor's note: To follow]~~ The form can be found at this address:
<https://www.fca.org.uk/publication/forms/drsp-variation-authorisation-form.doc>

9 Annex 4D Cancellation of Authorisation of a Data Reporting Services Provider (DRSP)

~~[Editor's note: To follow]~~ The form can be found at this address:
<https://www.fca.org.uk/publication/forms/drsp-cancellation-form.doc>

9 Annex 5D Material Change in information for a Data Reporting Services Provider (DRSP)

~~[Editor's note: To follow]~~ The form can be found at this address:
<https://www.fca.org.uk/publication/forms/drsp-material-change-notification.doc>

9 Annex 6D Notification form for changes to the membership of the management body

~~[Editor's note: To follow]~~ The form can be found at this address:
<https://www.fca.org.uk/publication/forms/drsp-changes-to-management-body-members.doc>

...

9 Annex 8D Yearly Notification Form for a Data Reporting Service Provider (DRSP)

~~[Editor's note: To follow]~~ The form can be found at this address:

<https://www.fca.org.uk/publication/forms/drsp-annual-notification.doc>

**9 Annex Data Reporting Services Provider (DRSP) Ad hoc notification
9D**

~~[Editor's note: To follow]~~ The form can be found at this address:
<https://www.fca.org.uk/publication/forms/drsp-ad-hoc-change-notification.doc>

...

Annex H

Amendments to the Supervision manual (SUP)

In this Annex, underlining indicates new text and striking through indicates deleted text.

6 Applications to vary and cancel Part 4A permission to impose, vary or cancel requirements

...

6.4 Applications for cancellation of permission

...

When will the relevant regulator grant an application for cancellation of permission?

...

- 6.4.22 G In deciding whether to cancel a *firm's Part 4A permission*, the relevant regulator will take into account all relevant factors in relation to business carried on under that *permission*, including whether:

...

- (3) the *firm* has ceased to hold or control *custody assets* in accordance with instructions received from *clients* and COBS 6.1.7R or article 49 of the *MiFID Org Regulation* (see ~~COBS 6.1ZA.2.5EU~~ 6.1ZA.9EU);

...

...

6 Annex 4G Additional guidance for a firm winding down (running off) its business

...

4.2AG

1	<p>A <i>firm</i> must comply with CASS 5.5.80R and CASS 7.11.34R (Client money: discharge of fiduciary duty) and CASS 7.11.50R (Allocated but unclaimed client money) if it is ceasing to hold <i>client money</i>. A <i>firm</i> must also cease to hold or control <i>custody assets</i> in accordance with instructions received from <i>clients</i> and COBS 6.1.7R or article 49 of the <i>MiFID Org Regulation</i> (see COBS 6.1ZA.2.5EU <u>6.1ZA.9EU</u>) (Information concerning safeguarding of designated investments belonging to clients and client money). Those <i>rules</i> apply to both repayment and transfer to a third party.</p>
---	--

...

16 Reporting requirements

...

16 Notes for Completion of the Retail Mediation Activities Return ('RMAR')

Annex
18B

...

Section G: guide for completion of individual fields

...

Retail Investment Advice

23	Which types of retail investment advice were provided by the <i>firm</i> in the reporting period?	<p>Independent</p> <p>For a <i>retail investment firm</i> to provide <i>independent advice</i> its <i>personal recommendations</i> must be based on a comprehensive and fair analysis of the relevant market, and be unbiased and unrestricted (COBS 6.2A.3R) <u>it must assess a sufficient range of relevant products available on the market which must (1) be sufficiently diverse with regard to their type and issuers or product providers, to ensure that the <i>client's</i> investment objectives can be suitably met; and (2) not be limited to relevant products issued or provided by: (a) the <i>firm</i> itself or by entities having close links with the <i>firm</i>; or (b) other entities with which the <i>firm</i> has such close legal or economic relationships, including contractual relationships, as to present a risk of impairing the independent basis of the advice provided (COBS 6.2B.11R).</u></p> <p>Restricted</p> <p>A <i>retail investment firm</i> provides <i>restricted advice</i> if:</p> <p>(a) it makes <i>personal recommendations</i> to <i>retail clients</i> in relation to <i>retail investment products</i> which are not <i>independent advice</i>; or</p> <p>(b) it provides <i>basic advice</i>.</p>
----	---	---

...

Annex I

Amendments to the Recognised Investment Exchanges sourcebook (REC)

In this Annex underlining indicates new text and striking through indicates deleted text.

2 Recognition requirements

...

2.5 Systems and controls, algorithmic trading and conflicts

2.5.1 UK Schedule to the Recognition Requirements Regulations, paragraphs 3 – 3H

...		
Paragraph 3G – Tick size regimes		
(1)	...	
	(a)	...
	[Note: <i>MiFID RTS 11</i> contains requirements on the tick size regime for shares, depositary receipts, exchange traded funds and certificates <u>shares, depositary receipts, exchange traded funds and certificates</u>]	
	...	
...		

...

2.6 General safeguards for investors, suspension and removal of financial instruments from trading and order execution on regulated markets

...

2.6.7 EU [**Note:** article 3 of *MiFIR* covers pre-trade transparency requirements for *trading venues* in respect of shares, ~~depositary receipts~~ depositary receipts, *ETFs, certificates* and other similar *financial instruments*, and article 8 of *MiFIR* imposes similar requirements in respect of bonds, *structured finance products, emission allowances* and derivatives]

2.6.8 EU [**Note:** *MiFID RTS 1* on transparency requirements for trading venues in respect of shares, ~~depositary receipts~~ depositary receipts, *exchange traded funds, certificates* and other similar *financial instruments* and the obligation for *investment firms* to execute transactions in certain *shares* on a *trading venue* or a *systematic internaliser*]

...

- 2.6.15 EU [Note: article 6 of *MiFIR* now covers post-trade transparency requirements for *trading venues* in respect of shares, ~~*depository receipts*~~ *depository receipts*, *ETFs*, *certificates* and other similar *financial instruments* and article 10 of *MiFIR* imposes similar requirements in respect of bonds, *structured finance products*, *emission allowances* and *derivatives*]

...

Orderly markets

...

- 2.6.29 G In determining whether a *UK RIE* is ensuring that business conducted by means of its *facilities* is conducted in an orderly manner (and so as to afford proper protection to investors), the *FCA* may have regard to whether the *UK RIE's* arrangements and practices:

...

- (2) demonstrate that the *UK RIE* is able to satisfy:

...

- (c) (for all *financial instruments* referred to in *REC* 2.6.29G(2)(a) or *REC* ~~2.6.29G(b)~~ 2.6.29(2)(b) traded on its *trading venue*) the obligation to make pre-trade and post-trade data available separately and on a reasonable commercial basis in accordance with articles 12 and 13 of *MiFIR*, and *MiFID RTS 14* on the specification of the offering of pre-trade data and post-trade data and the level of disaggregation.

...

...

3 Notification rules for UK recognised bodies

...

3.14 Products, services and normal hours of operation

...

Products and services

...

- 3.14.2A R ...

[Note: articles 32(2) and 52(2), paragraph 1 of *MiFID*. ~~REC 2.6.6A(3)~~ 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 Suspension of services and inability to operate facilities

...

Suspension of services

...

3.15.2A R ...

[Note: articles 32(2) and 52(2), paragraph 1 of *MiFID*. ~~REC 2.6.6A(3)~~ 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*.]

...

3.18 Membership

3.18.1 G ...

[Note: ~~REC 2.5.1R(4)(d)~~ Paragraph 3A of the Schedule to the Recognition Requirements Regulations (REC 2.5.1UK) requires a *UK RIE* to inform the *FCA* about the content of a written agreement entered into with a member investment firm pursuing a *market making strategy* on a *trading venue* operated by the *UK RIE*]

...