



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART XVIII

RECOGNISED INVESTMENT EXCHANGES AND CLEARING HOUSES

CHAPTER I

EXEMPTION

General

285 Exemption for recognised investment exchanges and clearing houses.

- (1) In this Act—
 - (a) “recognised investment exchange” means an investment exchange in relation to which a recognition order is in force; and
 - (b) “recognised clearing house” means a clearing house in relation to which a recognition order is in force.
- (2) A recognised investment exchange is exempt from the general prohibition as respects any regulated activity—
 - (a) which is carried on as a part of the exchange’s business as an investment exchange; or
 - (b) which is carried on for the purposes of, or in connection with, the provision of clearing services by the exchange.
- (3) A recognised clearing house is exempt from the general prohibition as respects any regulated activity which is carried on for the purposes of, or in connection with, the provision of clearing services by the clearing house.

Status: Point in time view as at 06/12/2006.

Changes to legislation: Financial Services and Markets Act 2000, Cross Heading: General is up to date with all changes known to be in force on or before 23 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

286 Qualification for recognition.

- (1) The Treasury may make regulations setting out the requirements—
- (a) which must be satisfied by an investment exchange or clearing house if it is to qualify as a body in respect of which the Authority may make a recognition order under this Part; and
 - (b) which, if a recognition order is made, it must continue to satisfy if it is to remain a recognised body.
- (2) But if regulations contain provision as to the default rules of an investment exchange or clearing house, or as to proceedings taken under such rules by such a body, they require the approval of the Secretary of State.
- (3) “Default rules” means rules of an investment exchange or clearing house which provide for the taking of action in the event of a person’s appearing to be unable, or likely to become unable, to meet his obligations in respect of one or more market contracts connected with the exchange or clearing house.
- (4) “Market contract” means—
- (a) a contract to which Part VII of the ^{M1}Companies Act 1989 applies as a result of section 155 of that Act or a contract to which Part V of the ^{M2}Companies (No. 2)(Northern Ireland) Order 1990 applies as a result of Article 80 of that Order; and
 - (b) such other kind of contract as may be prescribed.
- [^{F1}(4A) If regulations under subsection (1) require an investment exchange to make information available to the public in accordance with—
- (a) Article 29.1 of the markets in financial instruments directive and the Commission Regulation, or
 - (b) Article 44.1 of that directive and that Regulation,
- the regulations may authorise the Authority to waive the requirement in the circumstances specified in the relevant provisions.
- (4B) The “relevant provisions” for the purposes of subsection (4A) are—
- (a) in a case falling within paragraph (a) of that subsection, Article 29.2 of the markets in financial instruments directive and the Commission Regulation, and
 - (b) in a case falling within paragraph (b) of that subsection, Article 44.2 of that directive and that Regulation.
- (4C) If regulations under subsection (1) require an investment exchange to make information available to the public in accordance with—
- (a) Article 30.1 of the markets in financial instruments directive and the Commission Regulation, or
 - (b) Article 45.1 of that directive and that Regulation,
- the regulations may authorise the Authority to defer the requirement in the circumstances specified, and subject to the requirements contained, in the relevant provisions.
- (4D) The “relevant provisions” for the purposes of subsection (4C) are—
- (a) in a case falling within paragraph (a) of that subsection, Article 30.2 of the markets in financial instruments directive and the Commission Regulation, and

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- (b) in a case falling within paragraph (b) of that subsection, Article 45.2 of that directive and that Regulation.
- (4E) "The Commission Regulation" means Commission Regulation 1287/2006 of 10 August 2006.]
- (5) Requirements resulting from this section are referred to in this Part as "recognition requirements".

Textual Amendments

- F1** S. 286(4A)-(4E) inserted (6.12.2006) by The Financial Services and Markets Act 2000 (Markets in Financial Instruments) (Modification of Powers) Regulations 2006 (S.I. 2006/2975), **reg. 8**
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Marginal Citations

- M1** 1989 c. 40.
M2 S.I. 1990/1504 (N.I. 10).

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