
Status: This version of this provision is prospective.

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Financial Services and Markets Act 2000 (Over the Counter Derivatives, Central Counterparties and Trade Repositories) (No. 2) Regulations 2013. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

STATUTORY INSTRUMENTS

2013 No. 1908

The Financial Services and Markets Act 2000 (Over the Counter Derivatives, Central Counterparties and Trade Repositories) (No. 2) Regulations 2013

PROSPECTIVE

Amendments to the Recognition Requirements Regulations

3.—(1) The Recognition Requirements Regulations are amended as follows.

(2) In regulation 3(1) (interpretation), in the definition of “defaulter” and “default”, for “section 188(2)” substitute “sections 188(2) and (2A)”.

(3) In Part 3 of the Schedule, after paragraph 23 (complaints), insert—

“Recovery Plans

23A. The clearing house must maintain a plan that sets out the steps that it will take in order to maintain the continuity of its exempt activities in the event that such continuity is threatened.”.

(4) In Part 5 of the Schedule, after paragraph 29 (requirements of the EMIR regulation), insert—

“Loss allocation

29A. The central counterparty must maintain effective arrangements (which may include rules) for ensuring that losses that—

- (a) arise otherwise than as a result of clearing member default; and
- (b) threaten the central counterparty’s solvency;

are allocated with a view to ensuring that the central counterparty can continue to provide the services and carry on the activities specified in its recognition order.

Recovery plans

29B. The central counterparty must maintain a plan that sets out the steps that it will take in order to maintain the continuity of the services that it provides and the activities that it carries on that are specified in its recognition order in the event that such continuity is threatened.”.

(5) In Part 6 of the Schedule, after paragraph 35 (liquidation of accounts), insert—

“Loss allocation

36. The default rules must contain provision ensuring that losses that—

- (a) arise as a result of clearing member default;

Status: This version of this provision is prospective.

Changes to legislation: There are outstanding changes not yet made by the [legislation.gov.uk](https://www.legislation.gov.uk) editorial team to The Financial Services and Markets Act 2000 (Over the Counter Derivatives, Central Counterparties and Trade Repositories) (No. 2) Regulations 2013. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

(b) remain after the resources to which the central counterparty has access pursuant to Article 45 of the EMIR Level 1 Regulation have been exhausted; and

(c) threaten the central counterparty's solvency;

are allocated with a view to ensuring that the central counterparty can continue to provide the services and carry on the activities specified in its recognition order.”

Commencement Information

I1 Reg. 3 in force at 1.2.2014 for specified purposes, see [reg. 1\(3\)\(a\)](#)

I2 Reg. 3 in force at 1.5.2014 for specified purposes, see [reg. 1\(3\)\(b\)](#)

Status:

This version of this provision is prospective.

Changes to legislation:

There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Financial Services and Markets Act 2000 (Over the Counter Derivatives, Central Counterparties and Trade Repositories) (No. 2) Regulations 2013. Any changes that have already been made by the team appear in the content and are referenced with annotations.

[View outstanding changes](#)

Changes and effects yet to be applied to :

- Regulations power to modify conferred by [2023 c. 29 s. 3 Sch. 1 Pt. 2](#)
- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)
- reg. 3 coming into force by [S.I. 2013/1908 reg. 1\(3\)\(a\)](#)
- reg. 3 coming into force by [S.I. 2013/1908 reg. 1\(3\)\(b\)](#)