

**MARKETS IN FINANCIAL INSTRUMENTS (SYSTEMATIC INTERNALISERS,  
MULTILATERAL TRADING FACILITIES AND EQUITY TRANSPARENCY)  
INSTRUMENT 2025**

**Powers exercised**

- A. The Financial Conduct Authority (“the FCA”) makes this instrument in the exercise of the powers and related provisions in or under:
- (1) Article 4 of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012; and
  - (2) 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); and
    - (d) section 300H (Rules relating to investment exchanges and data reporting service providers);
  - (3) regulation 11 of the Financial Services and Markets Act 2000 (Recognition Requirements for Investment Exchanges, Clearing Houses and Central Securities Depositories) Regulations 2001 (SI 2001/995); and
  - (4) the other rule and guidance making powers listed in Schedule 4 (Powers exercised) to the General Provisions of the FCA’s Handbook.
- B. The rule-making powers listed above are specified for the purposes of section 138G(2) (Rule-making instruments) of the Act.

**Commencement**

- C. Annex B comes into force on 28 November 2025.
- D. Parts 1 and 3 of Annex A, Parts 2 and 4 of Annex C and Annex D of this instrument come into force on 1 December 2025.
- E. Parts 2 and 4 of Annex A, Parts 1, 3 and 5 of Annex C and Annex E of this instrument come into force on 30 March 2026.

**Interpretation**

- F. In this instrument, any reference to any provision of assimilated direct legislation is a reference to it as it forms part of assimilated law.

## Amendments to the Handbook

- G. The modules of the FCA’s 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
Market Conduct sourcebook (MAR)	Annex C
Supervision manual (SUP)	Annex D
Recognised Investment Exchanges sourcebook (REC)	Annex E

## Notes

- H. In the Annexes to this instrument, the notes (indicated by “**Note:**” or “*Editor’s note:*”) are included for the convenience of readers, but do not form part of the legislative text.

## Citation

- I. This instrument may be cited as the Markets in Financial Instruments (Systematic Internalisers, Multilateral Trading Facilities and Equity Transparency) Instrument 2025.

By order of the Board  
27 November 2025

## Annex A

### Amendments to the Glossary of definitions

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

[*Editor's note:* This Annex takes into account the changes introduced by the Markets in Financial Instruments (Non-Equity Transparency Rules) Instrument 2024 (FCA 2024/38), which come into force on 1 December 2025.]

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

#### Part 1: Comes into force on 1 December 2025

*equity*                      a *systematic internaliser* trading in *equity transparency instruments*.  
*systematic*  
*internaliser*

*equity*                      a share, depositary receipt, *ETF*, certificate or other similar *financial*  
*transparency*              *instrument* traded on a *trading venue*.  
*instrument*

#### Part 2: Comes into force on 30 March 2026

*benchmark*              a transaction executed by reference to:  
*trade*

(a)      a price calculated over multiple time instances according to a given benchmark, including transactions executed by reference to a volume-weighted average price or a time-weighted average price; or

(b)      the market closing price.

*relevant area*              the *United Kingdom* and such other countries or regions as have been specified by the *FCA* by direction for the purposes of Article 5 or Article 14 of *MiFIR*, as the context requires.

Amend the following definitions as shown.

#### Part 3: Comes into force on 1 December 2025

[*Editor's note:* the amendment to the Glossary definition of 'derivative' overwrites the amendment to this Glossary definition set out in the Markets in Financial Instruments (Non-Equity Transparency Rules) Instrument 2024 (FCA 2024/38), which was due to come into effect on the same date.]

<i>derivative</i>	<p>(1) ...</p> <p>(2) (in <i>REC</i>, <i>MAR 5</i>, <i>MAR 5A</i>, <u><i>MAR 11</i></u> and <i>COBS 12</i>) those <i>financial instruments</i> defined in <del>article</del> <u>Article 2(1)(24)(c)</u> of <i>MiFIR</i> or referred to in paragraphs 4 to 10 of Part 1 of Schedule 2 to the <i>Regulated Activities Order</i>.</p> <p><del>[Note: article 2(1)(29) of <i>MiFIR</i>]</del></p>
<i>execution venue</i>	<p>for the purposes of the provisions relating to best execution in <i>COBS 11.2</i>, <i>COBS 11.2A</i>, <i>COBS 11.2B</i> and <i>COLL</i>, execution venue means a <i>regulated market</i>, an <i>MTF</i>, an <i>OTF</i>, <del>a systematic internaliser</del> <u>an equity systematic internaliser</u>, or a <i>market maker</i> or other liquidity provider or an entity that performs a similar function in a third country to the functions performed by any of the foregoing.</p>

#### Part 4: Comes into force on 30 March 2026

<i>portfolio trade</i>	<p>(1) (<u>in <i>MAR 11</i></u>) transactions in 5 or more different bond instruments where those transactions are traded at the same time by the same client and as a single lot against a specific reference price.</p> <p>(2) (<u>in <i>MAR 11A</i></u>) transactions in 5 or more different <u><i>equity transparency instruments</i></u> where those transactions are traded at the same time by the same <i>client</i> and as a single lot against a specific reference price.</p>
<i>trading venue</i>	<p>(1) (except in <i>FINMAR</i> and <u><i>MAR 11A</i></u>) a <i>regulated market</i>, an <i>EU regulated market</i>, an <i>MTF</i> or an <i>OTF</i>.</p> <p>(2) ...</p> <p>(3) (<u>in <i>MAR 11A</i></u>) a <i>UK RIE</i>, an <i>EU regulated market</i>, a third country <u>trading venue that performs a similar function to a <i>UK RIE</i>, an <i>MTF</i> or an <i>OTF</i>.</u></p>

Annex B

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

Comes into force on 28 November 2025

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

9 Record-keeping

9.1 General rules on record-keeping

...

General requirements

...

9.1.1B R A common platform firm must:

- (1) at least keep the records in relation to organisational requirements as set out in the table below:

Organisational requirements	
Type of record	Summary of content
...	
Conflict of Interest record	Records as provided for under SYSC 10.1.6R and <del>SYSC 10.1.6AAR</del> <u>SYSC 10.1.6AAR</u>
...	

...

...

## Annex C

### Amendments to the Market Conduct sourcebook (MAR)

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

[*Editor's note:* This Annex takes into account the changes introduced by the Markets in Financial Instruments (Non-Equity Transparency Rules) Instrument 2024 (FCA 2024/38), which come into force on 1 December 2025.]

#### Part 1: Comes into force on 30 March 2026

##### 5 Multilateral trading facilities (MTFs)

...

##### 5.3 Trading process requirements

...

Functioning of an MTF

5.3.1A R A *firm* must:

...

- (4) not execute orders against proprietary capital, ~~or engage in matched principal trading;~~

[~~Note: article 19(5) of MiFID~~]

...

#### Part 2: Comes into force on 1 December 2025

- (6) provide the following to the *FCA*:
- (a) a detailed description of the functioning of the *MTF*, including any links to or participation by a *regulated market*, an *MTF*, *OTF* or ~~systematic internaliser~~ equity systematic internaliser owned by the same *firm*; and
  - (b) a list of its members, participants and users.

[~~Note: article 18(10) of MiFID and MiFID ITS 19~~ with regard to the content and format of the description of the functioning of *MTFs*]

#### Part 3: Comes into force on 30 March 2026

5.3.1B G The requirement in MAR 5.3.1AR(4) does not prevent a *firm*, with the appropriate *permission*, from executing orders against its proprietary capital ~~or engaging in matched principal trading~~ outside the MTF it operates.

5.3.1C G A firm with the appropriate permission may engage in matched principal trading for the purpose of executing client orders on or outside an MTF it operates. An appropriate permission comprises the permitted activity of dealing in investments as principal. When a firm engages in matched principal trading by executing an order on an MTF it operates, it does so by dealing on own account and is subject to the Handbook requirements relating to this activity and the investment service of execution of orders on behalf of clients, as applicable.

...

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

5.7.1A D ~~A firm that makes an application to the FCA for a waiver in accordance with article 4 of MiFIR (in relation to pre-trade transparency for equity instruments) must make it in the form set out in MAR 5 Annex 1D. [deleted]~~

~~[Note: article 4 of MiFIR and MiFID RTS 1]~~

...

MAR 5 Annex 1D is deleted in its entirety. The deleted text is not shown but the annex is marked '[deleted]' as follows.

### 5 Annex 1 D ~~Form in relation to pre-trade transparency [deleted]~~

Amend the following as shown.

...

## 5A Organised trading facilities (OTFs)

...

### 5A.3 Specific requirements for OTFs

Executing orders

5A.3.1 R A *firm* must:

...

- (3) ~~ensure that the operation of an OTF and of a systematic internaliser does not take place within the same legal entity, and that the OTF does not connect with another OTF or with a systematic internaliser in a way which enables orders in the different OTFs or systematic internalisers to interact.~~

~~[Note: article 20(1) to (4) and 20(6) of MiFID]~~

...

## Part 4: Comes into force on 1 December 2025

### 6 Systematic internalisers

...

#### 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~~ an equity 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]~~

...

### 9A Trade data

#### 9A.1 Application

- 9A.1.1 R This chapter applies to:

- (1) a *trading venue operator*; and
- (2) ~~a systematic internaliser~~ an equity systematic internaliser.

#### 9A.2 Trade data requirements

Making trade data available on a reasonable commercial basis

...

- 9A.2.2 R ...

- (2) ~~A systematic internaliser must ensure that the quotes published in accordance with article 18 of MiFIR are made public in a manner~~



~~which is easily accessible to other market participants on a reasonable commercial basis. [deleted]~~

- (3) ~~Paragraph (2) does not apply to a *systematic internaliser* when making market data available to the public free of charge. [deleted]~~

...

## 11 Transparency rules for bond transparency instruments

...

## 11 Category 1 instruments

### Annex 1

R This is the table of *category 1 instruments*.

**Note:** The deferral periods shown in columns F, H and J end at 6pm on the day of publication.

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J
Grouping				LiS Threshold 1	Deferral 1	LiS Threshold 2	Deferral 2	LiS Threshold 3	Deferral 3
Asset classes	Factor1	Factor 2	Factor 3						
Bond Type	Issuer	Issue Size	Maturity						
Sovereign bonds (other than inflation linked or STRIPS) (traded on a trading venue)	UK, France, Germany, Italy, Spain or USA	≥ £2bn	≤ 5yr	£15m	1 day	£50m	2 weeks	£500m	3 months
			5 - ≤15yr	£10m		£25m		£250m	
			> 15yr	£5m		£10m		£100m	
Sovereign and Municipal bonds (traded on a trading venue)	All	≥ £2bn	All	£1m		£5m		£25m	
		< £2bn	All	£1m		£2.5m		£10m	
Bond Type	Currency	Rating	Issue Size						
Corporate, Covered, Convertible & Other bonds (traded on a trading venue)	GBP, EUR & USD	IG	≥ £500m	£1m	1 day	£5m	2 weeks	£25m	3 months
		HY	≥ £500m	£1m		£2.5m		£10m	
	All other instrument instruments			£500k		£2.5m		£10m	

...				
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...

**Part 5: Comes into force on 30 March 2026**

Insert the following new chapter, MAR 11A, after MAR 11 (Transparency rules for bond transparency instruments). The text is all new and is not underlined.

**11A Pre- trade transparency rules for equity instruments****11A.1 Purpose and application**

## Purpose

- 11A.1.1 G The purpose of this chapter is to set out the conditions applying to pre-trade transparency waivers in relation to *equity transparency instruments*, to be read in conjunction with Article 3 of *MiFIR* and *MiFID RTS 1*.

## Application

- 11A.1.2 R This chapter applies to a *trading venue operator*.

**11A.2 Reference price waiver**

- 11A.2.1 R Article 3 of *MiFIR* does not apply in respect of systems matching orders based on a trading methodology by which the price of the *equity transparency instrument* is derived from:

- (1) the *trading venue* where that *financial instrument* was first admitted to trading; or
- (2) any other trading venue,

and the reference price is widely published and regarded by market participants as a reliable reference price.

- 11A.2.2 G The amount of liquidity associated with the reference price should be an indicator of whether the reference price is reliable for the purposes of *MAR 11A.2.1R*.

- 11A.2.3 R The reference price in *MAR 11A.2.1R* must be established by obtaining:

- (1) the midpoint within the current bid and offer prices of the *trading venue* to which *MAR 11A.2.1R* applies; or
- (2) when the price referred to in (1) is not available, the opening or closing price of the relevant trading session.

- 11A.2.4 R Orders must only reference the price referred to in *MAR 11A.2.3R(2)* outside the continuous trading phase of the relevant trading session.

- 11A.2.5 G The midpoint in *MAR 11A.2.3R(1)* may be derived from the current bid and offer prices of more than one *trading venue*.

### 11A.3 Negotiated transactions waiver

- 11A.3.1 R Article 3 of *MiFIR* does not apply in respect of systems that formalise negotiated transactions which are:
- (1) made within the current volume weighted spread reflected on the order book or the quotes of the *market makers* of the *trading venue* operating that system;
  - (2) in an illiquid *equity transparency instrument* that does not fall within the meaning of a liquid market in Article 2(1)(17) of *MiFIR*, and are dealt within a percentage of a suitable reference price, being a percentage and a reference price set in advance by the system operator; or
  - (3) subject to conditions other than the current market price of that *financial instrument*.
- 11A.3.2 R A negotiated transaction in *equity transparency instruments* to which MAR 11A.3.1R applies includes a transaction which is negotiated privately but reported under the rules of a *trading venue* where:
- (1) two members of, or participants in, that *trading venue* are involved in any of the following capacities:
    - (a) one is *dealing on own account* when the other is acting on behalf of a *client*;
    - (b) both are *dealing on own account*; or
    - (c) both are acting on behalf of a *client*; or
  - (2) one member of, or participant in, that *trading venue* is either:
    - (a) acting on behalf of both the buyer and seller; or
    - (b) *dealing on own account* against a *client* order.
- 11A.3.3 R A negotiated transaction in *equity transparency instruments* is subject to conditions other than the current market price of the *financial instrument* where the transaction is:
- (1) a *benchmark trade*;
  - (2) part of a *portfolio trade*;
  - (3) contingent on the purchase, sale, creation or redemption of a derivative contract or other *financial instrument* where all the components of the trade are meant to be executed as a single lot;

- (4) of a type listed in Article 13 of *MiFID RTS 1*; or
- (5) any other transaction equivalent to one of those described in (1) to (4) that is contingent on technical characteristics which are unrelated to the current market valuation of the *financial instrument* traded.

#### 11A.4 Large in scale waiver

- 11A.4.1 R Article 3 of *MiFIR* does not apply in respect of orders that are large in scale compared with normal market size.
- 11A.4.2 R For the purposes of *MAR* 11A.4.1R, an order is ‘large in scale’ where, in respect of:
- (1) an *equity transparency instruments* other than an *ETF*, it is equal to or larger than the minimum size of orders set out in Tables 1 and 2 of Annex II of *MiFID RTS 1*; and
  - (2) an *ETF*, the order is equal to or larger than 1,000,000 euros.
- 11A.4.3 R Unless the price or other relevant conditions for the execution of an order are amended, the waiver in *MAR* 11A.4.2R continues to apply in respect of an order that is large in scale when entered into an order book but that, following partial execution, falls below the threshold applicable for that *financial instrument* as determined in accordance with *MAR* 11A.4.2R.
- 11A.4.4 G For the purpose of determining orders that are large in scale, the *FCA* calculates the average daily turnover in respect of shares, depositary receipts, certificates and other similar *financial instruments* traded on a *trading venue*.
- 11A.4.5 G The calculation in *MAR* 11A.4.4G:
- (1) includes transactions executed in the *relevant area* in respect of the *financial instrument*, whether traded on or outside a *trading venue*; and
  - (2) covers the period beginning on 1 January of the preceding calendar year and ending on 31 December of the preceding calendar year or, where applicable, that part of the calendar year during which the *financial instrument* was admitted to trading or traded on a *trading venue* and was not suspended from trading.
- 11A.4.6 G *MAR* 11A.4.4G and *MAR* 11A.4.5G do not apply to shares, depositary receipts, certificates or other similar *financial instruments* first admitted to trading or first traded on a *trading venue* 4 weeks or less before the end of the preceding calendar year.

- 11A.4.7 G Before a share, depositary receipt, certificate or other similar *financial instrument* is traded for the first time on a *trading venue*, the *FCA* estimates the average daily turnover for that *financial instrument*, taking into account any previous trading history of that *financial instrument* and of other *financial instruments* that are considered to have similar characteristics, and publishes that estimate.
- 11A.4.8 G The estimated average daily turnover referred to in *MAR* 11A.4.7G should be used for the calculation of orders that are large in scale during a 6-week period following the date that the share, depositary receipt, certificate or other similar *financial instrument* was admitted to trading or first traded on a *trading venue*.
- 11A.4.9 G The *FCA* calculates and publishes average daily turnover based on the first 4 weeks of trading before the end of the 6-week period referred to in *MAR* 11A.4.8G. The average daily turnover should be used for the calculation of orders that are large in scale and until an average daily turnover calculated in accordance with *MAR* 11A.4.4G and *MAR* 11A.4.5G applies.
- 11A.4.10 G Average daily turnover is calculated by dividing the total turnover for a particular *financial instrument* as specified in Article 17(4) of *MiFID RTS 1* by the number of trading days in the period considered. The number of trading days in the period considered is the number of trading days on the most relevant market in terms of liquidity for that *financial instrument* as determined in accordance with *MAR* 11A.2.

## 11A.5 Order management facility waiver

- 11A.5.1 R Article 3 of *MiFIR* does not apply in respect of orders held in an order management facility of a *trading venue* pending disclosure.
- 11A.5.2 R *MAR* 11A.5.1R applies in respect of an order which:
- (1) is intended to be disclosed to the order book operated by a *trading venue* and is contingent on objective conditions that are predefined by the system's protocol;
  - (2) cannot interact with other trading interests prior to disclosure to the order book operated by a *trading venue*; and
  - (3) once disclosed to the order book, interacts with other orders in accordance with the rules applicable to orders of that kind at the time of disclosure.
- 11A.5.3 R Where a portion of a quantity of an aggressive order has executed against the disclosed quantity of a reserve order and other disclosed orders in the order book of a *trading venue*, *MAR* 11A.5.1R applies to the non-disclosed quantity of the reserve order held in a *trading venue's* order management facility.

- 11A.5.4 R Where *MAR* 11A.5.3R applies, the non-disclosed quantity of the reserve order can be executed against the remainder of the quantity of the aggressive order.
- 11A.5.5 R An ‘aggressive order’, for the purposes of *MAR* 11A.5.3R, is a limit order that has been disclosed in the order book of a *trading venue* and which initiates trades.
- 11A.5.6 R A ‘reserve order’, for the purposes of *MAR* 11A.5.3R, is a limit order consisting of:
- (1) a disclosed order relating to a portion of a quantity in the order book of a *trading venue*; and
  - (2) a non-disclosed order relating to the remainder of the quantity where the non-disclosed quantity is held in the order management facility of a *trading venue*.

## 11A.6 Publications

- 11A.6.1 R A *trading venue operator* must:
- (1) publish in its rulebook the rules or processes it adopts to fulfil any waiver in this chapter before it implements them; and
  - (2) identify the waiver implemented by reference to the relevant *rule* in this chapter in any rule published in accordance with (1).

Amend the following as shown.

...

## TP 2 Transitional provisions relating to trading venue operators and transparency investment firms

### TP 2.1

...		
		Pre-1 December 2025 transactions
...		
1.9	R	...
		<u>Trading venue operators – pre-trade transparency equity waivers</u>
<u>1.10</u>	<u>R</u>	<u>For the period between 30 March 2026 and 30 June 2026 only, a <i>trading venue operator</i> relying on a waiver previously arising under</u>



		one or more of Articles 5 to 8 of <i>MiFID RTS 1</i> as in force immediately prior to 30 March 2026 may rely on the corresponding waivers in <i>MAR 11A.3</i> to <i>MAR 11A.5</i> :	
		(1)	where it meets the conditions relating to <i>MAR 11A.3</i> to <i>MAR 11A.5</i> (as applicable); and
		(2)	pending publication in its rulebook in accordance with <i>MAR 11A.6.1R</i> .
1.11	R	For the period between 30 March 2026 and 30 June 2026 only, a <i>trading venue operator</i> relying on a waiver previously arising under Article 4(1)(a) of <i>MiFIR</i> as it was in force immediately before 26 November 2025 may rely on the corresponding waiver in <i>MAR 11A.2.1R</i> :	
		(1)	where it meets the conditions in <i>MAR 11A.2</i> relating to reliance upon <i>MAR 11A.2.1R</i> ; and
		(2)	pending publication in its rulebook in accordance with <i>MAR 11A.6.1R</i> .

...

## Sch 5 Rights of action for damages

...

### Sch 5.2 G

Chapter / Appendix	Section / Annex	Paragraph	For Private Person?	Removed	For other person?	
...						
<i>MAR 11</i> (all rules)			No		No	
<u><i>MAR 11A</i></u> (all rules)			<u>No</u>		<u>No</u>	

## Annex D

### Amendments to the Supervision manual (SUP)

**Comes into force on 1 December 2025**

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

#### **17A      Transaction reporting and supply of reference data**

...

#### **17A.2      Connectivity with FCA systems**

...

- 17A.2.1      G    The *FCA* expects ~~a systematic internaliser~~ an equity systematic internaliser  
 A                    that will be supplying the *FCA* with *financial instrument* reference data in  
                       respect of a *financial instrument* traded on its system that is not *admitted to*  
                       *trading* on a *regulated market* or traded on an *MTF* or *OTF* to establish a  
                       technology connection with the *FCA* for the supply of that reference data.

...

## Annex E

## Amendments to the Recognised Investment Exchanges sourcebook (REC)

**Comes into force on 30 March 2026**

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

### **3 Notification rules for UK recognised bodies**

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#### **3.14A Operation of a trading venue**

...

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

- 3.14A.7A D ~~A UK RIE operating a trading venue that proposes to take advantage of a waiver in accordance with articles 4 or 9 of MiFIR (in relation to pre-trade transparency for equity or non-equity instruments) must make an application for it to the FCA using the form in MAR 5 Annex 1D.~~  
[deleted]

[~~Note: articles 4 and 9 of MiFIR, and MiFID RTS 1 and MiFID RTS 2~~]

...