

**THE BANK OF ENGLAND FMI RULEBOOK: NOTIFICATION OF THIRD-PARTY
ARRANGEMENTS AND OPERATIONAL INCIDENT REPORTING RULES FOR UK CENTRAL
COUNTERPARTIES AND UK CENTRAL SECURITIES DEPOSITORIES INSTRUMENT [2025]**

Powers exercised

- A. The Bank of England makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (“the Act”):
- (1) section 300F (Rules relating to central counterparties and central securities depositories); and
 - (2) section 137T (General supplementary powers) as applied by paragraph 10 (Rules) of Schedule 17A (Further provision in relation to exercise of Part 18 functions by Bank of England).
- B. The rule-making powers referred to above are specified for the purpose of section 138G(2) (Rule-making instruments) as applied by paragraph 10 (Rules) of Schedule 17A (Further provision in relation to exercise of Part 18 functions by Bank of England) to the Act.

The Bank of England FMI Rulebook: Notification of Third-Party Arrangements and Operational Incident Reporting Rules for UK Central Counterparties and UK Central Securities Depositories Instrument [2025]

- C. The Bank of England makes the rules in the Annexes to this Instrument as follows:

| Part | Annex |
|---|-------|
| Glossary | A |
| Notifications and Regulatory Reporting for CCPs | B |
| Notifications and Regulatory Reporting for CSDs | C |

Commencement

- D. This instrument comes into force on [DATE].

Citation

- E. This instrument may be cited as the Bank of England FMI Rulebook: Notification of Third-Party Arrangements and Operational Incident Reporting Rules for UK Central Counterparties and UK Central Securities Depositories Instrument [2025].

By order of the Financial Market Infrastructure Committee
[DATE]

Annex A

Glossary

Note: The Bank proposes that the rules consulted on here will rely on the following defined terms included in the CP 'Fundamental Rules for financial markets infrastructures': 'Bank', 'CCP', 'CSD', 'FMI', 'group', 'securities settlements system', 'UK', 'UK CCP', 'UK CSD'.

Insert the following new definitions in the appropriate alphabetical position. In this Annex, the text is all new and is not underlined.

important business service

means a service which, if disrupted for a prolonged period, would pose a risk to the stability of the *UK* financial system by significantly disrupting the orderly functioning of a market to which an *FMI* provides that service.

material third-party arrangement

means a *third-party arrangement* which is of such importance that a disruption or failure in the performance of the product, service, process, activity or business function provided to the *FMI* could pose a risk to:

- (1) the continuity of the product or service provided by the *FMI*; or
- (2) in the case of:
 - (a) a *CCP*, the safety and efficiency of the *CCP*'s clearing services; or
 - (b) a *CSD*, the safety and efficiency of the *CSD*'s *securities settlement systems*.

operational incident

means either a single event or a series of linked events which disrupts an *FMI*'s operations such that it:

- (1) disrupts the delivery of a service to an end user external to the *FMI*; or
- (2) impacts the availability, authenticity, integrity or confidentiality of information or data relating or belonging to such an end user.

third-party arrangement

means any arrangement where a person provides to an *FMI* a product, service, process, activity or business function, whether or not the product, service, process, activity or business function:

- (1) is one which would otherwise be provided by the *FMI* itself;
- (2) is provided directly or by a sub-contractor; or
- (3) is provided by a person within the same *group* as the *FMI*.

working day

means any day other than Saturday, Sunday, Good Friday, Christmas Day and any day which is a bank holiday in any part of the *UK* under section 1 of the Banking and Financial Dealings Act 1971.

Annex B

Adding a new Part

In this Annex, the text is all new and is not underlined.

Part

Notifications and Regulatory Reporting for CCPs

Chapter Content

- 1. APPLICATION**
- 2. GENERAL NOTIFICATION REQUIREMENTS**
- 3. MATERIAL OUTSOURCING ARRANGEMENTS REGISTER**
- 4. OPERATIONAL INCIDENT REPORTING**
- 5. INACCURATE, FALSE OR MISLEADING INFORMATION**

1 APPLICATION

- 1.1 This Part applies to a *CCP* that is a *UK CCP*.

2 GENERAL NOTIFICATION REQUIREMENTS

- 2.1 A *CCP* must give the *Bank* notice when entering into, or significantly changing, a *material third-party arrangement*.
- 2.2 A *CCP* must submit the notice required in 2.1 by submitting the Material Third-Party Arrangement Notification by electronic means.
- 2.3 The Material Third-Party Arrangement Notification may be found here [insert hyperlink].

3 MATERIAL OUTSOURCING ARRANGEMENTS REGISTER

- 3.1 A *CCP* must:
- (1) maintain a register of information relating to its *material third-party arrangements*; and
 - (2) submit the information as specified in the Material Third-Party Arrangements Register annually to the *Bank* by electronic means.
- 3.2 The Material Third-Party Arrangements Register may be found here [insert hyperlink].

4 OPERATIONAL INCIDENT REPORTING

Initial Report

- 4.1 A *CCP* must submit the information specified in the Reporting Fields Document to the *Bank* as soon as is practicable after an *operational incident* occurs which could:
- (1) disrupt the *CCP's* provision of an *important business service* for a prolonged period; or
 - (2) otherwise pose a risk to the stability of the *UK* financial system.

Intermediate Report

- 4.2 A *CCP* must submit the information specified in the Reporting Fields Document of which it is aware to the *Bank* as soon as is practicable after there is a significant change in circumstances from those described in a report submitted under 4.1 or this requirement.

Final Report

- 4.3 A *CCP* must submit the information specified in the Reporting Fields Document to the *Bank* :
- (1) where practicable, within 30 *working days*, or
 - (2) where (1) is impracticable, as soon as practicable and in any event within 60 *working days*, after the *operational incident* described in 4.1 has been resolved.

Method of reporting

- 4.4 A *CCP* must submit the information required under this Chapter by electronic means.
- 4.5 The Reporting Fields Document may be found here [insert hyperlink].

5 INACCURATE, FALSE OR MISLEADING INFORMATION

- 5.1 A *CCP* must take reasonable steps to ensure that all information it gives to the *Bank* in accordance with this Part is:

- (1) factually accurate or, in the case of estimates and judgements, fairly and properly based after appropriate enquiries have been made by the *CCP*; and
 - (2) complete, in that it should include anything of which the *Bank* would reasonably expect notice.
- 5.2 If a *CCP* is unable to obtain the information required in 5.1, then it must inform the *Bank* that the scope of the information provided is, or may be, limited.
- 5.3 If a *CCP* becomes aware, or has information that reasonably suggests, that it has or may have provided the *Bank* with information which was or may have been false, misleading, incomplete or inaccurate, or has or may have changed in a material way, it must notify the *Bank* immediately.
- 5.4 Subject to 5.5, the notification required by 5.3 must include:
 - (1) details of the information which is or may be false, misleading, incomplete or inaccurate, or has or may have changed;
 - (2) an explanation of why such information was or may have been provided; and
 - (3) the correct information.
- 5.5 If the information in 5.4 cannot be submitted with the notification (because it is not immediately available), it must instead be submitted as soon as possible afterwards.

Annex C

Adding a new Part

In this Annex, the text is all new and is not underlined.

Notifications and Regulatory Reporting for CSDs

Chapter Content

- 1. APPLICATION**
- 2. GENERAL NOTIFICATION REQUIREMENTS**
- 3. MATERIAL OUTSOURCING ARRANGEMENTS REGISTER**
- 4. OPERATIONAL INCIDENT REPORTING**
- 5. INACCURATE, FALSE OR MISLEADING INFORMATION**

1 APPLICATION

- 1.1 This Part applies to a *CSD* that is a *UK CSD*.

2 GENERAL NOTIFICATION REQUIREMENTS

- 2.1 A *CSD* must give the *Bank* notice when entering into, or significantly changing, a *material third-party arrangement*.
- 2.2 A *CSD* must submit the notice required in 2.1 by submitting the Material Third-Party Arrangement Notification by electronic means.
- 2.3 The Material Third-Party Arrangement Notification may be found here [insert hyperlink].

3 MATERIAL OUTSOURCING ARRANGEMENTS REGISTER

- 3.1 A *CSD* must:
- (1) maintain a register of information relating to its *material third-party arrangements*; and
 - (2) submit the information as specified in the Material Third-Party Arrangements Register annually to the *Bank* by electronic means.
- 3.2 The Material Third-Party Arrangements Register may be found here [insert hyperlink].

4 OPERATIONAL INCIDENT REPORTING

Initial Report

- 4.1 A *CSD* must submit the information specified in the Reporting Fields Document to the *Bank* as soon as is practicable after an *operational incident* occurs which could:
- (1) disrupt the *CSD*'s provision of an *important business service* for a prolonged period; or
 - (2) otherwise pose a risk to the stability of the *UK* financial system.

Intermediate Report

- 4.2 A *CSD* must submit the information specified in the Reporting Fields Document of which it is aware to the *Bank* as soon as is practicable after there is a significant change in circumstances from those described in a report submitted under 4.1 or this requirement.

Final Report

- 4.3 A *CSD* must submit the information specified in the Reporting Fields Document to the *Bank* :
- (1) where practicable, within 30 *working days*, or
 - (2) where (1) is impracticable, as soon as practicable and in any event within 60 *working days*, after the *operational incident* described in 4.1 has been resolved.

Method of reporting

- 4.4 A *CSD* must submit the information required under this Chapter by electronic means.
- 4.5 The Reporting Fields Document may be found here [insert hyperlink].

5 INACCURATE, FALSE OR MISLEADING INFORMATION

- 5.1 A *CSD* must take reasonable steps to ensure that all information it gives to the *Bank* in accordance with this Part is:
- (1) factually accurate or, in the case of estimates and judgements, fairly and properly based after appropriate enquiries have been made by the *CSD*; and

- (2) complete, in that it should include anything of which the *Bank* would reasonably expect notice.
- 5.2 If a *CSD* is unable to obtain the information required in 5.1, then it must inform the *Bank* that the scope of the information provided is, or may be, limited.
- 5.3 If a *CSD* becomes aware, or has information that reasonably suggests, that it has or may have provided the *Bank* with information which was or may have been false, misleading, incomplete or inaccurate, or has or may have changed in a material way, it must notify the *Bank* immediately.
- 5.4 Subject to 5.5, the notification required by 5.3 must include:
 - (1) details of the information which is or may be false, misleading, incomplete or inaccurate, or has or may have changed;
 - (2) an explanation of why such information was or may have been provided; and
 - (3) the correct information.
- 5.5 If the information in 5.4 cannot be submitted with the notification (because it is not immediately available), it must instead be submitted as soon as possible afterwards.