

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 (Markets in Financial Instruments) Regulations 2007. 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

SCHEDULE 3

PART 18A OF THE ACT

1. After section 313 of the Act (interpretation of Part 18) insert—

“Part 18A

SUSPENSION AND REMOVAL OF FINANCIAL INSTRUMENTS FROM TRADING

313A Authority's power to require suspension or removal of financial instruments from trading

- (1) The Authority may, for the purpose of protecting—

- (a) the interests of investors, or
- (b) the orderly functioning of the financial markets,

require an institution to suspend or remove a financial instrument from trading.

(2) If the Authority exercises the power conferred by subsection (1), the institution concerned or, if any, the issuer of the financial instrument concerned may refer the matter to the Tribunal.

(3) In this section, “trading” includes trading otherwise than on a regulated market or a multilateral trading facility.

313B Suspension or removal of financial instruments from trading: procedure

- (1) A requirement imposed on an institution under section 313A (a “relevant requirement”) takes effect—

- (a) immediately, if the notice given under subsection (2) states that this is the case;
- (b) in any other case, on such date as may be specified in the notice.

(2) If the Authority proposes to impose a relevant requirement on an institution, or imposes such a requirement with immediate effect, it must give written notice to—

- (a) the institution, and
- (b) if any, the issuer of the financial instrument in question.

- (3) The notice must—

- (a) give details of the relevant requirement;
- (b) state the Authority's reasons for imposing the requirement and choosing the date on which it took effect or takes effect;
- (c) inform the recipient that he may make representations to the Authority within such period as may be specified by the notice (whether or not he has referred the matter to the Tribunal);
- (d) inform him of the date on which the requirement took effect or takes effect; and
- (e) inform him of his right to refer the matter to the Tribunal and give an indication of the procedure on such a reference.

- (4) The Authority may extend the period within which representations may be made to it.

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(5) If, having considered any representations made to it by the institution or any issuer, the Authority decides—

- (a) to impose the relevant requirement proposed, or
- (b) if it has been imposed, not to revoke it,

it must give the institution and any issuer written notice.

(6) If, having considered any representations made to it by the institution or any issuer, the Authority decides—

- (a) not to impose the relevant requirement proposed, or
- (b) to revoke a requirement which has been imposed,

it must give the institution and any issuer written notice.

(7) A notice given under subsection (5) must inform the recipient of his right to refer the matter to the Tribunal.

(8) Subsections (9) and (10) apply if—

- (a) the Authority has imposed a relevant requirement on an institution, and
- (b) the institution or any issuer of the financial instrument in question has applied for the revocation of the requirement.

(9) If the Authority decides to grant the application, it must give the institution and any issuer written notice of its decision.

(10) If the Authority proposes to refuse the application, it must give the institution and any issuer a warning notice.

(11) If, having considered any representations made in response to the warning notice, the Authority decides to refuse the application, it must give the institution and any issuer a decision notice.

(12) If the Authority gives a decision notice under subsection (11), the recipient may refer the matter to the Tribunal.

313C Notification in relation to suspension or removal of a financial instrument from trading

(1) If the Authority exercises the power under section 313A(1) in relation to a financial instrument traded on a regulated market, it must as soon as reasonably practicable—

- (a) publish its decision in such manner as it considers appropriate, and
- (b) inform the competent authorities of all other EEA States of its decision.

(2) If the Authority receives notice from a recognised investment exchange that the exchange has suspended or removed a financial instrument from trading on a regulated market operated by it, the Authority must inform the competent authorities of all other EEA States of the action taken by the exchange.

(3) Subsections (4) and (5) apply if the Authority receives notice from the competent authority of another EEA State that that authority, pursuant to Article 41.2 of the markets in financial instruments directive—

- (a) has required the suspension of a financial instrument from trading, or
- (b) has required the removal of a financial instrument from trading.

(4) In the case of a notice under subsection (3)(a), the Authority—

- (a) must require each recognised investment exchange to suspend the instrument from trading on any regulated market operated by the exchange, and

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- (b) must require each institution operating a multilateral trading facility to suspend the instrument from trading on that facility,

unless such a step would be likely to cause significant damage to the interests of investors or the orderly functioning of the financial markets.

- (5) In the case of a notice under subsection (3)(b), the Authority—

- (a) must require each recognised investment exchange to remove the instrument from trading on any regulated market operated by the exchange, and
- (b) must require each institution operating a multilateral trading facility to remove the instrument from trading on that facility,

unless such a step would be likely to cause significant damage to the interests of investors or the orderly functioning of the financial markets.

- (6) "Competent authority" has the meaning given in Article 4.1.22 of the markets in financial instruments directive.

313D Interpretation of Part 18A

313D. In this Part—

"financial instrument" has the meaning given in Article 4.1.17 of the markets in financial instruments directive;

"institution" means—

- (a) a recognised investment exchange, other than an overseas investment exchange (within the meaning of Part 18);
- (b) an investment firm;
- (c) a credit institution authorised under the banking consolidation directive, when carrying on investment services and activities; or
- (d) an institution which would satisfy the requirements for authorisation as a credit institution under that directive if it had its registered office (or if it does not have a registered office, its head office) in an EEA State,

but does not include an EEA firm qualifying for authorisation under Schedule 3;

"issuer", in relation to a financial instrument, means the person who issued the instrument;

"multilateral trading facility" has the meaning given in Article 4.1.15 of the markets in financial instruments directive;

"regulated market" has the meaning given in Article 4.1.14 of the markets in financial instruments directive."

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Changes and effects yet to be applied to :

- Regulations power to modify conferred by [2023 c. 29 s. 3Sch. 1 Pt. 2](#)
- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)