

## SCHEDULES

### SCHEDULE 1

#### SPECIAL DEFENCES

##### *Market makers*

- 1 (1) An individual is not guilty of insider dealing by virtue of dealing in securities or encouraging another person to deal if he shows that he acted in good faith in the course of—
- (a) his business as a market maker, or
  - (b) his employment in the business of a market maker.
- (2) A market maker is a person who—
- (a) holds himself out at all normal times in compliance with the rules of a regulated market or an approved organisation as willing to acquire or dispose of securities; and
  - (b) is recognised as doing so under those rules.
- (3) In this paragraph “approved organisation” means an international securities self-regulating organisation approved under paragraph 25B of Schedule 1 to the Financial Services Act 1986.