

Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (Text with EEA relevance)

CHAPTER 1

GENERAL PROVISIONS

Article 5

Exemption for buy-back programmes and stabilisation

1 The prohibitions in Articles 14 and 15 of this Regulation do not apply to trading in own shares in buy-back programmes where:

- a the full details of the programme are disclosed prior to the start of trading;
- b trades are reported as being part of the buy-back programme to the [^{F1}FCA, GFSC or European competent authority] in accordance with paragraph 3 and subsequently disclosed to the public;
- c adequate limits with regard to price and volume are complied with; and
- d it is carried out in accordance with the objectives referred to in paragraph 2 and the conditions set out in this Article and in the ^{F2}... technical standards referred to in paragraph 6.

2 In order to benefit from the exemption provided for in paragraph 1, a buy-back programme shall have as its sole purpose:

- a to reduce the capital of an issuer;
- b to meet obligations arising from debt financial instruments that are exchangeable into equity instruments; or
- c to meet obligations arising from share option programmes, or other allocations of shares, to employees or to members of the administrative, management or supervisory bodies of the issuer or of an associate company.

[^{F3} In order to benefit from the exemption in paragraph 1—

- a where shares have been admitted to trading or are traded on a UK trading venue, the issuer must report to the FCA each transaction relating to the buy-back programme including the information specified in Article 25(1) and (2) and Article 26(1), (2) and (3) of the Markets in Financial Instruments Regulation (and for these purposes, Article 26 of that Regulation applies as if the obligation in paragraph (2)(a) only applied to financial instruments which are admitted to trading or traded on a UK trading venue);
- b where shares have been admitted to trading or are traded on an EU trading venue, the issuer must make the reports to the competent authority of the trading venue on which the shares have been admitted to trading or are traded which are required in accordance with Article 5(3) of the EU Market Abuse Regulation;
- c where shares have been admitted to trading or are traded on a Gibraltar trading venue, the issuer must report to the GFSC each transaction relating to the buy-back programme, including the information referred to in Article 5(3) of Regulation (EU) No 596/2014 of

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the European Parliament and of the Council on market abuse (as it applies in Gibraltar after IP completion day).]

4 The prohibitions in Articles 14 and 15 of this Regulation do not apply to trading in securities or associated instruments for the stabilisation of securities where:

- a stabilisation is carried out for a limited period;
- [^{F4}b relevant information about the stabilisation is disclosed and notified—
 - i where the securities or associated instruments are traded on a UK trading venue, to the FCA in accordance with paragraph 5;
 - ii where the securities or associated instruments are traded on an EU trading venue, to the European competent authority of the trading venue in accordance with Article 5(5) of the EU Market Abuse Regulation.
 - iii where the securities or associated instruments are traded on a Gibraltar trading venue, to the GFSC in accordance with Article 5(5) of Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse (as it applies in Gibraltar after IP completion day).]
- c adequate limits with regard to price are complied with; and
- d such trading complies with the conditions for stabilisation laid down in the ^{F5}... technical standards referred to in paragraph 6.

5 ^{F6}... The details of all stabilisation transactions shall be notified by issuers, offerors, or entities undertaking the stabilisation, whether or not they act on behalf of such persons, to the [^{F7}FCA (where the securities or associated instruments are traded on a UK trading venue)] no later than the end of the seventh daily market session following the date of execution of such transactions.

- [^{F8}6 The technical standards referred to in this Article are—
- a Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing Regulation (EU) 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures—
 - i as that Regulation forms part of domestic law, where the trading takes place on a UK trading venue; or
 - ii as that Regulation applies in the European Union, where the trading takes place on an EU trading venue;
 - iii as that Regulation forms part of the law of Gibraltar, where the trading takes place on a Gibraltar trading venue;
 - b any technical standards made by the FCA under paragraph 7, where the trading takes place on a UK trading venue;
 - c any other regulatory technical standards adopted by the Commission under Article 5(6) of Regulation (EU) No 596/2014 of the European Parliament and of the Council on market abuse as it has effect in the European Union, where the trading takes place on an EU trading venue;
 - d any equivalent provisions made by the GFSC which specify the conditions which buy-back programmes and stabilisation measures referred to in paragraphs 1 and 4 must meet, including conditions for trading, restrictions regarding time and volume, disclosure and reporting obligations and price conditions, where the trading takes place on a Gibraltar trading venue.

7 The FCA may make technical standards to specify the conditions that buy-back programmes and stabilisation measures referred to in paragraphs 1 and 4 must meet, including

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conditions for trading, restrictions regarding time and volume, disclosure and reporting obligations, and price conditions.

8 In this Article, ‘European competent authority’ means the authority which has been designated by a Member State as its competent authority for the purposes of Article 22 of this Regulation as it had effect before IP completion day.]

Textual Amendments

- F1** Words in Art. 5(1)(b) substituted (31.12.2020) by The Market Abuse (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/310), regs. 1(3), **10(5)(a)(i)** (as amended by S.I. 2019/680, regs. 1(3), **8(5)(a)**); 2020 c. 1, **Sch. 5 para. 1(1)**
- F2** Word in Art. 5(1)(d) omitted (31.12.2020) by virtue of The Market Abuse (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/310), regs. 1(3), **10(5)(a)(ii)**; 2020 c. 1, Sch. 5 para. 1(1)
- F3** Art. 5(3) substituted (31.12.2020) by The Market Abuse (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/310), regs. 1(3), **10(5)(b)** (as amended by S.I. 2019/680, regs. 1(3), **8(5)(b)**); 2020 c. 1, **Sch. 5 para. 1(1)**
- F4** Art. 5(4)(b) substituted (31.12.2020) by The Market Abuse (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/310), regs. 1(3), **10(5)(c)(i)** (as amended by S.I. 2019/680, regs. 1(3), **8(5)(c)**); 2020 c. 1, **Sch. 5 para. 1(1)**
- F5** Word in Art. 5(4)(d) omitted (31.12.2020) by virtue of The Market Abuse (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/310), regs. 1(3), **10(5)(c)(ii)**; 2020 c. 1, Sch. 5 para. 1(1)
- F6** Words in Art. 5(5) omitted (31.12.2020) by virtue of The Market Abuse (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/310), regs. 1(3), **10(5)(d)(i)**; 2020 c. 1, Sch. 5 para. 1(1)
- F7** Words in Art. 5(5) substituted (31.12.2020) by The Market Abuse (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/310), regs. 1(3), **10(5)(d)(ii)**; 2020 c. 1, Sch. 5 para. 1(1)
- F8** Art. 5(6)-(8) substituted for Art. 5(6) (31.12.2020) by The Market Abuse (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/310), regs. 1(3), **10(5)(e)** (as amended by S.I. 2019/1212, regs. 1(2), **15(4)**) and by S.I. 2019/680, regs. 1(3), **8(5)(d)**); 2020 c. 1, **Sch. 5 para. 1(1)**

Changes to legislation:

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Changes and effects yet to be applied to :

- Regulation revoked by [2023 c. 29 Sch. 1 Pt. 1](#)

Changes and effects yet to be applied to the whole legislation item and associated provisions

- Art. 2(1)(c) words omitted by [S.I. 2019/310 reg. 9\(2\)\(a\)\(ii\)\(aa\)](#) (This amendment not applied to legislation.gov.uk. Reg. 9(2)(a)(ii) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(3))
- Art. 2(1)(c) words omitted by [S.I. 2019/310 reg. 9\(2\)\(a\)\(ii\)\(bb\)](#) (This amendment not applied to legislation.gov.uk. Reg. 9(2)(a)(ii) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(3))
- Art. 3.1(25) word substituted by [S.I. 2019/310 reg. 10\(2\)\(m\)\(i\)](#) (This amendment not applied to legislation.gov.uk. Reg. 10(2)(m) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(4))
- Art. 3.1(25) words omitted by [S.I. 2019/310 reg. 10\(2\)\(m\)\(ii\)](#) (This amendment not applied to legislation.gov.uk. Reg. 10(2)(m) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(4))
- Art. 18(8)(b) omitted by [S.I. 2019/310 reg. 12\(2\)\(d\)\(ii\)](#) (This amendment not applied to legislation.gov.uk. Reg. 12(2)(d)(ii) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(6)(a))
- Art. 25(8)(b) words inserted by [S.I. 2019/310 reg. 13\(5\)\(b\)\(ii\)\(bb\)](#) (This amendment not applied to legislation.gov.uk. Reg. 13(5)(b)(ii)(bb) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(7)(b))
- Art. 38(a) omitted by [S.I. 2019/310 reg. 16\(1\)\(a\)\(ii\)](#) (This amendment not applied to legislation.gov.uk. Reg. 16(1) substituted immediately before IP completion day by S.I. 2020/1385, regs. 1(4), 51(8))
- Art. 38(b) words substituted by [S.I. 2019/310 reg. 16\(1\)\(a\)\(iii\)](#) (This amendment not applied to legislation.gov.uk. Reg. 16(1) substituted immediately before IP completion day by S.I. 2020/1385, regs. 1(4), 51(8))
- Art. 38(d) omitted by [S.I. 2019/310 reg. 16\(1\)\(a\)\(iv\)](#) (This amendment not applied to legislation.gov.uk. Reg. 16(1) substituted immediately before IP completion day by S.I. 2020/1385, regs. 1(4), 51(8))