

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 (Text with EEA relevance)

TITLE VIII

**PROVISION OF SERVICES AND PERFORMANCE OF ACTIVITIES
BY THIRD-COUNTRY FIRMS FOLLOWING AN EQUIVALENCE
[^{F1}DETERMINATION] WITH OR WITHOUT A BRANCH**

Article 49

[^{F1}Temporary prohibitions and restrictions and withdrawal of registration]

[^{F2}A1. The FCA may temporarily prohibit a third-country firm from providing investment services, or performing investment activities, in the United Kingdom, or place temporary restrictions on a third-country firm's provision of such services or performance of such activities in the United Kingdom, where the third-country firm—

- b has failed to comply with a request for data made by the FCA under Article 46(6A)(b) in accordance with the cooperation arrangements established under Article 47(2),
- c has failed to provide information in accordance with rules made under Article 46(6B),
- d has failed to provide information requested by the FCA in accordance with the cooperation arrangements established under Article 47(2),
- e has failed to cooperate with an investigation or on-site inspection carried out in accordance with the cooperation arrangements established under Article 47(2), or
- f has failed to comply with a requirement imposed by regulations under Article 48A.

A2. The FCA may impose more than one temporary prohibition or restriction under paragraph A1 in respect of the same failure.]

1 [^{F3}The FCA][^{F4}may] withdraw the registration of a third-country firm in the register established in accordance with Article 48 where:

- [^{F5}a the FCA has well-founded reasons based on documented evidence to believe that—
 - i in the provision of investment services and the performance of investment activities in the United Kingdom, the third-country firm is acting in a manner which is clearly prejudicial to the interests of investors or the orderly functioning of markets,
 - ii in the provision of such services and activities in the United Kingdom, the third-country firm has seriously infringed a provision applicable to it in the third country and on the basis of which the Treasury made regulations under Article 47(1),
 - iii in the provision of such services and activities in the United Kingdom, the third-country firm has seriously infringed a requirement imposed under Article 48A, or
 - iv the third-country firm is not maintaining the necessary arrangements and procedures to provide the information required by rules made under Article 46(6B) or to comply with requirements under Article 48A, and]

Changes to legislation: Regulation (EU) No 600/2014 of the European Parliament and of the Council, Article 49 is up to date with all changes known to be in force on or before 16 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- c ^{F3}the FCA] has referred the matter to the competent authority of the third country and that third-country competent authority has not taken the appropriate measures needed to protect investors and the proper functioning of the markets in the ^{F6}United Kingdom] or has failed to demonstrate that the third-country firm concerned complies with the requirements applicable to it in the third country; ^{F7}...

^{F7}d

^{F8}1A. In deciding the appropriate action to take under this Article, the FCA must, among other things, take into account the nature and seriousness of the risk posed to the interests of investors and the orderly functioning of markets in the United Kingdom, having regard to—

- a the duration and frequency of the risk arising,
- b whether the risk has revealed serious or systemic weaknesses in the third-country firm's procedures,
- c whether financial crime has been occasioned or facilitated by, or is otherwise attributable to, the risk, and
- d whether the risk has arisen intentionally or negligently.

1B. The FCA must inform the competent authority of the third country in due course of its intention to take action in accordance with paragraph A1 or 1.]

2 ^{F9} The FCA] shall inform ^{F10}the Treasury] of any measure adopted in accordance with paragraph 1 without delay and shall publish its decision on its website.

3 The ^{F11}Treasury] shall assess whether the conditions under which ^{F12}regulations under Article 47(1) have been made] continue to persist in relation to the third country concerned.

^{F13}4. In this Article, “documented evidence” includes, but is not limited to, information provided in accordance with rules made under Article 46(6B).]

Textual Amendments

- F1** Art. 49 heading substituted (1.7.2021) by Financial Services Act 2021 (c. 22), s. 49(5), **Sch. 10 para. 8(2)**; S.I. 2021/739, reg. 3(o)
- F2** Art. 49(A1)(A2) inserted (1.7.2021) by Financial Services Act 2021 (c. 22), s. 49(5), **Sch. 10 para. 8(3)**; S.I. 2021/739, reg. 3(o)
- F3** Words in Art. 49(1) substituted (31.12.2020) by The Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1403), regs. 1(3), **33(4)(a)(i)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F4** Word in Art. 49(1) substituted (1.7.2021) by Financial Services Act 2021 (c. 22), s. 49(5), **Sch. 10 para. 8(4)(a)**; S.I. 2021/739, reg. 3(o)
- F5** Art. 49(1)(a) substituted for Art. 49(1)(a)(b) (1.7.2021) by Financial Services Act 2021 (c. 22), s. 49(5), **Sch. 10 para. 8(4)(b)**; S.I. 2021/739, reg. 3(o)
- F6** Words in Art. 49(1) substituted (31.12.2020) by The Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1403), regs. 1(3), **33(4)(a)(ii)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F7** Art. 49(1)(d) and word omitted (1.7.2021) by virtue of Financial Services Act 2021 (c. 22), s. 49(5), **Sch. 10 para. 8(4)(c)**; S.I. 2021/739, reg. 3(o)
- F8** Art. 49(1A)(1B) inserted (1.7.2021) by Financial Services Act 2021 (c. 22), s. 49(5), **Sch. 10 para. 8(5)**; S.I. 2021/739, reg. 3(o)
- F9** Words in Art. 49(2) substituted (31.12.2020) by The Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1403), regs. 1(3), **33(4)(b)(i)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

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- F10** Words in Art. 49(2) substituted (31.12.2020) by [The Markets in Financial Instruments \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1403\)](#), regs. 1(3), **33(4)(b)(ii)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F11** Word in Art. 49(3) substituted (31.12.2020) by [The Markets in Financial Instruments \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1403\)](#), regs. 1(3), **33(4)(c)(i)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F12** Words in Art. 49(3) substituted (31.12.2020) by [The Markets in Financial Instruments \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1403\)](#), regs. 1(3), **33(4)(c)(ii)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F13** Art. 49(4) inserted (1.7.2021) by [Financial Services Act 2021 \(c. 22\)](#), s. 49(5), **Sch. 10 para. 8(6)**; S.I. 2021/739, reg. 3(o)

Changes to legislation:

Regulation (EU) No 600/2014 of the European Parliament and of the Council, Article 49 is up to date with all changes known to be in force on or before 16 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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Changes and effects yet to be applied to :

- Art. 49 replacement by [EUR 2019/2033](#) Regulation (This amendment by the EU not applied to legislation.gov.uk because it is brought into force after IP completion day.)

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

- Title IVa addition by [EUR 2019/2175](#) Regulation (This amendment by the EU not applied to legislation.gov.uk because it is brought into force after IP completion day.)
- Title VIa addition by [EUR 2019/2175](#) Regulation (This amendment by the EU not applied to legislation.gov.uk because it is brought into force after IP completion day.)
- Sch. 3 para. 31 revoked by [2023 c. 29 Sch. 2 para. 50\(c\)\(ii\)](#)
- Sch. 3 para. 32 revoked by [2023 c. 29 Sch. 2 para. 50\(c\)\(ii\)](#)
- Art. 2.1(12)(12A) substituted by [2023 c. 29 Sch. 2 para. 8](#)
- Art. 2.1(17) words omitted by [2023 c. 29 Sch. 2 para. 19\(a\)](#)
- Art. 3(4)(5) inserted by [2023 c. 29 Sch. 2 para. 2](#)
- Art. 18-18b substituted for Art. 18 by [2023 c. 29 Sch. 2 para. 10](#)
- Art. 28a inserted by [2023 c. 29 Sch. 2 para. 17](#)
- Art. 46(2A) inserted by S.I. 2018/1403, reg. 33(1)(ba) (as inserted) by [S.I. 2019/710 reg. 16\(15\)\(a\)\(ii\)](#) (This amendment not applied to legislation.gov.uk. Reg. 16(15)(a) omitted (30.9.2020) by virtue of S.I. 2020/1055, regs. 1(2), 13)
- Art. 46(2A) omitted by [2021 c. 22 Sch. 10 para. 5\(4\)](#)
- Art. 50C(2) words inserted by [2023 c. 29 Sch. 2 para. 26\(2\)](#)
- Art. 50C(3) words inserted by [2023 c. 29 Sch. 2 para. 26\(3\)](#)
- Art. 50C(4) words inserted by [2023 c. 29 Sch. 2 para. 26\(4\)](#)
- Art. 50D(1) words substituted by [2023 c. 29 Sch. 2 para. 27\(2\)\(a\)](#)
- Art. 50D(1) words substituted by [2023 c. 29 Sch. 2 para. 27\(2\)\(b\)](#)
- Art. 50D(2A) inserted by [2023 c. 29 Sch. 2 para. 27\(4\)](#)
- Art. 50D(3) words substituted by [2023 c. 29 Sch. 2 para. 27\(5\)](#)
- Art. 54a addition by [EUR 2019/2175](#) Regulation (This amendment by the EU not applied to legislation.gov.uk because it is brought into force after IP completion day.)
- Art. 54b addition by [EUR 2019/2175](#) Regulation (This amendment by the EU not applied to legislation.gov.uk because it is brought into force after IP completion day.)