
DRAFT STATUTORY INSTRUMENTS

2018 No.

The Market Abuse (Amendment) (EU Exit) Regulations 2018

PART 6

Amendment of retained direct EU legislation

Inside information, insider dealing, unlawful disclosure of inside information and market manipulation

- 11.**—(1) In Article 7 (inside information)—
- (a) in paragraph 1(b), for “at the Union or national level” substitute “applicable in the United Kingdom, the European Union or a Member State”;
 - (b) in paragraph 4, in the second subparagraph, for “second subparagraph” substitute “second or fourth subparagraphs”;
 - (c) omit paragraph 5.
- (2) In Article 8 (insider dealing)—
- (a) in paragraph 1, omit “that are held pursuant to Regulation (EU) No 1031/2010”;
 - (b) in paragraph 5, omit “, in accordance with national law.”.
- (3) In Article 9 (legitimate behaviour), in paragraph 6, for “competent authority” substitute “FCA”.
- (4) In Article 11 (market soundings)—
- (a) for “competent authority” substitute “FCA”, in each place it occurs;
 - (b) for paragraphs 9 and 10 substitute—

“9. The FCA may make technical standards to determine appropriate arrangements, procedures and record keeping requirements for persons to comply with the requirements laid down in paragraphs 4, 5, 6 and 8.

10. The FCA may make technical standards to specify the systems and notification templates to be used by persons to comply with the requirements established by paragraphs 4, 5, 6 and 8, particularly the precise format of the records referred to in paragraphs 4 to 8 and the technical means for appropriate communication of the information referred to in paragraph 6 to the person receiving the market sounding.”;
 - (c) omit paragraph 11.
- (5) In Article 12 (market manipulation)—
- (a) in paragraph 2—
 - (i) in subparagraph (c)—
 - (aa) in the opening words, for “trading venue” substitute “UK trading venue or an EU trading venue”;

- (bb) in paragraphs (i) and (ii), for “trading venue” substitute “UK trading venue or the EU trading venue (as applicable);
- (ii) in subparagraph (e), for “held pursuant to Regulation (EU) No 1031/2010” substitute “of such emission allowances or related derivatives”;
- (b) in paragraph 4, omit “, in accordance with national law.”;
- (c) in paragraph 5, for “Commission shall be empowered to adopt delegated acts in accordance with Article 35 specifying” substitute “Treasury may by regulations specify”.
- (6) In Article 13 (accepted market practices)—
 - (a) in paragraph 1, for “in accordance with this Article” substitute—
 - “—
 - (a) in relation to a UK market in accordance with this Article; or
 - (b) in relation to a market in an EEA state, in accordance with Article 13 of the EU Market Abuse Regulation.”;
 - (b) in paragraph 2—
 - (i) in the opening words, for “A competent authority” substitute “The FCA”;
 - (ii) in sub-paragraph (a), for “to the market” substitute “to the UK market”;
 - (iii) in sub-paragraph (b), after “market forces” insert “operating in UK markets”;
 - (iv) in sub-paragraph (c), before “market liquidity” insert “UK”;
 - (v) in sub-paragraph (d), for “relevant market” substitute “relevant UK market”;
 - (vi) in sub-paragraph (e), for “Union” substitute “United Kingdom”;
 - (vii) in sub-paragraph (f)—
 - (aa) for “any competent authority or by another authority” substitute “the FCA”;
 - (bb) for “concerns the relevant market” substitute “concerns the relevant UK market”;
 - (cc) for “Union” substitute “United Kingdom”;
 - (viii) in subparagraph (g), for “relevant market” substitute “relevant UK market”, in both places it occurs;
 - (ix) omit the final sentence;
 - (c) omit paragraphs 3 to 6;
 - (d) for paragraph 7 substitute—

“7. The FCA may make technical standards specifying the criteria, the procedure and the requirements for establishing an accepted market practice under paragraph 2 and the requirements for maintaining it, terminating it, or modifying the conditions for its acceptance.”;
 - (e) in paragraph 8—
 - (i) for “Competent authorities” substitute “The FCA”;
 - (ii) for “they have” substitute “it has”;
 - (iii) for “relevant market” substitute “relevant UK market”;
 - (f) in paragraph 9—
 - (i) for “ESMA” substitute “The FCA”;
 - (ii) omit “and in which Member States they are applicable”;

- (g) omit paragraphs 10 and 11 and the final paragraph.
- (7) In Article 16 (prevention and detection of market abuse)—
 - (a) in paragraph 1—
 - (i) before the words “trading venue” insert “UK”;
 - (ii) for “Articles 31 and 54 of [Directive 2014/65/EU](#).”, substitute—

“the law of the United Kingdom or any part of the United Kingdom which was relied on immediately before exit day to implement Articles 31 and 54 of [Directive 2014/65/EU](#) and those Articles’ implementing measures—

 - (a) as they have effect on exit day, in the case of rules made by the Financial Conduct Authority or by the Prudential Regulation Authority under the Financial Services and Markets Act 2000, and
 - (b) as amended from time to time, in all other cases.”;
 - (iii) for “competent authority of the trading venue” substitute “FCA”;
 - (b) in paragraph 2—
 - (i) before the words “trading venue” insert “UK”;
 - (ii) for “competent authority as referred to in paragraph 3” substitute “FCA”;
 - (c) in paragraph 3—
 - (i) omit “Without prejudice to Article 22”;
 - (ii) for the words from “of the Member State” to the end substitute “of the United Kingdom where they are registered or have their head office in the United Kingdom or, in the case of a branch, where the branch is situated in the United Kingdom. The notification shall be addressed to the FCA.”;
 - (d) omit paragraph 4;
 - (e) for paragraph 5 substitute—

“5. The FCA may make technical standards to determine:

 - (a) appropriate arrangements, systems and procedures for persons to comply with the requirements established in paragraphs 1 and 2;
 - (b) the notification templates to be used by persons to comply with the requirements established in paragraphs 1 and 2.”.