

**Recognised Investment Exchanges**

## Chapter 4

# Supervision

## 4.2D Suspension and removal of financial instruments from trading by the FCA

- 4.2D.1** **G** (1) Under section 313A of the *Act*, the *FCA* may for the purpose of protecting:
- (a) the interests of investors; or
  - (b) the orderly functioning of the financial markets;
- require a *UK RIE* to suspend or remove a *financial instrument* from trading.
- (2) If the *FCA* exercises this power, the *UK RIE* concerned may refer the matter to the *Tribunal*.
- 4.2D.2** **G** The procedure the *FCA* will follow if it exercises its power to require a *UK RIE* to suspend or remove a *financial instrument* from trading is set out in sections 313B to 313BE of the *Act*. The *FCA*'s internal arrangements provide for decisions to exercise this power to be taken at an appropriately senior level. If the *FCA* exercises this power, the *UK RIE* concerned and the issuer (if any) of the relevant *financial instrument* may refer the matter to the *Tribunal*(see ■ EG 2.39).
- 4.2D.3** **G** [deleted]
- 4.2D.4** **G** [deleted]
- 4.2D.5** **G** [deleted]
- 4.2D.6** **G** [deleted]
- 4.2D.7** **G** Under sections 313CA(2) and (3) of the *Act*, if the *FCA* imposes a requirement to suspend or remove a *financial instrument* from trading, the *FCA* must require any trading venue or *systematic internaliser*, falling under its jurisdiction as defined in section 313D of the *Act*, which trades the same instrument to suspend or remove the instrument if the suspension or removal was due to suspected market abuse; a take-over bid; or the non-disclosure of *inside information* about the *issuer* or the instrument, unless such a step would cause significant damage to the interests of investors or

- the orderly functioning of the financial markets. The same applies in relation to a derivative which relates to or is referenced to the *financial instrument*.
- 4.2D.8** **G** Under sections 313CB (2) and (3) of the *Act*, if the *FCA* receives notice that a *person* operating a trading venue has suspended or removed a *financial instrument* from trading on the trading venue because the instrument no longer complies with the venue's rules, the *FCA* must require any other trading venue or *systematic internaliser*, falling under its jurisdiction as defined in section 313D of the *Act*, which trades the same instrument to suspend or remove the instrument if the suspension or removal was due to suspected market abuse; a take-over bid; or the non-disclosure of *inside information* about the *issuer* or the instrument, unless such a step would cause significant damage to the interests of investors or the orderly functioning of the financial markets. The same applies in relation to a derivative which relates to or is referenced to the *financial instrument*.
- 4.2D.9** **G** The *FCA* receives notice for the purposes of **■ REC 4.2D.8G** when it is informed of the suspension or removal decision by the *RIE*, *investment firm* with a *Part 4A permission* enabling it to carry on *MiFID business*, or *CRD credit institution* that operates the trading venue.
- 4.2D.10** **G** [deleted]
- 4.2D.11** **G** [deleted]