

Chapter 4

Supervision



4.2C Control over a UK RIE

- 4.2C.1 **G** Section 301A(1) of chapter 1A of Part XVIII of the Act places an obligation on a *person* who decides to acquire or increase control (see sections 301D and 301E of the Act) over a *UK RIE* to notify the *FCA*, before making the acquisition. Furthermore, those *persons* are required to obtain the *FCA*'s approval before acquiring control or increasing the level of control held.
- 4.2C.2 **G** The *FCA* will approve an acquisition or an increase in control if it is satisfied that the acquisition by the *person* seeking approval does not pose a threat to the sound and prudent management of any financial market operated by the *UK RIE* (see section 301F(4) of the Act). The reference to any financial market is to be read as including a reference to any *auction platform* as a result of the *RAP regulations*.
- 4.2C.3 **G** If a proposed acquirer has complied with the obligation to notify, the procedure the *FCA* will follow if it approves or does not approve of that *person* acquiring or increasing control is set out in sections 301F and 301G of the Act.
- 4.2C.4 **G** [deleted]
- 4.2C.5 **G** [deleted]
- 4.2C.6 **G** The *FCA*'s internal arrangements provide for any decisions to refuse to approve an acquisition or object to an existing control to be taken at an appropriately senior level.
- 4.2C.7 **G** If the *FCA* refuses to approve an acquisition or objects to an existing control, the *person* concerned may refer the matter to the *Tribunal* (see ■ EG 2.39).
- 4.2C.8 **G** The powers the *FCA* can exercise in the event that a *person* acquires or continues to exercise control notwithstanding the *FCA*'s refusal to approve the acquisition of control or the *FCA*'s objection to the exercise of control are set out in sections 301J and 301K of the Act.
- 4.2C.9 **G** The offences for which a *person* who fails to comply with the obligations set out in Chapter 1A of Part XVIII of the Act is liable are set out in section 301L of the Act.