

Chapter 6A

EEA market operators in the United Kingdom

6A.2 Removal of passport rights from EEA market operator

- 6A.2.1** G Under section 312B of the Act, the FCA may prohibit an EEA market operator from making or, as the case may be, continuing arrangements in the United Kingdom, to facilitate access to, or use of, a regulated market, multilateral trading facility or organised trading facility operated by the operator if:
- (1) the FCA has clear and demonstrable grounds for believing that the operator has contravened a relevant requirement; and
 - (2) the FCA has first complied with sections 312B(3) to (9) of the Act.
- 6A.2.2** G A requirement is relevant if it is imposed:
- (1) by the operator's Home State regulator in the implementation of MiFID or any EU legislation made under MiFID;
 - (2) by provision implementing MiFID, or any EU legislation made under it, in the operator's Home State; or
 - (3) by any directly applicable EU regulation made under MiFID.
- 6A.2.3** G The procedure the FCA will follow if it is to exercise this prohibition power is set out in sections 313B(3) to (9) of the Act.
- 6A.2.4** G If the FCA exercises this prohibition power it must at the earliest opportunity notify the Commission and ESMA of the action taken in relation to the operator.
- 6A.2.5** G The operator's exempt person status ceases to apply if the FCA exercises this prohibition power.
- 6A.2.6** G The operator's right to make arrangements in the United Kingdom, to facilitate access to, or use of, a regulated market, multilateral trading facility or organised trading facility, operated by the operator may be reinstated (together with its exempt person status) if the FCA is satisfied that the contravention which led the FCA to exercise its prohibition power has been remedied.

6A.2.7

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In accordance with the *RAP regulations*, references in section 312B of the *Act* to *regulated market* are to be read as including reference to an *auction platform* and references to *MIFID* are to be read as including reference to the *auction regulation*.