



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART VIII

[^{F1}PROVISIONS RELATING TO MARKET ABUSE]

[^{F1}Administrative sanctions]

Textual Amendments

F1 Ss. 123-123C and cross-heading substituted for s. 123 and cross-heading (3.7.2016) by [The Financial Services and Markets Act 2000 \(Market Abuse\) Regulations 2016 \(S.I. 2016/680\)](#), regs. 1, **9(5)**

[^{F1}123 Power to impose penalties or issue censure

- (1) The FCA may exercise its power under subsection (2) if it is satisfied that—
- (a) a person has contravened Article 14 (prohibition of insider dealing and of unlawful disclosure of inside information) or Article 15 (prohibition of market manipulation) of the market abuse regulation;
 - (b) a person has contravened, or been knowingly concerned in the contravention of—
 - (i) a provision of the market abuse regulation other than Article 14 or 15 of that regulation; or
 - (ii) a provision of [^{F2}any supplementary market abuse legislation]; or
 - (c) a person other than an authorised person has contravened any requirement—
 - (i) imposed on that person under section 122A, 122B, 122C, 122G, 122H, [^{F3}122HA,] 122I, [^{F4}122IA,] 123A or 123B; or
 - (ii) relating to the market abuse regulation or [^{F5}any supplementary market abuse legislation] imposed on that person under Part 11.
- (2) The FCA's power under this subsection is a power to impose a penalty of such amount as it considers appropriate on the person.

Changes to legislation: Financial Services and Markets Act 2000, Cross Heading: Administrative sanctions is up to date with all changes known to be in force on or before 20 April 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

- (3) The FCA may, instead of imposing a penalty on a person, publish a statement censuring the person.]

Textual Amendments

- F2** Words in s. 123(1)(b)(ii) substituted (31.12.2020) by [The Market Abuse \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/310\)](#), regs. 1(3), **5(8)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F3** Word in s. 123(1)(c)(i) inserted (27.2.2018) by [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2), **42(1)**
- F4** Word in s. 123(1)(c)(i) inserted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), **Sch. 2 para. 12** (with reg. 7)
- F5** Words in s. 123(1)(c)(ii) substituted (31.12.2020) by virtue of [The Market Abuse \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/310\)](#), regs. 1(3), **5(8)(a)**; 2020 c. 1, Sch. 5 para. 1(1)

[^{F1}123A. Power to prohibit individuals from managing or dealing

- (1) The FCA may exercise its power under subsection (2) if it is satisfied that an individual—
- (a) has contravened Article 14 (prohibition of insider dealing and of unlawful disclosure of inside information) or Article 15 (prohibition of market manipulation) of the market abuse regulation;
 - (b) has contravened, or been knowingly concerned in the contravention of—
 - (i) a provision of the market abuse regulation other than Article 14 or 15 of that regulation; or
 - (ii) a provision of [^{F6}any supplementary market abuse legislation]; or
 - (c) has contravened a requirement imposed on that individual under this section or section 122A, 122B, 122C, 122G, 122H, [^{F7}122HA,] 122I [^{F8}, 122IA] or 123B.
- (2) The FCA’s power under this subsection is a power to impose [^{F9}one or more] of the following—
- (a) a temporary prohibition on the individual holding an office or position involving responsibility for taking decisions about the management of an investment firm;
 - (b) a temporary prohibition on the individual acquiring or disposing of financial instruments, whether on his or her own account or the account of a third party and whether directly or indirectly.
 - [^{F10}(c) a temporary prohibition on the individual making a bid, on his or her own account or the account of a third party, directly or indirectly, at an auction conducted by a recognised auction platform.]
- (3) If the FCA is satisfied that an individual has contravened Article 14 or 15 of the market abuse regulation the FCA may impose a permanent prohibition on the individual holding an office or position involving responsibility for taking decisions about the management of an investment firm.
- (4) A prohibition imposed under subsection (2) may be expressed to expire at the end of such period as the FCA may specify, but the imposition of a prohibition that expires

Changes to legislation: Financial Services and Markets Act 2000, Cross Heading: Administrative sanctions is up to date with all changes known to be in force on or before 20 April 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

at the end of a specified period does not affect the FCA’s power to impose a new prohibition under subsection (2).

- (5) A prohibition imposed under subsection (2)(a) or (3) may be expressed to prohibit an individual holding an office or position involving responsibility for taking decisions about the management of—
- (a) a named investment firm;
 - (b) an investment firm of a specified description; or
 - (c) any investment firm.
- (6) An investment firm must take reasonable care to ensure that no individual who is subject to a prohibition under subsection (2)(a) or (3) on the holding of an office or position involving responsibility for taking decisions about the management of the firm holds such an office or position.
- (7) The FCA may vary or revoke a prohibition imposed under this section.

[For the meaning of “recognised auction platform” in this Part, see section 131AB.]
F11(8)

Textual Amendments

- F6** Words in s. 123A(b)(ii) substituted (31.12.2020) by [The Market Abuse \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/310\)](#), regs. 1(3), **5(9)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F7** Word in s. 123A(1)(c) inserted (27.2.2018) by [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2), **42(2)**
- F8** Word in s. 123A(1)(c) inserted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), **Sch. 2 para. 13(2)** (with reg. 7)
- F9** Words in s. 123A(2) substituted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), **Sch. 2 para. 13(3)(a)** (with reg. 7)
- F10** S. 123A(2)(c) inserted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), **Sch. 2 para. 13(3)(b)** (with reg. 7)
- F11** S. 123A(8) inserted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), **Sch. 2 para. 13(4)** (with reg. 7)

123B. Suspending permission to carry on regulated activities etc

- (1) The FCA may exercise its power under subsection (2) if it is satisfied that an authorised person—
- (a) has contravened Article 14 (prohibition of insider dealing and of unlawful disclosure of inside information) or Article 15 (prohibition of market manipulation) of the market abuse regulation;
 - (b) has contravened, or been knowingly concerned in the contravention of—

Changes to legislation: Financial Services and Markets Act 2000, Cross Heading: Administrative sanctions is up to date with all changes known to be in force on or before 20 April 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

- (i) a provision of the market abuse regulation other than Article 14 and 15 of that regulation;
 - (ii) a provision of [^{F12}any supplementary market abuse legislation]; or
 - (c) has contravened a requirement imposed on that person under this section or section 122A, 122B, 122C, 122G, 122H, [^{F13}122HA,] 122I [^{F14}, 122IA] or 123A.
- (2) The FCA’s power under this subsection is a power to do either or both of the following —
- (a) to suspend, for such period as it considers appropriate, any permission which the person has to carry on a regulated activity;
 - (b) to impose, for such period as it considers appropriate, such limitations or other restrictions in relation to the carrying on of a regulated activity by the person as it considers appropriate.
- (3) In subsection (2) “permission” means any permission that the authorised person has, whether given (or treated as given) by the FCA or the PRA or conferred by any provision of this Act.
- (4) The period for which a suspension or restriction is to have effect may not exceed 12 months.
- (5) A suspension may relate only to the carrying on of an activity in specified circumstances.
- (6) A restriction may, in particular, be imposed so as to require the person concerned to take, or refrain from taking, specified action.
- (7) The FCA may—
- (a) withdraw a suspension or restriction; or
 - (b) vary a suspension or restriction so as to reduce the period for which it has effect or otherwise to limit its effect.
- (8) The power under this section may (but need not) be exercised so as to have effect in relation to all the regulated activities that the person concerned carries on.

Textual Amendments

- F12** Words in s. 123B(1)(b)(ii) substituted (31.12.2020) by [The Market Abuse \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/310\)](#), regs. 1(3), **5(10)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F13** Word in s. 123B(1)(c) inserted (27.2.2018) by [The Financial Services and Markets Act 2000 \(Benchmarks\) Regulations 2018 \(S.I. 2018/135\)](#), regs. 1(2), **42(2)**
- F14** Word in s. 123B(1)(c) inserted (29.6.2017 for specified purposes, 3.7.2017 for specified purposes, 31.7.2017 for specified purposes, 3.1.2018 in so far as not already in force) by [The Financial Services and Markets Act 2000 \(Markets in Financial Instruments\) Regulations 2017 \(S.I. 2017/701\)](#), reg. 1(2)(3)(4)(6), **Sch. 2 para. 14** (with reg. 7)

123C. Exercise of administrative sanctions

Any one or more of the powers under sections 123, 123A and 123B may be exercised in relation to the same contravention.]

Changes to legislation:

Financial Services and Markets Act 2000, Cross Heading: Administrative sanctions is up to date with all changes known to be in force on or before 20 April 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.

[View outstanding changes](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- Act applied (with modifications) by [S.I. 2023/1347 reg. 8](#)
- Act power to apply conferred (temp. until 15.5.2039) by [2014 c. 21 s. 79\(4\)](#)
- Act power to apply conferred (temp. until 15.5.2039) by [2014 c. 21 s. 81\(10\)](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Pt. 17 Ch. 3B inserted by [2023 c. 29 s. 64\(3\)](#)
- Pt. 20C inserted by [2016 c. 14 s. 30\(3\)](#)
- s. 31(1)(aa) inserted by [2021 c. 22 s. 22\(2\)](#)
- s. 32A inserted by [2021 c. 22 s. 22\(3\)](#)
- s. 32A power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- s. 36A and cross-heading inserted by [2021 c. 22 s. 22\(4\)](#)
- s. 71J and cross-heading inserted by [2021 c. 22 Sch. 8 para. 4](#)
- s. 86(9A) inserted by [S.I. 2019/707 reg. 8\(9\)](#) (This amendment not applied to legislation.gov.uk. Reg. 8(6)-(10) omitted (6.9.2019) by virtue of S.I. 2019/1234, regs. 1(2), 13(c))
- s. 87A(11) inserted by [S.I. 2019/707 reg. 10\(5\)](#) (This amendment not applied to legislation.gov.uk. Reg. 10(4)(5) omitted (6.9.2019) by virtue of S.I. 2019/1234, regs. 1(2), 15(b))
- s. 124(10)(c)(i) word omitted by [S.I. 2019/310 reg. 5\(11\)\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 5(11)(b) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(2)(e))
- s. 129(7)(a) word inserted by [S.I. 2019/310 reg. 5\(12\)\(a\)\(i\)](#) (This amendment not applied to legislation.gov.uk. Reg. 5(12)(a)(b) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(2)(f))
- s. 129(7)(c) omitted and word by [S.I. 2019/310 reg. 5\(12\)\(a\)\(ii\)](#) (This amendment not applied to legislation.gov.uk. Reg. 5(12)(a)(b) omitted immediately before IP completion day by virtue of S.I. 2020/1385, regs. 1(4), 51(2)(f))
- s. 214(5A) inserted by [2021 c. 22 Sch. 8 para. 8](#)
- s. 261E(A1) inserted by [2023 c. 29 s. 64\(2\)\(a\)](#)
- s. 367A inserted by [2021 c. 22 Sch. 8 para. 10](#)
- s. 395(13)(h)(i) inserted by [2021 c. 22 Sch. 8 para. 12\(2\)\(c\)](#)
- s. 395(13)(bc)-(be) word inserted by [2021 c. 22 Sch. 8 para. 12\(2\)\(b\)](#)
- s. 395(14) inserted by [2021 c. 22 Sch. 8 para. 12\(3\)](#)
- s. 427A(3) words substituted by [2002 c. 40 Sch. 17 para. 59](#) (This amendment not applied to legislation.gov.uk. The Financial Services and Markets Act 2000 does not contain a section 427A.)
- Sch. 1ZA para. 32(c) and word inserted by [2021 c. 22 Sch. 8 para. 18](#)
- Sch. 2A para. 19(2)(b)(iia) inserted by [2023 c. 29 Sch. 10 para. 19\(a\)](#)
- Sch. 2A2B power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- Sch. 2A power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- Sch. 2B inserted by [2021 c. 22 Sch. 7](#)
- Sch. 2B power to apply (with modifications) conferred by [2021 c. 22 s. 23\(10\)](#)
- Sch. 11A para. 5(3) inserted by [S.I. 2019/707 reg. 38\(5\)\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 38(2)-(5)(7)(8) omitted (6.9.2019) by virtue of S.I. 2019/1234, regs. 1(2), 20)

- Sch. 17A para. 12 words substituted by [S.I. 2019/662 reg. 13\(1\)](#) (This amendment not applied to legislation.gov.uk. Reg. 13(1) substituted (25.6.2020) by S.I. 2020/646, regs. 1(2)(c), 11(3))