

[foi@fca.org.uk](mailto:foi@fca.org.uk)  
0207 066 8080

Via Email

22 June 2017

Our Ref: FOI5161

Dear

### **Freedom of Information: Right to know request**

Thank you for your request for information under the Freedom of Information Act 2000 ("**the Act**"), dated 24 May 2017, for the following information. Your response has been numbered for ease of reference.

*"1) How many insider dealing investigations has the FCA opened in each of the past three financial years, 2014/15, 2015/16, 2016/17?"*

*2) How many of these insider dealing investigations resulted in:*

- a) No further action being taken*
- b) Regulatory sanctions*
- c) Criminal prosecution*

*Please could we have the numbers for questions 1 and 2 broken down by financial year ie: 2014/15, 2015/16, 2016/17"*

### ***How we have interpreted your request***

In this response 'insider dealing' is interpreted to refer to the prohibition on insider dealing under Article 14 of the Market Abuse Regulation 596/2014 and as defined in Article 8 of the same; the behaviour formerly set out in section 118(2) of the Financial Services and Markets Act 2000 ('**FSMA**'); or the offence in section 52(1) of the Criminal Justice Act 1993.

Furthermore, we have taken 'investigations' to refer to cases in which the FCA has appointed one or more competent persons to conduct an investigation on its behalf under Part 11 of FSMA.

'No further action' is interpreted to refer to instances either where the FCA withdrew prosecution; where no action was taken pre-Regulatory Decisions Committee but a referral was made to the Serious Fraud Office or the police; or where no action was taken pre-Regulatory Decisions Committee.

The financial year runs from 1 April to 31 March.

### ***How we have calculated the response to your request***

The figures provided reflect the number of cases where 'insider dealing', matching the definition above, is recorded under any of the fields of classification on the FCA's Case Management Tool ('**CMT**').

For the purposes of this response, investigations into different subjects (e.g., firm and individuals) in relation to the same matter have been counted as separate investigations. The figures reflect the classification of cases as at 7 June 2017.

### ***How we classify "insider dealing" for other publications***

Please note that in July 2017, the FCA will publish its Enforcement Annual Performance Account ('**EAPA**'), which will include the investigation opening statistics for the financial year 2016/17 in relation to insider dealing.

For the purposes of the EAPA, only those investigations which have "insider dealing" recorded in the primary project category classification on CMT will be classified as "insider dealing" investigations. This different classification method will result in a lower number of such investigations being recorded in the forthcoming 2016/17 EAPA, than are recorded in this response.

The EAPA will also report separately the number of Final Notices published in the financial year, where each Final Notice will be counted once, even though a single Final Notice may cover multiple outcomes (for example a single Final Notice may describe how an individual has been fined, prohibited and censured).

Turning now to your request, I can confirm the following:

In the **financial year 2014/2015**, the FCA opened **two** insider dealing investigations. Of the two investigations that were opened in that year:

- None have resulted in no further action being taken.
- **One** has resulted in regulatory sanctions.
- None have resulted in criminal prosecution.
- **One** is on-going.

In the **financial year 2015/2016**, the FCA opened **18** insider dealing investigations. Of the 18 investigations that were opened in that year:

- **Four** have resulted in no further action being taken.
- **One** has resulted in regulatory sanctions.
- None have resulted in criminal prosecution.
- **Thirteen** are on-going.

In the **financial year 2016/2017**, the FCA opened **91** insider dealing investigations. Of the 91 investigations that were opened in that year:

- **Twenty three** have resulted in no further action being taken.
- **One** has resulted in regulatory sanctions.
- None have resulted in criminal prosecution.
- **Sixty seven** are on-going.

The "Enforcement and penalties" section of the FCA's Market Abuse page online contains further links to the FCA's Final Notices and press releases.

<https://www.the-fca.org.uk/markets/market-abuse>

Yours sincerely,

Information Disclosure Team  
Financial Conduct Authority