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Financial Services Act 2012 c. 21

s. 89 Misleading statements



Law In Force

Version 2 of 2

3 July 2016 - Present

Subjects

Banking and finance; Criminal law

Keywords

Financial crime; Market manipulation; Misleading statements

89 Misleading statements

(1) Subsection (2) applies to a person (“P”) who—

- (a) makes a statement which P knows to be false or misleading in a material respect,
- (b) makes a statement which is false or misleading in a material respect, being reckless as to whether it is, or
- (c) dishonestly conceals any material facts whether in connection with a statement made by P or otherwise.

(2) P commits an offence if P makes the statement or conceals the facts with the intention of inducing, or is reckless as to whether making it or concealing them may induce, another person (whether or not the person to whom the statement is made)—

- (a) to enter into or offer to enter into, or to refrain from entering or offering to enter into, a relevant agreement, or
- (b) to exercise, or refrain from exercising, any rights conferred by a relevant investment.

(3) In proceedings for an offence under subsection (2) brought against a person to whom that subsection applies as a result of paragraph (a) of subsection (1), it is a defence for the person charged (“D”) to show that the statement was made in conformity with—

- (a) price stabilising rules,
- (b) control of information rules, or

[

- (c) the relevant provisions of Article 5 (exemption for buy-back programmes and stabilisation) of the market abuse regulation.

] ¹

(4) Subsections (1) and (2) do not apply unless—

- (a) the statement is made in or from, or the facts are concealed in or from, the United Kingdom or arrangements are made in or from the United Kingdom for the statement to be made or the facts to be concealed,

- (b) the person on whom the inducement is intended to or may have effect is in the United Kingdom, or
- (c) the agreement is or would be entered into or the rights are or would be exercised in the United Kingdom.

Notes

- 1 Substituted by Financial Services and Markets Act 2000 (Market Abuse) Regulations 2016/680 [Pt 3\(1\) reg.15\(2\)](#) (July 3, 2016)

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