

# MFSA

---

## MALTA FINANCIAL SERVICES AUTHORITY

### **CIRCULAR ON THE MARKET ABUSE REGULATION ('MAR')** ***Updated Questions and Answers relating to the Implementation of MAR***

This circular is being addressed to market participants, particularly issuers whose financial instruments are admitted to trading on a trading venue (regulated market, multilateral trading facility ('MTF') or organised trading facility ('OTF')) and to issuers who have requested that their financial instruments are admitted to trading on a trading venue.

This circular shall be read in conjunction with [MAR](#), its delegated regulations and previous circulars issued by the Authority.

#### **Updates to the Questions and Answers relating to the Implementation of MAR**

The Authority would like to inform market participants that the European Securities and Markets Authority ('ESMA') has on 12 November 2018 updated its Questions and Answers ('Q&As') on the Market Abuse Regulation.

The Q&As are intended to promote common supervisory approaches and provide responses to questions posed by the general public and market participants in relation to the practical application of legal provisions relating to unlawful behaviour in the financial markets.

ESMA has included one new Q&A relating to Managers' Transactions as follows:-

#### **Q&A 7.10 relating to the application of the prohibition in Article 19(11) of MAR to issuers**

Q&A 7.10 provides a clarification on whether the prohibition in Article 19(11) of MAR encompasses transactions of the issuer relating to its own financial instruments.

Article 19(11) of MAR prohibits persons disclosing managerial responsibilities ('PDMRs') within an issuer, and not the issuer itself, to conduct "*any transactions on its own account or for the account of a third party, directly or indirectly, relating to the share or debt instruments of the issuer [...] during a closed period of 30 calendar days*" before the announcement of a financial report. Since the actions of the PDMR, in their capacity of director or employee of the issuer, are not PDMR transactions for the account of a third party but transactions of the issuer itself, the prohibition of Article 19(11) is not applicable.

However, issuers should carefully treat transactions carried out during a closed period, since issuers remain subject to the prohibition of insider dealing contained in Article 14 of MAR. Accordingly, issuers that are in possession of inside information relating to their own financial instruments, are

prevented from trading in these instruments unless they have established, implemented and maintained the internal arrangements and procedures laid down in Article 9(1) of MAR.

A copy of the updated Q&As can be accessed through the following [link](#).

### **Contacts**

Should you have any queries relating to the above kindly contact the Authority on [pfma@mfsa.com.mt](mailto:pfma@mfsa.com.mt)

**Communications Unit**  
**Malta Financial Services Authority**  
**13 November 2018**