

19 June 2020

Circular on the Market Abuse Regulation (EU) 596/2014 ('MAR' or the 'Regulation')

- PDMR Notifications: A Follow Up

This circular is being addressed to issuers whose financial instruments are admitted to trading on a trading venue, or for which a request for admission to trading has been made; and to persons discharging managerial responsibilities ('PDMRs') for such issuers, as well as to persons closely associated ('PCAs') with them.

This circular should be read in conjunction with the circular issued by the MFSA on 28 June 2019 in relation to PDMR notifications. A copy of this circular may be accessed on the MFSA website through this [Link](#).

COMPANIES ARE REQUESTED TO COMMUNICATE AND DISTRIBUTE THIS CIRCULAR TO THEIR PDMRS, REQUIRING THE LATTER TO IN TURN INFORM THEIR RESPECTIVE PCAs.

1.0 PDMR Notification Requirements

As you are aware, under Article 19 of MAR, PDMRs and their respective PCAs shall notify the issuer and the Malta Financial Services Authority of every transaction conducted on their own account relating to the shares or debt instruments of that issuer.

This requirement applies once the total value of transactions executed within a calendar year exceeds €5,000.

Such notifications are to be made promptly and no later than 3 business days after the date of the transaction.

The timely notification to the MFSA of transactions in the financial instruments of an issuer conducted by PDMRs on their own account, or by persons closely associated with them, provides a means for the Authority to supervise financial markets. This requirement is a preventive measure against market abuse, which enhances market transparency and provides valuable information to investors. Failure to notify transactions by PDMRs undermines the scope of the Regulation and the MFSA's overall objective of protecting and enhancing the integrity of financial markets.

2.0 Way Forward

Given that the Regulation has been into force since July 2016, and taking into consideration the number of onsite compliance meetings held with several market participants and the MFSA circulars

issued to the industry, the Authority expects PDMRs and PCAs to be fully compliant with the applicable requirements contained in MAR.

In the eventuality that a PDMM or PCA has carried out a notifiable transaction and has, to date, failed to submit a PDMM notification, they are urged to rectify their position and submit the PDMM notification to the MFSA immediately, without any further delay.

PDMM notifications can be submitted via email to the MFSA on pfma@mfsa.mt and a copy of the PDMM notification form can be accessed through this [Link](#).

No late notifications will be accepted after 6 July 2020.

Failure to submit PDMM notifications with respect to notifiable transactions carried out since the coming into force of the Regulation, or late submissions, will amount to a breach of Article 19 of MAR. Please note that a breach of Article 19 of MAR will warrant regulatory action in terms of Article 22 of the Prevention of Financial Markets Abuse Act, Chapter 476 of the Laws of Malta.

Should you have any queries in relation to the above, kindly contact the Authority on pfma@mfsa.mt.