

29 September 2026

Amendments to the Capital Markets Rules – Shareholder Rights Directive II and Other Changes

This Circular is being addressed to market participants, primarily those falling under the scope of Directive (EU) 2017/828 (the “Shareholders Rights Directive II” or the “SRD II”).

The SRD II aims to encourage long-term shareholders engagement and improve corporate governance in EU-listed companies. It was required to be transposed into Maltese legislation by 10 June 2019. In this respect, the MFSA has issued circulars related to the transposition of the SRD II, *inter alia* on [1 July 2019](#) and on [6 December 2021](#).

Following the SRD II’s transposition and the subsequent years of implementation in Malta, additional amendments became necessary to the Capital Markets Rules (the “CMRs”), as outlined in this Circular.

1.0 The Amendments to the CMRs

1.1 The Aggregation of Certain Transactions

The definition of a “Material Related Party Transaction” is being amended so that the second sentence would be introduced as a separate Rule 5.142D. In this respect, Rule 5.142D would be introduced by virtue of these amendments and will read as follows:

QUOTE

“5.142D Transactions with the same Related Party that have been concluded in any twelve month period or in the same financial year and have not been subject to the obligations listed in Capital Markets Rules 5.141 to 5.142A are aggregated for the purposes of those Capital Markets Rules.”

UNQUOTE

The above amendment emanates from Article 1(4) of the SRD II amending Article 9c(8) of Directive 2007/36/EC which requires the aggregation of certain transactions.

1.2 The Applicable Exemptions

Rule 5.143.2 of the version prior to the coming into force of the amendments outlined in this Circular is being deleted through these amendments.

Rule 5.143.3 of the version prior to the coming into force of the amendments outlined in this Circular is being thereby renumbered to Rule 5.143.2 and shall read as follows:

QUOTE

"5.143.2 the transaction is entered into by credit institutions on the basis of measures, aiming at safeguarding their stability, adopted by the competent authority in charge of the prudential supervision within the meaning of Union law;"

UNQUOTE

Rules 5.143.4 to 5.143.6 of the version prior to the coming into force of the amendments outlined in this Circular are being deleted through these amendments.

Rule 5.143.7 of the version prior to the coming into force of the amendments outlined in this Circular is being thereby renumbered to Rule 5.143.3.

The above amendments are intended to be aligned with Article 1(4) of the SRD II amending Article 9c(6) of Directive 2007/36/EC, which relates to the exemptions that member states can adopt from the requirements of Articles 9c(2) – (4) of the same Directive 2007/36/EC.

1.3 Transactions Entered into the Ordinary Course of Business

A new sentence and paragraph are being added to Rule 5.143A which shall now read as follows:

QUOTE

"5.143A The requirements set out in Capital Markets Rules 5.141 to 5.142A shall not apply to transactions entered into in the ordinary course of business and concluded on normal market terms. For such transactions the Audit Committee shall establish an internal procedure to periodically assess whether these conditions are fulfilled.

The respective Related Party shall not take part in the assessment."

UNQUOTE

The above amendment emanates from Article 1(4) of the SRD II amending the first subparagraph of Article 9c(5) of Directive 2007/36/EC, which establishes that the requirements of Articles 9c(2) – (4) of the same Directive 2007/36/EC do not apply to transactions entered into the ordinary course of business and concluded on normal market terms.

1.4 Other Editorial Amendments

Further editorial amendments were made to the following rules, which are unrelated to the SRD II:

- Rule 4.22.1;
- Rule 4.22.3;
- Rule 5.68.2;
- Rule 5.127.1;
- Rule 5.127.1A;
- Rule 5.265B;
- Rule 8.62.1; and
- Rule 8.62.3.

The substance of the aforementioned rules remains otherwise unchanged.

2.0 Access to the Updated CMRs and the Effective Date

You can access the CMRs as amended by this Circular following this [link](#).

The CMRs as updated through this Circular are effective as of the date of publication of this Circular.

Contacts

Should you require any further clarifications or have any queries, kindly contact the Authority on transparency@mfsa.mt.