

Prevention of Financial Markets Abuse Rules

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Title 1 General

Section 1 *Definitions*

R1-1.1 This Section should be read in conjunction with MAR, the Act and Regulations issued thereunder. In the event that definitions contained hereunder conflict with those stipulated in MAR, the Act or regulations issued thereunder, the definitions set out in MAR, the Act and Regulations issued thereunder shall prevail.

1. **“Act”** means the Prevention of Financial Markets Abuse Act, Chapter 476 of the Laws of Malta;
2. **“Authority”** means the Malta Financial Services Authority as established by the Malta Financial Services Authority Act, Chapter 330 of the Laws of Malta;
3. **“Buy-back Programme”** means a buy-back programme as defined in point (17) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
4. **“Credit Institution”** means a credit institution as defined in point (3) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
5. **“Commodity”** means a commodity as defined in point (14) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
6. **“Commodity Derivatives”** means commodity derivatives as defined in point (24) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
7. **“Disclosing Market Participant”** means a disclosing market participant as defined in point (32) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
8. **“Financial Institution”** means a financial institution as defined in point (4) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
9. **“Financial Instrument”** means a financial instrument as defined in point (1) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;

10. **“Information recommending or suggesting an investment strategy”** means information recommending or suggesting an investment strategy as defined in point (34) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
11. **“Investment Firm”** means an investment firm as defined in point (2) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
12. **“Investment Recommendations”** means investment recommendations as defined in point (35) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council
13. **“Issuer”** means an issuer as defined in point (21) of Article 3(1) of Regulation (EU) 2014/596 of the European Parliament and of the Council;
14. **“Market Abuse Regulation”** or **“MAR”** means Regulation (EU) 596/2014 of the European Parliament of the Council on market abuse and repealing Directive 2003/6/EC and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC;
15. **“Market Operator”** means a market operator as defined in point (5) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
16. **“Market Participants”** means investors, financial intermediaries, operators of trading venue and persons professionally arranging and executing transactions in commodity derivatives.
17. **“Market Sounding Recipient”** or **“MSR”** means a person receiving market sounding.
18. **“Multilateral Trading Facility”** or **“MTF”** means a multilateral trading facility as defined in point (7) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
19. **“Organised Trading Facility”** or **“OTF”** means an organised trading facility as defined in point (8) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;

20. **“Person Closely Associated”** means a person closely associated as defined in point (26) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
21. **“Person Discharging Managerial Responsibilities”** means a person discharging managerial responsibilities as defined in point (25) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
22. **“Person Professionally Arranging or Executing Transactions”** means a person professionally arranging or executing transactions as defined in point (28) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
23. **“Regulated Market”** means a regulated market as defined in point (6) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
24. **“Rules”** means these Prevention of Financial Market Abuse Rules;
25. **“Spot Commodity Contract”** means a spot commodity contract as defined in point (15) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
26. **“Spot Market”** means a spot market as defined in point (16) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council;
27. **“Stabilisation”** means stabilisation as defined in point (d) of Article 3(2) of Regulation 596/2014 of the European Parliament and of the Council;
28. **“Trading Venue”** means a trading venue as defined in point (10) of Article 3(1) of Regulation 596/2014 of the European Parliament and of the Council.

Section 2 General Scope and Application

R1-2.1 These Rules shall apply to:

- (a) issuers of financial instruments admitted to trading on a regulated market, MTF or OTF or for which a request for

admission to trading on a regulated market, MTF or OTF has been made and any persons acting on their behalf or on their account;

- (b) market operators of regulated markets and investment firms and market operators operating an MTF or an OTF;
- (c) any person professionally arranging or executing transactions;
- (d) market sounding recipients;
- (e) disclosing market participants;
- (f) persons who produce or disseminate investment recommendations or other information recommending or suggesting an investment strategy; and
- (g) persons discharging managerial responsibilities and persons closely associated with them.

Title 2 Requirements Applicable to Issuers and Persons Acting on their Behalf or on their Account

Section 1 *Applicability*

R2-1.1 The Rules contained under this Title apply to issuers and persons acting on their behalf or on their account.

R2-1.2 The Rules contained under Sub-Section 1 and 2 of Section 4 under this Title shall only apply to disclosing market participants and market sounding recipients respectively.

Section 2 *References*

R2-2.1 Unless otherwise stated, all references to Sections, Legislation, and Articles under this Title shall be construed as references to the Market Abuse Regulation.

Section 3 *Exemption for Buy-Back Programmes and Stabilisation*

R2-3.1 Issuers shall make reference to “Chapter 1 General Provisions” and [Regulatory Technical Standards 2016/1052](#).

Section 4 *Market Sounding Requirements*

Sub-Section 1 *Disclosing Market Participants*

R2-4.1.1 Disclosing market participants shall make reference to , and where applicable comply with “Chapter 2 Inside Information, Insider Dealing, Unlawful Disclosure of Inside Information and Market Manipulation”, [Regulatory Technical Standards 2016/960](#), and [Implementing Technical Standards 2016/959](#).

Sub-Section 2 *Market Sounding Recipients*

R2-4.2.1 Market Sounding Recipients shall make reference to and comply with the [Guidelines](#) issued by ESMA entitled “MAR Guidelines for Persons Receiving Market Soundings”.

Section 5 Disclosure Requirements

Sub-Section 1 Publication of Inside Information and Delayed Disclosure of Inside Information

R2-5.1.1 Issuers shall make reference to “Chapter 2 Inside Information, Insider Dealing, Unlawful Disclosure of Inside Information and Market Manipulation”.

R2-5.1.2 Issuers shall, refer to and comply with the respective obligations as laid down in “Chapter 3 Disclosure Requirements”, specifically Article 17 therein and [Implementing Technical Standards 2016/1055](#).

R2-5.1.3 Issuers shall make reference to and comply with the [Guidelines](#) issued by ESMA entitled “MAR Guidelines on delay in the disclosure of inside information”.

R2-5.1.4 Issuers, which meet the conditions laid out in Paragraph 4 of Article 17 of MAR and on their own responsibility, delay disclosure of inside information to the public shall, immediately after the information is disclosed to the public, inform the MFSA that disclosure of inside information was delayed and provide a written explanation of how the conditions laid out in Paragraph 4 were met. Such notification shall be made to the MFSA using the [form](#) available on the MFSA website, as updated from time to time.

R2-5.1.5 Issuers that are a credit institution or financial institution, which intend to delay disclosure of inside information to the public, to preserve the stability of the financial system, shall notify the MFSA in writing of their intention to delay the disclosure of the inside information and provide evidence that the conditions laid out in points (a), (b) and (c) of Paragraph 5 of Article 17 of MAR are met. Such notification shall be submitted to the MFSA designated contact point via e-mail to pfma@mfsa.mt.

Sub-Section 2 Insider Lists

R2-5.2.1 Issuers and any person acting on their behalf or on their account shall make reference to “Chapter 2 Inside Information, Insider Dealing, Unlawful Disclosure of Inside Information and Market Manipulation”.

R2-5.2.2 Issuers and any person acting on their behalf or on their account shall refer to and comply with the respective obligations as laid

down in “Chapter 3 Disclosure Requirements”, specifically Article 18 therein and [Implementing Technical Standards 2016/347](#).

R2-5.2.3 Where the MFSA requests that Insider Lists are submitted, issuers and any person acting on their behalf or on their account are to submit the insider lists using the forms for the [temporary](#) and [permanent](#) insider lists, available on the MFSA website, as updated from time to time.

Sub-Section 3 Manager’s Transactions

R2-5.3.1 Issuers shall, refer to and comply with the respective obligations as laid down in “Chapter 3 Disclosure Requirements “, specifically Article 19 therein and [Regulatory Technical Standards 2016/522](#).

Title 3 Requirements Applicable to Persons Discharging Managerial Responsibilities within an Issuer and Persons Closely Associated with them

Section 1 Applicability

R3-1.1 The Rules contained under this Title apply to Persons Discharging Managerial Responsibilities within issuers and persons closely associated with them.

Section 2 References

R3-2.1 Unless otherwise stated, all references to Sections, Legislation, and Articles under this Title shall be construed as references to the Market Abuse Regulation.

Section 3 Managers' Transactions Requirements

R3-3.1 Persons Discharging Managerial Responsibilities within issuers and persons closely associated with them shall make reference, and comply with their respective obligations as laid down in "Chapter 3 Disclosure Requirements", specifically Article 19 therein, [Regulatory Technical Standards 2016/522](#) and [Implementing Technical Standards 2016/523](#).

R3-3.2 Persons Discharging Managerial Responsibilities within issuers and persons closely associated with them shall notify the MFSA of every transaction conducted on their own account, as laid down in Article 19, using the [online submission portal](#) available on the MFSA website, as updated from time to time.

Title 4 Requirements Applicable to Market Operators, Investment Firms Operating a Trading Venue and any Person Professionally Arranging or Executing Transactions

Section 1 Applicability

R4-1.1 The Rules contained under this Title apply to market operators of regulated markets and investment firms and market operators operating an MTF or an OTF.

R4-1.2 The Rules contained under Section 4 shall also apply to any persons professionally arranging or executing transactions.

R4-1.3 The Rules contained under Section 5 shall only apply to persons who produce or disseminate investment recommendations or other information recommending or suggesting an investment strategy.

Section 2 References

R4-2.1 Unless otherwise stated, all references to Sections, Legislation, and Articles under this Title shall be construed as references to the Market Abuse Regulation.

Section 3 Notifications and List of Financial Instruments

R4-3.1 Market operators of regulated markets and investment firms and market operators operating an MTF or an OTF shall make reference to “Chapter 1 General Provisions”, [Regulatory Technical Standards 2016/909](#) and [Implementing Technical Standards 2016/378](#).

Section 4 Prevention and Detection of Market Abuse

R4-4.1 Market operators of regulated markets and investment firms and market operators operating an MTF or an OTF; and any person professionally arranging or executing transactions shall make reference to, and comply with their respective obligations as laid down in “Chapter 2 Inside Information, Insider Dealing, Unlawful Disclosure of Inside Information and Market Manipulation”, [Regulatory Technical Standards 2016/957](#) and [Regulatory Technical Standards 2016/522](#).

R4-4.2 Market operators of regulated markets and investment firms and market operators operating an MTF or an OTF; and any person professionally arranging or executing transactions shall report suspicious orders and transactions using the [form](#) available on the MFSA website, as updated from time to time.

Section 5 Investment Recommendations and Statistics

R4-5.1 Persons who produce or disseminate investment recommendations or other information recommending or suggesting an investment strategy shall make reference to, and comply with their respective obligations as laid down in “Chapter 3 Disclosure Requirements”, specifically Article 20 therein, and [Regulatory Technical Standards 2016/958](#).

Title 5 Requirements Applicable to Commodity Derivatives Markets or Related Spot Markets

Section 1 *Applicability*

R5-1.1 The Rules contained under this Title apply to all market participants.

Section 2 *References*

R5-2.1 Unless otherwise stated, all references to Sections, Legislation, and Articles under this Title shall be construed as references to the Market Abuse Regulation.

Section 3 *Commodity Derivatives Markets or Related Spot Markets and Inside Information*

R5-3.1 Market Participants shall, where applicable, refer to and comply with the respective obligations as laid down in “Chapter 2 Inside Information, Insider Dealing, Unlawful Disclosure of Inside Information and Market Manipulation”

R5-3.2 Market Participants shall, where applicable, refer to and comply with the [Guidelines](#) issued by ESMA entitled “MAR Guidelines on information relating to commodity derivatives markets or related spot markets for the purpose of the definition of inside information on commodity derivatives”.

Malta Financial Services Authority

Triq L-Imdina, Zone 1

Central Business District, Birkirkara, CBD 1010, Malta

communications@mfsa.mt

www.mfsa.mt