



September, 2016

## Market Abuse Regulation – Update

Central Bank Issues Q&A on Managers Transactions and Council of the EU issues correction to translation errors.

The Central Bank issued a Q&A on 12<sup>th</sup> September clarifying certain aspects of the new market abuse regime under Regulation 596/2014 on market abuse (“**MAR**”) for reporting transactions in the securities of issuers which are listed or traded on regulated markets, multilateral trading facilities or organized trading facilities within the EU.

### Reporting of Managers Transactions

Article 19 of MAR requires persons discharging managerial responsibilities (“**PDMRs**”) and persons closely associated with PDMRs (“**PCAs**”) to report every transaction, conducted on their own account, in the shares and debt securities of the listed issuer, and in derivatives or financial instruments linked to such shares or debt securities. In the contact of a listed fund, the directors are considered PDMRs.

### Reporting Timeline

A PDMR or PCA is obligated to directly notify the issuer and the Central Bank of each transaction within 3 business days, and the issuer is also required to separately notify the market of the transaction, by way of announcement, within the same 3 business day timeframe.

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Where a PDMR or PCA engages in a number of transactions within the 3 day reporting window, a separate notification is not required for each individual transaction. That person may send a single notification listing and detailing multiple transactions carried out within the three business day reporting window. Any such notification must still report each and every individual transaction during the relevant period.

### **Minimum Threshold for Reporting**

A minimum threshold has been introduced for reporting such transactions, with transactions under €5,000 in any calendar year not reportable. All transactions by a PDMR or PCA must be aggregated for the purpose of the threshold and not netted.

The Central Bank has clarified in its Q&A that issuers may not elect to report transactions under the €5,000 threshold. Any transactions in excess of the threshold must be notified, including the transaction which results in this minimum threshold being exceeded.

### **Registration by PDMRs and PCAs with Central Bank Online Reporting System**

Each PDMR and PCA is required to register directly with the Central Banks online reporting system (“**ONR**”). The Central Bank will issue login passwords directly to the PDMR or PCA. A PDMR or PCA may not use the issuers ONR account to report their transactions.

PDMRs or PCAs may register with ONR:

By telephone: 00 353 1 224 4545 or  
By e-mail: [onlinereturns@centralbank.ie](mailto:onlinereturns@centralbank.ie) with subject line marked ‘PDMR – Request for ONR Access’

Such communication should specify:

1. Name of issuer;
2. Name and contact details of PDMR (e-mail and telephone number);
3. Name and contact details of the PCA (e-mail and telephone number);
4. Job Title of PDMR; and
5. Name of contact person at issuer and contact details (e-mail and telephone number).

The Q&A specifies that a PDMR or PCA may delegate notification requirements to a third party or company secretary but will remain legally responsible for compliance with the obligations under MAR, including the accuracy and timeliness of the notification and also in the event of a required notification not being made. Any reports filed under such delegation must be made using the specific login details of the relevant PDMR or PCA.

## Notification to PDMRs and PCAs of their obligations under MAR

A listed issuer should notify its PDMRs and PCAs of their reporting obligations in writing, and should maintain a copy of such notifications. PDMRs within a listed issuer should acknowledge their responsibilities in relation to reporting of transactions in the securities of the listed issuer.

Each PDMR should inform the listed issuer of those persons which are closely associated with him/her. A listed issuer should record the identities of its PDMRs and PCAs.

## Dealing Notification by PDMR or PCA

### *Notifications of transactions by PDMRs or PCAs*

Notification must be given by the PDMR or PCA of a transaction in the securities of the listed issuer (in excess of the €5,000 threshold in any calendar year), using the prescribed template within three business days of the transaction to both:

- (i) the listed issuer; and
- (ii) the Central Bank of Ireland's ONR.<sup>1</sup>

## Dealing Notifications by the listed issuer

The listed issuer must ensure that any notification received from a PDMR or PCA is made public by way of ISE announcement within three business days of the relevant transaction.

## Correction to translation errors in MAR

On 16<sup>th</sup> September, the Council of the EU published a corrigendum to the text of MAR, to amend "obvious errors" in all language versions.

Among other amendments, section (d) of the definition of a PCA is amended as underlined below. Issuers should update their policies to reflect the correction.

### **"person closely associated"**

- (i) A spouse, or a partner considered to be equivalent to a spouse in accordance with national law;
- (ii) A dependent child, in accordance with national law;
- (iii) A relative who has shared the same household for at least one year on the date of the transaction concerned; or
- (iv) A legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to in point (a), (b), or (c), or which is directly or indirectly controlled by such a person, or which is set up for the benefit of such a person, or the economic interest of which are substantially equivalent to those of such a person.

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<sup>1</sup> Article 19 (2) - Where the issuer is registered in Member State, the Competent Authority of that Member State. Where the issuer is not registered in a Member State, the notification shall be made to the Competent Authority of the home Member State under the Transparency Directive (Directive 2004/109/EC), or in the absence thereof, to the competent authority of the trading venue.

## Further Information

For further information in relation to market abuse please contact Tara O'Callaghan, Fionnan Gannon or Helen Daly or your usual contact in Dillon Eustace.

**Dillon Eustace**  
**September 2016**

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