

L.N. 336 of 2007

FINANCIAL MARKETS ACT
(CAP. 345)

Financial Markets Act (Transparency) Regulations, 2007

IN exercise of the powers conferred by articles 3 and 49 of the Financial Markets Act, the Prime Minister and Minister of Finance, acting on the advice of the Malta Financial Services Authority as the competent authority for the purposes of the Act, has made the following regulations:

1. (1) The title of these regulations is the Financial Markets Act (Transparency) Regulations, 2007. Title, commencement and objective.

(2) These regulations shall come into force on 1st November, 2007.

(3) The objective of these regulations is to implement Articles 44 and 45 of the Directive, as herein defined, and shall be interpreted and applied accordingly.

2. (1) In these regulations, unless the context otherwise requires: Interpretation.

“the Act” means the Financial Markets Act;

“Commission Regulation” means Commission Regulation (EC) No 1287/2006 of 10 August 2006 implementing Directive 2004/39/EC of the European Parliament and of the Council as regards record-keeping obligations for investment firms, transaction reporting, market transparency, admission of financial instruments to trading, and defined terms for the purposes of that Directive;

“the Directive” means Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European

Parliament and of the Council and repealing Council Directive 93/22/EEC, as amended from time to time, and includes any implementing measures that have been or may be issued thereunder;

“European investment firm” means an investment firm as defined in Article 4(1) of the Directive, authorised by its European regulatory authority within the meaning of Article 5 of the said Directive;

“European right” means the entitlement of a person to establish a branch, or provide services, in a Member State or EEA State other than that in which it has its head office in terms of the Directive;

“investment services licence holder” means a person in respect of whom the competent authority has issued a licence in terms of the Investment Services Act.

(2) Words and expressions which are also used in the Act shall have the same meaning as in the Act.

Scope.

3. These regulations set out the transparency requirements which must be satisfied on a continuing and on-going basis by regulated markets.

Regulated Markets
Pre-trade
transparency
requirements.

4. (1) Regulated markets shall make public current bid and offer prices and the depth of trading interests at those prices which are advertised through their systems for shares admitted to trading. This information shall be made available to the public on reasonable commercial terms and on a continuous basis during normal trading hours.

(2) Regulated markets may give access, on reasonable commercial terms and on a non-discriminatory basis, to the arrangements they employ for making public the information under sub-regulation (1) of this regulation to investment services licence holders and European investment firms that are obliged to publish their quotes in shares.

(3) The competent authority may waive the obligation for regulated markets to make public information referred to in sub-regulation (1) of this regulation based on the market model or the type and size of orders as provided in the cases referred to in the Commission Regulation. In particular, the competent authority shall be able to waive the obligation in respect of transactions that are large in scale compared with normal market size for the share or type of share in question.

(4) Regulated markets shall also comply with the applicable provisions of the Commission Regulation as may be amended from time to time.

5. (1) Regulated markets shall make public the price, volume and time of the transactions executed in respect of shares admitted to trading on a regulated market. Such details of all such transactions shall be made public, on a reasonable commercial basis and as close to real-time as possible.

Regulated Markets
Post-trade
transparency
requirements.

(2) Regulated markets may give access, on reasonable commercial terms and on a non-discriminatory basis, to the arrangements they employ for making public the information under sub-regulation (1) of this regulation to investment services licence holders and European investment firms that are obliged to publish their transactions in shares.

(3) The competent authority may authorise regulated markets to provide for deferred publication of the details of transactions based on the type or size of these transactions. In particular, the competent authority may authorise the deferred publication in respect of transactions that are large in scale compared with the normal market size for that share or that class of shares. Regulated markets shall obtain the prior approval of the competent authority of proposed arrangements for deferred trade-publication, and shall clearly disclose these arrangements to market participants and the investing public.

(4) Regulated markets shall also comply with the applicable provisions of the Commission Regulation as may be amended from time to time.

6. The Recognised Investment Exchange (Transparency) Regulations, 2004, are hereby repealed.

Repeal of L.N. 491
of 2004.

