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Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (Text with EEA relevance) (Retained EU Legislation)

art. 19 Managers' transactions



Law In Force With Amendments Pending

Version 4 of 5

29 June 2021 - Present

Subjects

Banking and finance; Financial regulation

Article 19 Managers' transactions

1.

Persons discharging managerial responsibilities, as well as persons closely associated with them, shall notify the issuer or the [UK]¹ emission allowance market participant and the [FCA]² :

(a) in respect of issuers, of every transaction conducted on their own account relating to the shares or debt instruments of that issuer or to derivatives or other financial instruments linked thereto;

[

(b) in respect of UK emission allowance market participants ("P"), of every transaction conducted on their own account relating to—

(i) UK emission allowances, auction products based thereon or derivatives relating thereto, and

(ii) if the conditions referred to in [Article 18\(8A\)](#) are satisfied by P, EU emission allowances, auction products based thereon or derivatives relating thereto.

]³

Such notifications shall be made promptly and no later than three [working days]⁴ after the date of the transaction.

The first subparagraph applies once the total amount of transactions has reached the threshold set out in paragraph 8 or 9, as applicable, within a calendar year.

1a.

The notification obligation referred to in paragraph 1 shall not apply to transactions in financial instruments linked to shares or to debt instruments of the issuer referred to in that paragraph where at the time of the transaction any of the following conditions is met:

- (a) the financial instrument is a unit or share in a collective investment undertaking in which the exposure to the issuer's shares or debt instruments does not exceed 20 % of the assets held by the collective investment undertaking;
- (b) the financial instrument provides exposure to a portfolio of assets in which the exposure to the issuer's shares or debt instruments does not exceed 20 % of the portfolio's assets;
- (c) the financial instrument is a unit or share in a collective investment undertaking or provides exposure to a portfolio of assets and the person discharging managerial responsibilities or person closely associated with such a person does not know, and could not know, the investment composition or exposure of such collective investment undertaking or portfolio of assets in relation to the issuer's shares or debt instruments, and furthermore there is no reason for that person to believe that the issuer's shares or debt instruments exceed the thresholds in point (a) or (b).

If information regarding the investment composition of the collective investment undertaking or exposure to the portfolio of assets is available, then the person discharging managerial responsibility or person closely associated with such a person shall make all reasonable efforts to avail themselves of that information.

[2.

For the purposes of paragraph 1, and without prejudice to notification obligations in the law of the United Kingdom other than those referred to in this Article, all transactions conducted on the own account of the persons referred to in paragraph 1 shall be notified by those persons to the FCA.

Notifications shall be made to the FCA within three working days of the transaction date.

] ⁵ 3.

[The issuer or emission allowance market participant must make public the information contained in a notification referred to in paragraph 1 within two working days of receipt of such a notification] ⁶ in a manner which enables fast access to this information on a non-discriminatory basis in accordance with [—] ⁷

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- (a) [Commission Implementing Regulation \(EU\) 2016/1055 of 29 June 2016](#) laying down implementing technical standards with regard to the technical means for appropriate public disclosure of inside information and for delaying the public disclosure of inside information in accordance with [Regulation \(EU\) 596/2014](#) of the European Parliament and of the Council; and

- (b) technical standards made by the FCA under [Article 17\(10\)\(a\)](#).

] ⁷

The issuer or [UK] ⁸ emission allowance market participant shall use such media as may reasonably be relied upon for the effective dissemination of information to the public throughout the [United Kingdom] ⁹, and, where applicable, it shall use [a mechanism referred to in [section 89W](#) of the [Financial Services and Markets Act 2000](#) ¹¹] ¹⁰.

[...] ¹² [4.

This Article applies to—

- (a) issuers who—

- (i) have requested or approved admission of their financial instruments to trading on a UK regulated market; or
- (ii) in the case of an instrument only traded on a UK MTF or a UK OTF, have approved trading of their financial instruments on a UK MTF or a UK OTF or have requested admission to trading of their financial instruments on a UK MTF;

- (b) [UK] ¹⁴ emission allowance market participants [...] ¹⁵.

] ¹³ 5.

Issuers and [UK] ¹⁶ emission allowance market participants shall notify the person discharging managerial responsibilities of their obligations under this Article in writing. Issuers and [UK] ¹⁶ emission allowance market participants shall draw up a list of all persons discharging managerial responsibilities and persons closely associated with them.

Persons discharging managerial responsibilities shall notify the persons closely associated with them of their obligations under this Article in writing and shall keep a copy of this notification.

6.

A notification of transactions referred to in paragraph 1 shall contain the following information:

- (a) the name of the person;
- (b) the reason for the notification;
- (c) the name of the relevant issuer or [UK] ¹⁷ emission allowance market participant;
- (d) a description and the identifier of the financial instrument;
- (e) the nature of the transaction(s) (e.g. acquisition or disposal), indicating whether it is linked to the exercise of share option programmes or to the specific examples set out in paragraph 7;
- (f) the date and place of the transaction(s); and
- (g) the price and volume of the transaction(s). In the case of a pledge whose terms provide for its value to change, this should be disclosed together with its value at the date of the pledge.

7.

For the purposes of paragraph 1, transactions that must be notified shall also include:

- (a) the pledging or lending of financial instruments by or on behalf of a person discharging managerial responsibilities or a person closely associated with such a person, as referred to in paragraph 1;
- (b) transactions undertaken by persons professionally arranging or executing transactions or by another person on behalf of a person discharging managerial responsibilities or a person closely associated with such a person, as referred to in paragraph 1, including where discretion is exercised;
- (c) transactions made under a life insurance policy, [referred to in Article 2(3)(a) of Directive 2009/138/EC of the European Parliament and of the Council] ^{18 19}, where:
 - (i) the policyholder is a person discharging managerial responsibilities or a person closely associated with such a person, as referred to in paragraph 1,
 - (ii) the investment risk is borne by the policyholder, and
 - (iii) the policyholder has the power or discretion to make investment decisions regarding specific instruments in that life insurance policy or to execute transactions regarding specific instruments for that life insurance policy.

For the purposes of point (a), a pledge, or a similar security interest, of financial instruments in connection with the depositing of the financial instruments in a custody account does not need to be notified, unless and until such time that such pledge or other security interest is designated to secure a specific credit facility.

For the purposes of point (b), transactions executed in shares or debt instruments of an issuer or derivatives or other financial instruments linked thereto by managers of a collective investment undertaking in which the person discharging managerial responsibilities or a person closely associated with them has invested do not need to be notified where the manager of the collective investment undertaking operates with full discretion, which excludes the manager receiving any instructions or suggestions on portfolio composition directly or indirectly from investors in that collective investment undertaking.

Insofar as a policyholder of an insurance contract is required to notify transactions according to this paragraph, an obligation to notify is not incumbent on the insurance company.

8.

Paragraph 1 shall apply to any subsequent transaction once a total amount of EUR 5000 has been reached within a calendar year. The threshold of EUR 5000 shall be calculated by adding without netting all transactions referred to in paragraph 1.

[9.

The FCA may increase the threshold set out in paragraph 8 to EUR 20 000 and must inform the Treasury of its decision and the justification for its decision, with specific reference to market conditions, to adopt the higher threshold.

9A.

The FCA must publish the thresholds which apply in accordance with this Article and the justification for any decision taken under paragraph 9 on its website.

] ²⁰ [10.

This Article also applies to persons discharging managerial responsibilities within any auction platform or auctioneer involved in the auctions held under the [Greenhouse Gas Emissions Trading Scheme Auctioning Regulations 2021](#) and to persons closely associated with such persons in so far as their transactions involve emission allowances, derivatives thereof or auctioned products based thereon.

Those persons must notify their transactions to the auction platforms and auctioneer, as applicable, and to the FCA.

The information that is so notified must be made public by the auction platforms and auctioneer in accordance with paragraph 3.

] ²¹ 11.

Without prejudice to Articles 14 and 15, a person discharging managerial responsibilities within an issuer shall not conduct any transactions on its own account or for the account of a third party, directly or indirectly, relating to the shares or debt instruments of the issuer or to derivatives or other financial instruments linked to them during a closed period of 30 calendar days before the announcement of an interim financial report or a year-end report which the issuer is obliged to make public according to:

(a) the rules of the trading venue where the issuer's shares are admitted to trading; or

(b) [the law of the United Kingdom] ²² .

12.

Without prejudice to Articles 14 and 15, an issuer may allow a person discharging managerial responsibilities within it to trade on its own account or for the account of a third party during a closed period as referred to in paragraph 11 either:

(a) on a case-by-case basis due to the existence of exceptional circumstances, such as severe financial difficulty, which require the immediate sale of shares; or

(b) due to the characteristics of the trading involved for transactions made under, or related to, an employee share or saving scheme, qualification or entitlement of shares, or transactions where the beneficial interest in the relevant security does not change.

13.

The [Treasury may by regulations specify] ²³ the circumstances under which trading during a closed period may be permitted by the issuer, as referred to in paragraph 12, including the circumstances that would be considered as exceptional and the types of transaction that would justify the permission for trading.

14.

The [Treasury may by regulations specify] ²⁴ types of transactions that would trigger the requirement referred to in paragraph 1.

15.

[The FCA may make] ²⁵ technical standards concerning the format and template in which the information referred to in paragraph 1 is to be notified and made public.

[...] ²⁶ [16.

In this Article, "*working day*" means a day other than—

- (a) Saturday or Sunday,
- (b) Christmas Day or Good Friday, or
- (c) a day which is a bank holiday in England and Wales under the [Banking and Financial Dealings Act 1971](#).

] ²⁷

Notes

- 1 Word inserted by Recognised Auction Platforms (Amendment and Miscellaneous Provisions) Regulations 2021/494 [reg.9\(9\)\(a\)\(i\)](#) (April 22, 2021)
- 2 Words substituted by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12\(3\)\(a\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 3 Substituted by Recognised Auction Platforms (Amendment and Miscellaneous Provisions) Regulations 2021/494 [reg.9\(9\)\(a\)\(ii\)](#) (April 22, 2021)
- 4 Words substituted by Financial Services Act 2021 c. 22 [s.30\(3\)\(a\)](#) (June 29, 2021)
- 5 Substituted by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12\(3\)\(b\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 6 Words substituted by Financial Services Act 2021 c. 22 [s.30\(3\)\(b\)](#) (June 29, 2021)
- 7 Art.19(3)(a) and (b) substituted for words by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12\(3\)\(c\)\(i\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 8 Word inserted by Recognised Auction Platforms (Amendment and Miscellaneous Provisions) Regulations 2021/494 [reg.9\(9\)\(b\)](#) (April 22, 2021)
- 9 Word substituted by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12\(3\)\(c\)\(ii\)\(aa\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 10 Words substituted by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12\(3\)\(c\)\(ii\)\(bb\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 11 [Section 89W](#) was inserted by [S.I. 2015/1755](#).
- 12 Words repealed by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12\(3\)\(c\)\(iii\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 13 Substituted by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12\(3\)\(d\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 14 Word inserted by Recognised Auction Platforms (Amendment and Miscellaneous Provisions) Regulations 2021/494 [reg.9\(9\)\(c\)\(i\)](#) (April 22, 2021)
- 15 Words repealed by Recognised Auction Platforms (Amendment and Miscellaneous Provisions) Regulations 2021/494 [reg.9\(9\)\(c\)\(ii\)](#) (April 22, 2021)
- 16 Word inserted by Recognised Auction Platforms (Amendment and Miscellaneous Provisions) Regulations 2021/494 [reg.9\(9\)\(d\)](#) (April 22, 2021)
- 17 Word inserted by Recognised Auction Platforms (Amendment and Miscellaneous Provisions) Regulations 2021/494 [reg.9\(9\)\(e\)](#) (April 22, 2021)
- 18 Substituted by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12\(3\)\(e\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 19 Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 335, 17.12.2009, p. 1).
- 20 Art19(9) and (9A) substituted for art.19(9) by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12](#) (December 31, 2020: commenced by an amendment)
- 21 Substituted by Recognised Auction Platforms (Amendment and Miscellaneous Provisions) Regulations 2021/494 [reg.9\(9\)\(f\)](#) (April 22, 2021)

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- 22 Words substituted by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12\(3\)\(g\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 23 Words substituted by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12\(3\)\(h\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 24 Words substituted by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12\(3\)\(i\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 25 Words substituted by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12\(3\)\(j\)\(i\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 26 Words repealed by Market Abuse (Amendment) (EU Exit) Regulations 2019/310 [Pt 6 reg.12\(3\)\(j\)\(ii\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 27 Added by Financial Services Act 2021 c. 22 [s.30\(3\)\(c\)](#) (June 29, 2021)
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Enacting Terms > Chapter 3 DISCLOSURE REQUIREMENTS > art. 19 Managers' transactions

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