

**MAR**

**Insider lists, Managers transactions and  
Investment recommendations**

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- One (sub) list for each specific piece of inside information
  - not mixed with other (sub) lists.
- List of permanent insiders
- Detailed templates are provided and the personal information required is wide-reaching
  - includes date of birth, personal home and mobile telephone and personal address. The time – not just the date – an individual get access to inside information.
- The insider list should be provided to the FSA as soon as possible upon request

- Manager's and closely related persons should notify
  - every transactions conducted on their own account to the shares or debt instruments of the relevant issuer or to derivatives or other financial instruments linked thereto
  - this includes among other transactions pledging or lending financial instruments, transactions made under life insurance policy (in Swedish kapitalförsäkringar), gifts and donations made or received

# WHO IS MANAGER?

- 'person discharging managerial responsibilities means
- (a) member of the administrative, management or supervisory body of that entity; or
- For Sweden it should mean the board, the CEO and maybe the stand-in
- (b) a senior executive who has regular access to inside information relating directly or indirectly to that entity and power to take managerial decisions affecting the future developments and business prospects of that entity;
- The decision who should be included should be made **by the issuer** depending on size, organization etc.

# WHO IS A CLOSELY RELATED PERSON? I

- (a) a spouse, or a partner considered to be equivalent to a spouse in accordance with national law;
- (b) a dependent child, in accordance with national law;
- (c) a relative who has shared the same household for at least one year on the date of the transaction concerned; or
- We do not agree the view of Finansinspektionen that a “sambo” is considered to be equivalent to a spouse in accordance with national law

# WHO IS A CLOSELY RELATED PERSON? II

- (d) 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), which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person;
- The problem is the interpretation of “a legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a closely related person.
- The language versions differs and there are two or three different interpretations

- Notification no later than three business days after the date of the transaction to the issuer and the competent authority.
- The threshold in Sweden is 5 000 EUR
- The manager and the closely related person should notify separately
- 20 % exemption for UCITS, baskets

# INVESTMENT RECOMMENDATIONS

## REAL CHANGE IN MAR?

- One view is that the scope has been changed by MAR and covers more or less all recommendations.
- Only two types of regulated recommendations, either an Investment Recommendation or a Personal Recommendation.
- 1 to 1 should not be covered but could constitute a personal recommendation.
- MAR and Investment recommendations have been discussed in detail in UK



# INVESTMENT RECOMMENDATIONS

## ANOTHER VIEW

- SSDAs view
  - The definition in MAR says that “investment recommendations’ means information recommending or suggesting an investment strategy, explicitly or implicitly, concerning one or several financial instruments or the issuers, including any opinion as to the present or future value or price of such instruments, *intended for distribution channels or for the public*”
  - The definition has not changed.
  - The rules are obviously drafted to cover more long term fundamental research.
  - In our opinion a change of scope should be clarified on level 1. Not a question for Q & A from ESMA.
  - Restricted communication to (a limited group of) clients could not be seen as intended to for the public.

# AND

”Questions are never indiscreet, answers  
sometimes are” (Oscar Wilde)

# Lars