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MALTA

KAMRA TAD-DEPUTATI

ABBOZZ ta' Ligi mressaq mill-Onorevoli John Dalli, M.P., Ministru tal-Finanzi, u moqri għall-Ewwel darba fis-Seduta tad-29 ta' Novembru, 1993.

ATT biex jirregola l-insider dealing.

RICHARD J. CAUCHI
Skrivan tal-Kamra tad-Deputati

HOUSE OF REPRESENTATIVES

A BILL introduced by the Honourable John Dalli, M.P., Minister of Finance, and read the First time at the Sitting of the 29th November, 1993.

AN ACT to regulate insider dealing.

RICHARD J. CAUCHI
Clerk to the House of Representatives

ATT KONTRA *INSIDER DEALING*
ARRANĠAMENT TA' L-ARTIKOLI

1. Titolu fil-qosor u bidu fis-sehh.
2. Tifsir.
3. Projbizzjoni ta' negozju tal-borża minn *insiders*, eċċ
4. Abbuż ta' informazzjoni miksuba f'kapacità uffiċjali.
5. Azzjonijiet mhux proibiti bl-artikoli 3 u 4 ta' dan l-Att.
6. Negozjar ta' barra s-suq f'titoli reklamati.
7. Restrizzjoni fuq il-promozzjoni ta' negozjar ta' barra s-suq barra minn Malta.
8. Stabbilizzazzjoni tal-prezzijiet.
9. Mandatorji.
10. Pieni ghal reati.
11. Setgħa għall-għemil ta' regolamenti.
12. Emendi għall-Att dwar il-Borża ta' Malta, Kap. 345

ABBOZZ TA' LIĠI msejjah

ATT biex jirregola l-insider dealing

IL-PRESIDENT, bil-parir u l-kunsens tal-Kamra tad-Deputati, imlaqqgħa f'dan il-Parlament, u bl-awtorita' ta' l-istess, hareġ b'liġi dan li ġej:-

1. (1) Dan l-Att jista' jissejjah l-Att ta' l-1993 kontra *Insider Dealing*.

Titolu fil-qosor u bidu fis-sehh

(2) Dan l-Att għandu jibda jsehh f'dik id-data li l-Ministru responsabbli għall-finanzi jista', b'avviż fil-Gazzetta, jistabbilixxi.

2. (1) F'dan l-Att, kemm-il darba r-rabta tal-kliem ma tehtiegħ xort'ohra:-

Tifsir

"azzjoni", relattivament għal kumpanniji mhux inkorporati taht l-Ordinanza dwar Soċjetajiet Kummerċjali, għandha l-istess tifsira bħal ma għandha relattivament għal kumpanniji hekk inkorporati;

"borża rikonoxxuta" tfisser il-Borża ta' Malta u kull borża ta' investiment li tiġi dikjarata, b'ordni tal-Ministru li jkun isehh f'dak iż-żmien, li tkun borża rikonoxxuta għall-finijiet ta' dan l-Att;

"borża ta' investiment" tfisser organizzazzjoni li żżomm sistema li biha offerta ta' negozjar f'titoli magħmula minn sottoskrittur għall-organizzazzjoni tiġi kkomunikata, mingħajr ma tinkixef l-identita' tiegħu, lil sottoskritturi oħrajn għall-organizzazzjoni, u li biha tiġi reġistrata u konfirmata l-aċċettazzjoni ta' dik l-offerta minn xi wiehed minn dawk is-sottoskritturi l-oħra;

"impjegat pubbliku" tfisser -

(a) uffiċjal pubbliku;

(b) membru, funzjonarju jew impjegat tal-Bank Ċentrali ta' Malta jew ta' l-awtorita' kompetenti fil-kunċett ta' l-Att ta' l-1993 dwar Servizzi ta' Investiment;

(ċ) kull persuna li tiġi dikjarata, b'ordni li jkun isehh f'dak iż-żmien, li tkun impjegat pubbliku għall-finijiet ta' dan l-Att;

"jobber" tfisser individwu, soċjeta' jew kumpannija li jinnegozjaw f'titoli f'borża rikonoxxuta u li jkunu rikonoxxuti mill-Kunsill tal-Borża bħala li jagħmlu xogħol ta' "jobber";

"kumpannija" tfisser kumpannija, kemm jekk tkun jew ma tkunx kumpannija fil-kunċett ta' l-Ordinanza dwar Soċjetajiet Kummerċjali;

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"kumpannija msieħba", relattivament għal kumpannija, tfisser kull korp ġuridiku li jkun is-sussidjarju ta' dik il-kumpannija jew *holding company*, jew sussidjarju tal-*holding company* ta' dik il-kumpannija;

"*market maker*" tfisser persuna (kemm jekk tkun individwu, soċjeta' jew kumpannija) li -

(a) tippreżenta ruħha fil-hinijiet normali kollha skond ir-regoli ta' borża rikonoxxuta bħala persuna li tkun tixtieq tixtri u tbiegħ titoli bil-prezzijiet speċifikati minnha; u

(b) tkun rikonoxxuta bħala li tkun qed tagħmel hekk minn dik il-borża rikonoxxuta.

"Ministru" tfisser il-Ministru responsabbli għall-finanzi;

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"negozjant ta' barra s-suq" tfisser persuna li tinnegozja bħala prinċipal jew aġent bis-saħħa ta' liċenza mogħtija skond l-artikolu 3 ta' l-Att ta' l-1993 dwar Servizzi ta' Investiment u mhux bħala *stockbroker* fil-kunċett ta' l-Att dwar il-Borża ta' Malta;

"obligazzjoni", relattivament għal kumpanniji mhux inkorporati taħt l-Ordinanza dwar Soċjetajiet Kummerċjali, għandha l-istess tifsira bħal ma għandha relattivament għal kumpanniji hekk inkorporati;

"offerta ta' takeover għal kumpannija" tfisser offerta magħmula lid-detenturi kollha (jew lid-detenturi kollha minbarra l-persuna li tagħmel l-offerta u *n-nominees* tagħha) ta' l-azzjonijiet fil-kumpannija biex jakkwistaw dawk l-azzjonijiet jew proporzjon speċifikat minnhom, jew lid-detenturi kollha (jew lid-detenturi kollha minbarra l-persuna li tagħmel l-offerta u *n-nominees* tagħha) ta' klassi partikolari ta' dawk l-azzjonijiet biex jakkwistaw l-azzjonijiet ta' dik il-klassi jew proporzjon minnhom.

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"titoli" tfisser titoli elenkati u, fil-każ ta' kumpannija fil-kunċett ta' l-Ordinanza dwar Soċjetajiet Kummerċjali, kull dan li ġej (kemm jekk elenkati jew le): azzjonijiet, obligazzjonijiet jew jeddijiet għal sottoskrizzjoni għal, sejha jew konsenja ta', azzjonijiet jew obligazzjonijiet;

"titoli elenkati", relattivament għal kumpannija, tfisser kwalunkwe titoli tal-kumpannija elenkati f'borża rikonoxxuta;

"titoli reklamati", relattivament għal okkorrenza partikolari, tfisser titoli elenkati jew titoli li dwarhom, mhux aktar minn sitt xhur qabel dik l-okkorrenza, tkun giet ippubblikata informazzjoni li tindika l-prezzijiet li bihom persuni jkunu nnegozjaw jew kienu lesti li jinnegozjaw f'dawk it-titoli sabiex jiġi facilitat in-negozju f'dawk it-titoli;

(2) Għall-finijiet ta' dan l-Att, individwu jitqies li jkun konness ma' kumpannija jekk, iżda biss jekk -

(a) ikun direttur ta' dik il-kumpannija jew ta' kumpannija msiehba, jew

(b) ikun jokkupa pożizzjoni bhala uffiċjal (li ma jkunx direttur) jew impjegat ta' dik il-kumpannija jew ta' kumpannija msiehba jew pożizzjoni li tinvolvi relazzjoni professjonali jew kummerċjali bejnu nnifsu (jew bejn il-prinċipal tiegħu jew kumpannija li tagħha huwa jkun direttur) u l-ewwel kumpannija jew kumpannija msiehba li fil-każ il-wiehed u l-iehor tkun raġonevolament mistennija li tagħtih access għal informazzjoni li, relattivament għal -titoli ta' kumpannija l-wahda u l-oħra, tkun informazzjoni sensittiva għall-prezz mhux ippubblikata, u li bir-raġun persuna f'dik il-pożizzjoni tkun mistennija li ma tikxifx hlief għall-qadi sewwa tal-funzjonijiet tagħha.

(3) Kull riferenza f'dan l-Att għal informazzjoni sensittiva għall-prezz mhux ippubblikata relattivament għal kwalunkwe titoli ta' kumpannija hija riferenza għal informazzjoni li-

(a) ikollha x'taqsam ma' materji speċifiċi dwar jew li jikkonċernaw (direttament jew indirettament) dik il-kumpannija, jiġifieri, ma tkunx ta' natura generali dwar jew li tikkonċerna dik il-kumpannija, u

(b) ma tkunx generalment mgħarrfa lil dawk il-persuni li jkunu m'dorrijin jew li x'aktarx ikunu se jinnegozjaw f'dawk it-titoli iżda li, kemm-il darba tkun generalment mgħarrfa lilhom, x'aktarx tkun taffettwa sostanzjalment il-prezz ta' dawk it-titoli.

(4) Għall-finijiet ta' dan l-Att, persuna titqies li tkun qed tinnegozja f'titoli jekk (kemm bhala prinċipal jew agent) tixtri jew tbiegħ jew taqbel li tixtri jew tbiegħ xi titoli; u referenzi għal negozjar f'titoli f'borża rikonoxxuta jinkludu negozjar f'titoli permezz ta' borża ta' investment.

(5) (a) Għall-finijiet ta' dan l-Att, persuna li (kemm bhala prinċipal jew agent) tixtri jew tbiegħ jew taqbel li tixtri jew tbiegħ investimenti, kif din il-kelma hija mfissra fil-paragrafu (b) ta' dan is-subartikolu, meta l-iskop jew l-iskop propost imsemmi f'dak il-paragrafu jkun li wiehed jagħmel profitt jew li jevita telf għal kollox jew f'parti b'riferenza għat-tluġ u nżul fil-valur jew prezz tat-titoli, għandha titqies bħallikieku kienet qegħda tinnegozja fit-titoli fundamentali.

(b) Għall-finijiet tal-paragrafu (a) ta' dan is-subartikolu, "investimenti" għandha tfisser drittijiet taht kuntratt għal differenzi jew taht xi kuntratt ieħor li l-iskop jew skop propost tiegħu ikun li wiehed jagħmel profitt jew li jevita telf b'riferenza għal tluġ u nżul fil-valur jew prezz ta' proprjeta' ta' kwalunkwe deskrizzjoni jew f'indici jew fattur ieħor speċifikat għal dak l-iskop fil-kuntratt.

(6) Negozjant ta' barra s-suq għandu jitqies -

(a) li jinnegozja f'titoli reklamati, jekk huwa jinnegozja f'dawk it-titoli jew jaġixxi bhala intermedjarju f'konnessjoni ma' negozju magħmul minn persuni oħra f'dawk it-titoli (riferenzi għal funzjonarju, impjegat jew agent ta' negozjant tali li jkun jinnegozja f'dawk it-titoli għandhom jiffiehemu skond hekk), u

(b) li jkun qed imexxi suq ta' titoli, jekk fil-kors tan-negozju tiegħu bhala negozjant ta' barra s-suq huwa jipprezenta ruħu kemm lix-xerrejja propsettivi kif ukoll lill-bejjiegħa prospettivi ta' dawk it-titoli (li ma jkunux xerrejja jew bejjiegħa partikolari) bhala li jkun lest biex jinnegozja fihom xort'ohra milli f'borża rikonossuta.

(7) Għall-finijiet ta' l-artikolu 6 ta' dan l-Att, individwu jitqies li jkun qed jinnegozja permezz ta' negozjant ta' barra s-suq jekk dan ta' l-aħħar ikun parti fit-transazzjoni, ikun agent għal parti jew l-ohra fit-transazzjoni jew ikun qed jaġixxi bhala intermedjarju f'konnessjoni mat-transazzjoni.

(8) Kemm-il darba r-rabta tal-kliem ma tehtiegħ xort'ohra, kliem u espressjonijiet użati f'dan l-Att għandu jkollhom l-istess tifsir u l-istess interpretazzjoni bħat-tifsir u l-interpretazzjonijiet mogħtija lil dawk il-kliem u espressjonijiet fl-Ordinanza dwar Soċjetajiet kummerċjali.

(9) F'dan l-Att u f'kull regolamenti magħmula tahtu, jekk ikun hemm xi konflitt bejn it-test Ingli u t-test Malti għandu jipprevali t-test Ingliż.

Projbizzjoni ta'
negozju tal-borża
minn *insiders*, eċċ

3. (1) Bla hsara għad-dispożizzjonijiet ta' l-artikolu 5 ta' dan l-Att, individwu li jkun jew li fxi żmien fis-sitt xhur preċedenti kien, xjentement konness ma' kumpannija ma għandux f'borża rikonoxxuta jinnegozja f'titoli ta' dik il-kumpannija jekk huwa jkollu informazzjoni li -

(a) huwa jkollu bis-saħħa li jkun konness mal-kumpannija; u

(b) bir-raġun wiehed jistenna li persuna hekk konnessa, u fil-pożizzjoni li bis-saħħa tagħha tkun hekk konnessa, ma għandhiex tikxef hlief għall-qadi sewwa tal-funzjonijiet marbuta ma' dik il-pożizzjoni; u

(ċ) huwa jkun jaf li tkun informazzjoni sensittiva għall-prezz mhux ippubblikata dwar dawk it-titoli.

(2) Bla hsara għad-dispożizzjonijiet ta' l-artikolu 5 ta' dan l-Att, individwu li jkun, jew li fxi żmien fis-sitt xhur preċedenti kien, xjentement konness ma' kumpannija ma għandux f'borża rikonoxxuta jinnegozja f'titoli ta' xi kumpannija ohra jekk ikollu informazzjoni li -

(a) huwa jkollu bis-saħħa li jkun konness ma' l-ewwel kumpannija;

(b) bir-raġun wiehed jistenna li persuna hekk konnessa, u fil-pożizzjoni li bis-saħħa tagħha tkun hekk konnessa, ma għandhiex tikxef hlief għall-qadi sewwa tal-funzjonijiet marbuta ma' dik il-pożizzjoni;

(ċ) huwa jkun jaf li tkun informazzjoni sensittiva għall-prezz mhux ippubblikata dwar dawk it-titoli ta' dik il-kumpannija ohra; u

(d) ikollha x'taqsam ma' xi transazzjoni (attwali jew proġettata) li tinvolvi kemm l-ewwel kumpannija u dik il-kumpannija ohra, jew li tinvolvi kumpannija minnhom u titoli ta' l-ohra, jew li jkollha x'taqsam mal-fatt illi xi transazzjoni tali ma tkunx baqghet proġettata.

(3) Id-dispożizzjonijiet tas-subartikolu (4) għandhom japplikaw fejn -

(a) individwu jkollu informazzjoni li huwa jkun xjentement akkwista (direttament jew indirettament) minghand individwu iehor li -

(i) ikun konness ma' kumpannija partikolari, jew li fxi żmien fis-sitt xhur qabel il-ksib ta' l-informazzjoni kien hekk konness, u

(ii) l-individwu ta' l-ewwel ikun jaf jew ikollu raguni biżżejjed għalfejn jemmin li tkun għandu bis-sahha li hu jkun hekk konness; u

(b) l-individwu ta' l-ewwel ikun jaf jew ikollu raguni biżżejjed għalfejn jemmin li, minhabba fil-konnessjoni u l-pożizzjoni ta' l-individwu l-iehor, wiehed ikun bir-ragun jistenna li dan ta' l-ahhar ma għandux jikxef l-informazzjoni hliet għall-qadi sewwa tal-funzjonijiet marbuta ma' dik il-pożizzjoni.

(4) Bla hsara għad-dispożizzjonijiet ta' l-artikolu 5 ta' dan l-Att, fil-kazijiet kontemplati fis-subartikolu (3) ta' dan l-artikolu, l-individwu ta' l-ewwel ma għandux huwa stess jinnegozja -

(a) f'borża rikonoxxuta f'titoli ta' dik il-kumpannija jekk huwa jkun jaf li l-informazzjoni tkun informazzjoni sensitiva għall-prezz mhux ippubblikata dwar dawk it-titoli, u

(b) f'borża rikonoxxuta f'titoli ta' xi kumpannija ohra jekk huwa jkun jaf li dik l-informazzjoni tkun informazzjoni sensitiva għall-prezz mhux ippubblikata dwar dawk it-titoli u jkollha x'taqsam ma' xi tranzazzjoni (attwali jew proġettata) li tinvolvi l-ewwel kumpannija u l-kumpannija l-ohra, jew li tinvolvi waħda minnhom u titoli ta' l-ohra, jew li jkollha x'taqsam mal-fatt li xi tranzazzjoni tali ma tkunx baqgħet proġettata.

(5) Bla hsara għad-dispożizzjonijiet ta' l-artikolu 5 ta' dan l-Att, meta individwu jkun qed jiproġetta, jew ikun ipproġetta, li jagħmel (kemm jekk ma persuna ohra jew le) offerta ta' *take-over* għal kumpannija f'kapaċita' partikolari, dak l-individwu m'għandux jinnegozja f'borża rikonoxxuta f'titoli ta' dik il-kumpannija f'kapaċita' ohra jekk ikun jaf li informazzjoni li l-offerta tkun proġettata, jew ma tkunx baqgħet proġettata, tkun informazzjoni sensitiva għall-prezz mhux ippubblikata dwar dawk it-titoli.

(6) Bla hsara għad-dispożizzjonijiet ta' l-artikolu 5 ta' dan l-Att, meta individwu jkun kiseb (direttament jew indirettament), minghand individwu li għalih japplikaw id-dispożizzjonijiet tas-subartikolu (5) ta' dan l-artikolu, informazzjoni li l-offerta msemmija f'dak is-subartikolu tkun qed tiġi proġettata, jew ma tkunx baqgħet proġettata, l-individwu ta' l-ewwel ma għandux huwa nnifsu jinnegozja f'borża rikonoxxuta f'titoli ta' dik il-kumpannija jekk ikun jaf li l-informazzjoni tkun informazzjoni sensitiva għall-prezz mhux ippubblikata dwar dawk it-titoli.

(7) Bla hsara ghad-dispożizzjonijiet ta' l-artikolu 5 ta' dan l-Att, individwu li f'dak iż-żmien li jkun ikun projbit b'xi dispożizzjoni ta' dan l-artikolu milli jinnegozja f'borża rikonoxxuta f'xi titoli ma ghandux jaghti parir jew jipprokura lil xi persuna oħra biex tinnegozja f'dawk it-titoli, meta jkun jaf jew ikollu għalfejn jahseb li dik il-persuna tkun sejra tinnegozja fihom f'borża.

(8) Bla hsara ghad-dispożizzjonijiet ta' l-artikolu 5 ta' dan l-Att, individwu li f'dak iż-żmien li jkun ikun projbit, skond id-dispożizzjonijiet ta' dan l-artikolu, milli jinnegozja f'borża rikonoxxuta f'xi titoli minhabba li huwa jkollu xi informazzjoni, ma ghandux jikkomunika dik l-informazzjoni lil xi persuna oħra jekk ikun jaf jew ikollu għalfejn jahseb li dik il-persuna jew xi persuna oħra ikunu se jagħmlu użu minn dik l-informazzjoni sabiex jinnegozjaw, jew sabiex jagħtu parir jew jipprokuraw lil xi persuna oħra biex tinnegozja, f'borża rikonoxxuta f'dawk it-titoli.

4. (1) Id-dispożizzjonijiet ta' dan l-artikolu għandhom japplikaw għal kull informazzjoni li -

Abbuż ta' informazzjoni-miksuba f'kapaċita' uffieċjali.

(a) tkun għand impjegat pubbliku jew individwu li qabel kien impjegat pubbliku bis-saħħa tal-pożizzjoni tiegħu bhala impjegat pubbliku, jew li tkun xjentement inkisbet minn individwu (direttament jew indirettament) mingħand impjegat pubbliku jew mingħand individwu li qabel kien impjegat pubbliku li huwa jkun jaf jew ikollu għalfejn jahseb li tkun għandu bis-saħħa ta' xi pożizzjoni tali;

(b) wiehed bir-ragun jistenna li individwu fil-pożizzjoni ta' impjegat pubbliku jew li qabel kien impjegat pubbliku ma ghandux jikxef hlief għall-qadi sewwa tal-funzjonijiet tiegħu marbuta ma' dik il-pożizzjoni; u

(ċ) li l-individwu li jkollu dik l-informazzjoni jkun jaf li tkun informazzjoni sensittiva għall-prezz mhux ippubblikata dwar titoli ta' kumpannija partikolari, f'dan l-artikolu msemmija bhala "it-titoli rilevanti".

(2) Id-dispożizzjonijiet ta' dan l-artikolu għandhom japplikaw għal impjegat pubbliku jew individwu li qabel kien impjegat pubbliku li jkollu informazzjoni li għaliha japplika dan l-artikolu u għal kull individwu li xjentement ikun kiseb kwalunkwe informazzjoni tali (direttament jew indirettament) mingħand impjegat pubbliku jew mingħand individwu li qabel kien impjegat pubbliku li huwa jkun jaf jew ikollu għalfejn jahseb li dik l-informazzjoni kienet għandu bis-saħħa tal-pożizzjoni tiegħu jew bis-saħħa tal-pożizzjoni li huwa kellu qabel bhala impjegat pubbliku.

(3) Bla hsara ghad-dispożizzjonijiet ta' l-artikolu 5 ta' dan l-Att, individwu li għalih japplikaw id-dispożizzjonijiet ta' dan l-artikolu -

(a) m'ghandux jinnegozja f'xi titoli rilevanti f'borża rikonoxxuta;

(b) m'ghandux ihajjar jew jipprokura lil xi persuna oħra biex tinnegozja f'xi titoli bħal dawk, meta jkun jaf jew ikollu għalfejn jahseb li dik il-persuna l-oħra tkun sejra tinnegozja fihom f'borża rikonoxxuta; u

(c) m'ghandux jikkomunika lil xi persuna oħra l-informazzjoni miżmuma jew (skond il-każ) miksuba minnu kif imsemmi fis-subartikolu (2) ta' dan l-artikolu jekk ikun jaf jew ikollu għalfejn jahseb li dik il-persuna jew xi persuna oħra tkun se tagħmel użu minn dik l-informazzjoni sabiex tinnegozja, jew sabiex tagħti parir jew tipprokura lil xi persuna oħra biex tinnegozja, f'xi titoli bħal dawk f'borża rikonoxxuta.

(4) Jekk ikun jidher lill-Ministru li l-membri, uffiċjali jew impjegati ta', jew persuni xort-oħra konnessi ma', xi korp li lilu jkun jidher li qed jeżerċita funzjonijiet pubbliċi jista' jkollhom aċċess għal informazzjoni sensittiva għall-prezz mhux ippubblikata dwar titoli, huwa jista' b'ordni jiddikjara li dawk il-persuni għandhom jitqiesu li jkunu impjegati pubbliċi għall-finijiet ta' dan l-artikolu.

(5) Is-setgħa li jsir ordni skond is-subartikolu (4) ta' dan l-artikolu għandha tkun eżerċitabbli b'dokument statutorju u tiġi ppubblikata fil-Gazzetta u dokument li jkun fih ordni bħal dak ikun sugġett għal annullament bis-saħħa ta' riżoluzzjoni tal-Kamra tad-Deputati.

Azzjonijiet mhux
projbiti bl-arti-
koli 3 u 4 ta'
dan l-Att

5. (1) Id-dispożizzjonijiet ta' l-artikoli 3 u 4 ta' dan l-Att ma għandhomx jipprojbixxu lil individwu, għar-raġuni li dan ikollu xi informazzjoni, milli -

(a) jagħmel xi haġa partikolari xort'oħra milli biex jagħmel qliegh jew jevita telf (kemm jekk għalih innifsu jew għal persuna oħra) bl-użu ta' dik l-informazzjoni;

(b) jidhol għal xi transazzjoni fil-kors ta' l-eżerċizzju b'bonafidi tal-funzjonijiet tiegħu bħala stralċjarju, riċevitur jew *trustee* f'falliment;

(c) jagħmel xi haġa partikolari jekk l-informazzjoni -

(i) tkun inkisbet minnu fil-kors ta' negozju bħala *jobber* li huwa jkun jagħmel jew li fih ikun impjegat; u

(ii) tkun ta' deskrizzjoni li wieħed raġonevolment jistennih li jikseb fil-kors ordinarju ta' dak in-negozju, u jagħmel dik il-haġa b'bonafidi fil-kors ta' dak in-negozju; jew

(d) jagħmel xi haġa partikolari dwar xi titoli partikolari jekk l-informazzjoni -

(i) tkun inkisbet minnu fil-kors ta' negozju bhala *market maker* f'dawk it-titoli li huwa jkun jagħmel jew li fih ikun impjegat, u

(ii) tkun ta' deskrizzjoni li wiehed raġonevolment jistennih li jikseb fil-kors ordinarju ta' dak in-negozju, u jagħmel dik il-haġa b'bonafidi fil-kors ta' dak in-negozju.

(2) Individwu m'għandux, għar-raġuni biss li jkollu informazzjoni li jkollha x'taqsam ma' xi transazzjoni partikolari, ikun projbit -

(a) bid-dispożizzjonijiet tas-subartikolu (2), tal-paragrafu (b) tas-subartikolu (4), u tas-subartikoli (5) jew (6) ta' l-artikolu 3 ta' dan l-Att milli jinnegozja f'xi titoli f'borża rikonoxxuta, jew

(b) bid-dispożizzjonijiet tas-subartikoli (7) jew (8) ta' l-artikolu 3 ta' dan l-Att milli jagħmel xi haġa oħra li jkollha x'taqsam ma' titoli li huwa jkun projbit milli jinnegozja fihom b'xi waħda mid-dispożizzjonijiet imsemmija fil-paragrafu (a) ta' dan is-subartikolu, jew

(c) bid-dispożizzjonijiet ta' l-artikolu 4 milli jagħmel xi haġa,

jekk huwa jagħmel dik il-haġa sabiex jiffacilita t-tlestija jew l-esekuzzjoni tat-transazzjoni.

6. Bla hsara għad-dispożizzjonijiet ta' l-artikolu 8, id-dispożizzjonijiet ta' l-artikoli 3, 4 u 5 ta' dan l-Att għandhom japplikaw dwar -

Negożjar ta'
barra s-suq
f'titoli
reklamati.

(a) negożjar xort'oħra milli f'borża rikonoxxuta ta' titoli reklamati ta' kwalunkwe kumpannija -

(i) permezz ta' negożjant ta' barra s-suq li jkun qed imexxi suq ta' dawk it-titoli, meta wiehed ikun jaf li dan ikun negożjant ta' barra s-suq, li jkun qed imexxi suq ta' dawk it-titoli u li t-titoli jkunu titoli reklamati; jew

(ii) bhala negożjant ta' barra s-suq li jkun qed imexxi suq ta' dawk it-titoli jew bhala uffiċjal, impjegat jew aġent ta' negożjant tali li jkun qed jaġixxi fil-kors tan-negozju tan-negożjant;

(b) l-ghoti ta' parir jew li wiehed jipprokura lil persuna biex tinnegozja f'titoli reklamati meta wiehed ikun jaf jew ikollu għalfejn jahseb li dik il-persuna tkun sejra tinnegozja fihom kif imsemmi fil-paragrafu (a) ta' dan l-artikolu;

(é) l-ikkomunikar ta' xi informazzjoni meta wiehed ikun jaf jew ikollu għalfejn jahseb li din tkun sejra tintuża għal dak in-negozjar jew għal dak l-għoti ta' parir jew prokurar,

bhal ma japplikaw dwar negożjar f'titoli f'borża rikonoxxuta u dwar l-għoti ta' parir jew prokurar jew l-ikkomunikar ta' kwalunkwe informazzjoni f'konnessjoni ma' dak in-negozjar.

Restrizzjoni fuq il-promozzjoni ta' negożjar ta' barra s-suq barra minn Malta.

7. (1) Individwu li, għar-raġuni li jkollu informazzjoni, ikun għal dak iż-żmien projbit b'xi waħda mid-dispożizzjonijiet ta' l-artikolu 3 jew 4 ta' dan l-Att milli jinnegozja f'xi titoli ma għandux -

(a) jagħti parir jew jipprokura lil xi persuna oħra biex tinnegozja f'dawk it-titoli meta jkun jaf jew ikollu għalfejn jahseb li dik il-persuna tkun sejra tinnegozja fit-titoli barra minn Malta f'xi borża li ma tkunx borża rikonoxxuta; jew

(b) jikkomunika dik l-informazzjoni lil xi persuna oħra meta jkun jaf jew ikollu għalfejn jahseb li dik il-persuna jew xi persuna oħra tkun sejra tagħmel użu mill-informazzjoni sabiex tinnegozja, jew tagħti parir jew tipprokura lil xi persuna oħra biex tinnegozja, fit-titoli barra minn Malta f'xi borża li ma tkunx borża rikonoxxuta.

(2) Id-dispożizzjonijiet tas-subartikolu (1) ta' dan l-artikolu ma għandhomx jipprojbixxu lil individwu, għar-raġuni li jkollu xi informazzjoni, milli jagħxi kif hemm insemmi f'xi wiehed mill-paragrafi (a), (b) u (é) tas-subartikolu (1) ta' l-artikolu 5 ta' dan l-Att.

(3) Individwu m'għandux, għar-raġuni li jkollu informazzjoni li jkollha x'taqsam ma' transazzjoni partikolari, ikun projbit b'xi dispożizzjoni ta' dan l-artikolu milli jagħmel xi haġa jekk huwa jagħmel dik il-haġa sabiex jiffaċilita t-tlestija jew l-esekuzzjoni tat-transazzjoni.

Stabbilizzazzjoni tal-prezzijiet

8. Ebda dispożizzjoni li tinsab fl-artikoli 3,4, 6 jew 7 ta' dan l-Att ma għandha tipprojbixxi lil individwu milli jagħmel xi haġa għall-skop ta' stabbilizzazzjoni tal-prezz tat-titoli jekk huwa jagħmel dik il-haġa skond ir-regoli preskritti mill-Ministru bis-saħħa ta' dan l-Att.

Mandatorji.

9. (1) Meta mandatorju jew, fejn mandatorju jkun korp ġuridiku, individwu jkun qed jagħxi għal dak il-mandatorju li, appartni mid-dispożizzjonijiet tal-paragrafu (a) tas-subartikolu (1) ta' l-artikolu 5 jew, skond il-każ, tas-subartikolu (2) ta' l-artikolu 7 ta' dan l-Att, ikun projbit b'xi waħda mid-dispożizzjonijiet ta' l-artikoli 3 sa 7, it-tnejn inklużi, milli jinnegozja, jew jagħti parir jew jipprokura lil xi persuna oħra biex tinnegozja, f'xi titoli jinnegozja f'dawk it-titoli jew jagħti parir jew jipprokura lil xi persuna oħra biex tinnegozja fihom, huwa għandu jiġi preżunt li jkun aġixxa kif għandu jkun jekk ikun aġixxa fuq il-parir ta' persuna li -

(a) lilu kienet tidher li kienet persuna adatta biex minghandha jiehu dak il-parir, u

(b) lilu ma kenitx tidher li kienet projbita bid-dispożizzjonijiet ta' l-artikoli 3,4,6 jew 7 ta' dan l-Att milli tinnegożja fdawk it-titoli.

(2) Għall-finijiet tas-subartikolu (1) ta' dan l-artikolu, l-espressjoni "kif għandu jkun" għandha tfisser xort'ohra milli bil-għan li jagħmel qliegh jew li jevita telf (kemm jekk għalih innifsu jew għal persuna oħra) bl-użu ta' l-informazzjoni in kwistjoni.

10. (1) Individwu li jikser id-dispożizzjonijiet ta' l-artikoli 3, 4, 6 jew 7 ta' dan l-Att ikun hati ta' reat u jehel meta jinsab hati multa ta' mhux iżjed minn Lm250,000 (mitejn u hamsin elf lira Maltija) jew priġunerija għal żmien ta' mhux iżjed minn seba' snin jew dik il-multu u priġunerija flimkien.

Pieni għal reati

(2) Ma għandhomx isiru proċedimenti għal reat taht dan l-artikolu hlief bil-kunsens ta' l-Avukat Generali.

(3) Ebda transazzjoni ma għandha titqies li tkun nulla jew annullabbli minhabba biss f'li tkun saret bi ksur tad-dispożizzjonijiet ta' l-artikoli 3,4,6 jew 7 ta' dan l-Att.

11. (1) Jekk ikun jidher lill-Ministru li l-membri, uffiċjali jew impjegati ta', jew persuni xort'ohra konnessi ma', xi korp li lilu jkun jidher li qed jeżerċita funzjonijiet pubbliċi jista' jkollhom aċċess għal informazzjoni sensittiva għall-prezz mhux ippubblikata dwar titoli, huwa jista' b'ordni jiddikjara li dawk il-persuni għandhom jitqiesu li jkunu impjegati pubbliċi għall-finijiet ta' dan l-Att.

Setgħa għall-għemil ta' regolamenti.

(2) Il-Ministru jista' b'ordni jiddikjara li borża ta' investiment f' Malta jew barra minn Malta tiġi meqjusa-li tkun borża rikonoxxuta għall-finijiet ta' dan l-Att.

(3) Il-Ministru, fuq il-parir tal-Gvernatur tal-Bank Ċentrali ta' Malta u ta' l-awtorita' kompetenti taht l-Att ta' l-1993 dwar Servizzi ta' Investiment, jista' jagħmel regoli jew regolamenti sabiex jippreskrivi l-operazzjonijiet ta' stabbilizzazzjoni tal-prezzijiet permessi b'dan l-Att, u jista' jippreskrivi dawk ir-regolamenti għal kategoriji partikolari ta' titoli jew negozjanti u jista' jippreskrivi regolamenti differenti għal kategoriji differenti ta' titoli jew negozjanti.

12. L-Att dwar il-Borża ta' Malta għandu jiġi emendat kif ġej:

(a) fl-artikolu 2 tiegħu, it-tifsira ta' "kummerċ intern" għandha tithassar u minflokha għandha tidhol din it-tifsira ġdida li ġejja:

Emendi għall-Att dwar il-Borża ta' Malta, Kap. 345

" "kummerċ intern" tfisser kondotta li tammonta għal xi reat taht id-dispożizzjonijiet ta' l-Att ta' 1993 kontra *Insider Dealing*";

(b) fis-subartikolu (1) ta' l-artikolu 17 tieghu, wara l-kliem "mill-Gvernatur" ghandhom jidhlu l-kliem "jew mill-awtorita' kompetenti skond l-Att ta' l-1993 dwar Servizzi ta' Investiment"; u

(c) is-subartikolu (1) ta' l-artikolu 19 tieghu ghandu jithassar, u s-subartikoli (2), (3), (4) u (5) tieghu ghandhom jigu enumerati mill-gdid (1), (2) (3) u (4) rispettivament.

Ghanijiet u Raġunijiet

L-Ghan ta' dan l-Abbozz huwa li jispandi u jsahhah id-dispossizzjonijiet li jirregolaw il-projbizzjoni ta' *insider dealing*, u biex jipprovdi ghal hwejjeġ li huma anċillari jew inċidentali ghal dan.

THE INSIDER DEALING BILL

ARRANGEMENT OF SECTIONS

1. Short title and commencement
2. Interpretation
3. Prohibition of stock exchange deals by insiders, etc.
4. Abuse of information obtained in an official capacity.
5. Actions not prohibited by sections 3 and 4.
6. Off-market deals in advertised securities.
7. Restriction on promoting off-market deals abroad.
8. Trustees and personal representatives.
9. Punishment of contraventions.
10. Amendments to the Malta Stock Exchange Act.
11. Power to make regulations.
12. Amendments to the Malta Stock Exchange Act, Cap 345.

**A Bill
entitled**

AN ACT to regulate insider dealing.

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same, as follows:-

1. (1) This Act may be cited as the Insider Dealing Act, 1993.

Short title and commencement

(2) This Act shall come into force on such date as the Minister responsible for finance may, by notice in the Gazette, appoint.

2. (1) In this Act, unless the context otherwise requires:-

Interpretation

"advertised securities", in relation to a particular occurrence, means listed securities or securities in respect of which, not more than six months before that occurrence, information indicating the prices at which persons have dealt or were willing to deal in those securities has been published for the purpose of facilitating deals in those securities;

"company" means any company, whether or not a company within the meaning of the Commercial Partnerships Ordinance;

Cap 168

"debenture" has the same meaning in relation to companies not incorporated under the Commercial Partnerships Ordinance as it has in relation to companies so incorporated;

Cap 168

"investment exchange" means an organisation maintaining a system whereby an offer to deal in securities made by a subscriber to the organisation is communicated, without his identity being revealed, to other subscribers to the organisation, and whereby any acceptance of that offer by any of those other subscribers is recorded and confirmed;

"jobber" means an individual, partnership or company dealing in securities on a recognised stock exchange and recognised by the Council of the Stock Exchange as carrying on the business of a jobber;

"listed securities", in relation to a company, means any securities of the company listed on a recognised stock exchange;

"market maker" means a person (whether an individual, partnership or company) who -

(a) holds himself out at all normal times in compliance with the rules of a recognised stock exchange as wishing to buy and sell securities at prices specified by him; and

(b) is recognised as doing so by that recognised stock exchange;

"Minister" means the Minister responsible for finance;

Cap 345

"off market dealer" means a person who deals as principal or agent by virtue of a licence granted under section 3 of the Investment Services Act, 1993, and not as a stockbroker within the meaning of the Malta Stock Exchange Act;

"public employee" means -

(a) a public officer;

(b) a member, officer or employee of the Central Bank of Malta or of the competent authority within the meaning of the Investment Services Act 1993;

(c) any person declared by an order for the time being in force to be a public employee for the purposes of this Act;

"recognised stock exchange" means the Malta Stock Exchange and any other investment exchange which is declared by order of the Minister for the time being in force to be a recognised stock exchange for the purposes of this Act;

"related company", in relation to a company, means any body corporate which is that company's subsidiary or holding company, or a subsidiary of that company's holding company;

Cap 168

"securities" means listed securities and, in the case of a company within the meaning of the Commercial Partnerships Ordinance, any of the following (whether or not listed): shares, debentures, or rights to subscribe for, call or make delivery of shares or debentures;

Cap 168

"share" has the same meaning in relation to companies not incorporated under the Commercial Partnerships Ordinance as it has in relation to companies so incorporated;

"takeover offer for a company" means an offer made to all the holders (or to all the holders other than the person making the offer and his nominees) of the shares in the company to acquire those shares or a specified proportion of them, or to all the holders (or to all the holders other than the person making the offer and his nominees) of a particular class of those shares to acquire the shares of that class or a specified proportion of them.

(2) For purposes of this Act, an individual shall be deemed to be connected with a company if, but only if -

(a) he is a director of that company or a related company, or

(b) he occupies a position as an officer (other than a director) or employee of that company or a related company or a position involving a professional or business relationship between himself (or his employer or a company of which he is a director) and the first company or a related company which in either case may reasonably be expected to give him access to information which, in relation to securities of either company, is unpublished price sensitive information, and which it would be reasonable to expect a person in his position not to disclose except for the proper performance of his functions.

(3) Any reference in this Act to unpublished price sensitive information in relation to any securities of a company is a reference to information which -

(a) relates to specific matters relating or of concern (directly or indirectly) to that company, that is to say, is not of a general nature relating or of concern to that company, and

(b) is not generally known to those persons who are accustomed or would be likely to deal in those securities but which would, if it were generally known to them, be likely materially to affect the price of those securities.

(4) For the purposes of this Act, a person shall be deemed to deal in securities if (whether as principal or agent) he buys or sells or agrees to buy or sell any securities; and references to dealing in securities on a recognised stock exchange include dealing in securities through an investment exchange.

(5) (a) For the purposes of this Act a person who (whether as principal or agent) buys or sells or agrees to buy or sell investments, as the term is defined in paragraph (b) of this subsection, where the purpose or pretended purpose mentioned in that paragraph is to secure a profit or avoid a loss wholly or partly by reference to fluctuations in the value or price of securities, shall be treated as if he were dealing in the underlying securities.

(b) For the purposes of paragraph (a) of this subsection "investments" shall mean rights under a contract for differences or under any other contract the purpose or pretended purpose of which is to secure a profit or avoid a loss by reference to fluctuations in the value or price of property of any description or in an index or other factor designated for that purpose in the contract.

(6) An off-market dealer shall be deemed -

(a) to deal in advertised securities, if he deals in such securities or acts as an intermediary in connection with deals made by other persons in such securities (references to such a dealer's officer, employee or agent dealing in such securities are to be construed accordingly), and

(b) to make a market in any securities, if in the course of his business as an off-market dealer he holds himself out both to prospective buyers and to prospective sellers of those securities (other than particular buyers or sellers) as willing to deal in them otherwise than on a recognised stock exchange.

(7) For the purposes of section 6 of this Act, an individual shall be deemed to deal through an off-market dealer if the latter is a party to the transaction, is an agent for either party to the transaction or is acting as an intermediary in connection with the transaction.

Cap 168

(8) Save where the context otherwise requires, words and expressions used in this Act shall have the same meaning and the same interpretation as the meanings and interpretations given to those words and expressions in the Commercial Partnership Ordinance.

(9) In this Act and in any regulations made thereunder, if there is any conflict between the English and Maltese texts, the English text shall prevail.

3. (1) Subject to the provisions of section 5 of this Act, an individual who is, or at any time in the preceding six months has been, knowingly connected with a company shall not deal on a recognised stock exchange in securities of that company if he has information which -

(a) he holds by virtue of being connected with the company; and

(b) it would be reasonable to expect a person so connected, and in the position by virtue of which he is so connected, not to disclose except for the proper performance of the functions attaching to that position; and

(c) he knows is unpublished price sensitive information in relation to those securities.

(2) Subject to the provisions of section 5 of this Act, an individual who is, or at any time in the preceding six months has been, knowingly connected with a company shall not deal on a recognised stock exchange in securities of any other company if he has information which -

(a) he holds by virtue of being connected with the first company;

(b) it would be reasonable to expect a person so connected, and in the position by virtue of which he is so connected, not to disclose except for the proper performance of the functions attaching to that position;

(c) he knows is unpublished price sensitive information in relation to those securities of that other company; and

(d) relates to any transaction (actual or contemplated) involving both the first company and that other company, or involving one of them and securities of the other, or to the fact that any such transaction is no longer contemplated.

(3) The provision of subsection (4) of this section shall apply where-

(a) an individual has information which he knowingly obtained (directly or indirectly) from another individual who -

(i) is connected with a particular company, or was at any time in the six months preceding the obtaining of the information so connected, and

(ii) the former individual knows or has reasonable cause to believe held the information by virtue of being so connected; and

(b) the former individual knows or has reasonable cause to believe that, because of the latter's connection and position, it would be reasonable to expect him not to disclose the information except for the proper performance of the functions attaching to that position.

(4) Subject to the provisions of section 5 of this Act, in the cases contemplated in subsection (3) of this section, the former individual shall not himself deal -

(a) on a recognised stock exchange in securities of that company if he knows that the information is unpublished price sensitive information in relation to those securities, and

(b) on a recognised stock exchange in securities of any other company if he knows that the information is unpublished price sensitive information in relation to those securities and it relates to any transaction (actual or contemplated) involving the first company and the other company, or involving one of them and securities of the other, or to the fact that any such transaction is no longer contemplated.

(5) Subject to the provisions of section 5 of this Act, where an individual is contemplating, or has contemplated, making (whether with or without another person) a take-over offer for a company in a particular capacity, that individual shall not deal on a recognised stock exchange in securities of that company in another capacity if he knows that information that the offer is contemplated, or is no longer contemplated, is unpublished price sensitive information in relation to those securities.

(6) Subject to the provisions of section 5 of this Act, where an individual has knowingly obtained (directly or indirectly), from an individual to whom the provisions of subsection (5) of this section apply, information that the offer referred to in that subsection is being contemplated, or is no longer contemplated, the former individual shall not himself deal on a recognised stock exchange in securities of that company if he knows that the information is unpublished price sensitive information in relation to those securities.

(7) Subject to the provisions of section 5 of this Act, an individual who is for the time being prohibited by any provision of this section from dealing on a recognised stock exchange in any securities shall not counsel or procure any other person to deal in those securities, knowing or having reasonable cause to believe that that person would deal in them on a recognised stock exchange.

(8) Subject to the provisions of section 5 of this Act, an individual who is for the time being prohibited, according to the provisions of this section, from dealing on a recognised stock exchange in any securities by reason of his having any information, shall not communicate that information to any other person if he knows or has reasonable cause to believe that that or some other person will make use of the information for the purpose of dealing, or of counselling or procuring any other person to deal, on a recognised stock exchange in those securities.

4. (1) The provisions of this section shall apply to any information which -

Abuse of information
obtained in an official
capacity

(a) is held by a public servant or former public servant by virtue of his position or former position as a public servant, or is knowingly obtained by an individual (directly or indirectly) from a public servant or former public servant who he knows or has reasonable cause to believe held the information by virtue of any such position;

(b) it would be reasonable to expect an individual in the position of the public servant or former position of the public servant not to disclose except for the proper performance of the functions attaching to that position; and

(c) the individual holding it knows is unpublished price sensitive information in relation to securities of a particular company, in this section referred to as the "relevant securities".

(2) The provisions of this section shall apply to a public servant or former public servant holding information to which this section applies and to any individual who knowingly obtained any such information (directly or indirectly) from a public servant or former public servant who that individual knows or has reasonable cause to believe held the information by virtue of his position or former position as a public servant.

(3) Subject to the provisions of section 5 of this Act, an individual to whom the provisions of this section apply -

(a) shall not deal on a recognised stock exchange in any relevant securities;

(b) shall not counsel or procure any other person to deal in any such securities, knowing or having reasonable cause to believe that that other person would deal in them on a recognised stock exchange; and

(c) shall not communicate to any other person the information held or (as the case may be) obtained by him as mentioned in subsection (2) of this section if he knows or has reasonable cause to believe that that or some other person will make use of the information for the purpose of dealing, or of counselling or procuring any other person to deal, on a recognised stock exchange in any such securities.

(4) If it appears to the Minister that the members, officers or employees of or persons otherwise connected with any body appearing to him to exercise public functions may have access to unpublished price sensitive information relating to securities, he may by order declare that those persons are to be deemed public servants for the purposes of this section.

(5) The power to make an order under subsection (4) of this section shall be exercisable by statutory instrument and published in the Gazette and an instrument containing such an order shall be subject to annulment in pursuance of a resolution of the House of representatives.

Actions not prohibited by sections 3 and 4 of this Act.

5. (1) The provisions of sections 3 and 4 of this Act shall not prohibit an individual by reason of his having any information from -

(a) doing any particular thing otherwise than with a view to the making of a profit or the avoidance of a loss (whether for himself or another person) by the use of that information;

(b) entering into a transaction in the course of the exercise in good faith of his functions as liquidator, receiver or trustee in bankruptcy;

(c) doing any particular thing if the information -

(i) was obtained by him in the course of a business as a jobber in which he was engaged or employed; and

(ii) was of a description which it would be reasonable to expect him to obtain in the ordinary course of that business, and he does that thing in good faith in the course of that business; or

(d) doing any particular thing in relation to any particular securities if the information-

(i) was obtained by him in the course of a business of a market maker in those securities in which he was engaged or employed, and

(ii) was of a description which it would be reasonable to expect him to obtain in the ordinary course of that business, and he does that thing in good faith in the course of that business.

(2) An individual shall not, by reason only of his having information relating to any particular transaction, be prohibited -

(a) by the provisions of subsection (2), paragraph (b) of subsection (4), and subsections (5) or (6) of section 3 of this Act from dealing on a recognised stock exchange in any securities, or

(b) by the provisions of subsections (7) or (8), of section 3 of this Act from doing any other thing in relation to securities which he is prohibited from dealing in by any of the provisions mentioned in paragraph (a) of this subsection, or

(c) by the provisions of section 4 from doing anything, if he does that thing in order to facilitate the completion or the carrying out of the transaction.

6. Subject to the provision of section 8, the provisions of sections 3, 4 and 5 of this Act shall apply in relation to -

Off-market deals in
advertised securities

(a) dealing otherwise than on a recognised stock exchange in the advertised securities of any company -

(i) through an off-market dealer who is making a market in those securities, in the knowledge that he is an off-market dealer, that he is making a market in those securities and that the securities are advertised securities; or

(ii) as an off-market dealer who is making a market in those securities or as an officer, employee or agent of such a dealer acting in the course of the dealer's business;

(b) counselling or procuring a person to deal in advertised securities in the knowledge or with reasonable cause to believe that he would deal in them as mentioned in paragraph (a) of this section;

(c) communicating any information in the knowledge or with reasonable cause to believe that it would be used for such dealing or for such counselling or procuring, as they apply in relation to dealing in securities on a recognised stock exchange and to counselling or procuring or communicating any information in connection with such dealing.

Restriction on promoting off-market deals abroad

7. (1) An individual who, by reason of his having information, is for the time being prohibited by any of the provisions of sections 3 or 4 of this Act from dealing in any securities shall not -

(a) counsel or procure any other person to deal in those securities in the knowledge or with reasonable cause to believe that that person would deal in the securities outside Malta on any stock exchange other than a recognised stock exchange; or

(b) communicate that information to any other person in the knowledge or with reasonable cause to believe that that or some other person will make use of the information for the purpose of dealing, or of counselling or procuring any other person to deal, in the securities outside Malta on any stock exchange other than a recognised stock exchange.

(2) The provisions of subsection (1) of this section shall not prohibit an individual, by reason of his having any information, from acting as mentioned in any of paragraphs (a), (b) and (c) of subsection (1) of section 5 of this Act.

(3) An individual shall not, by reason only of having information relating to a particular transaction, be prohibited by any provision of this section from doing anything if he does that thing in order to facilitate the completion or carrying out of the transaction.

Price stabilisation

8. No provision contained in sections 3, 4, 6 or 7 of this Act shall prohibit an individual from doing anything for the purposes of stabilising the price of securities if it is done in accordance with rules prescribed by the Minister pursuant to this Act.

Mandatory

9. (1) Where a mandatory or, where a mandatory is a body corporate, an individual acting on behalf of that mandatory who, apart from the provisions of paragraph (a) of subsection (1) of section 5 or, as the case may be, of subsection (2) of section 7 of this Act, would be prohibited by any of the provisions of sections 3 to 7, both inclusive, from dealing, or counselling or procuring any other person to deal, in any securities deals in those securities or counsels or procures any other person to deal in them, he shall be presumed to have acted with propriety if he acted on the advice of a person who -

(a) appeared to him to be an appropriate person from whom to seek such advice, and

(b) did not appear to him to be prohibited by the provisions of sections 3, 4, 6 or 7 of this Act from dealing in those securities.

(2) For the purposes of subsection (1) of this section the term "with propriety" shall mean otherwise than with a view to the making of a profit or the avoidance of a loss (whether for himself or another person) by the use of the information in question.

10. (1) An individual who contravenes the provisions of sections 3, 4, 6 or 7 of this Act shall be guilty of an offence and shall be liable on conviction to a fine (*multa*) not exceeding Lm250,000 (two hundred and fifty thousand Maltese liri) or to imprisonment for a term not exceeding seven years or to both such fine and imprisonment.

Punishment for offences

(2) Proceedings for an offence under this section shall not be instituted except with the consent of the Attorney General.

(3) No transaction shall be deemed to be void or voidable by reason only that it was entered into in contravention of the provisions of sections 3, 4, 6 or 7 of this Act.

11. (1) If it appears to the Minister that the members, officers or employees of, or persons otherwise connected with, any body appearing to him to exercise public functions may have access to unpublished price sensitive information relating to securities, he may by order declare that those persons are to be deemed to be public servants for the purposes of this Act.

Power to make regulations

(2) The Minister may by order declare that an investment exchange in or outside Malta be deemed to be a recognised stock exchange for the purposes of this Act.

(3) The Minister, acting on the advice of the Governor of the Central Bank of Malta and of the competent authority under the Investment Services Act, 1993, may make rules or regulations for the purposes of prescribing the price stabilisation operations permitted by this Act, and may prescribe such regulations for particular categories of securities or dealers and may prescribe different regulations for different categories securities or dealers.

Amendments to the Malta
Stock Exchange Act, Cap
345.

12. The Malta Stock Exchange Act shall be amended as follows-

(a) In section 2 thereof, the definition of "insider dealing" shall be deleted and shall be substituted by the following new definition:

" "insider dealing" means conduct amounting to any offence under the provisions of Insider Dealing Act, 1993;"

(b) in subsection (1) of section 17 thereof, after the word "Governor" there shall be inserted the words "or the competent authority under the Investment Services Act, 1993"; and

(c) subsection (1) of section 19 thereof shall be deleted, and subsections (2), (3), (4), and (5) thereof shall be re-numbered (1), (2), (3), and (4) respectively.

Objects and Reasons

The object of this Bill is to expand and strengthen the provisions regulating the prohibition of insider dealing, and to make provision for matters ancillary or incidental thereto.