ESMA_QA_1730

Submission Date
20/12/2016

Status: Answer Published

Additional Information

Level 1 Regulation
Market Abuse Regulation (MAR) Regulation (EU) No 596/2014 - Market Intergrity

Topic
Managers' transactions

Subject Matter
Price of gifts, donation and inheritance

Question
Which are the rules to calculate the price of gifts, donations and inheritance for the purpose of the notifications and disclosure of managers' transactions under Article 19 of MAR?

ESMA Answer

08-10-2026

Original language

[ESMA70-145-111 MAR Q&A, Q&A 7.4]

According to Article 10(2)(k) of Commission Delegated Regulation (EU) 2016/522, donations and gifts made or received or inheritance received are transactions to be notified under Article 19(1) of MAR.

The value of these transactions need to be taken into consideration for the purpose of calculating the cumulated amount of the transactions of a PDMR or a person closely associated to a PDMR, to assess whether the threshold referred to in Article 19(8) and (9) of MAR has been crossed, hence triggering the duty to notify and disclose all subsequent transactions.

The field 4(c) on “Price(s) and volume(s)” of the template in the annex to Commission Implementing Regulation (EU) 2016/523 (Implementing technical standards on the notification and public disclosure of managers’ transactions) specifies the data standards to be used for expressing the price, depending on the type of financial instruments concerned. In that respect, such template makes reference to data standards defined for the purpose of the transaction reporting under Regulation (EU) 600/2014 (MiFIR) and related technical standards. However, it does not explain the rules about the price to take into account to calculate the value of a donation, a gift or inheritance.

For the purpose of the threshold calculation, the price to consider for donations, gifts and inheritance is the last published price for the financial instrument concerned in accordance with the post trade transparency requirements under MiFIR (Articles 6, 10, 20 and 21) on the date of acceptance of the donation, gift or inheritance (i.e. the date of the transaction), or where such price is not available that day, the last published price.

In the period before MiFIR becomes applicable, the price to use will be:

- for shares admitted to trading on regulated markets (RM), the last published price in accordance with the post trade transparency requirements under Articles 30 and 45 of Directive 2004/39/EC (MiFID I) on the date of acceptance of the donation, gift or inheritance or where such price is not available that day, the last published price;
- for shares admitted to trading or traded on MTFs only, bonds and derivatives or financial instrument linked thereto, the last traded price on the trading venue where the concerned financial instruments are traded, on the date of acceptance of the donation, gift or inheritance, or where such price is not available that day, the last traded price before the date of acceptance.

During the interim, in the case of shares being traded on several venues (RMs and/or MTFs), then the concept of “most relevant markets in terms of liquidity” under MiFID I and specified in the Commission Regulation (EC) 1287/2006 implementing MiFID I should be used to determine the trading venue to consider when looking at the last traded price. For other instruments, the concept of trading venue of first admission should be used.

Furthermore, where debt instruments admitted to trading or traded on a RM or a MTF are only traded OTC (i.e. there is no trading on RM nor MTF), then the price to consider should be the last publicly available price for that debt instrument (whatever is the source).

However, when a notification has to be made in accordance with Article 19(1) of MAR and Article 2 of the Implementing technical standards on the notification and public disclosure of managers’ transactions, the price field for a gift, donation or inheritance is expected to be populated with 0 (zero).