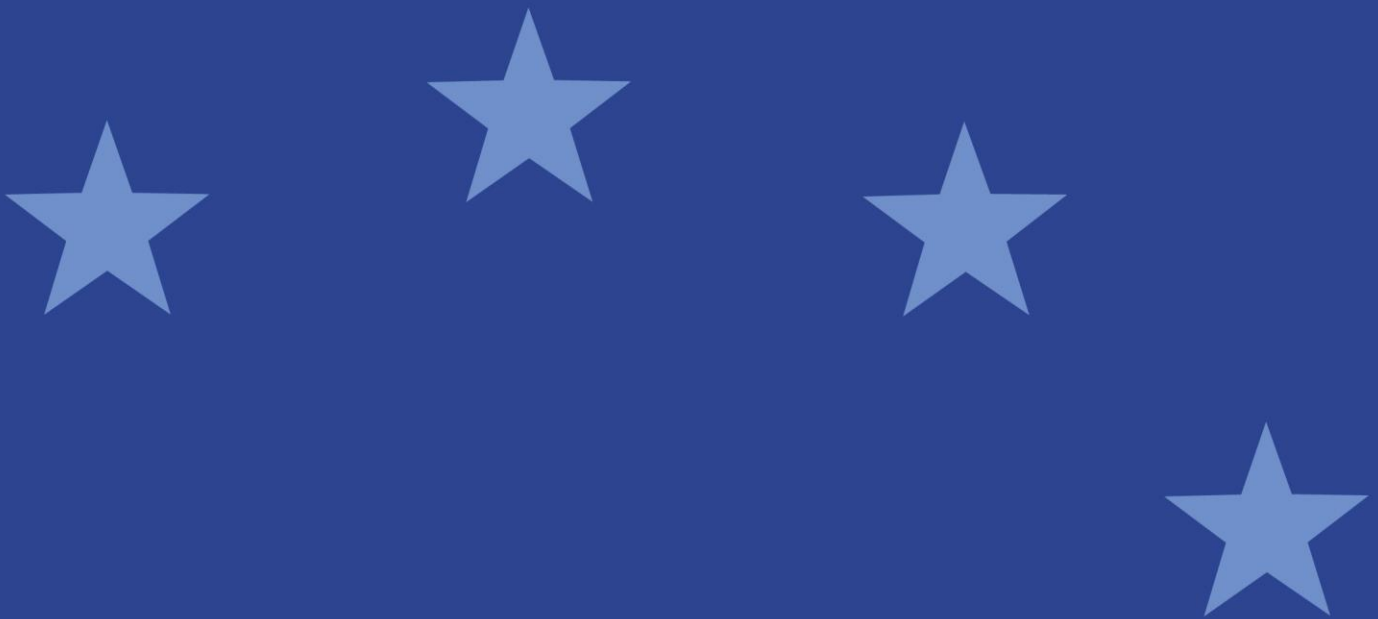


Reply form for the Consultation Paper on MAR review report



Responding to this paper

The European Securities and Markets Authority (ESMA) invites responses to the specific questions listed in the Consultation Paper on the MAR review report published on the ESMA website.

Instructions

Please note that, in order to facilitate the analysis of the large number of responses expected, you are requested to use this file to send your response to ESMA so as to allow us to process it properly. Therefore, ESMA will only be able to consider responses which follow the instructions described below:

- use this form and send your responses in Word format (pdf documents will not be considered except for annexes);
- do not remove the tags of type <ESMA_QUESTION_CP_MAR_1> - i.e. the response to one question has to be framed by the 2 tags corresponding to the question; and
- if you do not have a response to a question, do not delete it and leave the text “TYPE YOUR TEXT HERE” between the tags.

Responses are most helpful:

- if they respond to the question stated;
- indicate the specific question to which the comment relates;
- contain a clear rationale; and
- describe any alternatives ESMA should consider.

Naming protocol

In order to facilitate the handling of stakeholders' responses please save your document using the following format:

ESMA_CP_MAR_NAMEOFCOMPANY_NAMEOFDOCUMENT.

e.g. if the respondent were ESMA, the name of the reply form would be:

ESMA_CP_MAR_ESMA_REPLYFORM or

ESMA_CP_MAR_ANNEX1

Deadline

Responses must reach us by **29 November 2019**.

All contributions should be submitted online at www.esma.europa.eu under the heading 'Your input - Consultations'.

Publication of responses

All contributions received will be published following the end of the consultation period, unless otherwise requested. **Please clearly indicate by ticking the appropriate checkbox in the website submission form if you do not wish your contribution to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure.** Note also that a confidential response may be requested from us in accordance with ESMA's rules on access to documents. We may consult you if we receive such a request. Any decision we make is reviewable by ESMA's Board of Appeal and the European Ombudsman.

Data protection

Information on data protection can be found at www.esma.europa.eu under the headings 'Legal notice' and 'Data protection'.

General information about respondent

Name of the company / organisation	Invesco
Activity	Investment Services
Are you representing an association?	<input type="checkbox"/>
Country/Region	Europe

Introduction

Please make your introductory comments below, if any:

<ESMA_COMMENT_CP_MAR_1>

As a global asset manager with operations across the EU, Invesco advocates consistency in the application of the EU Market Abuse Regulation (MAR) across Member States, as well as the regulatory and supervisory convergence which the MAR seeks to promote.

As such, we are grateful for the opportunity to contribute to the European Securities and Markets Authority (ESMA) consultation on the application of the MAR, the objectives of which Invesco strongly supports including:

- providing a common regulatory framework on insider dealing, unlawful disclosure of inside information and market manipulation;
- establishing appropriate measures to prevent market abuse and ensure the integrity of financial markets in the EU; and
- enhancing investor protection and confidence in those markets.

The responses provided below focus on the following areas of the consultation:

- proposed extension of the scope of the MAR to spot FX contracts;
- definition of inside information and its appropriateness in combatting market abuse;
- identification of inside information;
- market sounding procedure and related activities; and
- reporting thresholds for PDMRs and related provisions.

On each of these issues Invesco can provide further detail at ESMA's request.

<ESMA_COMMENT_CP_MAR_1>

Q1. Do you consider necessary to extend the scope of MAR to spot FX contracts? Please explain the reasons why the scope should or should not be extended, and whether the same goals could be achieved by changing any other piece of the EU regulatory framework.

<ESMA_QUESTION_CP_MAR_1>

As per paragraph 16 of the Consultation Paper on the application of the MAR, Invesco notes the FX Global Code of Conduct – a voluntary set of global principles of good practice in the foreign exchange market for all FX market participants – developed by various central banks and market participants.

The FX Global Code of Conduct has already achieved progress in promoting higher standards in the wholesale FX market around conflicts of interest, handling of confidential information, transparency and execution. It will be reviewed by the Global FX Committee in 2020. **We believe it would advisable, therefore, to await the outcome of the forthcoming review before considering the appropriateness of extending the application of the MAR to spot FX contracts.**

<ESMA_QUESTION_CP_MAR_1>

Q2. Do you agree with ESMA's preliminary view about the structural changes that would be necessary to apply MAR to spot FX contracts? Please elaborate and indicate if you would consider necessary introducing additional regulatory changes.

<ESMA_QUESTION_CP_MAR_2>

We agree with ESMA's preliminary view – as outlined in paragraphs 19 to 23 of the Consultation Paper – **on the practical difficulties of extending the application of the MAR to spot FX transactions**, and have highlighted some examples below.

- Paragraph 14 of the Consultation Paper suggests that the connection between the spot FX market and the markets in financial instruments (particular FX derivatives) could support extending the scope of the MAR to spot FX contracts. **We do not believe this to be the case for certain portfolio management strategies** which, for example, use spot transactions post-rebalancing solely to maintain funds within their investment restriction limits. Moreover, models affecting spots and futures can also be independent of each other. For example, spot trades are independent of the quoting activity of the Chicago Mercantile Exchange (CME). This is also relevant when currency future exposures are minimal and derived separately from spot trades.
- Paragraphs 19 and 20 of the Consultation Paper present pertinent points relating to the practical difficulties in extending the application of the MAR to spot FX contracts. Firstly, **we agree with ESMA that the price determination of spot FX contracts can be based on credit worthiness of counterparties**. This creates an error variable when attempting to monitor the criteria for what would constitute market manipulation.
- In addition, **we believe that the criteria for what would constitute market manipulation could be difficult to establish due to the specificities of the market itself**; FX spots occur more often, have a short lifespan and opposite directions of the same notional can exist based on market movements on any given day for any account (and are heightened when FX markets are volatile). This could make monitoring trades more difficult, such that reviews could not keep up with the traffic in spot FX markets, and we could find ourselves monitoring alerts for positions which are only open for a day which could prove impracticable.

- Paragraph 21 of the Consultation Paper highlights the difficulty in ascertaining, in practice, the impact of a spot FX contract on related financial market transactions (i.e. ascertaining whether or not market manipulation has occurred), in comparison with a spot commodity contract, if the application of the MAR was extended to spot FX contracts on the same terms as spot commodity contracts. As such, if, as per ESMA's assertion, there is uncertainty regarding measuring the impact of spot FX contracts on related financial market transactions, **we question the viability of creating a framework around the trading of spot FX contracts that could accurately and objectively ascertain whether market manipulation was the underlying cause of particular price movements of related financial market transactions.**
- Finally, we believe that extending the scope of MAR to capture FX spot trades could draw minimal notional/frequency trades under the Regulation, even where such trades would be unlikely to influence markets. **We believe that such a situation would be disproportionate and potentially impracticable.**

<ESMA_QUESTION_CP_MAR_2>

Q3. Do you agree with this analysis? Do you think that the difference between the MAR and BMR definitions raises any market abuse risks and if so what changes might be necessary?

<ESMA_QUESTION_CP_MAR_3>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_CP_MAR_3>

Q4. Do you agree that the Article 30 of MAR “Administrative sanctions and other administrative measures” should also make reference to administrators of benchmarks and supervised contributors?

<ESMA_QUESTION_CP_MAR_4>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_CP_MAR_4>

Q5. Do you agree that the Article 23 of MAR “Powers of competent authorities” point (g) should also make reference to administrators of benchmarks and supervised contributors? Do you think that is there any other provision in Article 23 that should be amended to tackle (attempted) manipulation of benchmarks?

<ESMA_QUESTION_CP_MAR_5>

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<ESMA_QUESTION_CP_MAR_5>

Q6. Do you agree that Article 30 of MAR points (e), (f) and (g) should also make reference to submitters within supervised contributors and assessors within administrators of commodity benchmarks?

<ESMA_QUESTION_CP_MAR_6>

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<ESMA_QUESTION_CP_MAR_6>

Q7. Do you agree that there is a need to modify the reporting mechanism under Article 5(3) of MAR? Please justify your position.

<ESMA_QUESTION_CP_MAR_7>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CP_MAR_7>

Q8. If you agree that the reporting mechanism should be modified, do you agree that Option 3 as described is the best way forward? Please justify your position and if you disagree please suggest alternative.

<ESMA_QUESTION_CP_MAR_8>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CP_MAR_8>

Q9. Do you agree to remove the obligation for issuers to report under Article 5(3) of MAR information specified in Article 25(1) and (2) of MiFIR? If not, please explain.

<ESMA_QUESTION_CP_MAR_9>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CP_MAR_9>

Q10. Do you agree with the list of fields to be reported by the issuers to the NCA? If not, please elaborate.

<ESMA_QUESTION_CP_MAR_10>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CP_MAR_10>

Q11. Do you agree with ESMA's preliminary view?

<ESMA_QUESTION_CP_MAR_11>
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<ESMA_QUESTION_CP_MAR_11>

Q12. Would you find more useful other aggregated data related to the BBP and if so what aggregated data? Please elaborate.

<ESMA_QUESTION_CP_MAR_12>
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<ESMA_QUESTION_CP_MAR_12>

Q13. Have market participants experienced any difficulties with identifying what information is inside information and the moment in which information becomes inside information under the current MAR definition?

<ESMA_QUESTION_CP_MAR_13>
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<ESMA_QUESTION_CP_MAR_13>

Q14. Do market participants consider that the definition of inside information is sufficient for combatting market abuse?

<ESMA_QUESTION_CP_MAR_14>

We believe that the definition of inside information, as detailed in Article 7 of the MAR, is broad and can therefore encompass multiple forms of market manipulation. While this can be useful for regulators and supervisors, broadly defining inside information (without a standardised metric or model to monitor it) allows different financial market participants and authorities to interpret what constitutes inside information differently or, in some cases, subjectively. This can make ongoing monitoring of inside information more difficult and can result in an overly cautious approach even in respect to receiving information which might not, in fact, be inside information. This difficulty in definitively identifying inside information can affect the decisions we make and can ultimately lead to restrictions for our clients.

As such, **a greater responsibility should be placed on the issuer/sell-side adviser**, in providing said information, **to be clear in their assessment as to whether information is material non-public price sensitive information**. This would better support us as asset managers in meeting both our regulatory and supervisory obligations, as regards inside information, and carry out our fiduciary duties to our clients in serving as active stewards of the companies in which we invest on their behalf.

Finally, in order to ensure that all market participants are clear about what constitutes inside information, **we believe that clearer Level 3 guidance would be beneficial, with specific real-world examples of what regulatory authorities consider to be appropriate conduct, and what they do not.**

<ESMA_QUESTION_CP_MAR_14>

Q15. In particular, have market participants identified information that they would consider as inside information, but which is not covered by the current definition of inside information?

<ESMA_QUESTION_CP_MAR_15>
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<ESMA_QUESTION_CP_MAR_15>

Q16. Have market participants identified inside information on commodity derivatives which is not included in the current definition of Article 7(1)(b) of MAR?

<ESMA_QUESTION_CP_MAR_16>

Invesco's activities in commodity derivatives markets are more limited in comparison with our broader market and trading activities. However, **in our experience, we have not identified inside information on commodity derivatives outside of the current definition provided in Article 7(1)(b) of the MAR.**

<ESMA_QUESTION_CP_MAR_16>

Q17. What is an appropriate balance between the scope of inside information relating to commodity derivatives and allowing commodity producers to undertake hedging transactions on the basis of that information, to enable them to carry out their commercial activities and to support the effective functioning of the market?

<ESMA_QUESTION_CP_MAR_17>
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<ESMA_QUESTION_CP_MAR_17>

Q18. As of today, does the current definition of Article 7(1)(b) of MAR allow commodity producers to hedge their commercial activities? In this respect, please provide information on hedging difficulties encountered.

<ESMA_QUESTION_CP_MAR_18>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CP_MAR_18>

Q19. Please provide your views on whether the general definition of inside information of Article 7(1)(a) of MAR could be used for commodity derivatives. In such case, would safeguards enabling commodity producers to undertake hedging transactions based on proprietary inside information related to their commercial activities be needed? Which types of safeguards would you envisage?

<ESMA_QUESTION_CP_MAR_19>

As noted previously, we believe that the definition of inside information, as detailed in Article 7 of the MAR, is broad and can therefore encompass multiple forms of market manipulation. **This includes the general definition of inside information, as detailed in Article 7(1)(a) of the MAR, which we believe is sufficient to be used for commodity derivatives.**

We agree that safeguards enabling commodity producers to undertake hedging transactions based on proprietary inside information related to their commercial activities would be required. In line with our response to Q14, it would be beneficial to provide clear Level 3 guidance as regards the parameters and operability of such safeguards.

<ESMA_QUESTION_CP_MAR_19>

Q20. What changes could be made to include other cases of front running?

<ESMA_QUESTION_CP_MAR_20>

It is important to ensure that there is clear regulatory and supervisory delineation between front running inside information and effective market timing. For example, purchase orders instructed prior to share price increases can suggest front running but can also be attributed to a well-timed strategy. We would ask ESMA to consider how front running monitoring can remove the large numbers of false positives and focus on true alerts.

<ESMA_QUESTION_CP_MAR_20>

Q21. Do you consider that specific conditions should be added in MAR to cover front-running on financial instruments which have an illiquid market?

<ESMA_QUESTION_CP_MAR_21>
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<ESMA_QUESTION_CP_MAR_21>

Q22. What market abuse and/or conduct risks could arise from pre-hedging behaviours and what systems and controls do firms have in place to address those risks? What measures could be used in MAR or other legislation to address those risks?

<ESMA_QUESTION_CP_MAR_22>

In order to accurately identify market abuse/conduct risks arising from pre-hedging activities, we believe it would be beneficial to first **provide further guidance to market participants which clearly differentiates between pre-hedging activities and potential front running.** Thereafter, supervisors would be able to better analyse firms' pre-hedging activities and quantify whether there are indeed any pricing benefits to investors. This would in turn assist regulators and supervisors in identifying potential front running and combatting related market abuse/conduct risks.

<ESMA_QUESTION_CP_MAR_22>

Q23. What benefits do pre-hedging behaviours provide to firms, clients and to the functioning of the market?

<ESMA_QUESTION_CP_MAR_23>
TYPE YOUR TEXT HERE

<ESMA_QUESTION_CP_MAR_23>

Q24. What financial instruments are subject to pre-hedging behaviours and why?

<ESMA_QUESTION_CP_MAR_24>
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<ESMA_QUESTION_CP_MAR_24>

Q25. Please provide your views on the functioning of the conditions to delay disclosure of inside information and on whether they enable issuers to delay disclosure of inside information where necessary.

<ESMA_QUESTION_CP_MAR_25>

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<ESMA_QUESTION_CP_MAR_25>

Q26. Please provide relevant examples of difficulties encountered in the assessment of the conditions for the delay or in the application of the procedure under Article 17(4) of MAR.

<ESMA_QUESTION_CP_MAR_26>

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<ESMA_QUESTION_CP_MAR_26>

Q27. Please provide your view on the inclusion of a requirement in MAR for issuers to have systems and controls for identifying, handling, and disclosing inside information. What would the impact be of introducing a systems and controls requirement for issuers?

<ESMA_QUESTION_CP_MAR_27>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_CP_MAR_27>

Q28. Please provide examples of cases in which the identification of when an information became “inside information” was problematic.

<ESMA_QUESTION_CP_MAR_28>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_CP_MAR_28>

Q29. Please provide your views on the notification to NCAs of the delay of disclosure of inside information, in those cases in which the relevant information loses its inside nature following the decision to delay the disclosure.

<ESMA_QUESTION_CP_MAR_29>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_CP_MAR_29>

Q30. Please provide your views on whether Article 17(5) of MAR has to be made more explicit to include the case of a listed issuer, which is not a credit or financial institution, but which is controlling, directly or indirectly, a listed or non-listed credit or financial institution.

<ESMA_QUESTION_CP_MAR_30>
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<ESMA_QUESTION_CP_MAR_30>

Q31. Please provide relevant examples of difficulties encountered in the assessment of the conditions for the delay or in the application of Article 17(5) of MAR.

<ESMA_QUESTION_CP_MAR_31>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CP_MAR_31>

Q32. Please indicate whether you have found difficulties in the assessment of the obligation to disclose a piece of inside information under Article 17 MAR when analysed together with other obligations arising from CRD, CRR or BRRD. Please provide specific examples.

<ESMA_QUESTION_CP_MAR_32>
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<ESMA_QUESTION_CP_MAR_32>

Q33. Do you agree with the proposed amendments to Article 11 of MAR?

<ESMA_QUESTION_CP_MAR_33>
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<ESMA_QUESTION_CP_MAR_33>

Q34. Do you think that some limitation to the definition of market sounding should be introduced (e.g. excluding certain categories of transactions) or that additional clarification on the scope of the definition of market sounding should be provided?

<ESMA_QUESTION_CP_MAR_34>
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<ESMA_QUESTION_CP_MAR_34>

Q35. What are in your view the stages of the interaction between DMPs and potential investors, from the initial contact to the execution of the transaction, that should be covered by the definition of market soundings?

<ESMA_QUESTION_CP_MAR_35>
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<ESMA_QUESTION_CP_MAR_35>

Q36. Do you think that the reference to “prior to the announcement of a transaction” in the definition of market sounding is appropriate or whether it should be amended to

cover also those communications of information not followed by any specific announcement?

<ESMA_QUESTION_CP_MAR_36>
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<ESMA_QUESTION_CP_MAR_36>

Q37. Can you provide information on situations where the market soundings regime has proven to be of difficult application by DMPs or persons receiving the market sounding? Could you please elaborate?

<ESMA_QUESTION_CP_MAR_37>
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<ESMA_QUESTION_CP_MAR_37>

Q38. Can you provide your views on how to simplify or improve the market sounding procedure and requirements while ensuring an adequate level of audit trail of the conveyed information (in relation to both the DMPs and the persons receiving the market sounding)?

<ESMA_QUESTION_CP_MAR_38>

We believe that the market sounding regime should more appropriately consider and take account of the investor/buy-side. The benefits of the regime are much clearer for and more heavily weighted towards the issuer/sell-side, particularly in creating a safe harbour. It is also feasible that the sell-side advisers could misuse the market sounding regime in their relationship with issuers, over-protecting themselves in the process. There should be a greater responsibility on the issuer/sell-side in utilising the regime with, for example, more specific, tighter timescales for the cleansing process.

<ESMA_QUESTION_CP_MAR_38>

Q39. Do you agree with ESMA's preliminary view on the usefulness of insider list? If not, please elaborate.

<ESMA_QUESTION_CP_MAR_39>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CP_MAR_39>

Q40. Do you consider that the insider list regime should be amended to make it more effective? Please elaborate.

<ESMA_QUESTION_CP_MAR_40>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CP_MAR_40>

Q41. What changes and what systems and controls would issuers need to put in place in order to be able to provide NCAs, at their request, the insider list with the individuals who had actually accessed the inside information within a short time period?

<ESMA_QUESTION_CP_MAR_41>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CP_MAR_41>

Q42. What are your views about expanding the scope of Article 18(1) of MAR (i.e. drawing up and maintain the insider list) to include any person performing tasks through which they have access to inside information, irrespective of the fact that they act on behalf or on account of the issuer? Please identify any other cases that you consider appropriate.

<ESMA_QUESTION_CP_MAR_42>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CP_MAR_42>

Q43. Do you consider useful maintaining the permanent insider section? If yes, please elaborate on your reasons for using the permanent insider section and who should be included in that section in your opinion.

<ESMA_QUESTION_CP_MAR_43>
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<ESMA_QUESTION_CP_MAR_43>

Q44. Do you agree with ESMA's preliminary view?

<ESMA_QUESTION_CP_MAR_44>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CP_MAR_44>

Q45. Do you have any other suggestion on the insider lists that would support more efficiently their objectives while reducing the administrative work they entail? If yes, please elaborate how those changes could contribute to that purpose.

<ESMA_QUESTION_CP_MAR_45>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CP_MAR_45>

Q46. Does the minimum reporting threshold have to be increased from Euro 5,000? If so, what threshold would ensure an appropriate balance between transparency to the market, preventing market abuse and the reporting burden on issuers, PDMRs, and closely associated persons?

<ESMA_QUESTION_CP_MAR_46>

As a general point on the minimum reporting threshold for PDMRs' obligation to notify the issuer and the NCA when they reach said threshold in a calendar year, **Invesco would support consistency in the application of the reporting threshold across Member States**, rather than allowing flexibility to individual jurisdictions.

Moreover, with respect to the timescale for issuers' public notification of relevant PDMR dealing on own account notifications (Article 19(3) of the MAR), **we would encourage ESMA to review the three-day period, with a view to shortening it, to enhance market efficiency.**

<ESMA_QUESTION_CP_MAR_46>

Q47. Should NCAs still have the option to keep a higher threshold? In that case, should the optional threshold be higher than Euro 20,000? If so, please describe the criteria to be used to set the higher optional threshold (by way of example, the liquidity of the financial instrument, or the average compensation received by the managers).

<ESMA_QUESTION_CP_MAR_47>

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<ESMA_QUESTION_CP_MAR_47>

Q48. Did you identify alternative criteria on which the reporting threshold could be based? Please explain why.

<ESMA_QUESTION_CP_MAR_48>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_CP_MAR_48>

Q49. On the application of this provision for EAMPs: have issues or difficulties been experienced?

<ESMA_QUESTION_CP_MAR_49>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_CP_MAR_49>

Q50. Did you identify alternative criteria on which the subsequent notifications could be based? Please explain why.

<ESMA_QUESTION_CP_MAR_50>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_CP_MAR_50>

Q51. Do you consider that the 20% threshold included in Article 19(1a)(a) and (b) is appropriate? If not, please explain the reason why and provide examples in which the 20% threshold is not effective.

<ESMA_QUESTION_CP_MAR_51>
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<ESMA_QUESTION_CP_MAR_51>

Q52. Have you identified any possible alternative system to set the threshold in relation to managers' transactions where the issuer's shares or debt instruments form part of a collective investment undertaking or provide exposure to a portfolio of assets?

<ESMA_QUESTION_CP_MAR_52>
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<ESMA_QUESTION_CP_MAR_52>

Q53. Did you identify elements of Article 19(11) of MAR which in your view could be amended? If yes, why? Have you identified alternatives to the closed period?

<ESMA_QUESTION_CP_MAR_53>
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<ESMA_QUESTION_CP_MAR_53>

Q54. Market participants are requested to indicate if the current framework to identify the closed period is working well or if clarifications are sought.

<ESMA_QUESTION_CP_MAR_54>
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<ESMA_QUESTION_CP_MAR_54>

Q55. Please provide your views on extending the requirement of Article 19(11) to (i) issuers, and to (ii) persons closely associated with PDMRs. Please indicate which would be the impact on issuers and persona closely associated with PDMRs, including any benefits and downsides.

<ESMA_QUESTION_CP_MAR_55>
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<ESMA_QUESTION_CP_MAR_55>

Q56. Please provide your views on the extension of the immediate sale provided by Article 19(12)(a) to financial instruments other than shares. Please explain which financial instruments should be included and why.

<ESMA_QUESTION_CP_MAR_56>
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<ESMA_QUESTION_CP_MAR_56>

Q57. Please provide your views on whether, in addition to the criteria in Article 19(12) (a) and (b), other criteria resulting in further cases of exemption from the closed period obligation could be considered.

<ESMA_QUESTION_CP_MAR_57>
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<ESMA_QUESTION_CP_MAR_57>

Q58. Do you consider that CIUs admitted to trading or trading on a trading venue should be differentiated with respect to other issuers? Please elaborate your response specifically with respect to PDMR obligations, disclosure of inside information and insider lists. In this regard, please consider whether you could identify any articulation or consistency issues between MAR and the EU or national regulations for the different types of CIUs, with regards for example to transparency requirements under MAR vis-à-vis market timing or front running issues.

<ESMA_QUESTION_CP_MAR_58>
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<ESMA_QUESTION_CP_MAR_58>

Q59. Do you agree with ESMA's preliminary view? Please indicate which transactions should be captured by PDMR obligations in the case of management companies of CIUs.

<ESMA_QUESTION_CP_MAR_59>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_CP_MAR_59>

Q60. Do you agree with ESMA's preliminary view? If not, please elaborate.

<ESMA_QUESTION_CP_MAR_60>

As a general point on the proposal to amend the provisions defining persons considered PDMR (Article 3(1)(25) of the MAR) to align with the definition of 'relevant persons' under Article 3(3) of Commission Directive 2010/43/EU, **we would encourage ESMA to undertake an impact assessment on firms' verification processes (and related activities and resources) which are already in place pursuant to the requirements of the MAR and Commission Directive 2010/43/EU.**

Further, so as to ensure absolute clarity as regards persons captured under the definition of 'closely associated persons' (in particular if ESMA proposes to capture CAPs under the definition of PDMRs in the case of CIUs admitted to trading or traded on a trading venue), **we would encourage further guidance as regards who exactly qualifies as a CAP. We believe the current definition to be too broad and open to interpretation.** Again, we strongly advocate regulatory and supervisory consistency in the application of such provisions.

<ESMA_QUESTION_CP_MAR_60>

Q61. What persons should PDMR obligations apply to depending on the different structures of CIUs and why? In particular, please indicate whether the definition of “relevant persons” would be adequate for CIUs other than UCITs and AIFs.

<ESMA_QUESTION_CP_MAR_61>

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<ESMA_QUESTION_CP_MAR_61>

Q62. ESMA would like to gather views from stakeholders on whether other entities than the asset management company (e.g. depository) and other entities on which the CIUs has delegated the execution of certain tasks should be captured by the PDMR regime.

<ESMA_QUESTION_CP_MAR_62>

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<ESMA_QUESTION_CP_MAR_62>

Q63. Do you agree with ESMA’s conclusion? If not, please elaborate.

<ESMA_QUESTION_CP_MAR_63>

We would agree with ESMA’s conclusion that, from a policy perspective, that **MAR should not create an unlevel playing field between the different types of CIUs**, and that, if it is considered necessary to extend PDMR obligations to CIUs, Article 19(1)(a) of MAR should expressly refer to ‘units’ of CIUs.

<ESMA_QUESTION_CP_MAR_63>

Q64. Do you agree with ESMA preliminary view? Please elaborate.

<ESMA_QUESTION_CP_MAR_64>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_CP_MAR_64>

Q65. Do you agree with ESMA’s preliminary views? Do you consider that specific obligations are needed for elaborating insider lists related to CIUs admitted to traded or traded on a trading venue?

<ESMA_QUESTION_CP_MAR_65>

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<ESMA_QUESTION_CP_MAR_65>

Q66. Please provide your views on the abovementioned harmonisation of reporting formats of order book data. In addition, please provide your views on the impact and cost linked to the implementation of new common standards to transmit order book data to NCAs upon request. Please provide your views on the consequences of using XML templates or other types of templates.

<ESMA_QUESTION_CP_MAR_66>
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<ESMA_QUESTION_CP_MAR_66>

Q67. Please provide your views on the impact and cost linked to the establishment of a regular reporting mechanism of order book data.

<ESMA_QUESTION_CP_MAR_67>
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<ESMA_QUESTION_CP_MAR_67>

Q68. In particular, please: a) elaborate on the cost differences between a daily reporting system and a daily record keeping and ad-hoc transmission mechanism; b) explain if and how the impact would change by limiting the scope of a regular reporting mechanism of order book data to a subset of financial instruments. In that context, please provide detailed description of the criteria that you would use to define the appropriate scope of financial instruments for the order book reporting.

<ESMA_QUESTION_CP_MAR_68>
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<ESMA_QUESTION_CP_MAR_68>

Q69. What are your views regarding those proposed amendments to MAR?

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Q70. Are you in favour of amending Article 30(1) second paragraph of MAR so that all NCAs in the EU have the capacity of imposing administrative sanctions? If yes, please elaborate.

<ESMA_QUESTION_CP_MAR_70>
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Q71. Please share your views on the elements described above.

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