

Securities Regulatory Framework in Ireland: Overview

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A Practice Note providing an overview of the regulatory framework for securities transactions in Ireland. In particular, this Note examines the Prospectus Regulation ((EU) 2017/1129), Market Abuse Regulation (596/2014), Transparency Directive (109/2004) and related Irish implementing legislation, and the Irish Companies Act 2014. This Note also discusses the principal regulatory agencies in Ireland responsible for securities regulation and how securities laws apply to foreign issuers. It focuses on issuers with equity and non-equity securities.

Lawyers in jurisdictions outside Ireland may need to advise clients in their home jurisdiction in connection with securities transactions involving Ireland. For example, a non-Irish company may want to raise capital by selling securities in Ireland or to invest in securities issued by companies based or listed in Ireland.

This Note provides an overview of securities regulation in Ireland relating to the issue of securities such as shares and debt securities and related disclosure requirements (including those where the securities are admitted to trading on a regulated or unregulated market in Ireland). It does not summarise the steps to be taken to list or the rules for listing on a regulated or unregulated market in Ireland. This Note highlights:

- EU Regulations (which are directly effective).
- EU Directives (which require an EU member state (member state) to pass implementing legislation).
- Relevant local legislation (including implementing legislation).

Principal Securities Laws in Ireland

The legal framework for securities markets regulation in Ireland is closely aligned with EU law and regulates the following areas of primary concern for issuers and investors:

- The circumstances in which a prospectus must be published.
- The admission of securities to listing and trading.
- The prohibition of market abuse and related practices.
- The mandatory disclosure of specified information in the interests of transparency.

The Prospectus Regulation (2017/1129) (Prospectus Regulation) and the Market Abuse Regulation (596/2014) (MAR) are directly effective in Ireland, and in Ireland are principally supplemented by, respectively, the European Union (Prospectus) Regulations 2019 and the European Union (Market Abuse) Regulations 2016 (Irish Market Abuse Regulations).

The Criminal Sanctions for Market Abuse Directive (2014/57/EU), the Transparency Directive (2004/109/EC), and the Markets in Financial Instruments Directive (MiFID II) have been transposed into Irish law by Irish implementing legislation comprising the Irish Market Abuse Regulations, the Transparency (Directive 2004/109/EC) Regulations 2007 (Transparency Regulations), and the European Union (Markets in Financial Instruments) Regulations 2017.

The Central Bank (Investment Market Conduct) Rules 2019 further supplement the Prospectus Regulation, MAR, and the Transparency Regulations. The Irish Companies Act 2014 (Companies Act) also contains additional provisions which regulate the issuance, and admission to trading, of securities by Irish companies.

An offer of securities to the public may also fall within the scope of the PRIIPs Regulation (1286/2014) or the Alternative Investment Fund Managers Directive (61/2011), both of which are outside the scope of this Note.

The principal securities regulatory agency in Ireland is the Central Bank of Ireland. There are a number of listing markets in Ireland operated by The Irish Stock Exchange, trading as Euronext Dublin, including the regulated securities market of Euronext Dublin (Euronext Regulated Market), and two multilateral trading facilities (MTFs) called the Global Exchange Market (GEM), for debt securities, and the Euronext Dublin growth market (Euronext Growth Market), for equity securities. Euronext Dublin provides a comprehensive set of rules for listing a variety of debt and equity securities on the Euronext Regulated Market, the Euronext Growth Market, and GEM.

Originators, sponsors, and securitisation special purpose entities which fall within the scope of the EU Securitisation Regulation (2017/2402) may be required to make certain information readily available to the Central Bank of Ireland as the designated competent authority.

Regulation of Offers of Securities and Prospectuses

The Prospectus Regulation provides for a single regime governing the content, format, approval, and publication of prospectuses for the offer and sale of securities to the public in the EU and the admission of securities to trading on a regulated market in the EU. Under this single regime, issuers can raise capital across the EU on the basis of a single prospectus approved by the competent authority of one member state, which can then be passported into other member states. The Prospectus Regulation is directly effective in Ireland.

The competent authority for approving prospectuses in Ireland is the Central Bank of Ireland.

When Is a Prospectus Required?

The Prospectus Regulation requires a prospectus to be produced and approved by a competent authority of a member state where either or both of the following triggers apply:

- Securities are offered to the public within the EU (Article 3(1), Prospectus Regulation). The term "offer of securities to the public" is very broadly defined as "a communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the securities to be offered, so as to enable an investor to decide to purchase or subscribe for those securities."
- Securities are admitted to trading on an EU regulated market (Article 3(3), Prospectus Regulation), such as the Euronext Regulated Market.

These triggers apply equally to equity and non-equity securities.

Content and Format

A prospectus may be drawn up as a single document or as separate documents consisting of:

- A registration document containing information about the issuer.
- A securities note containing information relating to the securities to be offered or admitted to trading.
- A summary containing the key information that investors need to understand the nature and the risks relating to the issuer, the guarantor (if any), and the securities.

The prospectus itself must contain a detailed table of contents and a clear summary note consisting of the key information required by investors to understand the nature and risks relating to the issuer, the guarantor (if any), and the securities, including:

- The assets and liabilities, profits and losses, financial position, and prospects of the issuer and of any guarantor.
- The rights attaching to the securities.
- The reasons for the issuance and its impact on the issuer.

The risk factors included in the prospectus must be:

- Limited to issuer-specific or securities-specific risks which are "material for taking an informed investment decision."
- Presented in a limited number of categories, with the most material risks listed first.
- Adequately described.

The detail as to the minimum information to be included in a prospectus is set out in the Prospectus Delegated Regulation (2019/980). The minimum content requirements are set out in the Annexes to the Prospectus Delegated Regulation. The Annexes that apply in particular circumstances are determined by Articles 2 to 23.

Reduced Disclosure Regime

Secondary Issuances

The Prospectus Regulation introduced a simplified disclosure regime for secondary issuances, in the case of an offer to the public or an admission to trading of securities on a regulated market, by the following persons:

- Issuers with securities that have been admitted to trading on a regulated market or an SME growth market (as defined below) continuously for at least 18 months, and who issue securities that are fungible with existing securities which have been previously issued.
- Issuers whose equity securities have been admitted to trading on a regulated market or an SME growth market continuously for at least the last 18 months, and who issue non-equity securities or securities giving access to equity securities fungible with the existing equity securities of the issuer already admitted to trading.
- Issuers whose securities have been offered to the public and admitted to trading on an SME growth market continuously for at least two years, that have fully complied with reporting and disclosure obligations throughout the

period of being admitted to trading, and that seek admission to trading on a regulated market of securities fungible with existing securities which have been previously issued.

- Offerors of securities admitted to trading on a regulated market or SME growth market continuously for at least the last 18 months.

SME growth market is defined in MiFID II and means an MTF that is registered as an SME growth market in accordance with Article 33 of MiFID II. Among the requirements to be registered as an SME growth market is that at least 50% of the issuers whose financial instruments are admitted to trading on the MTF are small and medium-sized enterprises (SMEs) at the same time. An SME means a company that had an average market capitalisation of less than EUR200 million on the basis of year-end quotes for the previous three calendar years (Article 4(1)(13), MiFID II). The Euronext Growth Market has been registered as an SME growth market since 29 October 2019.

The contents requirements of the simplified prospectus are set out in the Prospectus Delegated Regulation, for further information see [Practice Note, EU Prospectus Regulation: Simplified disclosure regime for secondary issues \(Article 14\)](#).

EU Growth Prospectus

An EU Growth Market prospectus, which has reduced disclosure requirements, may be used for offers of securities (but not admissions to trading on a regulated market) by any of the following persons, provided they do not already have securities admitted to trading on a regulated market:

- SMEs (as defined below).
- Issuers, other than SMEs, whose securities are traded or are to be traded on an SME growth market, provided that those issuers had an average market capitalisation of less than EUR500 million on the basis of year-end quotes for the previous three calendar years.
- Issuers, other than those referred to in either the first or the second bullet point, where the offer of securities to the public is of a total consideration in the EU that does not exceed EUR20 million calculated over a period of 12 months, provided that such issuers have no securities traded on an MTF and have an average number of employees during the previous financial year of up to 499.
- Issuers, other than SMEs, making an offer to the public at the same time as seeking admission of those shares to an SME growth market, provided that they do not have shares already admitted to trading on an SME growth market and that the value obtained by multiplying the following is less than EUR200 million:
 - the final offer price or the maximum price if the final offer price cannot be included in the prospectus; and
 - the total number of shares outstanding immediately after the share offer to the public, calculated either on the amount of shares offered to the public or on the maximum amount of shares offered to the public if the amount of shares offered to the public cannot be included in the prospectus.
- Offerors of securities issued by issuers referred to in the first two bullet points.

For these purposes, an SME is defined as a company to which either of the following apply:

- It is an SME as defined in Article 4(1)(13) of MiFID II (see [Secondary Issuances](#)).
- According to its last annual or consolidated accounts, it met at least two of the following three criteria:

- an average number of employees during the last financial year of less than 250;
- a total balance sheet not exceeding EUR43 million; or
- an annual net turnover not exceeding EUR50 million.

(Article 2(f), Prospectus Regulation.)

Approval

A prospectus complying with the Prospectus Regulation must be approved by the Central Bank of Ireland before being made available in Ireland (or passported into Ireland in accordance with the requirements of the Prospectus Regulation). However, the Central Bank of Ireland has authority to refuse the approval of a prospectus if it is not satisfied that it complies with all relevant provisions of both Irish and EU prospectus law.

Issuers will typically make initial submissions containing a draft of the prospectus to the Central Bank of Ireland for its review, consideration, and comment before the approval date.

In respect of prospectuses for a debt offering, the Central Bank of Ireland aims to return:

- Initial retail submissions within six working days and any subsequent submission in relation to such prospectus within four working days.
- Initial wholesale submissions within four working days and any subsequent submission in relation to such prospectus within three working days.
- Debt securities with a denomination per unit of at least EUR100,000 (or equivalent) are commonly referred to as "wholesale" debt securities and debt securities with a denomination of less than EUR100,000 per unit are commonly referred to as "retail" debt securities.

In respect of equity offerings, the Central Bank of Ireland is required to notify the issuer of its decision regarding the approval of the prospectus within ten working days of the submission of the draft prospectus. If an issuer does not already have securities admitted to trading on a regulated market and has not previously offered securities to the public, the approval period is 20 working days for the initial submission, and ten working days for the subsequent submission.

Euronext Dublin can refuse an admission application if it finds the admission of the securities to be detrimental to the interests of investors, or if the issuer has not complied with any relevant listing rules of Euronext Dublin.

Publication

Once approved, the prospectus must be made available to the public by the issuer (or offeror or person seeking admission to trading) at a reasonable time in advance, and at the latest at the beginning, of the offer to the public or admission to trading. In the case of an IPO, the prospectus must be made available to the public at least six working days before the end of the offer. (Article 21(1), Prospectus Regulation.)

The prospectus will be deemed available to the public when published in electronic form on the website of any of the following:

- The issuer, the offeror, or the person seeking admission to trading on a regulated market.

- The financial intermediaries placing or selling the securities, including paying agents.
- Euronext Dublin's website (or on the website of an equivalent regulated market where admission to trading is sought, or the operator of the MTF where no admission to trading on a regulated market is sought).

(Article 21(2), Prospectus Regulation.)

The prospectus must be published on a dedicated section of the website which is easily accessible when entering the website and must remain publicly available in electronic form for at least ten years after publication (Article 21(3) and 21(7), Prospectus Regulation).

The Central Bank of Ireland will publish a notice on its website with a link to the website where the prospectus has been published. Euronext Dublin will also publish all approved listings on its website unless the issuer submits a non-publication request. In these circumstances, the issuer must inform Euronext that the prospectus will be published in another electronic format.

Universal Registration Document

The Prospectus Regulation also makes provision for a new "universal registration document" (URD) (Article 9). This is an optional "shelf" registration mechanism for companies that expect to frequently issue securities (frequent issuers) admitted to trading on regulated markets or MTFs. An issuer that draws up a URD each year will benefit from a fast-track approval (five, rather than ten, working days) when seeking approval of a prospectus consisting of separate documents.

A URD is a registration document that describes the issuer's organisation, business, financial position, earnings and prospects, governance, and shareholding structure (Article 9(1), Prospectus Regulation). A URD must be submitted to the competent authority for approval (in Ireland, this is the Central Bank of Ireland). Once an issuer has had a URD approved for two consecutive financial years, subsequent URDs may be filed with the competent authority without prior approval, provided that one is filed each financial year (Article 9(2), Prospectus Regulation).

Once approved, or filed without approval, the URD must be made available to the public (Article 9(4), Prospectus Regulation). Provided it has not become a constituent part of an approved prospectus, a URD may be amended, either voluntarily by the issuer or on request by the competent authority in the context of a post filing review (Article 9(7) and 9(9), Prospectus Regulation).

The competent authority may undertake an ex-post review of any URD that has been filed without prior approval and the contents of any amendments to it (Article 9(8), Prospectus Regulation). The review consists of scrutinising the completeness, consistency, and comprehensibility of the information provided in the URD and any amendments to it.

Filing a URD gives an issuer the status of a frequent issuer. This affords an issuer a fast-track approval with the competent authority when a prospectus is later required, provided it complies with two conditions:

- On filing each URD or submitting it for approval, the issuer must provide written confirmation that (to the best of its knowledge) all regulated information which it was required to disclose under the Transparency Directive and MAR has been filed and published over the last 18 months, or over the period since the obligation to disclose the regulated information commenced, whichever is the shorter.
- Where under Article 9(8) of the Prospectus Regulation, the competent authority has undertaken a review of any URD that has been filed without approval, the issuer has amended the URD in accordance with Article 9(9).

(Article 9(11), Prospectus Regulation.)

Exemptions

The Prospectus Regulation provides several exemptions from the requirement to produce a prospectus. In these exempted cases, an issuer may still produce an offering document or, where shares are being admitted to trading on the Euronext Growth Market, an information document, but it will not have to follow the requirements of the Prospectus Regulation.

Securities Excluded from the Prospectus Regulation

Certain securities are excluded from the scope of the Prospectus Regulation, including, among others:

- Units issued by collective investment undertakings other than the closed-end type (Article 1(2)(a), Prospectus Regulation).
- Non-equity securities issued by a member state or by one of its regional or local authorities, by public international bodies of which one or more member states are members, by the European Central Bank, or by the central banks of the member states (Article 1(2)(b), Prospectus Regulation).
- Securities unconditionally and irrevocably guaranteed by a member state or by one of its regional or local authorities (Article 1(2)(d), Prospectus Regulation).
- Securities issued by associations with legal status or non-profit-making bodies, recognised by a member state (Article 1(2)(e), Prospectus Regulation).
- Securities offered to the public where the total consideration of the offer in the EU is less than EUR1 million, calculated over a period of 12 months (Article 1(3), Prospectus Regulation).

Exemptions Available to Securities Offered to the Public or Admitted to Trading on a Regulated Market

Certain types of securities are exempted from the requirement to produce a prospectus under the Prospectus Regulation, whether they are offered to the public in the EU, admitted to trading on a regulated market, or both. These include, among others:

- Shares issued in substitution for shares of the same class already issued or admitted to trading on the same regulated market, if the issuing of these new shares does not involve any increase in the issued capital (Article 1(4)(e) and 1(5)(d), Prospectus Regulation).
- Securities offered in connection with a takeover by means of an exchange offer, subject to certain disclosure requirements (Article 1(4)(f) and 1(5)(e), Prospectus Regulation).
- Securities offered, allotted or to be allotted in connection with a merger or division, subject to certain disclosure requirements (Article 1(4)(g) and 1(5)(f), Prospectus Regulation).
- Dividends paid out to existing shareholders in the form of shares of the same class as the shares in respect of which those dividends are paid, subject to certain disclosure requirements (Article 1(4)(h) and 1(5)(g), Prospectus Regulation).
- Securities offered, allotted or to be allotted to existing or former directors or employees by their employer or by an affiliated undertaking, subject to certain disclosure requirements (Article 1(4)(i) and 1(5)(h), Prospectus Regulation).

- An offer of securities to the public from a crowdfunding service provider authorised under Regulation (EU) 2020/1503, provided that it does not exceed the threshold of EUR5 million, in accordance with the conditions specified in that regulation (Article 1(4)(k), Prospectus Regulation).

Additional Public Offer Exemptions

In addition to the exemptions described above (see [Exemptions Available to Securities Offered to the Public or Admitted to Trading on a Regulated Market](#)), certain types of offer of securities (whether debt or equity) to the public (including invitations to subscribe for those securities) are exempted from the requirement to produce a prospectus under the Prospectus Regulation. These include, among others:

- Offers addressed solely to qualified investors (Article 1(4)(a), Prospectus Regulation). "Qualified investors" are defined as persons or entities under the professional investor classification in MiFID II, that is, professional clients, persons treated as professional clients, and persons recognised as eligible counterparties.
- Offers addressed to fewer than 150 persons (other than qualified investors) per member state (Article 1(4)(b), Prospectus Regulation).
- Offers with a denomination per unit of at least EUR100,000 (Article 1(4)(c), Prospectus Regulation).
- Offers addressed to investors who acquire securities for a total consideration of at least EUR100,000 per investor, for each separate offer (Article 1(4)(d), Prospectus Regulation).
- Offers with a maximum consideration as specified by the individual member state. Article 3(2) of the Prospectus Regulation allows member states to decide whether to exempt offers to the public from the obligation to produce a prospectus, provided that the offers are not subject to a notification under Article 25 requesting the passporting to another member state of a prospectus prepared in connection with such offers and the total consideration of each offer (calculated over a period of 12 months) does not exceed EUR8 million. The European Securities and Markets Authority (ESMA) has published a list of the thresholds that have been applied in the various member states (see [Legal Update, New Prospectus Regulation: ESMA list of thresholds below which prospectus not required](#)). Ireland has exercised this option and exempts offers with a total consideration in the EU of EUR8 million or less (calculated over a period of 12 months) (section 1361, Companies Act). Where an offer of securities does not trigger a requirement to publish a prospectus by reason of the securities offered amounting to less than EUR8 million, a "local offer" document may be required to be published in Ireland under section 1361 of the Companies Act, if the amount offered exceeds EUR100,000 but is less than EUR8 million depending on the number of persons to whom it is addressed and other factors.
- Offers where securities are being sold or placed through a financial intermediary (retail cascades) in certain circumstances (Article 5(1), Prospectus Regulation).

While these exemptions apply to both non-equity and equity securities, an additional exemption is available for non-equity securities issued in a continuous or repeated manner by a credit institution, where the total aggregate consideration in the EU for the securities offered is less than EUR75 million per credit institution calculated over a period of 12 months. This exemption applies to securities that are not subordinated, convertible, or exchangeable, do not give a right to subscribe to or acquire other types of securities, and are not linked to a derivative instrument (Article 1(4)(j), Prospectus Regulation).

Additional Regulated Market Exemptions

In addition to the exemptions described above (see [Exemptions Available to Securities Offered to the Public or Admitted to Trading on a Regulated Market](#)), certain securities admitted to trading on a regulated market are exempted from the requirement to produce a prospectus under the Prospectus Regulation. These include, among others:

- Securities fungible with securities already admitted to trading on the same regulated market, provided that they represent, over a period of 12 months, less than 20% of the number of securities already admitted to trading on the same regulated market (Article 1(5)(a), Prospectus Regulation).
- Shares resulting from the conversion or exchange of other securities or from the exercise of the rights conferred by other securities, where the resulting shares are of the same class as the shares already admitted to trading on the same regulated market, provided that the resulting shares represent, over a period of 12 months, less than 20% of the number of shares of the same class already admitted to trading on the same regulated market (Article 1(5)(b), Prospectus Regulation).
- Shares that are offered, allotted or to be allotted free of charge to existing shareholders if those shares are of the same class as the shares already admitted to trading on the same regulated market. The issuer must make available a document containing information on the number and nature of the shares, and the reasons for and details of the offer or allotment (Article 1(5)(g), Prospectus Regulation).
- Securities already admitted to trading on another regulated market, provided that:
 - those securities, or securities of the same class, have been admitted to trading on that other regulated market for more than 18 months;
 - the admission to trading on that other regulated market was subject to either a prospectus approved and published in accordance with applicable EU regulations or listing particulars were approved under applicable EU regulations;
 - the ongoing obligations required by the other regulated market have been fulfilled; and
 - a summary of the securities is made available to the public, including information on where the most recent prospectus can be obtained and where the financial information published by the issuer under the ongoing disclosure obligations is available.

(Article 1(5)(j), Prospectus Regulation.)

The exemptions relating to "securities" (first and last bullet point) apply equally to equity and non-equity securities. There is also an exemption solely for non-equity securities issued in a continuous or repeated manner by a credit institution, where the total aggregated consideration in the EU for the securities offered is less than EUR75 million per credit institution, calculated over a period of 12 months (provided that the securities are not subordinated, convertible or exchangeable, and do not give a right to subscribe to or acquire other types of security, and are not linked to a derivative instrument) (Article 1(5)(i) and (k), Prospectus Regulation).

For additional information on exemptions from the prospectus requirements under Irish and EU regulations, see Practice Notes:

- [Private Placements and Other Exempt Offerings in Ireland: Overview](#)
- [EU Prospectus Regulation: DCM: when is a prospectus required?](#)

Restrictions Applicable to Irish Companies

The Companies Act restricts the extent to which different types of Irish companies can offer securities to the public or have them admitted to trading or listing in Ireland or elsewhere.

Limited Companies (LTDs)

These companies:

- Cannot offer shares, debentures, or other securities to the public unless a Companies Act Exemption applies.
- Cannot apply to have, or have, securities admitted to trading or listing on any market (whether regulated or not) either in or outside of Ireland (regardless of whether or not a Companies Act Exemption applies).

A "Companies Act Exemption" will apply to an offer of:

- Shares (of any amount and wherever it may be made) if:
 - the offer is addressed to "qualified investors" (defined by reference to the categories of "professional clients" listed in MiFID II); and/or
 - the offer is addressed to 149 or fewer persons.
- Debentures (wherever made) if:
 - the offer is addressed solely to "qualified investors" (defined by reference to the categories of "professional clients" listed in MiFID II);
 - the offer is addressed to fewer than 150 investors (other than qualified investors);
 - the offer is addressed to investors who acquire securities for a total consideration of at least EUR100,000 per investor, for each separate offer;
 - the offer's denomination per unit amount to at least EUR100,000; or
 - the offer's total consideration in the EU is less than EUR100,000 (calculated over a period of 12 months).

(Section 68, Companies Act.)

Designated Activity Companies (DACs)

These are a special type of private company limited by shares or guarantee. They are subject to the same restrictions as limited companies except that the prohibition on applying to have debt securities admitted to trading or listing does not apply if the conditions to satisfy the Companies Act Exemption are met. (Section 981, Companies Act.)

These criteria make DACs an attractive option for offers of debt securities to institutional investors or privately placed offers (but are not suitable for retail issuances).

Public Limited Companies (PLCs)

These companies:

- Can offer, allot, and issue securities to the public.
- Can apply to have those securities admitted to trading and listed on any market, provided that there are no restrictions or prohibitions in the constitution of the PLC.

(Section 1020, Companies Act.)

The lack of restrictions on PLCs allows this type of company to be used for retail transactions.

Responsibility and Liabilities

Article 11 of the Prospectus Regulation attaches responsibility for the information given in a prospectus (and any related supplement) to at least the issuer or its administrative, management or supervisory bodies, the offeror, the person seeking the admission to trading on a regulated market, or the guarantor (as the case may be).

The persons responsible for the prospectus, and any supplement, must be clearly identified in the prospectus by their names and functions or, in the case of legal persons, their names and registered offices. There must also be declarations by them that, to the best of their knowledge, the information contained in the prospectus is in accordance with the facts and that the prospectus makes no omission likely to affect its import.

Section 1349 of the Companies Act creates civil liability for any untrue statement in, or any omission of required information from, a prospectus. Any condition purporting to bind an investor in securities to any waiver of compliance with any requirement of Irish prospectus law, EU prospectus law and certain provisions of the Companies Act will be void.

Section 1357 of the Companies Act also imposes criminal liability on any person who authorises the issue of a prospectus which includes any untrue statement or omits any information required by law to be contained in it (subject to certain exceptions).

Regulation of Ongoing Disclosure

The Transparency Directive, which has been transposed into Irish law by the Irish Transparency Regulations, provides for the harmonisation of transparency requirements across the EU by requiring issuers of securities admitted to trading on a regulated market to disclose a minimum level of information to the public about itself and its major shareholders.

The Transparency Directive requires issuers to ensure appropriate transparency for investors by disclosing periodic and ongoing regulated information. The main requirements of the Transparency Directive include:

- Companies must publish periodic financial reports (an annual report and a half yearly report).
- Major shareholders and holders of financial instruments must disclose their holdings when these cross certain thresholds, and the relevant company must disclose this information to the market.
- Companies must release information useful to investors on a fast and pan-European basis.

Where an issuer is incorporated in Ireland and has shares admitted to trading on a regulated market under the Transparency Regulations, a shareholder must notify the issuer and the Central Bank of Ireland where its shareholding reaches, exceeds, or falls below 3%, 4%, 5%, 6%, 7%, 8%, 9%, 10%, and each 1% threshold thereafter up to 100%. The notification must be made within two trading days of when the relevant percentage threshold is reached or crossed. For non-Irish issuers whose shares

are admitted to trading on the Euronext Regulated Market, the relevant notification thresholds are 5%, 10%, 15%, 20%, 25%, 30%, 50%, and 75%, and the notification to the issuer and the Central Bank of Ireland must be made within four trading days of when the relevant percentage threshold is reached or crossed.

In addition to the Transparency Directive, Article 17 of MAR requires an issuer of securities admitted to trading on any market (whether regulated or unregulated, in Ireland or any other member state) to inform the public as soon as possible of inside information that directly concerns the issuer (subject to certain exceptions when disclosure can be delayed). All publicly disclosed inside information must be posted and maintained on the issuer's website for a period of at least five years (although issuers with securities admitted to trading on an SME growth market may post inside information on the trading venue's website if that facility is made available). For details of the disclosure requirements under Article 17 of MAR, see [Practice Note, EU MAR: inside information: disclosure and control](#).

In addition to the inside information notification requirements under Article 17 of MAR, persons discharging managerial responsibility (PDMR) and those persons closely associated (PCA) with them have transaction notification requirements under Article 19 of MAR (subject to certain exemptions). The notification requirements capture transactions by PDMRs and their PCAs conducted on their own account relating to the shares or debt instruments of that issuer, or to derivatives or other financial instruments linked to those shares or debt instruments. For further information see [Practice Note, EU MAR: PDMR transactions](#).

These requirements will be of particular interest to a shareholder with director appointment rights, as well as the senior management team of an issuer.

Regulation of Market Abuse and Insider Dealing

MAR established a common regulatory framework on market abuse in the EU. It provides measures to prevent market abuse, ensure the integrity of the EU financial markets, and enhance investor protection and confidence in those markets. For further information see [Practice Notes, EU Market Abuse Regulation \(EU MAR\): overview](#) and [EU MAR: delegated acts, implementing acts, technical standards and guidelines](#).

MAR applies to financial instruments:

- Admitted to trading on an EU regulated market or for which a request for admission to trading on an EU regulated market has been made (Article 2(1)(a), MAR).
- Traded on an MTF, admitted to trading on an MTF, or for which a request for admission to trading on an MTF has been made (Article 2(1)(b), MAR).
- Traded on an organised trading facility (Article 2(1)(c), MAR).
- Not covered in Article 2(1)(a) to (c) of MAR, but the price or value of which depends or has an effect on the price or value of any financial instrument referred to in Article 2(1)(a) to (c) of MAR.

In addition, under Article 2(3), MAR applies to any transaction, order or behaviour concerning any financial instrument referred to in Article 2(1) and (2) of MAR irrespective of whether that transaction, order or behaviour takes place on a trading venue. For more on the scope of MAR, see [Practice Note, EU Market Abuse Regulation \(EU MAR\): overview: Scope and definitions](#).

Market abuse offences prohibited by MAR include:

- Engaging or attempting to engage in insider dealing (Article 14(a), MAR).

- Recommending that another person engage in insider dealing or inducing another person to engage in insider dealing (Article 14(b), MAR).
- Unlawful disclosure of inside information (Article 14(c), MAR).
- Market manipulation and attempted market manipulation (Article 15, MAR).

To avoid insider dealing and ensure investors are not misled, MAR requires an issuer to inform the public as soon as possible of inside information which directly concerns that issuer (Article 17(1), MAR).

Issuers and any person acting on their behalf or on their account must draw up and maintain a list of all persons having access to inside information and provide the insider list to the competent authority in Ireland (the Central Bank of Ireland) as soon as possible on request (Article 18(1), MAR).

Issuers who have requested or approved admission of their financial instruments to trading on an MTF or an organised trading facility (and persons acting on their behalf) must also manage their inside information by drawing up and maintaining lists of all persons having access to inside information, and provide the insider list to the Central Bank of Ireland on request (Article 18(6)-(7), MAR).

SME growth markets issuers are permitted certain derogations from these requirements as they are only required to produce a list of permanent insiders and their list has a different format (with reduced prescribed particulars), although individual member states can waive this derogation in respect of their own jurisdiction (Article 18(6), MAR). Ireland has not waived this derogation. Issuers and persons acting on their behalf must also take reasonable steps to ensure that any person on the insider list acknowledges in writing their legal and regulatory duties in possessing inside information and is aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information (Article 18(2), MAR). Article 18(3) of MAR specifies the information to be included in the insider list. For further information, see [Practice Note, EU Market Abuse Regulation \(EU MAR\): overview: Insider lists](#).

MAR provides for exemptions for buy-back programmes and stabilisation measures, if certain conditions are met (Article 5, MAR). This is on the basis that such trading can be legitimate for economic reasons. See [Practice Note, EU Market Abuse Regulation \(EU MAR\): overview: Exemption for buy-back programmes and stabilisation](#).

Article 9 of MAR also makes it clear that there are certain types of legitimate behaviour in respect of Article 8 (insider dealing) and Article 14 (prohibition of insider dealing and of unlawful disclosure of inside information) which would not in themselves amount to a breach of those articles. See [Practice Note, EU Market Abuse Regulation \(EU MAR\): overview: Legitimate behaviour](#).

In addition, the prohibition in Article 15 of MAR will not apply to certain activities entered into for legitimate reasons, provided that those activities conform with an accepted market practice (AMP) established by the relevant competent authority (Article 13, MAR). An issuer of financial instruments admitted to trading on an SME growth market, without prejudice to AMPs, may enter into liquidity contracts for its shares without falling foul of the provisions of MAR. For example, market soundings, subject to certain conditions, will not result in the breach of Article 14 of MAR (prohibition of insider dealing and of unlawful disclosure of inside information). See [Practice Note, EU Market Abuse Regulation \(EU MAR\): overview: Market soundings](#).

Civil and criminal liability under the Companies Act and the Irish Market Abuse Regulations may attach to an issuer and potentially a director or officer who consented to a breach of market abuse law. The Central Bank of Ireland has regulatory power to appoint an assessor to investigate a breach if it suspects there are grounds to do so. Criminal sanctions will be imposed for market abuse offences such as the unlawful disclosure of inside information, market manipulation and insider dealing. The Central Bank of Ireland may impose a fine of up to EUR500,000 or up to three years imprisonment, or both.

Other possible sanctions include a public warning identifying the assets and the nature of the prescribed contravention, a private caution, or a direction disqualifying the issuer from being concerned in the management of any regulated financial service provider for a specified time. A "serious market abuse offence" is one that attracts higher sanctions of a fine of up to EUR10 million or up to ten years' imprisonment, or both.

For further information on the prohibitions and obligations under MAR and its exemptions, see [Practice Note, EU Market Abuse Regulation \(EU MAR\): overview](#).

Principal Regulatory Agencies in Ireland

The Central Bank of Ireland is the competent authority for the Prospectus Regulation, the European Union (Prospectus) Regulations 2019, the Transparency Directive, MAR, and the Irish Market Abuse Regulations. The Central Bank of Ireland sets out procedural and administrative requirements in relation to the relevant directives and regulations.

The Central Bank of Ireland has authority to give directions to an issuer or any other person, and to take particular actions, to prevent a breach of EU or Irish Prospectus Regulations.

Euronext Dublin monitors compliance with the Euronext Regulated Market rules and GEM listing rules and imposes obligations on issuers of debt securities at the time of application for admission to trading and listing.

ESMA is the supervisory authority for the securities sector. Under EU securities law, ESMA develops regulatory technical standards and implementing technical standards. It can also provide technical advice. For information on ESMA's functions, see [Practice Note, EU Prospectus Regulation: Non-legislative materials](#).

Foreign Issuers and Irish Securities Law

The passporting regime under Articles 24 to 26 of the Prospectus Regulation allows prospectuses approved by the competent authority of one member state (the home member state) to be passported into another member state (the host member state) without further approval, making it easier for companies (including foreign issuers) to raise capital across the EU. The competent authority of the home member state must notify the competent authority of the host member state with a certificate of approval and electronic copy of the prospectus within one working day following receipt of the request or, where the request is submitted with a draft prospectus, approval of the prospectus (Article 25(1), Prospectus Regulation).

In Ireland, if a legal entity makes an offer to the public or seeks to list its securities on the Euronext Regulated Market, it must fully comply with the prospectus, transparency, and market abuse regimes discussed in this Note.

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