

**THIRD SUPPLEMENT TO THE GIBRALTAR
GAZETTE**

No. 3570 of 12th December, 2006

B 48/06

BILL

FOR

AN ORDINANCE to transpose into the law of Gibraltar the provisions of Directive 2001/34/EC of the European Parliament and the Council of 28 May on the admission of securities to official stock exchange listing and on information to be published on those securities; to repeal the Listing of Securities Ordinance 1998; and for connected purposes.

ENACTED by the Legislature of Gibraltar.

Title and Commencement.

1.(1) This Ordinance may be cited as the Financial Services (Listing of Securities) Ordinance 2006.

(2) This Ordinance shall come into operation on such day as may be appointed by the Minister with responsibility for financial services by notice in the Gazette and different days may be so appointed for different purposes.

Definitions.

2. In this Ordinance—

“the Listing Authority” means such body in Gibraltar as may be designated as such by the Minister by notice in the Gazette;

“the Directive” means Directive 2001/34/EC of the European Parliament and the Council of 28 May 2001 on the admission of securities to official stock exchange listing and on information to be published on those securities;

“Minister” means the Minister with responsibility for financial services;

“Official Listing Rules” means Rules prescribed under section 3;

“officially listed” means listed under the Official Listing Rules;

“the regulatory authority”, in relation to a company incorporated under the law of Gibraltar, means such body as may be designated as such by the Minister by notice in the Gazette.

Official Listing Rules.

3.(1) The Minister may, by notice in the Gazette, prescribe Rules ("Official Listing Rules") on the admission of securities to stock exchange listing in Gibraltar and on the information to be published with respect to those securities and the bodies by whom they are issued.

(2) Official Listing Rules shall incorporate all such provisions as are necessary to give effect in Gibraltar to—

- (a) those provisions of the Directive relating to listing and the obligations of issuers of listed securities; and
- (b) any community instrument amending or replacing any of those provisions.

(3) Official Listing Rules may—

- (a) impose obligations and discretions on the regulatory authority; and
- (b) make provision for persons to pay compensation in respect of statements made for the purposes of the Rules which are untrue or misleading.

(4) Any person who, for the purpose of, or in connection with, any requirement made by or under Official Listing Rules makes any statement which is false in a material particular shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 5 on the standard scale.

Notification of changes in major holdings in listed securities.

4.(1) The Minister may, by notice in the Gazette, make regulations to give effect to—

- (a) the provisions of Chapter III of Title IV of the Directive relating to the information to be published when a person acquires or disposes of a major holding in a listed security; and
- (b) any community instrument amending or replacing any of those provisions.

(2) Any person who, for the purpose of, or in connection with, any requirement made by or under the regulations makes any statement which is false in a material particular shall be guilty of an offence and liable—

- (a) on summary conviction, to a fine not exceeding level 5 on the standard scale; and
- (b) on conviction on indictment, to a fine or to imprisonment for a term not exceeding six months or to both a fine and such imprisonment.

Co-operation with competent authorities of member States.

5.(1) The Listing Authority or, as the case may require, the regulatory authority shall cooperate, whenever necessary for the purposes of carrying out their duties, with the competent authorities of any member State and shall exchange information useful for that purpose.

(2) In subsection (1)—

- (a) “duties” means duties under the Official Listing Rules or the regulations made under section 4 or otherwise arising by virtue of the Directive; and
- (b) “competent authority”, in relation to a member State, means the body carrying out in that member State functions corresponding to those of the Listing Authority under the Listing Rules or, as the case may be, the regulatory authority under those Rules or the regulations made under section 4.

Confidentiality.

6.(1) All persons employed or formerly employed by the Listing Authority or the regulatory authority shall be bound by professional secrecy so that, except in so far as may be provided by or under any enactment, no confidential information received in the course of their duties may be divulged to any authority or other person.

(2) Nothing in subsection (1) precludes the Listing Authority or the regulatory authority from exchanging information in accordance with section 5 but, except for the purpose of any further such exchange, any information received as a result of such an exchange shall be covered by the obligation of professional secrecy referred to in subsection (1).

(3) Where the regulatory authority receives confidential information by virtue of such an exchange, it may use it solely for the performance of its duties under the regulations referred to in section 4.

Repeal of Listing of Securities Ordinance 1998.

7. The Listing of Securities Ordinance 1998 is hereby repealed.

EXPLANATORY MEMORANDUM

This draft Ordinance (“the Bill”) replaces the provisions of the Listing Ordinance 1998 with legislation designed to transpose into the law of Gibraltar the provisions of Directive 2001/34/EC of the European Parliament and the Council of 28 May on the admission of securities to official stock exchange listing and on information to be published on those securities (“the Directive”).

Section 1 of the Bill is formal, providing for the short title and commencement.

Section 2 contains definitions for the purposes of the Bill, in particular “the Listing Authority” and “the regulatory authority”.

Section 3 confers power on the Minister with responsibility for financial services to make “Official Listing Rules” These will relate to the admission of securities to stock exchange listing in Gibraltar and must contain all the provisions necessary to comply, in this respect, with the Directive. The section provides for a criminal penalty for making false statements in connection with requirements of the Official Listing Rules.

Section 4 confers power on the Minister to make regulations to give effect to those provisions of the Directive which require information to be published when a person acquires or disposes of a major holding in a listed security. The section provides for a criminal penalty for making false statements in connection with requirements of the regulations.

Section 5 requires the Listing Authority and the regulatory authority, whenever necessary for carrying out their duties, to co-operate with authorities in a member State who exercise corresponding functions.

Section 6 ensures confidentiality for information received in the course of their duties by people employed or formerly employed by the Listing Authority or the regulatory authority, including information exchanged between the two bodies.

Section 7 provides for the repeal of the Listing of Securities Ordinance 1998.

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