

## Bond

### What is a bond?

A bond is a transferable debt instrument used by States or companies to borrow money from investors.

### How does it work?

In the majority of cases, an investor who buys a bond receives an annual coupon. This is an amount calculated on the basis of the interest linked to the bond. At the maturity date of the bond, the issuer repays the amount borrowed from the investor.

It should be noted that throughout their lifetime, some bonds are listed on a stock market. This provides investors with the opportunity to sell their bonds before the maturity date, or to buy other ones already issued on the market.

### What rules apply?

Issuers whose securities are admitted to trading on a regulated market are subject to the information requirements laid down in the Transparency Directive.

### What does the FSMA do?

Where securities are issued to the public in Belgium, the FSMA gives prior approval to the prospectus and related advertisements, or determines whether the prospectus has been approved in another country.

The FSMA ensures that the information provided to consumers of financial products is comprehensible and compliant with the regulations. The FSMA also sees to it that consumers have a clear overview of the costs and risks associated with these products.

Moreover, the FSMA is responsible for supervising the financial information disseminated by issuers and for the surveillance of the financial markets.

### Where can I get more information?

For more information on this topic, please consult the wikifin.be ([French](#) - [Dutch](#)).

**Source URL:** <https://www.fsma.be/en/bond>