



2015/0268(COD)

16.3.2016

*****I**

DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council
on the prospectus to be published when securities are offered to the public or
admitted to trading
(COM(2015)0583 – C8-0375/2015 – 2015/0268(COD))

Committee on Economic and Monetary Affairs

Rapporteur: Philippe De Backer

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the **■** symbol or ~~strikeout~~. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading

(COM(2015)0583 – C8-0375/2015 – 2015/0268(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2015)0583),
 - having regard to Article 294(2) and Article 114 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0375/2015),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of ...¹
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the report of the Committee on Economic and Monetary Affairs and the opinions of the Committee on the Internal Market and Consumer Protection and the Committee on Legal Affairs (A8-0000/2016),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) For offers of securities to the public *of a* consideration below EUR **500 000**, the

Amendment

(12) For offers of securities to the public *with a total* consideration below EUR **1**

¹ JO ...

cost of producing a prospectus in accordance with this Regulation is likely to be disproportionate to the envisaged proceeds of the offer. It is therefore appropriate that the requirement to draw up a prospectus under this Regulation should not apply to offers of such small scale. Member States should refrain *to impose* at national level disclosure requirements which *would* constitute a disproportionate or unnecessary burden in relation to such offers and thus increase fragmentation of the internal market.

000 000, the cost of producing a prospectus in accordance with this Regulation is likely to be disproportionate to the envisaged proceeds of the offer. It is therefore appropriate that the requirement to draw up a prospectus under this Regulation should not apply to offers of such small scale. Member States should *not extend the requirement to draw up a prospectus in accordance with this Regulation to offers of securities with a total consideration below that threshold. Furthermore, Member States should refrain from imposing* at national level *other* disclosure requirements which *could* constitute a disproportionate or unnecessary burden in relation to such offers and thus increase fragmentation of the internal market. *Where Member States impose such national disclosure requirements, they should notify the Commission and ESMA of the applicable rules. The Commission should analyse such national disclosure requirements and should incorporate the results in its work on crowdfunding, taking into account the need to avoid fragmentation of the internal market.*

Or. en

Amendment 2

Proposal for a regulation Recital 12 a (new)

Text proposed by the Commission

Amendment

(12 a) For offers of securities to the public with a total consideration not exceeding EUR 20 000 000, issuers should be entitled to draw up an EU Growth prospectus in accordance with Article 15, whether or not they are an SME or a mid-cap enterprise. Once approved, such prospectuses should benefit from the passporting regime under this Regulation and they should therefore be valid for any

offer to the public across the Union.

Or. en

Amendment 3

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) *Where offers of securities to the public are addressed only to domestic investors in one Member State, and thus have no cross-border effects, and where such offers do not exceed a total consideration of EUR 10 000 000, the passport mechanism under this Regulation is not needed and drawing up a prospectus may represent a disproportionate cost. Therefore it is appropriate to allow Member States to decide to exempt such kinds of offers from the prospectus obligation set out in this Regulation, taking into account the level of domestic investor protection they deem to be appropriate. In particular, Member States should be free to set out in their national law the threshold between EUR 500 000 and EUR 10 000 000, expressed as the total consideration of the offer over a period of 12 months, from which this exemption should apply.*

Amendment

(13) *Furthermore, in view of the different sizes of financial markets across the Union, it is appropriate to give Member States the option of exempting offers of securities to the public not exceeding EUR 20 000 000 from the prospectus obligation as provided for in this Regulation. In particular, Member States should be free to set out in their national law a threshold between EUR 1 000 000 and EUR 20 000 000, expressed as the total consideration of the offer over a period of 12 months in the Union, from which the exemption should apply. In addition, Member States should be able to choose to set out a national disclosure regime for those offers of securities that have been exempted, taking into account the level of investor protection they deem to be appropriate, provided that such regime does not constitute a disproportionate or unnecessary burden on issuers. Member States should notify the Commission and ESMA of the threshold they have chosen and the disclosure requirements applied at national level, if any. Irrespective of the level of the threshold chosen by Member States or, if applicable, of any national disclosure regime, issuers should be entitled to draw up an EU Growth prospectus for offers of securities to the public with a total consideration not exceeding of EUR 20 000 000 and such prospectuses should be valid in any number of host Member States. Furthermore, issuers should be entitled to*

voluntarily draw up a full prospectus in accordance with this Regulation.

Or. en

Amendment 4

Proposal for a regulation Recital 13 a (new)

Text proposed by the Commission

Amendment

(13 a) Where a Member State chooses to exempt offers of securities to the public with a total consideration not exceeding EUR 20 000 000, nothing in this Regulation should prevent that Member State from introducing rules at national level which allow MTFs to determine the content of the admission document which an issuer is required to produce upon initial admission to trading of its securities. In such a case, it could be appropriate for the operator of the MTF to define how the admission document is reviewed, which would not necessarily involve a formal approval by the competent authority or the MTF.

Or. en

Amendment 5

Proposal for a regulation Recital 14

Text proposed by the Commission

Amendment

(14) Where an offer of securities is addressed exclusively to a restricted circle of investors who are not qualified investors, drawing up a prospectus represents a disproportionate burden in view of the small number of persons targeted by the offer, thus no prospectus

(14) Where an offer of securities is addressed exclusively to a restricted circle of investors who are not qualified investors, drawing up a prospectus represents a disproportionate burden in view of the small number of persons targeted by the offer, thus no prospectus

should be required. This should apply for example to an offer addressed to relatives or personal acquaintances of the managers of a company.

should be required. This should apply for example to an offer addressed to relatives or personal acquaintances of the managers of a company. ***Existing shareholders and employees should not be included when calculating the number of persons targeted by the offer.***

Or. en

Amendment 6

Proposal for a regulation Recital 17 a (new)

Text proposed by the Commission

Amendment

(17a) Issuers located in the Union should be allowed to choose their home Member State for both equity and non-equity securities in order to create a level playing field and further promote cross-border activities.

Or. en

Amendment 7

Proposal for a regulation Recital 21

Text proposed by the Commission

Amendment

(21) Harmonisation of the information contained in the prospectus should provide equivalent investor protection at Union level. In order to enable investors to make an informed investment decision, that information should be sufficient and objective including with regard to the financial circumstances of the issuer and the rights attaching to the securities, and should be provided in an easily analysable, succinct and comprehensible form. Those requirements should apply to all types of

(21) Harmonisation of the information contained in the prospectus should provide equivalent investor protection at Union level. In order to enable investors to make an informed investment decision, that information should be sufficient and objective including with regard to the financial circumstances of the issuer and the rights attaching to the securities, and should be provided in an easily analysable, succinct and comprehensible form. Those requirements should apply to all types of

prospectuses drawn up in accordance with this Regulation, including those following the *minimum* disclosure *requirements* for secondary issuances and *for SMEs*. A prospectus should not contain information which is not material or specific to the issuer and the securities concerned, as this could obscure the information relevant to the investment decision and thus undermine investor protection.

prospectuses drawn up in accordance with this Regulation, including those following the *simplified* disclosure *regime* for secondary issuances and *the EU Growth prospectus regime*. A prospectus should not contain information which is not material or specific to the issuer and the securities concerned, as this could obscure the information relevant to the investment decision and thus undermine investor protection.

Or. en

Amendment 8

Proposal for a regulation

Recital 33

Text proposed by the Commission

(33) An issuer which has filed and received approval for a universal registration document for *three* consecutive years can be considered well-known to the competent authority. All subsequent universal registration documents should therefore be allowed to be filed without prior approval and reviewed on an ex-post basis by the competent authority where that competent authority deems it necessary. Each competent authority should decide the frequency of such review taking into account for example its assessment of the risks of the issuer, the quality of its past disclosures, or the length of time elapsed since a filed universal registration document has been last reviewed.

Amendment

(33) An issuer which has filed and received approval for a universal registration document for *two* consecutive years can be considered well-known to the competent authority. All subsequent universal registration documents *and any amendments thereto* should therefore be allowed to be filed without prior approval and reviewed on an ex-post basis by the competent authority where that competent authority deems it necessary. Each competent authority should decide the frequency of such review taking into account for example its assessment of the risks of the issuer, the quality of its past disclosures, or the length of time elapsed since a filed universal registration document has been last reviewed.

Or. en

Amendment 9

Proposal for a regulation Recital 35

Text proposed by the Commission

(35) Where an issuer draws up a prospectus consisting of separate documents, all constituting parts of the prospectus should be subject to approval, including, where applicable, the universal registration document and amendments thereto, where they have been previously filed with the competent authority but not approved.

Amendment

(35) Where an issuer draws up a prospectus consisting of separate documents, all constituting parts of the prospectus should be subject to approval, including, where applicable, the universal registration document and amendments thereto, where they have been previously filed with the competent authority but not approved. ***In the case of a frequent issuer, any amendments or supplements to the universal registration document should not need to be approved prior to publication, but instead should be able to be reviewed by the competent authority on an ex-post basis.***

Or. en

Amendment 10

Proposal for a regulation Recital 40

Text proposed by the Commission

(40) Once a class of securities is admitted to trading on a regulated market, investors are provided with ongoing disclosures by the issuer under Regulation (EU) 596/2014 of the European Parliament and of the Council¹² and Directive 2004/109/EC. The need for a full prospectus is therefore less acute in case of subsequent offers to the public or admissions to trading by such an issuer. A distinct prospectus should therefore be available for use in case of secondary issuances and its content should be alleviated compared to the normal regime, taking into account the information already disclosed. Still, investors need to

Amendment

(40) Once a class of securities is admitted to trading on a regulated market, investors are provided with ongoing disclosures by the issuer under Regulation (EU) 596/2014 of the European Parliament and of the Council¹² and Directive 2004/109/EC. The need for a full prospectus is therefore less acute in case of subsequent offers to the public or admissions to trading by such an issuer. A distinct ***simplified*** prospectus should therefore be available for use in case of secondary issuances and its content should be alleviated compared to the normal regime, taking into account the information already disclosed. Still,

be provided with consolidated and well-structured information on such elements as the terms of the offer and its context, ***including the working capital statement, the use of proceeds, risk factors specific to the issuer and the securities, board practices, directors' remuneration, shareholding structure or relating-party transactions.*** As such information is not required to be disclosed on an ongoing basis under Regulation (EU) 596/2014 and Directive 2004/109/EC, it is appropriate that the prospectus drawn up in case of secondary issuance should at least include this information.

¹² Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, (OJ L 173, 12.6.2014, p. 1).

investors need to be provided with consolidated and well-structured information on such elements as the terms of the offer and its context. ***Therefore, the simplified prospectus for a secondary issuance should include the relevant reduced information necessary to enable investors to understand the prospects of the issuer and of any guarantor, the rights attaching to the securities, and the reasons for the issuance and its impact on the issuer.***

¹² Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, (OJ L 173, 12.6.2014, p. 1).

Or. en

Amendment 11

Proposal for a regulation Recital 41

Text proposed by the Commission

(41) The ***specific*** disclosure regime for secondary issuances should be extended to SME growth markets as their operators are required under Directive 2014/65/EU to establish and apply rules ensuring appropriate ***ongoing*** disclosure by issuers whose securities are traded on such venues.

Amendment

(41) The ***simplified*** disclosure regime for secondary issuances should be extended to ***securities that are traded on*** SME growth markets as their operators are required under Directive 2014/65/EU to establish and apply rules ensuring appropriate ***on-going*** disclosure by issuers whose securities are traded on such venues. ***The regime should also be applicable to MTFs, other than an SME growth market, where those MTFs have disclosure requirements equivalent to the***

Amendment 12

Proposal for a regulation Recital 42

Text proposed by the Commission

(42) The *specific* disclosure regime for secondary issuances should only be available for use after a minimum period of time has elapsed since the initial admission to trading of a class of securities of an issuer. A delay of 18 months should ensure that the issuer has complied at least once with its obligation to publish an annual financial report under Directive 2004/109/EC or under the rules of the market operator of an SME growth market.

Amendment

(42) The *simplified* disclosure regime for secondary issuances should only be available for use after a minimum period of time has elapsed since the initial admission to trading of a class of securities of an issuer. A delay of 18 months should ensure that the issuer has complied at least once with its obligation to publish an annual financial report under Directive 2004/109/EC or under the rules of the market operator of an SME growth market *or an MTF with equivalent disclosure requirements.*

Amendment 13

Proposal for a regulation Recital 43

Text proposed by the Commission

(43) One of the core objectives of the Capital Markets Union is to facilitate access to financing on capital markets for SMEs in the Union. As such companies usually need to raise relatively lower amounts than other issuers, the cost of drawing up a prospectus can be disproportionately high and may deter them from offering their securities to the public. At the same time, because of their

Amendment

(43) One of the core objectives of the Capital Markets Union is to facilitate access to financing on capital markets for SMEs in the Union. As such companies usually need to raise relatively lower amounts than other issuers, the cost of drawing up a prospectus can be disproportionately high and may deter them from offering their securities to the public. At the same time, because of their

size and shorter track record, SMEs might carry a higher investment risk than larger issuers and should disclose sufficient information for investors to take their investment decision. A proper balance should therefore be struck between the cost-efficient access to financial markets and investor protection when calibrating the content of *a* prospectus applying to SMEs and a specific disclosure regime should therefore be developed for SMEs to achieve that objective.

size and shorter track record, SMEs might carry a higher investment risk than larger issuers and should disclose sufficient information for investors to take their investment decision. *Similarly, mid-cap enterprises would benefit from an easier access to capital markets funding in order to be able to grow and reach their full potential and should be able to raise funds at costs that are not disproportionately high.* A proper balance should therefore be struck between the cost-efficient access to financial markets and investor protection when calibrating the content of *an EU Growth* prospectus applying to SMEs and *mid-cap enterprises and* a specific disclosure regime should therefore be developed for SMEs *and mid-cap enterprises* to achieve that objective.

Or. en

Amendment 14

Proposal for a regulation

Recital 44

Text proposed by the Commission

(44) The *minimum* information required to be disclosed by SMEs under the *specific* disclosure regime should be calibrated in a way that focuses on information that is material and relevant for companies of such size and their investors, and should aim at ensuring proportionality between the size of the company and its fundraising needs, on the one hand, and the cost of producing a prospectus, on the other hand. In order to ensure SMEs can draw up prospectuses without incurring costs that are not proportionate to their size, and thus the size of their fundraising, the *specific disclosure* regime *for SMEs* should be more flexible than *that applying* to companies on regulated markets to the extent compatible with ensuring that the

Amendment

(44) The *reduced* information required to be disclosed by SMEs *and mid-cap enterprises* under the *proportionate* disclosure regime *for EU Growth prospectuses* should be calibrated in a way that focuses on information that is material and relevant for companies of such size and their investors, and should aim at ensuring proportionality between the size of the company and its fundraising needs, on the one hand, and the cost of producing a prospectus, on the other hand. In order to ensure SMEs *and mid-cap enterprises* can draw up prospectuses without incurring costs that are not proportionate to their size, and thus the size of their fundraising, the *EU Growth prospectus* regime should be more flexible than *the regime which*

key information necessary to the investors is disclosed.

applies to companies on regulated markets to the extent compatible with ensuring that the key information necessary to the investors is disclosed. ***When setting out the details of the proportionate disclosure regime for EU Growth prospectuses, the Commission should take into account the need to facilitate access to capital markets for SMEs and mid-cap enterprises while ensuring investor confidence in investing in such companies, the need to minimise costs and burden for SMEs and mid-cap enterprises, the need to elicit specific types of information of special relevance to SMEs and mid-cap enterprises, the size of the issuer and how long it has been operating, the various types and characteristics of offers, and the various types of information needed by investors relating to the different types of securities.***

Or. en

Amendment 15

Proposal for a regulation Recital 45

Text proposed by the Commission

(45) The ***specific*** disclosure regime should be made available to offers of securities to the public by SMEs ***whose securities are traded on multilateral trading facilities, including SME growth markets, as such trading venues can serve as the gateway to capital markets for SMEs and are subject to less stringent rules with regard to disclosure than regulated markets. It is also appropriate to extend the definition of SMEs to SMEs as defined in Directive 2014/65/EU to ensure consistency between this Regulation and Directive 2014/65/EU. SMEs whose securities are not traded on any trading venue should also be eligible to this disclosure regime as they may also be required to draw up a***

Amendment

(45) The ***proportionate*** disclosure regime ***for EU Growth prospectuses*** should be made available to offers of securities to the public by SMEs ***and mid-cap enterprises, except where securities are to be admitted to trading on a regulated market. Where the securities of SMEs or mid-cap enterprises are to be admitted to trading on regulated markets, those companies*** should not be eligible to use ***the EU Growth prospectus*** regime because investors on regulated markets should feel confident that the securities they invest in are subject to one single set of disclosure rules. Therefore there should not be a two-tier disclosure standard ***for admission of securities*** on regulated markets depending

prospectus when offering their securities to the public, including through crowdfunding platforms. However, SMEs listed on regulated markets should not be eligible to use *this* regime because investors on regulated markets should feel confident that the *issuers whose* securities they invest in are subject to one single set of disclosure rules. Therefore there should not be a two-tier disclosure standard on regulated markets depending on the size of the issuer.

on the size of the issuer.

Or. en

Amendment 16

Proposal for a regulation

Recital 46

Text proposed by the Commission

(46) Provided ***they are not*** admitted to trading on a regulated market, SMEs offering shares and non-hybrid debt securities should be offered an optional method of drawing up a prospectus in the form of an easily understandable "question and answer" disclosure document. This alternative format to the usual disclosure schedule should be designed to minimise costs for SMEs by empowering them to draw up a prospectus by themselves, relying on their own capacities. The questions presented in the form should be designed to elicit specific types of information of special relevance to SMEs and the requests for information should be more detailed than on the usual disclosure schedules, so that persons using the "question and answer" format can more easily understand what information is being sought.

Amendment

(46) Provided ***that no securities are to be*** admitted to trading on a regulated market, SMEs ***and mid-cap enterprises*** offering shares and non-hybrid debt securities should be offered an optional method of drawing up a prospectus in the form of an easily understandable "question and answer" disclosure document. This alternative format to the usual disclosure schedule should be designed to minimise costs for SMEs ***and mid-cap enterprises*** by empowering them to draw up a prospectus by themselves, relying on their own capacities. The questions presented in the form should be designed to elicit specific types of information of special relevance to SMEs ***and mid-cap enterprises*** and the requests for information should be more detailed than on the usual disclosure schedules, so that persons using the "question and answer" format can more easily understand what information is being sought.

Or. en

Amendment 17

Proposal for a regulation

Recital 47

Text proposed by the Commission

Amendment

(47) Favourable treatments granted to issuances of non-equity securities with a denomination per unit in excess of EUR 100 000 may distort the structure of debt markets, create impediments to proper diversification of portfolios and to the development of electronic trading platforms, thus undermining liquidity on the secondary market, and may reduce investment choice for retail investors by depriving them of the opportunity to acquire investment-grade corporate bonds. It is therefore appropriate to remove the prospectus exemption for offers of non-equity securities whose denomination per unit amounts to at least EUR 100 000 and the lower standard of disclosure granted to prospectuses concerning such non-equity securities, featured originally in Directive 2003/71/EC. In particular, it is appropriate to unify the minimum information requirements for non-equity prospectuses, thereby replacing the dual standard of disclosure between issuances targeting qualified investors only and issuances targeting non-qualified investors.

deleted

Or. en

Amendment 18

Proposal for a regulation

Recital 51

(51) Allowing issuers to incorporate by reference documents containing the information to be disclosed in a prospectus — provided that the documents incorporated by reference have been previously published electronically— should facilitate the procedure of drawing up a prospectus and lower the costs for the issuers without endangering investor protection. However, this aim of simplifying and reducing the costs of drafting a prospectus should not be achieved to the detriment of other interests the prospectus is meant to protect, including the accessibility of the information. The language used for information incorporated by reference should follow the language regime applying to prospectuses. Information incorporated by reference may refer to historical data, however where this information is no longer relevant due to material change, this should be clearly stated in the prospectus and the updated information should also be provided.

(51) Allowing issuers to incorporate by reference documents containing the information to be disclosed in a prospectus ***or a base prospectus*** — provided that the documents incorporated by reference have been previously published electronically— should facilitate the procedure of drawing up a prospectus and lower the costs for the issuers without endangering investor protection. However, this aim of simplifying and reducing the costs of drafting a prospectus should not be achieved to the detriment of other interests the prospectus is meant to protect, including the accessibility of the information. The language used for information incorporated by reference should follow the language regime applying to prospectuses. Information incorporated by reference may refer to historical data, however where this information is no longer relevant due to material change, this should be clearly stated in the prospectus and the updated information should also be provided.

Furthermore, frequent issuers should be free to choose to incorporate any changes to the universal registration document by way of a dynamic reference in the prospectus. Such dynamic reference would ensure that the reader is always referred to the latest version of the universal registration document, without the need for a supplement.

Or. en

Amendment 19

Proposal for a regulation Recital 53

(53) Not all issuers have access to adequate information and guidance about the scrutiny and approval process and the necessary steps to follow to get a prospectus approved, as different approaches by competent authorities exist in Member States. This Regulation should eliminate those differences by harmonising the rules applying to the scrutiny and approval process in order to ensure that all competent authorities take a convergent approach when scrutinising the completeness, consistency and comprehensibility of the information contained in a prospectus. Guidance on how to seek approval of a prospectus should be publicly available on the websites of the competent authorities. ESMA should play a key role in fostering supervisory convergence in this field by using its powers under Regulation (EU) No 1095/2010 of the European Parliament and of the Council¹³. In particular, ESMA should conduct peer reviews covering activities of the competent authorities under this Regulation within an appropriate time-frame before the review of this Regulation and in accordance with Regulation (EU) No 1095/2010.

(53) Not all issuers have access to adequate information and guidance about the scrutiny and approval process and the necessary steps to follow to get a prospectus approved, as different approaches by competent authorities exist in Member States. This Regulation should eliminate those differences by harmonising the rules applying to the scrutiny and approval process in order to ensure that all competent authorities take a convergent approach when scrutinising the completeness, consistency and comprehensibility of the information contained in a prospectus. Guidance on how to seek approval of a prospectus should be publicly available on the websites of the competent authorities. ESMA should play a key role in fostering supervisory convergence in this field by using its powers under Regulation (EU) No 1095/2010 of the European Parliament and of the Council¹³. In particular, ESMA should conduct peer reviews covering activities of the competent authorities under this Regulation within an appropriate time-frame before the review of this Regulation and in accordance with Regulation (EU) No 1095/2010. ***ESMA should develop a central workflow system, capturing the prospectus approval process from initiation through to approval, allowing competent authorities, ESMA and issuers to manage and monitor approval requests online. That system would provide key information and function as a tool for ESMA and competent authorities to drive convergence of prospectus approval processes and procedures across the Union and to ensure that, in future, prospectuses are approved in the same manner Union-wide.***

¹³ Regulation (EU) No 1095/2010 of the

¹³ Regulation (EU) No 1095/2010 of the

European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC, (OJ L 331, 15.12.2010, p. 84)

European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC, (OJ L 331, 15.12.2010, p. 84)

Or. en

Amendment 20

Proposal for a regulation Recital 54

Text proposed by the Commission

(54) To facilitate the access to the markets of Member States, it is important that fees charged by competent authorities for the approval and filing of prospectuses and their related documents are disclosed.

Amendment

(54) To facilitate the access to the markets of Member States, it is important that fees charged by competent authorities for the approval and filing of prospectuses and their related documents are ***reasonable and are*** disclosed.

Or. en

Amendment 21

Proposal for a regulation Recital 57

Text proposed by the Commission

(57) Any significant new factor, material mistake or inaccuracy which could influence the assessment of the investment, arising after the publication of the prospectus but before the closing of the offer or the start of trading on a regulated market, should be properly evaluated by investors and therefore requires the approval and dissemination of a supplement to the prospectus without undue delay.

Amendment

(57) Any significant new factor, material mistake or inaccuracy which could influence the assessment of the investment, arising after the publication of the prospectus but before the closing of the offer or the start of trading on a regulated market, should be properly evaluated by investors and therefore requires the approval and dissemination of a supplement to the prospectus, ***except in the case of a supplement to the universal registration document of a frequent***

issuer, without undue delay.

Or. en

Amendment 22

Proposal for a regulation Recital 60

Text proposed by the Commission

(60) The competent authority of the host Member State should be entitled to receive a certificate from the competent authority of the home Member State which states that the prospectus has been drawn up in accordance with this Regulation. The competent authority of the home Member State should also notify the issuer or the person responsible for drawing up the prospectus of the certificate of approval of the prospectus that is addressed to the authority of the host Member State in order to provide the issuer or the person responsible for drawing up the prospectus with certainty as to whether and when a notification has actually been made.

Amendment

(60) The competent authority of the host Member State should be entitled to receive a certificate from the competent authority of the home Member State which states that the prospectus, ***or the individual universal registration document in cases where only such a document has been approved***, has been drawn up in accordance with this Regulation. The competent authority of the home Member State should also notify the issuer or the person responsible for drawing up the prospectus ***or the universal registration document, as applicable***, of the certificate of approval of the prospectus that is addressed to the authority of the host Member State in order to provide the issuer or the person responsible for drawing up the prospectus ***or the universal registration document, as applicable***, with certainty as to whether and when a notification has actually been made.

Or. en

Amendment 23

Proposal for a regulation Recital 61

Text proposed by the Commission

(61) In order to ensure that the purposes of this Regulation will be fully achieved, it is

Amendment

(61) In order to ensure that the purposes of this Regulation will be fully achieved, it is

also necessary to include within its scope securities issued by issuers governed by the laws of third countries. ***Third country issuers drawing up a prospectus under this Regulation should appoint a representative among the entities which carry out activities that are regulated and supervised under EU financial services regulation, to serve as a contact point for the purposes of this Regulation. The representative should ensure compliance, jointly with the issuer, with the provisions of this Regulation.*** In order to ensure exchanges of information and cooperation with third-country authorities in relation to the effective enforcement of this Regulation, competent authorities should conclude cooperation arrangements with their counterparts in third countries. Any transfer of personal data carried out on the basis of those agreements should comply with Directive 95/46/EC and with Regulation (EC) No 45/2001 of the European Parliament and of the Council.

also necessary to include within its scope securities issued by issuers governed by the laws of third countries. In order to ensure exchanges of information and cooperation with third-country authorities in relation to the effective enforcement of this Regulation, competent authorities should conclude cooperation arrangements with their counterparts in third countries. Any transfer of personal data carried out on the basis of those agreements should comply with Directive 95/46/EC and with Regulation (EC) No 45/2001 of the European Parliament and of the Council.

Or. en

Amendment 24

Proposal for a regulation

Recital 69

Text proposed by the Commission

(69) In order to specify the requirements set out in this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of the ***thresholds mentioned in point (i) of Article 1(2), in points (c) and (d) of Article 1(3),*** the minimum information content of the documents referred to in points (f) and (g) of Article 1(3) and points (d) and (e) of Article 1(4), the adjustment of the definitions of Article 2, ***the scrutiny,***

Amendment

(69) In order to specify the requirements set out in this Regulation, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of the minimum information content of the documents referred to in points (f) and (g) of Article 1(3) and points (d) and (e) of Article 1(4), the adjustment of the definitions of Article 2, the format of the prospectus, the base prospectus and the final terms, and the specific information which must be

approval, filing and review of the universal registration document, as well as the conditions for its amendment or updating and the conditions where the status of frequent issuer may be lost, the format of the prospectus, the base prospectus and the final terms, and the specific information which must be included in a prospectus, the minimum information contained in the universal registration document, the reduced information contained in the simplified registration document and securities note in case of secondary issuances and by SMEs, the format allowed under Article 15(2), the authorisation of the omission from the prospectus of certain information, the procedures for the scrutiny and approval of the prospectus, the advertisements for securities falling under the scope of this Regulation, and the general equivalence criteria for prospectuses drawn up by third country issuers. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

included in a prospectus, the minimum information contained in the universal registration document, the reduced information contained in the simplified registration document and securities note in case of secondary issuances and by SMEs, the *reduced content and format of the specific registration document and specific securities note under Article 15(1), the optional content and format* allowed under Article 15(2), the advertisements for securities falling under the scope of this Regulation, and the general equivalence criteria for prospectuses drawn up by third country issuers. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, *and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of [date]. In particular, to ensure equal participation in the preparation of* delegated acts, the European Parliament and the Council *should receive all documents at the same time as Member States' experts, and their experts should systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.*

Or. en

Amendment 25

Proposal for a regulation Recital 72

Text proposed by the Commission

(72) The Commission should adopt draft regulatory technical standards developed by ESMA, with regard to the content and format of presentation of the historical key financial information to be included in the

Amendment

(72) The Commission should adopt draft regulatory technical standards developed by ESMA, with regard to the content and format of presentation of the historical key financial information to be included in the

summary, the information to be incorporated by reference and further types of documents required under Union law, the publication of the prospectus, the data necessary for the classification of prospectuses in the storage mechanism operated by ESMA, the situations where a significant new factor, material mistake or inaccuracy relating to the information included in the prospectus requires a supplement to the prospectus to be published, the information exchanged between competent authorities and ESMA in the context of the obligation to cooperate, and the template document for cooperation arrangements with supervisory authorities in third countries. The Commission should adopt those draft regulatory technical standards by means of delegated acts pursuant to Article 290 TFEU and in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.

summary, the *scrutiny, approval, filing and review of the universal registration document, as well as the conditions for its amendment or updating and the conditions where the status of frequent issuer may be lost, the* information to be incorporated by reference and further types of documents required under Union law, *the procedures for the scrutiny and approval of the prospectus*, the publication of the prospectus, the data necessary for the classification of prospectuses in the storage mechanism operated by ESMA, the situations where a significant new factor, material mistake or inaccuracy relating to the information included in the prospectus requires a supplement to the prospectus to be published, the information exchanged between competent authorities and ESMA in the context of the obligation to cooperate, and the template document for cooperation arrangements with supervisory authorities in third countries. The Commission should adopt those draft regulatory technical standards by means of delegated acts pursuant to Article 290 TFEU and in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.

Or. en

Amendment 26

Proposal for a regulation Article 1 – paragraph 1

Text proposed by the Commission

1. The purpose of this Regulation is to lay down requirements for the drawing up, approval and distribution of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market *situated or operating within* a Member State.

Amendment

1. The purpose of this Regulation is to lay down requirements for the drawing up, approval and distribution of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market *established in* a Member State.

Or. en

Amendment 27

Proposal for a regulation

Article 1 – paragraph 2 – introductory part

Text proposed by the Commission

2. This Regulation shall not apply to the following types of securities:

Amendment

2. This Regulation, **with the exception of Article 4**, shall not apply to the following types of securities:

Or. en

Amendment 28

Proposal for a regulation

Article 1 – paragraph 2 – point a

Text proposed by the Commission

(a) units issued by collective investment undertakings **other than the closed-end type**;

Amendment

(a) units issued by collective investment undertakings;

Or. en

Amendment 29

Proposal for a regulation

Article 1 – paragraph 2 – point h

Text proposed by the Commission

(h) ‘bostadsobligationer’ issued repeatedly by credit institutions in Sweden whose main purpose is to grant mortgage loans, provided that

(i) the ‘bostadsobligationer’ issued are of the same series;

(ii) the ‘bostadsobligationer’ are issued on tap during a specified issuing period;

(iii) the terms and conditions of the

Amendment

deleted

'bostadsobligationer' are not changed during the issuing period;

(iv) the sums deriving from the issue of the said 'bostadsobligationer', in accordance with the articles of association of the issuer, are placed in assets which provide sufficient coverage for the liability deriving from securities;

Or. en

Amendment 30

Proposal for a regulation

Article 1 – paragraph 3 – subparagraph 1 – introductory part

Text proposed by the Commission

Amendment

3. This Regulation shall not apply to any of the following types of offers of securities to the public:

3. This Regulation, *with the exception of Article 4*, shall not apply to any of the following types of offers of securities to the public:

Or. en

Amendment 31

Proposal for a regulation

Article 1 – paragraph 3 – subparagraph 1 – point a

Text proposed by the Commission

Amendment

(a) *an offer of securities* addressed solely to qualified investors;

(a) addressed solely to qualified investors;

Or. en

Amendment 32

Proposal for a regulation

Article 1 – paragraph 3 – subparagraph 1 – point b

Text proposed by the Commission

Amendment

(b) *an offer of securities* addressed to fewer than **150** natural or legal persons per Member State, other than qualified investors;

(b) addressed to fewer than **500** natural or legal persons per Member State, other than qualified investors; *existing shareholders and employees shall not be included when calculating the number of persons to whom the offer is addressed;*

Or. en

Amendment 33

Proposal for a regulation

Article 1 – paragraph 3 – subparagraph 1 – point c

Text proposed by the Commission

Amendment

(c) *an offer of securities addressed to investors who acquire securities for a total consideration of at least EUR 100 000 per investor, for each separate offer;*

deleted

Or. en

Amendment 34

Proposal for a regulation

Article 1 – paragraph 3 – subparagraph 1 – point d

Text proposed by the Commission

Amendment

(d) an offer of securities with a total consideration in the Union of less than EUR **500 000**, which shall be calculated over a period of 12 months;

(d) an offer of securities with a total consideration in the Union of less than EUR **1 000 000**, which shall be calculated over a period of 12 months;

Or. en

Amendment 35

Proposal for a regulation

Article 1 – paragraph 3 – subparagraph 1 – point i

Text proposed by the Commission

(i) securities offered, allotted or to be allotted to existing or former directors or employees by their employer or by an affiliated undertaking provided that a document is made available containing information on the number and nature of the securities and the reasons for and details of the offer or allotment.

Amendment

(i) securities offered, allotted or to be allotted to existing or former directors or employees by their employer or by an affiliated undertaking, ***whether or not located in the Union***, provided that a document is made available containing information on the number and nature of the securities and the reasons for and details of the offer or allotment.

Or. en

Amendment 36

Proposal for a regulation

Article 1 – paragraph 3 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Member States shall not extend the requirement to draw up a prospectus in accordance with this Regulation to offers of securities referred to in point (d) of the first subparagraph. Furthermore, Member States shall refrain from imposing on such types of offers of securities other disclosure requirements at national level which could constitute a disproportionate or unnecessary burden. Member States shall notify the Commission and ESMA of the disclosure requirements applied at national level, if any, including the text of the relevant provisions.

Or. en

Amendment 37

Proposal for a regulation

Article 1 – paragraph 4 – point g

Text proposed by the Commission

(g) securities offered, allotted or to be allotted to existing or former directors or employees by their employer or an affiliated undertaking, provided that the said securities are of the same class as the securities already admitted to trading on the same regulated market and that a document is made available containing information on the number and nature of the securities and the reasons for and detail of the offer or allotment;

Amendment

(g) securities offered, allotted or to be allotted to existing or former directors or employees by their employer or an affiliated undertaking, ***whether or not located in the Union***, provided that the said securities are of the same class as the securities already admitted to trading on the same regulated market and that a document is made available containing information on the number and nature of the securities and the reasons for and detail of the offer or allotment;

Or. en

Amendment 38

Proposal for a regulation

Article 1 – paragraph 5

Text proposed by the Commission

5. In order to take account of technical developments on financial markets, including inflation, the Commission may adopt, by means of delegated acts in accordance with Article 42, measures concerning:

(a) the adjustment of the monetary limit laid down in point (i) of paragraph 2 of this Article;

(b) the thresholds in points (c) and (d) of paragraph 3 of this Article;

Amendment

deleted

Or. en

Amendment 39

Proposal for a regulation

Article 2 – paragraph 1 – point f a (new)

Text proposed by the Commission

Amendment

(f a) 'mid-cap enterprises' means companies that had an average market capitalisation of between EUR 200 million and EUR 1 billion on the basis of end year quotes for the previous three calendar years.

Or. en

Amendment 40

Proposal for a regulation

Article 2 – paragraph 1 – point j

Text proposed by the Commission

Amendment

(j) 'regulated market' means a market as defined by Article 4(1)(21) of Directive 2014/65/EU;

(j) 'regulated market' means a **regulated** market as defined by Article 4(1)(21) of Directive 2014/65/EU;

Or. en

Amendment 41

Proposal for a regulation

Article 2 – paragraph 1 – point k – indent 1

Text proposed by the Commission

Amendment

- relating to a specific offer to the public *of securities* or to an admission to trading on a regulated market; and

- relating to a specific offer *of securities* to the public or to an admission to trading on a regulated market; and

Or. en

Amendment 42

Proposal for a regulation

Article 2 – paragraph 1 – point m – point i

Text proposed by the Commission

(i) for all issuers of securities established in the Union ***which are not mentioned in point (ii)***, the Member State where the issuer has its registered office;

Amendment

(i) for all issuers of securities established in the Union - the Member State where the issuer has its registered office, ***or where the securities were or are to be admitted to trading on a regulated market, or where the securities are offered to the public, at the choice of the issuer, the offeror or the person asking for admission to trading on a regulated market;***

Or. en

Amendment 43

Proposal for a regulation

Article 2 – paragraph 1 – point m – point ii

Text proposed by the Commission

(ii) for any issues of non-equity securities whose denomination per unit amounts to at least EUR 1 000, and for any issues of non-equity securities giving the right to acquire any transferable securities or to receive a cash amount, as a consequence of their being converted or the rights conferred by them being exercised, provided that the issuer of the non-equity securities is not the issuer of the underlying securities or an entity belonging to the group of the latter issuer, the Member State where the issuer has its registered office, or where the securities were or are to be admitted to trading on a regulated market or where the securities are offered to the public, at the choice of the issuer, the offeror or the person asking for admission. The same shall apply to non-equity securities in a currency other than euro, provided that

Amendment

deleted

the value of such minimum denomination is nearly equivalent to EUR 1 000;

Or. en

Amendment 44

Proposal for a regulation

Article 2 – paragraph 1 – point m – point iii – introductory part

Text proposed by the Commission

(iii) for all issuers of securities established in a third country ***which are not mentioned in point (ii)***, the Member State where the securities are intended to be offered to the public for the first time or where the first application for admission to trading on a regulated market is made, at the choice of the issuer, the offeror or the person asking for admission, subject to a subsequent choice by issuers established in a third country in either of the following circumstances:

Amendment

(iii) for all issuers of securities established in a third country - the Member State where the securities are intended to be offered to the public for the first time or where the first application for admission to trading on a regulated market is made, at the choice of the issuer, the offeror or the person asking for admission, subject to a subsequent choice by issuers established in a third country in either of the following circumstances:

Or. en

Amendment 45

Proposal for a regulation

Article 2 – paragraph 1 – point n

Text proposed by the Commission

(n) ‘host Member State’ means the Member State where an offer to the public is made or admission to trading is sought, when different from the home Member State;

Amendment

(n) ‘host Member State’ means the Member State where an offer ***of securities*** to the public is made or admission to trading ***on a regulated market*** is sought, when different from the home Member State;

Or. en

Amendment 46

Proposal for a regulation

Article 2 – paragraph 1 – point n a (new)

Text proposed by the Commission

Amendment

(n a) 'competent authority' means the authority designated by each Member State in accordance with Article 29, unless otherwise specified in this Regulation.

Or. en

Amendment 47

Proposal for a regulation

Article 2 – paragraph 1 – point o

Text proposed by the Commission

Amendment

(o) 'collective investment undertaking other than the closed-end type' means ***unit trusts and investment companies with both of the following characteristics:***

(o) 'collective investment undertaking other than the closed-end type' means ***undertakings for collective investment in transferable securities (UCITS) authorised in accordance with Article 5 of Directive 2009/65/EC of the European Parliament and of the Council and alternative investment funds (AIFs) within the meaning of Article 4(1)(a) of Directive 2011/61/EU of the European Parliament and of the Council;***

(i) they raise capital from a number of investors, with a view to investing it in accordance with a defined investment policy for the benefit of those investors;

(ii) their units are, at the holder's request, repurchased or redeemed, directly or indirectly, out of their assets;

Or. en

Amendment 48

Proposal for a regulation

Article 2 – paragraph 1 – point s

Text proposed by the Commission

(s) 'working days', for the purposes of this Regulation, mean working days of the ***national*** competent authority excluding Saturdays, Sundays and public holidays, as defined by the national law applicable to ***the national*** competent authority;

Amendment

(s) 'working days', for the purposes of this Regulation, mean working days of the ***relevant*** competent authority excluding Saturdays, Sundays and public holidays, as defined by the national law applicable to ***that*** competent authority;

Or. en

Amendment 49

Proposal for a regulation

Article 2 – paragraph 2

Text proposed by the Commission

2. In order to take account of technical developments on financial markets, the Commission shall be empowered to adopt delegated acts in accordance with Article 42 to specify some technical elements of the definitions laid down in paragraph 1 of this Article, ***including the adjustment of the figures established in*** the definition of 'small and medium-sized enterprises (SMEs)' in point (f) of paragraph 1, taking into account the situation on different national markets, ***including the classification of enterprises used by the operators of regulated markets and multilateral trading facilities***, Union legislation ***and recommendations*** as well as economic developments.

Amendment

2. In order to take account of technical developments on financial markets, the Commission shall be empowered to adopt delegated acts in accordance with Article 42 to specify some technical elements of the definitions laid down in paragraph 1 of this Article, ***excluding*** the definition of 'small and medium-sized enterprises (SMEs)' in point (f) ***and 'mid-cap enterprises' in point (fa)*** of paragraph 1, taking into account the situation on different national markets, Union legislation as well as economic developments.

Or. en

Amendment 50

Proposal for a regulation

Article 3 – paragraph 1

Text proposed by the Commission

1. Securities shall **not** be offered to the public in the Union **without** prior publication of a prospectus.

Amendment

1. Securities shall be offered to the public in the Union **only after** prior publication of a prospectus **in accordance with this Regulation**.

Or. en

Amendment 51

Proposal for a regulation

Article 3 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1 a. Issuers shall be entitled to draw up a prospectus under the EU Growth regime provided for in Article 15 for offers of securities to the public with a total consideration not exceeding EUR 20 000 000 calculated over a period of 12 months.

A prospectus approved pursuant to this paragraph shall be valid for any offer of securities to the public in any number of host Member States under the conditions set out in Article 23.

Or. en

Amendment 52

Proposal for a regulation

Article 3 – paragraph 2 – subparagraph 1 – introductory part

Text proposed by the Commission

2. A Member State may exempt offers of securities to the public from the prospectus

Amendment

2. Without prejudice to paragraph 1a, a Member State may exempt offers of

requirement of paragraph 1 provided that:

securities to the public from the prospectus requirement of paragraph 1 provided that:

Or. en

Amendment 53

Proposal for a regulation

Article 3 – paragraph 2 – subparagraph 1 – point a

Text proposed by the Commission

Amendment

(a) the offer is made only in that Member State, and *deleted*

Or. en

Amendment 54

Proposal for a regulation

Article 3 – paragraph 2 – subparagraph 1 – point b

Text proposed by the Commission

Amendment

(b) the total consideration of the offer is less than a monetary amount calculated over a period of 12 months, which shall not exceed EUR **10 000 000**.

(b) the total consideration of the offer is less than a monetary amount calculated over a period of 12 months, which shall not exceed EUR **20 000 000 in the Union, and**

Or. en

Amendment 55

Proposal for a regulation

Article 3 – paragraph 2 – subparagraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(b a) where a national regime is introduced instead, such regime does not constitute a disproportionate or unnecessary burden on issuers.

Amendment 56

Proposal for a regulation

Article 3 – paragraph 2 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Where a Member State exercises the option in accordance with this paragraph and securities are as a result offered to the public without a prospectus, the offering or admission document shall contain a clearly visible warning that no prospectus is required and, where applicable, an indication that the offer or the entity is not subject to supervision.

Or. en

Amendment 57

Proposal for a regulation

Article 3 – paragraph 2 – subparagraph 2

Text proposed by the Commission

Amendment

Member States shall notify the Commission and ESMA of the ***exercise of the option*** under ***this paragraph, including the consideration of the offer chosen below which the exemption for domestic offers applies.***

Member States shall notify the Commission and ESMA of the ***threshold chosen for the total consideration as referred to under point (b) of the first subparagraph and, where applicable, the requirements under the national regime referred to in point (ba) including the text of the relevant provisions.***

Or. en

Amendment 58

Proposal for a regulation

Article 3 – paragraph 3

Text proposed by the Commission

3. Securities shall **not** be admitted to trading on a regulated market **situated or operating within** the Union **without** prior publication of a prospectus.

Amendment

3. Securities shall be admitted to trading on a regulated market **established in** the Union **only after** prior publication of a prospectus.

Or. en

Amendment 59

Proposal for a regulation Article 4 – paragraph 1

Text proposed by the Commission

Where an offer of securities to the public or an admission of securities to trading on a regulated market is outside the scope of this Regulation as **defined** in Article 1, an issuer, an offeror or a person asking for admission to trading on a regulated market shall be entitled to voluntarily draw up a prospectus in accordance with this Regulation.

Amendment

Where an offer of securities to the public or an admission of securities to trading on a regulated market is outside the scope of this Regulation as **specified** in Article 1, an issuer, an offeror or a person asking for admission to trading on a regulated market shall be entitled to voluntarily draw up a prospectus in accordance with this Regulation.

Or. en

Amendment 60

Proposal for a regulation Article 4 – paragraph 2

Text proposed by the Commission

A voluntary prospectus approved by the competent authority of the home Member State, **as determined according to Article 2(1)(m)**, shall entail all the rights and obligations provided for a prospectus **mandatorily** required under this Regulation and shall be subject to all provisions of this Regulation, under the supervision of that competent authority.

Amendment

Such voluntarily drawn up prospectus approved by the competent authority of the home Member State, shall entail all the rights and obligations provided for a prospectus required under this Regulation and shall be subject to all provisions of this Regulation, under the supervision of that competent authority.

Amendment 61**Proposal for a regulation
Article 5 – paragraph 1***Text proposed by the Commission*

Any subsequent resale of securities which were previously the subject of one or more of the types of offer of securities **listed in** points (a) to (d) of Article 1(3) shall be considered as a separate offer and the definition set out in Article 2(1)(d) shall apply for the purpose of determining whether that resale is an offer of securities to the public. The placement of securities through financial intermediaries shall be subject to publication of a prospectus where none of the conditions listed in points (a) to (d) of Article 1(3) are met for the final placement.

Amendment

Any subsequent resale of securities which were previously the subject of one or more of the types of offer of securities **excluded from the scope of this Regulation in accordance with** points (a) to (d) of Article 1(3) shall be considered as a separate offer and the definition set out in Article 2(1)(d) shall apply for the purpose of determining whether that resale is an offer of securities to the public. The placement of securities through financial intermediaries shall be subject to publication of a prospectus where none of the conditions listed in points (a) to (d) of Article 1(3) are met for the final placement.

Or. en

Amendment 62**Proposal for a regulation
Article 6 – paragraph 1***Text proposed by the Commission*

1. Without prejudice to Article 14(2) and Article 17(2), the prospectus shall contain the information which, according to the particular nature of the issuer and of the securities offered to the public or admitted to trading on a regulated market, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses, **and** prospects of the issuer and of any guarantor, **and of** the rights attaching to such securities. That information shall

Amendment

1. Without prejudice to Article 14(2) and Article 17(2), the prospectus shall contain the **relevant** information which, according to the particular nature of the issuer and of the securities offered to the public or admitted to trading on a regulated market, is necessary to enable investors to make an informed assessment of :

be presented in an easily analysable, succinct and comprehensible form.

(a) the assets and liabilities, financial position, profit and losses,

(b) prospects of the issuer and of any guarantor, *and*

(c) the rights attaching to such securities.

That information shall be presented in an easily analysable, succinct and comprehensible form.

Or. en

Amendment 63

Proposal for a regulation

Article 6 – paragraph 2 – subparagraph 2

Text proposed by the Commission

A prospectus composed of separate documents shall divide the required information into a registration document, a securities note and a summary, without prejudice to Article 8(7). The registration document shall contain the information relating to the issuer. The securities note shall contain the information concerning the securities offered to the public or to be admitted to trading on a regulated market.

Amendment

A prospectus composed of separate documents shall divide the required information into a registration document, a securities note and a summary, without prejudice to Article 8(7) *and the second subparagraph of Article 7(1)*. The registration document shall contain the information relating to the issuer. The securities note shall contain the information concerning the securities offered to the public or to be admitted to trading on a regulated market.

Or. en

Amendment 64

Proposal for a regulation

Article 7 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. The prospectus shall include a summary *providing* the key information that

Amendment

1. The prospectus shall include a summary *that provides* the key information that

investors need in order to understand the nature and the risks of the issuer, the guarantor and the securities that are being offered or admitted to trading on a regulated market, and that, when read together with the other parts of the prospectus, *aids* investors when considering whether to invest in such securities.

investors need in order to understand the nature and the risks of the issuer, the guarantor and the securities that are being offered or admitted to trading on a regulated market, and that *shall be* read together with the other parts of the prospectus *to aid* investors when considering whether to invest in such securities.

Or. en

Amendment 65

Proposal for a regulation

Article 7 – paragraph – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

By way of derogation from the first subparagraph, where the prospectus relates to the admission to trading on a regulated market of non-equity securities offered solely to qualified investors, no summary shall be required.

Or. en

Amendment 66

Proposal for a regulation

Article 7 – paragraph 3 – point b

Text proposed by the Commission

Amendment

(b) be written in a language and a style that facilitate the understanding of the information, in particular, in language that is clear, non-technical, succinct and comprehensible.

(b) be written in a language and a style that facilitate the understanding of the information, in particular, in language that is clear, non-technical, succinct and comprehensible *for the type of investors concerned.*

Or. en

Amendment 67

Proposal for a regulation

Article 7 – paragraph 4 – point a

Text proposed by the Commission

(a) an introduction containing warnings;

Amendment

(a) an introduction containing warnings, ***including the extent to which investors can lose their investment in a worst case scenario;***

Or. en

Amendment 68

Proposal for a regulation

Article 7 – paragraph 4 – point b

Text proposed by the Commission

(b) key information on the issuer, the offeror or the person asking for admission;

Amendment

(b) key information on the issuer, the offeror or the person asking for admission ***to trading on a regulated market;***

Or. en

Amendment 69

Proposal for a regulation

Article 7 – paragraph 7 – point b

Text proposed by the Commission

(b) under a sub-section titled 'Where will the securities be traded?', an indication as to whether the securities offered are or will be the object of an application for admission to trading on a regulated market or a multilateral trading facility and the identity of all the markets where the securities are or are to be traded.

Amendment

(b) under a sub-section titled 'Where will the securities be traded?', an indication as to whether the securities offered are or will be the object of an application for admission to trading on a regulated market or ***for trading on*** a multilateral trading facility and the identity of all the markets where the securities are or are to be traded.

Or. en

Amendment 70

Proposal for a regulation Article 7 – paragraph 10

Text proposed by the Commission

10. The summary **shall not** contain cross-references to other parts of the prospectus or incorporate information by reference.

Amendment

10. The summary **may** contain cross-references to other parts of the prospectus or incorporate information by reference.

Or. en

Amendment 71

Proposal for a regulation Article 8 – paragraph 1

Text proposed by the Commission

1. For non-equity securities, the prospectus may, at the choice of the issuer, offeror or person asking for the admission to trading on a regulated market consist of a base prospectus containing **all** relevant information concerning the issuer and the securities offered to the public or to be admitted to trading on a regulated market.

Amendment

1. For non-equity securities, the prospectus may, at the choice of the issuer, offeror or person asking for the admission to trading on a regulated market consist of a base prospectus containing **the** relevant information concerning the issuer and the securities offered to the public or to be admitted to trading on a regulated market.

Or. en

Amendment 72

Proposal for a regulation Article 9 – paragraph 2 – subparagraph 1

Text proposed by the Commission

The issuer which chooses to draw up a universal registration document every financial year shall submit it for approval to the competent authority of its home Member State according to the procedure

Amendment

The issuer which chooses to draw up a universal registration document every financial year shall submit it for approval to the competent authority of its home Member State according to the procedure set out in paragraphs 2, **4 and 5** of Article

set out in paragraphs 2 **and** 4 of Article 19.

19.

Or. en

Amendment 73

Proposal for a regulation

Article 9 – paragraph 2 – subparagraph 2

Text proposed by the Commission

After the issuer has had a universal registration document approved by the competent authority every financial year for **three** consecutive years, subsequent universal registration documents may be filed with the competent authority without prior approval.

Amendment

After the issuer has had a universal registration document approved by the competent authority every financial year for **two** consecutive years, subsequent universal registration documents may be filed with the competent authority without prior approval.

Or. en

Amendment 74

Proposal for a regulation

Article 9 – paragraph 3

Text proposed by the Commission

3. Issuers which, prior to the date of application of this Regulation, have had a registration document, drawn up in accordance with Annex I or XI of Regulation (EC) No 809/2004²², approved by a competent authority for at least **three** consecutive years and have thereafter filed, according to Article 12(3) of Directive 2003/71/EC, or got approved such a registration document every year, shall be allowed to file a universal registration document without prior approval in accordance with the second subparagraph of paragraph 2 from the date of application of this Regulation.

Amendment

3. Issuers which, prior to the date of application of this Regulation, have had a registration document, drawn up in accordance with Annex I or XI of Regulation (EC) No 809/2004²², approved by a competent authority for at least **two** consecutive years and have thereafter filed, according to Article 12(3) of Directive 2003/71/EC, or got approved such a registration document every year, shall be allowed to file a universal registration document without prior approval in accordance with the second subparagraph of paragraph 2 from the date of application of this Regulation.

²² Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (OJ L 149, 30.4.2004 p.3).

²² Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (OJ L 149, 30.4.2004 p.3).

Or. en

Amendment 75

Proposal for a regulation Article 9 – paragraph 14

Text proposed by the Commission

14. *The Commission shall adopt delegated acts in accordance with Article 42* to specify the procedure for the scrutiny, approval, filing and review of the universal registration document, as well as the conditions for its amendment and the conditions where the status of frequent issuer may be lost.

Amendment

14. *ESMA shall develop draft regulatory technical standards* to specify the procedure for the scrutiny, approval, filing and review of the universal registration document, as well as the conditions for its amendment and the conditions where the status of frequent issuer may be lost.

ESMA shall submit those draft regulatory technical standards to the Commission by [9 months from the date of entry into force of this Regulation].

Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.

Or. en

Amendment 76

Proposal for a regulation Article 10 – paragraph 2 – subparagraph 1

Text proposed by the Commission

An issuer which already has a universal registration document approved by the competent authority shall be required to draw up only the securities note and the summary when securities are offered to the public or admitted to trading on a regulated market. In that case, the securities note, the summary and all amendments to the universal registration document filed since the approval of the universal registration document shall be subject to a separate approval.

Amendment

An issuer which already has a universal registration document approved by the competent authority shall be required to draw up only the securities note and the summary when securities are offered to the public or admitted to trading on a regulated market. In that case, the securities note, the summary and all amendments to the universal registration document filed since the approval of the universal registration document, ***except for amendments or supplements to the universal registration document of a frequent issuer in accordance with Article 19(5)***, shall be subject to a separate approval.

Or. en

Amendment 77

Proposal for a regulation

Article 13 – paragraph 1 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

In particular, the Commission shall establish two sets of separate and materially different prospectus schedules setting out the information requirements applicable to non-equity securities adapted to the different investor classes - qualified or non-qualified – to whom the offer is addressed, taking into account the different information needs of those investors.

Or. en

Amendment 78

Proposal for a regulation

Article 13 – paragraph 3

Text proposed by the Commission

Amendment

3. The delegated acts referred to in paragraph 1 and 2 shall be based on the standards in the field of financial and non-financial information set out by international securities commission organisations, in particular by IOSCO and on the Annexes I, II and III to this Regulation. Those delegated acts shall be adopted by [*enter* date of application].

3. The delegated acts referred to in paragraph 1 and 2 shall be based on the standards in the field of financial and non-financial information set out by international securities commission organisations, in particular by IOSCO and on the Annexes I, II and III to this Regulation. Those delegated acts shall be adopted by [**6 months before the** date of application **of this Regulation**].

Or. en

Amendment 79

Proposal for a regulation
Article 14 – title

Text proposed by the Commission

Amendment

Minimum disclosure regime for secondary issuances

Simplified disclosure regime for secondary issuances

Or. en

Amendment 80

Proposal for a regulation
Article 14 – paragraph 1 – subparagraph 1 – introductory part

Text proposed by the Commission

Amendment

1. The following persons may choose to draw up a prospectus under the **minimum** disclosure regime for secondary issuances, in the case of an offer of securities to the public or of an admission to trading of securities on a regulated market:

1. The following persons may choose to draw up a **simplified** prospectus under the **simplified** disclosure regime for secondary issuances, in the case of an offer of securities to the public or of an admission to trading of securities on a regulated market:

Or. en

Amendment 81

Proposal for a regulation

Article 14 – paragraph 1 – subparagraph 1 – point a

Text proposed by the Commission

(a) issuers whose securities have been admitted to trading on a regulated market or an SME growth market for at least 18 months and who issue more securities of the same class;

Amendment

(a) issuers whose securities have been admitted to trading on a regulated market or an SME growth market ***or an MTF, other than an SME growth market, with disclosure requirements equivalent to at least those provided for on an SME growth market as specified in Article 33(3)(d), (e), (f) and (g) of MiFID,*** for at least 18 months and who issue more securities of the same class;

Or. en

Amendment 82

Proposal for a regulation

Article 14 – paragraph 1 – subparagraph 1 – point b

Text proposed by the Commission

(b) issuers whose equity securities have been admitted to trading on a regulated market or an SME growth market for at least 18 months and who issue non-equity securities.

Amendment

(b) issuers whose equity securities have been admitted to trading on a regulated market or an SME growth market ***or an MTF, other than an SME growth market, with disclosure requirements equivalent to at least those provided for on an SME growth market as specified in Article 33(3)(d), (e), (f) and (g) of MiFID,*** for at least 18 months and who issue non-equity securities.

Or. en

Amendment 83

Proposal for a regulation

Article 14 – paragraph 1 – subparagraph 1 – point c

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Text proposed by the Commission

(c) offerors of a class of securities admitted to trading on a regulated market or an SME growth market for at least 18 months.

Amendment

(c) offerors of a class of securities admitted to trading on a regulated market or an SME growth market ***or an MTF, other than an SME growth market, with disclosure requirements equivalent to at least those provided for on an SME growth market as specified in Article 33(3)(d), (e), (f) and (g) of MiFID,*** for at least 18 months.

Or. en

Amendment 84

Proposal for a regulation

Article 14 – paragraph 1 – subparagraph 2

Text proposed by the Commission

The *minimum disclosure regime* shall consist of a specific registration document which may be used by persons referred to under (a), (b) and (c) and a specific securities note which may be used by persons referred to under (a) and (c).

Amendment

The *simplified prospectus provided for in the first subparagraph* shall, ***in addition to the summary set out in Article 7,*** consist of a specific registration document which may be used by persons referred to under (a), (b) and (c) and a specific securities note which may be used by persons referred to under (a) and (c).

Or. en

Amendment 85

Proposal for a regulation

Article 14 – paragraph 1 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

Where there has been no material change to the information contained in the registration document submitted as part of the initial prospectus, the specific registration document for the purposes of the secondary issuance shall not require

approval by the competent authority prior to its publication.

Or. en

Amendment 86

Proposal for a regulation Article 14 – paragraph 2

Text proposed by the Commission

2. By derogation to article 6(1), and without prejudice to Article 17(2), the prospectus *drawn up under the minimum disclosure regime for secondary issuances shall* contain the relevant information which is necessary to enable investors to understand the prospects of the issuer and of any guarantor, based on *minimum* financial information included or incorporated by reference into the prospectus covering the last financial year only, the rights attaching to the securities, the reasons for the issuance and its impact on the issuer. The information contained in the prospectus shall be presented in an easily analysable, succinct and comprehensible form and shall enable investors to make an informed investment decision.

Amendment

2. By derogation to article 6(1), and without prejudice to Article 17(2), the *simplified* prospectus *referred to in paragraph 1 shall* contain the relevant *reduced* information which is necessary to enable investors to understand:

(a) the prospects of the issuer and of any guarantor, based on financial information included or incorporated by reference into the prospectus covering the last financial year only,

(b) the rights attaching to the securities,
and

(c) the reasons for the issuance and its impact on the issuer.

The information contained in the *simplified* prospectus *referred to in paragraph 1* shall be presented in an easily analysable, succinct and comprehensible form and shall enable investors to make an informed

investment decision.

Or. en

Amendment 87

Proposal for a regulation

Article 14 – paragraph 3 – subparagraph 1

Text proposed by the Commission

3. The Commission shall adopt delegated acts in accordance with Article 42 to specify the reduced information to be included in the schedules applicable under the *minimum* disclosure regime, *taking* into account the information which is already *disclosed to the public* under Directive 2004/109/EC, where applicable, and Regulation (EU) No 596/2014.

Amendment

3. The Commission shall adopt delegated acts in accordance with Article 42 to specify the reduced information *referred to in paragraph 2*, to be included in the schedules applicable under the *simplified disclosure regime referred to in paragraph 1*.

When specifying the reduced information to be included in the schedules applicable under the simplified disclosure regime the Commission shall take into account the need to facilitate access to capital markets, the importance of reducing the cost of, and increasing access to, capital, and the information which an issuer is already required to disclose under Directive 2004/109/EC where applicable and Regulation (EU) No 596/2014. The Commission shall calibrate the requirements so that they focus on the information that is material and relevant for secondary issuances and are proportionate, in order to avoid imposing unnecessary burdens on issuers.

Or. en

Amendment 88

Proposal for a regulation

Article 14 – paragraph 3 – subparagraph 2

Text proposed by the Commission

Those delegated acts shall be adopted by [enter date of application].

Amendment

Those delegated acts shall be adopted by [**6 months before the** date of application of **this Regulation**].

Or. en

Amendment 89

Proposal for a regulation Article 15 – title

Text proposed by the Commission

Minimum disclosure regime for SMEs

Amendment

EU Growth prospectus

Or. en

Amendment 90

Proposal for a regulation Article 15 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. SMEs may choose to draw up *a* prospectus under the *minimum* disclosure regime *for SMEs* in the case of an offer of securities to the public *provided that they have no securities* admitted to trading on a regulated market.

Amendment

1. SMEs *and mid-cap enterprises as well as issuers referred to in Article 3(1a)* may choose to draw up *an EU Growth* prospectus under the *proportionate* disclosure regime *set out in this Article* in the case of an offer of securities to the public *except where the securities are to be* admitted to trading on a regulated market.

Or. en

Amendment 91

Proposal for a regulation Article 15 – paragraph 1 – subparagraph 2

Text proposed by the Commission

The minimum disclosure regime shall consist of a specific registration document and a specific securities note.

Amendment

An EU Growth prospectus under the proportionate disclosure regime **referred to in the first subparagraph** shall, **in addition to the summary set out in Article 7**, consist of a specific registration document and a specific securities note.

Or. en

Amendment 92

Proposal for a regulation

Article 15 – paragraph 1 – subparagraph 3

Text proposed by the Commission

When establishing the corresponding prospectuses schedules, the information shall be adapted to the size and to the length of the track record of such companies.

Amendment

deleted

Or. en

Amendment 93

Proposal for a regulation

Article 15 – paragraph 2

Text proposed by the Commission

2. Companies making use of the minimum disclosure regime referred to in paragraph 1 and offering shares or non-equity securities which 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, **shall be entitled** to draw up a prospectus under a format structured in the form of a questionnaire with standardised text, to be

Amendment

2. In addition to the proportionate disclosure regime provided for in paragraph 1, SMEs and mid-cap enterprises offering shares or non-equity securities which 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, **may choose** to draw up a prospectus under a **specific** format structured in the form of a questionnaire

filled in by the issuer. *For this purpose, both the* specific registration document and *the* specific securities note *shall be* structured in that form.

with standardised text, to be filled in by the issuer. *Such prospectus shall include, in addition to the summary set out in Article 7, a* specific registration document and *a* specific securities note structured in that form.

Or. en

Amendment 94

Proposal for a regulation

Article 15 – paragraph 3 – subparagraph 1

Text proposed by the Commission

3. The Commission shall adopt delegated acts in accordance with Article 42 to specify the reduced *information to be included in the schedules applicable under the minimum disclosure regime* and the optional format *allowed under paragraph 2*.

Amendment

3. The Commission shall adopt delegated acts in accordance with Article 42 to specify:

(a) the reduced *content and format of the specific registration document and the specific securities note referred to in paragraph 1*; and

(b) the optional *content and format of the prospectus to be structured in the form of a questionnaire referred to in paragraph 2*.

Or. en

Amendment 94

Proposal for a regulation

Article 15 – paragraph 3 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Those documents shall include the information required in the prospectus schedules in simple language, using

incorporation by reference where appropriate.

Or. en

Amendment 94

Proposal for a regulation

Article 15 – paragraph 3 – subparagraph 1b (new)

Text proposed by the Commission

Amendment

When specifying the reduced content and format of the specific registration document and the specific securities note under point (a) of the first subparagraph and the optional content and format of the prospectus structured in the form of a questionnaire under point (b) of the first subparagraph, the Commission shall calibrate the requirements to focus on the information that is material and relevant for SMEs and mid-cap enterprises and their investors and shall ensure proportionality between the size of the company and its fundraising needs and the cost of producing a prospectus, taking account of the following in particular:

- the need to facilitate access to capital markets for SMEs and mid-cap enterprises while ensuring investor confidence in investing in such companies;*
- the need to minimise costs and burden for SMEs and mid-cap enterprises;*
- the need to elicit specific types of information of special relevance to SMEs;*
- the size of the issuer and how long it has been operating;*
- the various types and characteristics of offers;*
- the various types of information needed by investors relating to the different types of securities.*

Amendment 95

Proposal for a regulation

Article 15 – paragraph 3 – subparagraph 1 c (new)

Text proposed by the Commission

Amendment

The prospectus schedules shall specify the minimum information that is to be disclosed, which shall cover the following three key elements:

(a) explanations about the offer of securities, such as

(i) the number and nature of the securities forming part of the offer;

(ii) the terms and conditions of the offer, including the issue price;

(b) the reasons for the offer and the intended use of the net proceeds;

(c) key information on the issuer, such as:

(i) the name of the issuer and persons responsible;

(ii) business overview and current trading;

(iii) risk factors;

(iv) financial information, which may be incorporated by reference.

Or. en

Amendment 96

Proposal for a regulation

Article 15 – paragraph 3 – subparagraph 2

Text proposed by the Commission

Amendment

Those delegated acts shall be adopted by [*enter* date of application].

Those delegated acts shall be adopted by [*6 months before the* date of application of

this Regulation].

Or. en

Amendment 97

Proposal for a regulation Article 15 – paragraph 4

Text proposed by the Commission

Amendment

4. ESMA shall develop guidelines addressed to SMEs on how to draw up a prospectus under the format referred to in paragraph 2. The procedures set out in subparagraphs 2 to 4 of Article 16(3) of Regulation (EU) No 1095/2010 shall not apply.

deleted

Or. en

Amendment 98

Proposal for a regulation Article 16 – paragraph 1

Text proposed by the Commission

Amendment

1. The risk factors featured in a prospectus shall be limited to risks which are specific to the issuer and/or the securities and are material for taking an informed investment decision, as corroborated by the content of the registration document and the securities note. They shall be allocated across a maximum of three distinct categories which shall differentiate **them** by their relative materiality based on the issuer's assessment of the probability of their occurrence and the expected magnitude of their negative impact.

1. The risk factors featured in a prospectus shall be limited to risks which are specific to the issuer and/or the securities and are material for taking an informed investment decision, as corroborated by the content of the registration document and the securities note. They shall be allocated across a maximum of three distinct categories which shall differentiate **the risk factors** by their relative materiality based on the issuer's assessment of the probability of their occurrence and the expected magnitude of their negative impact.

Or. en

Amendment 99

Proposal for a regulation

Article 17 – paragraph 5

Text proposed by the Commission

Amendment

5. The Commission shall be empowered to adopt delegated acts, in accordance with Article 42, to specify the cases where information may be omitted according to paragraph 2, taking into account the reports of competent authorities to ESMA mentioned in paragraph 2.

deleted

Or. en

Amendment 100

Proposal for a regulation

Article 18 – paragraph 1 – subparagraph 1 – introductory part

Text proposed by the Commission

Amendment

1. Information may be incorporated by reference in a prospectus where it has been previously or simultaneously published electronically, drawn up in a language fulfilling the requirements of Article 25 and **where it is contained in one of the following documents:**

1. Information may be incorporated by reference in a prospectus **or a base prospectus** where it has been previously or simultaneously published electronically, drawn up in a language fulfilling the requirements of Article 25 and **filed in the context of disclosure requirements of Union law or filed under the rules of the trading venue or SME growth market, for example:**

Or. en

Amendment 101

Proposal for a regulation

Article 18 – paragraph 1 – subparagraph 1 – point a

Text proposed by the Commission

Amendment

(a) documents which have been approved by **the** competent authority **of the home**

(a) documents which have been approved by **a** competent authority, or filed with it,

Member State, or filed with it, in accordance with this Regulation;

in accordance with this Regulation;

Or. en

Amendment 102

Proposal for a regulation

Article 18 – paragraph 4 – subparagraph 1

Text proposed by the Commission

4. ***In order to ensure consistent harmonisation in relation to this Article***, ESMA may develop draft regulatory technical standards to update the list ***mentioned*** in paragraph 1 by including additional types of documents required under Union law to be filed with or approved by a public authority.

Amendment

4. ESMA may develop draft regulatory technical standards to update the list ***of documents set out*** in paragraph 1 by including additional types of documents required under Union law to be filed with or approved by a public authority.

Or. en

Amendment 103

Proposal for a regulation

Article 19 – paragraph 2 – subparagraph 2

Text proposed by the Commission

Where the competent authority fails to take a decision on the prospectus within the time limits laid down in this paragraph and paragraphs 3 and 5, this shall ***not*** be deemed to constitute approval of the application.

Amendment

Where the competent authority fails to take a decision on the prospectus within the time limits laid down in this paragraph and paragraphs 3 and 5, this shall be deemed to constitute approval of the application.

Or. en

Amendment 104

Proposal for a regulation

Article 19 – paragraph 4 – point a

Text proposed by the Commission

(a) it shall inform the issuer, the offeror or the person asking for admission to trading on a regulated market within 10 working days **of** the submission of the draft prospectus and/or supplementary information, and state the reasons **therefor**, and

Amendment

(a) it shall inform the issuer, the offeror or the person asking for admission to trading on a regulated market within 10 working days **from** the submission of the draft prospectus and/or **the** supplementary information, and state the **detailed** reasons **for the decision**, and

Or. en

Amendment 105

Proposal for a regulation

Article 19 – paragraph 4 – point b

Text proposed by the Commission

(b) the time limits referred to in paragraph 2 shall then apply only from the date on which an amended draft prospectus and/or the supplementary information requested are submitted to the competent authority.

Amendment

(b) the time limits referred to in paragraph 2 **and 3** shall then apply only from the date on which an amended draft prospectus and/or the supplementary information requested are submitted to the competent authority.

Or. en

Amendment 106

Proposal for a regulation

Article 19 – paragraph 5 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

A frequent issuer shall submit an application to the competent authority containing the necessary amendments to the universal registration document, where applicable, the securities note and the summary submitted for approval. A frequent issuer shall not be required to obtain approval for amendments to the universal registration document. Where a

prospectus has already been approved by the competent authority and a supplement is subsequently required to the universal registration document, a frequent issuer shall not be required to obtain approval from the competent authority for that supplement prior to publication.

Or. en

Amendment 107

Proposal for a regulation Article 19 – paragraph 7

Text proposed by the Commission

Amendment

7. The competent authority of the home Member State may transfer the approval of a prospectus to the competent authority of another Member State, subject to prior notification to ESMA and the agreement of that competent authority. Such a transfer shall be notified to the issuer, the offeror or the person asking for admission to trading on a regulated market within three working days from the date of the decision taken by the competent authority of the home Member State. The time limit referred to in paragraph 2 shall apply from that date. Article 28(4) of Regulation (EU) No 1095/2010 shall not apply to the transfer of the approval of the prospectus in accordance with this paragraph.

deleted

Or. en

Amendment 108

Proposal for a regulation Article 19 – paragraph 9

Text proposed by the Commission

Amendment

9. The level of fees charged by the

9. The level of fees charged by the

competent authority of the home Member State for the approval of prospectuses, registration documents, including universal registration documents, supplements and amendments, as well as for the filing of universal registration documents, amendments thereto and final terms, shall be disclosed to the public at least on the website of the competent authority.

competent authority of the home Member State for the approval of prospectuses, registration documents, including universal registration documents, supplements and amendments, as well as for the filing of universal registration documents, amendments thereto and final terms, shall be ***reasonable and shall be*** disclosed to the public at least on the website of the competent authority.

Or. en

Amendment 109

Proposal for a regulation Article 19 – paragraph 10

Text proposed by the Commission

10. ***The Commission shall be empowered to adopt delegated acts in accordance with Article 42, specifying*** the procedures for the scrutiny of completeness, ***comprehensibility and consistency*** and the approval of the prospectus.

Amendment

10. ***ESMA may develop draft regulatory technical standards to specify*** the procedures for the scrutiny of completeness and the approval of the prospectus.

Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.

Or. en

Amendment 110

Proposal for a regulation Article 19 – paragraph 11

Text proposed by the Commission

11. ESMA shall use its powers under Regulation (EU) No 1095/2010 to promote supervisory convergence with regard to the scrutiny and approval processes of

Amendment

11. ESMA shall use its powers under Regulation (EU) No 1095/2010 to promote supervisory convergence with regard to the scrutiny and approval processes of

competent authorities when assessing the completeness, consistency and comprehensibility of the information contained in a prospectus. In particular, ESMA shall foster convergence regarding the efficiency, methods and timing of the scrutiny by the competent authorities of the information given in a prospectus.

competent authorities when assessing the completeness, consistency and comprehensibility of the information contained in a prospectus. ***To that effect, ESMA shall deliver legally binding vetting principles for competent authorities across the Union.*** In particular, ESMA shall foster convergence regarding the efficiency, methods and timing of the scrutiny by the competent authorities of the information given in a prospectus.

Or. en

Amendment 111

Proposal for a regulation Article 19 – paragraph 11 a (new)

Text proposed by the Commission

Amendment

11 a. ESMA shall develop a central workflow system, capturing the prospectus approval process from initiation through to approval, allowing competent authorities, ESMA and issuers to manage and monitor approval requests online and across the Union.

Or. en

Amendment 112

Proposal for a regulation Article 19 – paragraph 12

Text proposed by the Commission

Amendment

12. Without prejudice to Article 30 of Regulation (EU) No 1095/2010, ESMA shall organise and conduct at least one peer review of the scrutiny and approval procedures of competent authorities, including notifications of approval between competent authorities. The peer review

12. Without prejudice to Article 30 of Regulation (EU) No 1095/2010, ESMA shall organise and conduct at least one peer review of the scrutiny and approval procedures of competent authorities, including notifications of approval between competent authorities. The peer review

shall also assess the impact of different approaches with regard to scrutiny and approval by competent authorities on issuers' ability to raise capital in the European Union. The report on this peer review shall be published no later **that** three years after the date of application of this Regulation. In the context of this peer review, ESMA shall, **where appropriate, request opinions or** advice from the Securities and Markets Stakeholder Group referred to in Article 37 of Regulation (EU) No 1095/2010.

shall also assess the impact of different approaches with regard to scrutiny and approval by competent authorities on issuers' ability to raise capital in the European Union. The report on this peer review shall be published no later **than** three years after the date of application of this Regulation. In the context of this peer review, ESMA shall **take into account** advice from the Securities and Markets Stakeholder Group referred to in Article 37 of Regulation (EU) No 1095/2010.

Or. en

Amendment 113

Proposal for a regulation

Article 20 – paragraph 3 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

Frequent issuers, as referred to in Article 9(11), may choose to incorporate any changes to the universal registration document contained in the prospectus by way of a dynamic reference to the most recent version of the universal registration document, in place of a supplement.

Or. en

Amendment 114

Proposal for a regulation

Article 22 – paragraph 5

Text proposed by the Commission

Amendment

5. When scrutinising a supplement before approval, the competent authority may request the supplement to contain a consolidated version of the supplemented

5. When scrutinising a supplement before approval, ***without prejudice to subparagraph 2a of Article 20(3)***, the competent authority may request the

prospectus in an annex, where this is necessary to ensure comprehensibility of the information given in the prospectus. Such a request shall be deemed to be a request for supplementary information under Article 19(4).

supplement to contain a consolidated version of the supplemented prospectus in an annex, where this is necessary to ensure comprehensibility of the information given in the prospectus. Such a request shall be deemed to be a request for supplementary information under Article 19(4).

Or. en

Amendment 115

Proposal for a regulation

Article 23 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Where a prospectus is submitted for approval in one or more Member States and it contains a universal registration document which has already been approved in another Member State, the competent authority considering the application for approval of the prospectus shall not re-review the universal registration document and shall accept its prior approval.

Or. en

Amendment 116

Proposal for a regulation

Article 24 – paragraph 1 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Where a universal registration document has been approved in accordance with Article 9, subparagraph 1 of this Article shall apply mutatis mutandis.

Or. en

Amendment 117

Proposal for a regulation

Article 24 – paragraph 1 – subparagraph 3

Text proposed by the Commission

The issuer or the person responsible for drawing up the prospectus shall be notified of the certificate of approval at the same time as the competent authority of the host Member State.

Amendment

The issuer or the person responsible for drawing up the prospectus ***or the universal registration document, as applicable***, shall be notified of the certificate of approval at the same time as the competent authority of the host Member State.

Or. en

Amendment 118

Proposal for a regulation

Article 24 – paragraph 3

Text proposed by the Commission

3. The competent authority of the home Member State shall notify ESMA of the certificate of approval of the prospectus at the same time as it is notified to the competent authority of the host Member State.

Amendment

3. The competent authority of the home Member State shall notify ESMA of the certificate of approval of the prospectus ***or the universal registration document, as applicable***, at the same time as it is notified to the competent authority of the host Member State.

Or. en

Amendment 119

Proposal for a regulation

Article 24 – paragraph 5

Text proposed by the Commission

5. No fee shall be charged by competent authorities for the notification, or receipt of notification, of prospectuses and supplements thereto, or any related supervisory activity, whether in the home Member State or in the host Member

Amendment

5. No fee shall be charged by competent authorities for the notification, or receipt of notification, of prospectuses and supplements thereto, or ***the universal registration document, as applicable***, or any related supervisory activity, whether in

State(s).

the home Member State or in the host Member State(s).

Or. en

Amendment 120

Proposal for a regulation

Article 24 – paragraph 6 – subparagraph 1

Text proposed by the Commission

In order to ensure uniform conditions of application of this Regulation and to take account of technical developments on financial markets, ESMA may develop draft implementing technical standards to establish standard forms, templates and procedures for the notification of the certificate of approval, the prospectus, the supplement of the prospectus and the translation of the prospectus and/or summary.

Amendment

In order to ensure uniform conditions of application of this Regulation and to take account of technical developments on financial markets, ESMA may develop draft implementing technical standards to establish standard forms, templates and procedures for the notification of the certificate of approval, the prospectus, the supplement of the prospectus ***or the universal registration document***, and the translation of the prospectus and/or summary.

Or. en

Amendment 121

Proposal for a regulation

Article 26 – paragraph 1

Text proposed by the Commission

1. A third country issuer ***intending*** to offer securities to the public in the Union or to seek admission to trading of securities on a regulated market ***of*** the Union under a prospectus drawn up according to this Regulation shall obtain approval of its prospectus, in accordance with Article 19, from the competent authority of its home Member State, ***as determined under point (iii) of Article 2(1)(m)***. ***This*** prospectus and the third country issuer shall be subject

Amendment

1. ***Where*** a third country issuer ***intends*** to offer securities to the public in the Union or to seek admission to trading of securities on a regulated market ***established in*** the Union under a prospectus drawn up according to this Regulation, ***it*** shall obtain approval of its prospectus, in accordance with Article 19, from the competent authority of its home Member State.

to all *the* provisions of this Regulation under the supervision of the competent authority of the home Member State.

Once a prospectus is approved in accordance with the first subparagraph, it shall entail all the rights and obligations provided for a prospectus under this Regulation and the prospectus and the third country issuer shall be subject to all provisions of this Regulation under the supervision of the competent authority of the home Member State.

Or. en

Amendment 122

Proposal for a regulation Article 26 – paragraph 2

Text proposed by the Commission

Amendment

2. The third country issuer shall designate a representative established in its home Member State, among the entities which are subject to and supervised under EU financial services regulation, on the basis of an authorisation. The third country issuer shall notify the competent authority of the identity and contact details of its representative.

deleted

Or. en

Amendment 123

Proposal for a regulation Article 26 – paragraph 3

Text proposed by the Commission

Amendment

3. The representative shall be the contact point of the third country issuer in the Union for the purposes of this Regulation, through which any official

deleted

correspondence with the competent authority shall take place. The representative shall, together with the third country issuer, be responsible for ensuring compliance of the prospectus with the requirements of this Regulation, in accordance with Chapters VII and VIII of this Regulation, towards the competent authority of the home Member State.

Or. en

Amendment 124

Proposal for a regulation Article 27 – paragraph 1

Text proposed by the Commission

1. The competent authority of the home Member State of a third country issuer may approve a prospectus for an offer to the public or for admission to trading on a regulated market, drawn up in accordance with, and which is subject to, the national legislation of the third country issuer, **where** the information requirements imposed by that third country legislation are equivalent to the requirements under this Regulation.

Amendment

1. The competent authority of the home Member State of a third country issuer may approve a prospectus for an offer to the public or for admission to trading on a regulated market, drawn up in accordance with, and which is subject to, the national legislation of the third country issuer, **provided that:**

(a) the information requirements imposed by that third country legislation are equivalent to the requirements under this Regulation; **and**

(b) the competent authority of the home Member State has concluded cooperation arrangements with the relevant supervisory authorities of the third country issuer in accordance with Article 28.

Or. en

Amendment 125

Proposal for a regulation

Article 27 – paragraph 3 – subparagraph 1

Text proposed by the Commission

3. The Commission *may* adopt delegated acts in accordance with Article 42 establishing general equivalence criteria, based on the requirements laid down in Articles 6, 7, 8 and 13.

Amendment

3. The Commission ***shall be empowered to*** adopt delegated acts in accordance with Article 42 establishing general equivalence criteria, based on the requirements laid down in Articles 6, 7, 8 and 13.

Or. en

Amendment 126

Proposal for a regulation

Article 27 – paragraph 3 – subparagraph 2

Text proposed by the Commission

On the basis of the above criteria, the Commission may adopt ***implementing measures in accordance with the examination procedure referred to in Article 43***, stating that a third country ensures the equivalence of prospectuses drawn up in that country with this Regulation by reason of its national law. ***Those*** implementing ***acts*** shall be adopted in accordance with the examination procedure referred to in Article 43(2).

Amendment

On the basis of the above criteria, the Commission may adopt ***an implementing decision*** stating that a third country ensures the equivalence of prospectuses drawn up in that country with this Regulation by reason of its national law. ***Such*** implementing ***decision*** shall be adopted in accordance with the examination procedure referred to in Article 43(2).

Or. en

Amendment 127

Proposal for a regulation

Article 28 – paragraph 2 – subparagraph 2

Text proposed by the Commission

In order to ensure consistent harmonisation of this Article, ESMA may develop draft regulatory technical

Amendment

deleted

standards containing a template document for cooperation arrangements that are to be used by competent authorities of Member States where possible.

Or. en

Amendment 128

Proposal for a regulation Article 28 – paragraph 2 – subparagraph 3

Text proposed by the Commission

Amendment

Power is delegated to the Commission to adopt the regulatory technical standards referred to in the second subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.

deleted

Or. en

Amendment 129

Proposal for a regulation Article 28 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3 a. ESMA may develop draft regulatory technical standards to determine the minimum content of the cooperation arrangements referred to in paragraph 1.

Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1095/2010.

Or. en

Amendment 130

Proposal for a regulation Article 28 – paragraph 3 b (new)

Text proposed by the Commission

Amendment

3b. In order to ensure uniform conditions of application of this Article, ESMA may develop draft implementing technical standards to set out a template document for cooperation arrangements that are to be used by competent authorities of Member States.

Or. en

Amendment 131

Proposal for a regulation Article 36 – paragraph 1 – point a

Text proposed by the Commission

Amendment

(a) infringements of Article 3, Article 5, Article 6, Article 7(1) to (10), Article 8, Article 9(1) to (13), Article 10, Article 11(1) and (3), Article 12, Article 14(2), Article 15(1) and (2), Article 16(1), Article 17(1) and (3), Article 18(1) to (3), Article 19(1), Article 20(1) to (4) and (7) to (10), Article 21(2) to (4), Article 22 (1), (2) and (4), and Article 25 of this Regulation;

(a) infringements ***committed with intent or gross negligence*** of Article 3, Article 5, Article 6, Article 7(1) to (10), Article 8, Article 9(1) to (13), Article 10, Article 11(1) and (3), Article 12, Article 14(2), Article 15(1) and (2), Article 16(1), Article 17(1) and (3), Article 18(1) to (3), Article 19(1), Article 20(1) to (4) and (7) to (10), Article 21(2) to (4), Article 22 (1), (2) and (4), and Article 25 of this Regulation;

Or. en

Amendment 132

Proposal for a regulation Article 47 – paragraph 2

Text proposed by the Commission

Amendment

2. It shall apply from [*enter date 12*

2. It shall apply from [***24*** months ***from the***

months after entry into force].

date of entry into force of this Regulation].

Or. en

Amendment 133

Proposal for a regulation

Article 47 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2 a. By way of derogation from paragraph 2, Member States may choose to apply the thresholds set out for the purposes of the exemption in Article 1(3)(d) and/or the option in Article 3(2), from the date of entry into force of this Regulation.

Or. en

Amendment 134

Proposal for a regulation

Article 47 – paragraph 3 – subparagraph 1

Text proposed by the Commission

Amendment

Member States shall take the necessary measures to comply with Article 11, Article 19(8), Article 29, Article 30, Article 36, Article 37, Article 38, Article 39, Article 40, and Article 41 by [*enter date 12 months after* entry into force].

Member States shall take the necessary measures to comply with Article 11, Article 19(8), Article 29, Article 30, Article 36, Article 37, Article 38, Article 39, Article 40, and Article 41 by [**24 months from the date of** entry into force **of this Regulation**].

Or. en

EXPLANATORY STATEMENT

The Commission proposal in the context of CMU

This regulation constitutes an essential step towards the completion of the Capital Markets Union as set out in the 'Action Plan on Building a Capital Markets Union' of 30 September 2015. The aim of the Capital Markets Union is to help businesses tap into more diverse sources of capital from anywhere within the European Union (hereinafter 'the Union'), make markets work more efficiently and offer investors and savers additional opportunities to put their money to work, all in order to enhance growth and create jobs.

This review was an opportunity for the Commission to support the creation of a true single market. It contains some good proposals that will help make markets work more efficiently and improve access for investors. However it does not seem to fully meet stakeholder's expectations in the context of Capital Markets Union.

A true single market

Investors need information that is similar across the Union, easy to read and easy to understand. They should be presented with more choice and a way to diversify their investments and thereby their risk across the Union, instead of being confined to investment options only in their own country, which is too often the case. Companies or Issuers need more efficient and more cost effective access to capital markets across the Union, which could be facilitated by ensuring similar rules and procedures wherever they decide to issue. The rapporteur has introduced a number of measures which are there to support this convergence towards a true single market.

A European Proposal

One of the key issues in the Commission's proposal lies between the lower (500 000 euro) and upper threshold (10 million euro). The Commission's proposal in Article 3 allows Member States to decide on a threshold below which public offers are either exempt from the Regulation or are subject to a national regime. This can lead to fragmentation of the single market as it could result in 28 different systems for public offers of a size falling between these thresholds. Such an approach corresponds more to a Directive rather than a Regulation and as a result, the creation of a true single market in capital is hampered. Harmonized rules are needed for the establishment and functioning of the internal market.

Convergence of rules: the EU Growth Prospectus

Therefore, the rapporteur has introduced a new element for smaller issuances (in the space between the two thresholds): issuers will have a choice to opt-in and use the 'EU Growth Prospectus'. This allows issuers to apply an EU light regime which can be "passported" across the Union. Without prejudice to this option for issuers, member states may still decide to provide for an exemption or a national regime to address market specificities in the different Member States.

The EU Growth prospectus is also available to SMEs and mid-cap enterprises in order to foster access to funding to such companies, which are the heart and main driver of the EU economy. The EU Growth prospectus should cover three key questions 1.

"Who receives the money?" 2. "What is it being used for?" and 3. "What does the investor get in return?". The proposed format and requirements should further reduce administrative burden and the subsequent costs that issuers face today.

Furthermore, issuers will be allowed to choose their Home Member State for equities as well as for non-equities in order to create an equal level playing field and further promote cross-border activity.

Convergence of Competent authorities supervisory practices

Competent authorities are crucial when it comes to safeguarding market integrity but also to help issuers access markets as fast as possible, and without undue delay. However, there seems to be many differences between the supervisory practices of competent authorities in the different Member States which sometimes results in mistrust. Without trust we will never have a true single market. The rapporteur welcomes the proposal from the Commission, but has proposed several improvements in order to increase certainty for issuers. In order to achieve further convergence, the rapporteur has included a request for ESMA to introduce a European workflow system as an online tool for issuers, competent authorities and ESMA itself to monitor approval requests across the Union.

Investor protection

The rapporteur has considered the Prospectus Regulation in the context of other existing investor protection regulations with the aim to ensure consistency and avoid duplication. The PRIIPS Regulation aims to ensure that complex instruments are disclosed properly to investors. MIFID regulates the appropriate access of investors to financial products and includes specific investor protection rules where investment intermediaries sell or advise clients on investment products to avoid mis-selling. The Market Abuse Regulation (MAR) aims to uphold market integrity and transparency of capital markets by prohibiting abusive behaviour (insider dealing or market manipulation) and requiring ad-hoc public disclosure by issuers of price sensitive information. In this context the Prospectus Regulation should ensure that investors have access to information which is readable, comprehensible and relevant for investors to make an informed investment decision.

Here the most important element in the Commission's proposal is the summary (Art. 7) which should be aligned with the KID under PRIIPS as much as possible. The rapporteur further clarifies that the summary should be read together with other parts of the prospectus in order for the investor to make an investment decision. A specific warning should be included in the summary on the extent to which investors can lose their investment in a worst case scenario. The offering or admission documents should also include a clear warning for investors where no prospectus or supervision is required.

The removal of the exemption for bonds above a denomination of 100 000 euro is supported by the rapporteur, but not for the reasons stated by the Commission. In the rapporteur's view, this exemption (linked to the denomination) does not achieve its purpose of retail investor protection. The removal of the exemption is premised on the development of a more proportionate regime based on the type of investor (qualified investor versus non-qualified investor).

The rapporteur also made a conscious decision not to change the spirit of the risk factors in Art. 16. We need to give issuers the flexibility and confidence if we want them to reduce the summary to only include specific and relevant information. If the liability attached to the summary is not in the context of the Prospectus as a whole it

will reduce the incentive for issuers to present information in an investor friendly way – especially with the strict sanctions regime as proposed by the Commission. In the related Articles 16 and 7 there are two choices; there is the option to ask for a disclosure of all information, but then the liability should be linked to the summary on its own. However this defeats our key objective to improve investor protection through clear and concise information. Therefore the summary should be a document with only specific and relevant information, with the liability linked to the prospectus as a whole (of which the summary is an element).

Other key changes

- The thresholds have been increased to reflect the developments in the markets. The upper threshold has been increased to 20 million euro as 10 million euro is too restrictive for raising money under the EU Growth Prospectus regime. 20 million euro is more appropriate when we talk about, for instance, investing in sophisticated machinery or technology. It is also more proportionate in relation to the cost of a prospectus.
- The lower threshold has been increased to 1 million euro to provide crowdfunding platforms with more flexibility. Whilst we agree with the Commission’s objective, the up to date industry data reveal a linear growth of 50% to an average of € 450,161 in 2015, and if this trend continues, € 618,971 in 2016 and € 1,244,245 by the year 2020. In its report on Crowdfunding the Commission should consider an EU approach which will prevent fragmentation between Member States.
- The Universal Registration Document can be passported and for frequent issuers no additional approval should be necessary in a number of cases. This should further improve efficient access to capital markets.
- The timeline has been extended to 24 months instead of 12 months in order to allow ESMA and stakeholders sufficient time to do their work. Member States will be allowed to apply the new higher threshold immediately from the date of entry into force.
- The requirement for EU Intermediaries in the 3rd country regime has been replaced with a different proposal from the rapporteur which allows for supervisory cooperation between competent authorities in 3rd countries.

This proposal was made in context of Europe’s objective to further improve the access to finance for European companies that are struggling compared to those in other continents. The rapporteur hopes that institutions can come together to create a true single market for capital in Europe that achieves growth and jobs.