



2015/0268(COD)

21.4.2016

AMENDMENTS

135 - 347

Draft report
Philippe De Backer
(PE578.833v01-00)

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

Proposal for a regulation
(COM(2015)0583 – C8-0375/2015 – 2015/0268(COD))

Amendment 135

Miguel Viegas, Paloma López Bermejo, Fabio De Masi, Miguel Urbán Crespo

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) This Regulation constitutes ***an essential*** step towards the completion of the Capital Markets Union as set out in the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, entitled '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, in order to enhance growth and create jobs.***

Amendment

(1) This Regulation constitutes ***a*** step towards the completion of the Capital Markets Union as set out in the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, entitled 'Action Plan on Building a Capital Markets Union' of 30 September 2015.

Or. en

Amendment 136

Miguel Viegas, Fabio De Masi, Miguel Urbán Crespo

Proposal for a regulation

Recital 3

Text proposed by the Commission

(3) Disclosure of information in case of offers of securities to the public or admission of securities to trading on a regulated market is vital to protect investors by removing asymmetries of information between them and issuers. ***Harmonising this disclosure allows for***

Amendment

(3) Disclosure of information in case of offers of securities to the public or admission of securities to trading on a regulated market is vital to protect investors by removing asymmetries of information between them and issuers.

the establishment of a cross-border passport mechanism which facilitates the effective functioning of the internal market in a wide variety of securities.

Or. en

Amendment 137
Jonás Fernández

Proposal for a regulation
Recital 3

Text proposed by the Commission

(3) Disclosure of information in case of offers of securities to the public or admission of securities to trading on a regulated market is vital to protect investors by removing asymmetries of information between them and issuers. Harmonising this disclosure allows for the establishment of a cross-border *passport* mechanism which facilitates the effective functioning of the internal market in a wide variety of securities.

Amendment

(3) Disclosure of information in case of offers of securities to the public or admission of securities to trading on a regulated market is vital to protect investors by removing asymmetries of information between them and issuers. Harmonising this disclosure allows for the establishment of a cross-border *accreditation* mechanism which facilitates the effective functioning of the internal market in a wide variety of securities.

Or. es

Amendment 138
Miguel Viegas, Fabio De Masi, Miguel Urbán Crespo

Proposal for a regulation
Recital 4

Text proposed by the Commission

(4) Divergent approaches would result in fragmentation of the internal market since issuers, offerors and persons asking for admission would be subject to different rules in different Member States and prospectuses approved in one Member State could be prevented from being used in other Member States. In the

Amendment

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absence of a harmonised framework to ensure uniformity of disclosure and the functioning of the passport in the Union it is therefore likely that differences in Member States legislation would create obstacles to the smooth functioning of the internal market for securities. Therefore to ensure the proper functioning of the internal market and improve the conditions of its functioning, in particular with regard to capital markets, and to guarantee a high level of consumer and investor protection, it is therefore appropriate to lay down a regulatory framework for prospectuses at Union level.

Or. en

Amendment 139
Jonás Fernández

Proposal for a regulation
Recital 4

Text proposed by the Commission

(4) Divergent approaches would result in fragmentation of the internal market since issuers, offerors and persons asking for admission would be subject to different rules in different Member States and prospectuses approved in one Member State could be prevented from being used in other Member States. In the absence of a harmonised framework to ensure uniformity of disclosure and the functioning of the *passport* in the Union it is therefore likely that differences in Member States legislation would create obstacles to the smooth functioning of the internal market for securities. Therefore to ensure the proper functioning of the internal market and improve the conditions of its functioning, in particular with regard to capital markets, and to guarantee a high level of consumer and investor protection,

Amendment

(4) Divergent approaches would result in fragmentation of the internal market since issuers, offerors and persons asking for admission would be subject to different rules in different Member States and prospectuses approved in one Member State could be prevented from being used in other Member States. In the absence of a harmonised framework to ensure uniformity of disclosure and the functioning of the *certificate* in the Union it is therefore likely that differences in Member States legislation would create obstacles to the smooth functioning of the internal market for securities. Therefore to ensure the proper functioning of the internal market and improve the conditions of its functioning, in particular with regard to capital markets, and to guarantee a high level of consumer and investor protection,

it is therefore appropriate to lay down a regulatory framework for prospectuses at Union level.

it is therefore appropriate to lay down a regulatory framework for prospectuses at Union level.

Or. es

Amendment 140

Ernest Urtaşun

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 4

Text proposed by the Commission

(4) Divergent approaches would result in fragmentation of the internal market since issuers, offerors and persons asking for admission would be subject to different rules in different Member States and prospectuses approved in one Member State could be prevented from being used in other Member States. In the absence of a harmonised framework to ensure uniformity of disclosure and the functioning of the passport in the Union it is therefore likely that differences in Member States legislation would create obstacles to the smooth functioning of the internal market for securities. Therefore to ensure the proper functioning of the internal market and improve the conditions of its functioning, in particular with regard to capital markets, and to guarantee a high level of consumer and investor protection, it is therefore appropriate to lay down a regulatory framework for prospectuses at Union level.

Amendment

(4) Divergent approaches would result in fragmentation of the internal market since issuers, offerors and persons asking for admission would be subject to different rules in different Member States and prospectuses approved in one Member State could be prevented from being used in other Member States. In the absence of a harmonised framework to ensure uniformity of disclosure and the functioning of the passport in the Union it is therefore likely that differences in Member States legislation would create obstacles to the smooth functioning of the internal market for securities. Therefore to ensure the proper functioning of the internal market and improve the conditions of its functioning, in particular with regard to capital markets, and to guarantee a high level of consumer and investor protection, it is therefore appropriate to lay down a regulatory framework for prospectuses at Union level ***without any Member State discretion.***

Or. en

Amendment 141

Jonás Fernández

Proposal for a regulation
Recital 6

Text proposed by the Commission

(6) The assessment of Directive 2010/73/EU has revealed that certain changes introduced by that Directive have not met their original objectives and that further amendments to the prospectus regime in the Union are necessary to simplify and improve its application, increase its efficiency and enhance the international competitiveness of the Union, thereby contributing to the reduction of administrative burdens.

Amendment

(6) The assessment of Directive 2010/73/EU has revealed that certain changes introduced by that Directive have not met their original objectives and that further amendments to the prospectus regime in the Union are necessary to simplify and improve its application, increase its efficiency and enhance the international competitiveness of the Union, thereby contributing to the reduction of administrative burdens *without prejudice to the interests of investors and savers.*

Or. es

Amendment 142

Miguel Viegas, Paloma López Bermejo, Fabio De Masi, Miguel Urbán Crespo

Proposal for a regulation
Recital 7

Text proposed by the Commission

(7) The aim of this Regulation is to ensure investor protection and market efficiency, *while enhancing the single market for capital.* The provision of information which, according to the nature of the issuer and of the securities, is necessary to enable investors to make an informed investment decision ensures, together with rules on the conduct of business, the protection of investors. Moreover, such information provides an effective means of increasing confidence in securities and thus of contributing to the proper functioning and development of securities markets. The appropriate way to make this information available is to publish a prospectus.

Amendment

(7) The aim of this Regulation is to ensure investor protection and market efficiency. The provision of information which, according to the nature of the issuer and of the securities, is necessary to enable investors to make an informed investment decision ensures, together with rules on the conduct of business, the protection of investors. Moreover, such information provides an effective means of increasing confidence in securities and thus of contributing to the proper functioning and development of securities markets. The appropriate way to make this information available is to publish a prospectus.

Or. en

Amendment 143
Kay Swinburne

Proposal for a regulation
Recital 9

Text proposed by the Commission

(9) Non-equity securities issued by a Member State or by one of a Member State's regional or local authorities, by public international bodies of which one or more Member States are members, by the European Central Bank or by the central banks of the Member States should not be covered by this Regulation and thus should remain unaffected by this Regulation.

Amendment

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Or. en

Amendment 144
Jonás Fernández

Proposal for a regulation
Recital 9

Text proposed by the Commission

(9) Non-equity securities issued by a Member State or by one of a Member State's regional or local authorities, by public international bodies of which one or more Member States are members, by the European Central Bank or by the central banks of the Member States should not be covered by this Regulation and thus should remain unaffected by this Regulation.

Amendment

(9) Non-equity securities issued by a Member State or by one of a Member State's regional or local authorities, by public international bodies of which one or more Member States are members, by the European Central Bank or by the central banks of the Member States, ***by the European Investment bank, the European Stability Mechanism, the European Fund for Strategic Investments or any other European Union institution or agency*** should not be covered by this Regulation and thus should remain unaffected by this Regulation.

Or. es

Amendment 145

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 9

Text proposed by the Commission

(9) Non-equity securities issued by a Member State or by one of a Member State's regional or local authorities, by public international bodies of which one or more Member States are members, by the European Central Bank or by the central banks of the Member States should not be covered by this Regulation and thus should remain unaffected by this Regulation.

Amendment

(9) Non-equity securities issued **and wholly, unconditionally and irrevocably guaranteed** by a Member State or by one of a Member State's regional or local authorities, by public international bodies of which one or more Member States are members, by the European Central Bank or by the central banks of the Member States should not be covered by this Regulation and thus should remain unaffected by this Regulation.

Or. en

Amendment 146

Jonás Fernández

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) To ensure the approval and **passporting** of the prospectus as well as the supervision of compliance with this Regulation in particular concerning advertising activity, a competent authority needs to be identified for each prospectus. Thus, this Regulation should clearly determine the home Member State best placed to approve the prospectus.

Amendment

(11) To ensure the approval and **accreditation** of the prospectus as well as the supervision of compliance with this Regulation in particular concerning advertising activity, a competent authority needs to be identified for each prospectus. Thus, this Regulation should clearly determine the home Member State best placed to approve the prospectus.

Or. es

Amendment 147
Neena Gill

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 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.

Amendment

(12) *This Regulation makes a general distinction between securities admitted to trading on a regulated market and securities admitted to trading on an SME growth market, in order to avoid disproportionate costs of producing a prospectus. 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. **If the offer is made on an SME growth market, the simplified procedure laid down in Article 15 is applicable.***

Or. en

Amendment 148
Dariusz Rosati

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 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**

Amendment

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

offers and thus increase fragmentation of the internal market.

Or. en

Amendment 149
Kay Swinburne

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 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.

Amendment

(12) For offers of securities to the public of a consideration below EUR **10 000 000**, 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 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.

Or. en

Amendment 150
Tom Vandenkendelaere

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 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

Amendment

(12) For offers of securities to the public *with a total consideration in the Union of less than EUR 1 000 000*, the cost of producing a prospectus in accordance with this Regulation is likely to be disproportionate to the envisaged proceeds

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.

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 *can request issuers to provide a document, not subject to prior approval, describing the offer and setting out the general information relating to the issuer.* Member States should *however* refrain *from imposing* 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.

Or. en

Amendment 151 **Jonás Fernández**

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 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.

Amendment

(12) For offers of securities to the public of a consideration below EUR 500 000, 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 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. *However, the voluntary drawing up of a prospectus may be coupled with a European or national quality label.*

Or. es

Amendment 152
Neena Gill

Proposal for a regulation
Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) Where a company decides not to offer its securities to the public, it is important that the regulatory environment at Union level ensures that the company has enough options to raise capital. Therefore, in the spirit of the Capital Markets Union and to unlock investment, the Commission should propose a regulatory initiative to regulate and harmonise crowdfunding practices across the Union.

Or. en

Amendment 153
Kay Swinburne

Proposal for a regulation
Recital 13

Text proposed by the Commission

Amendment

(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

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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.

Or. en

Amendment 154
Jonás Fernández

Proposal for a regulation
Recital 13

Text proposed by the Commission

Amendment

(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.

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Or. es

Justification

It is not in accordance with the Treaty to discriminate by nationality.

Amendment 155

Neena Gill

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

deleted

Or. en

Amendment 156

Ernest Urtasun

on behalf of the Verts/ALE Group

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

Amendment

(13) Where offers of securities to the public are made by SMEs with fewer than 250 employees, with a balance sheet of less than EUR 43 000 000 and with a turnover of less than EUR 50 000 000, a

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.

lighter prospectus regime should apply for offers between EUR 500 000 and EUR 10 000 000 calculated over a 12 month period.

Or. en

Amendment 157

Miguel Viegas, Paloma López Bermejo, Fabio De Masi, Miguel Urbán Crespo

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

Amendment

(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 **5 000 000**, 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 **100 000** and EUR **5 000 000**, expressed as the total consideration of

the offer over a period of 12 months, from which this exemption should apply.

the offer over a period of 12 months, from which this exemption should apply.

Or. en

Amendment 158
Pervenche Berès

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) 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 **5 000 000**, 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 **5 000 000**, expressed as the total consideration of the offer over a period of 12 months, from which this exemption should apply.

Or. en

Amendment 159
Tom Vandenkendelaere

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) 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 **1 000 000** 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.

Or. en

Amendment 160
Kay Swinburne

Proposal for a regulation
Recital 14

Text proposed by the Commission

(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.

Amendment

(14) Where an offer of securities is addressed exclusively to a restricted circle of investors who are not qualified investors **or are sophisticated investors falling within Article 6 of Regulation (EU) No 345/2013 of the European Parliament and of the Council on European venture capital funds**, 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.

Or. en

Amendment 161

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 14

Text proposed by the Commission

(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.

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 (***fewer than 200 persons***), 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.

Or. en

Amendment 162

Jonás Fernández

Proposal for a regulation

Recital 14

Text proposed by the Commission

(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

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

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. ***In this case, the voluntary drawing up of a prospectus shall not result in eligibility for a quality label.***

Or. es

Amendment 163

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 15

Text proposed by the Commission

Amendment

(15) Incentivising directors and employees to hold securities of their own company can have a positive impact on companies' governance and help create long-term value by fostering employees' dedication and sense of ownership, aligning the respective interests of shareholders and employees, and providing the latter with investment opportunities. Participation of employees in the ownership of their company is particularly important for small and medium-sized enterprises (SMEs), in which individual employees are likely to play a significant role in the success of the company. Therefore, there should be no requirement to produce a prospectus for offers made in the context of an employee-share scheme within the Union, provided a document is made available containing information on the number and nature of the securities and the reasons for and details of the offer, to safeguard investor protection. To ensure equal access to employee-share schemes for all directors and employees, independently of whether their employer is established in or outside the Union, no equivalence decision of third country markets should be required any longer, as

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long as the aforementioned document is made available. Thus, all participants in employee-share schemes will benefit from equal treatment and information.

Or. en

Amendment 164
Jonás Fernández

Proposal for a regulation
Recital 15

Text proposed by the Commission

(15) Incentivising directors and employees to hold securities of their own company can have a positive impact on companies' governance and help create long-term value by fostering employees' dedication and sense of ownership, aligning the respective interests of shareholders and employees, and providing the latter with investment opportunities. Participation of employees in the ownership of their company is particularly important for small and medium-sized enterprises (SMEs), in which individual employees are likely to play a significant role in the success of the company. Therefore, there should be no requirement to produce a prospectus for offers made in the context of an employee-share scheme within the Union, provided a document is made available containing information on the number and nature of the securities and the reasons for and details of the offer, to safeguard investor protection. To ensure equal access to employee-share schemes for all directors and employees, independently of whether their employer is established in or outside the Union, no equivalence decision of third country markets should be required any longer, as long as the aforementioned document is made available. Thus, all participants in employee-share schemes will benefit from equal treatment and

Amendment

(15) Incentivising directors and employees to hold securities of their own company can have a positive impact on companies' governance and help create long-term value by fostering employees' dedication and sense of ownership, aligning the respective interests of shareholders and employees, and providing the latter with investment opportunities. Participation of employees in the ownership of their company is particularly important for small and medium-sized enterprises (SMEs), in which individual employees are likely to play a significant role in the success of the company. Therefore, there should be no requirement to produce a prospectus for offers made in the context of an employee-share scheme within the Union, provided a document is made available containing information on the number and nature of the securities and the reasons for and details of the offer, to safeguard investor protection. To ensure equal access to employee-share schemes for all directors and employees, independently of whether their employer is established in or outside the Union, no equivalence decision of third country markets should be required any longer, as long as the aforementioned document is made available. Thus, all participants in employee-share schemes will benefit from equal treatment and

information.

information. *However, the voluntary drawing up of a prospectus may be coupled with a European or national quality label.*

Or. es

Amendment 165
Jonás Fernández

Proposal for a regulation
Recital 18

Text proposed by the Commission

(18) Issuers, offerors or persons asking for the admission to trading on a regulated market of securities which are not subject to the obligation to publish a prospectus should benefit from the single *passport* where they choose to comply with this Regulation on a voluntary basis.

Amendment

(18) Issuers, offerors or persons asking for the admission to trading on a regulated market of securities which are not subject to the obligation to publish a prospectus should benefit from the single *accreditation* where they choose to comply with this Regulation on a voluntary basis *being eligible for a European or national quality label.*

Or. es

Amendment 166
Pervenche Berès

Proposal for a regulation
Recital 18 a (new)

Text proposed by the Commission

Amendment

(18a) In order to avoid the risks of regulatory arbitrage that could be detrimental to investors' protection, the home Member State for any issuer established in the Union should be the Member State where the issuer has its registered office, regardless of the type of securities issued.

Or. en

Amendment 167

Neena Gill

Proposal for a regulation

Recital 20

Text proposed by the Commission

(20) A valid prospectus, drawn up by the issuer or the person responsible for drawing up the prospectus and available to the public at the time of the final placement of securities through financial intermediaries or in any subsequent resale of securities, provides sufficient information for investors to make informed investment decisions. Therefore, financial intermediaries placing or subsequently reselling the securities should be entitled to rely upon the initial prospectus published by the issuer or the person responsible for drawing up the prospectus as long as it is valid and duly supplemented and the issuer or the person responsible for drawing up the prospectus consents to its use. The issuer or the person responsible for drawing up the prospectus should be allowed to attach conditions to his or her consent. The consent to use the prospectus, including any conditions attached thereto, should be given in a written agreement enabling assessment by relevant parties of whether the resale or final placement of securities complies with the agreement. In the event that consent to use the prospectus has been given, the issuer or person responsible for drawing up the initial prospectus should be liable for the information stated therein and in the case of a base prospectus, for providing and filing final terms and no other prospectus should be required. However, in the event that the issuer or the person responsible for drawing up such initial prospectus does not consent to its use, the financial intermediary should be required to publish a new prospectus. In that case, the financial

Amendment

(20) A valid prospectus, drawn up by the issuer or the person responsible for drawing up the prospectus and available to the public at the time of the final placement of securities through financial intermediaries or in any subsequent resale of securities, provides sufficient information for investors to make informed investment decisions. ***That means information on at least the following:***

intermediary should be liable for the information in the prospectus, including all information incorporated by reference and, in the case of a base prospectus, final terms.

(a) the assets and liabilities, net turnover, profit or loss before tax, and tax liabilities of the issuer, and the accumulated earnings, financial position and prospects of the issuer and any guarantor;

(b) the rights attaching to the securities for the purpose of making an investment in those securities;

(c) the cost of the fundraising, broken down between the different elements such as underwriting or placing commissions, financial advisory fees, reporting accountant fees, and legal fees.

Therefore, financial intermediaries placing or subsequently reselling the securities should be entitled to rely upon the initial prospectus published by the issuer or the person responsible for drawing up the prospectus as long as it is valid and duly supplemented and the issuer or the person responsible for drawing up the prospectus consents to its use. The issuer or the person responsible for drawing up the prospectus should be allowed to attach conditions to his or her consent. The consent to use the prospectus, including any conditions attached thereto, should be given in a written agreement enabling assessment by relevant parties of whether the resale or final placement of securities complies with the agreement. In the event that consent to use the prospectus has been given, the issuer or person responsible for drawing up the initial prospectus should be liable for the information stated therein and in the case of a base prospectus, for providing and filing final terms and no other prospectus should be required. However, in the event that the issuer or the person responsible for drawing up such initial prospectus does not consent to its use, the financial intermediary should be required

to publish a new prospectus. In that case, the financial intermediary should be liable for the information in the prospectus, including all information incorporated by reference and, in the case of a base prospectus, final terms.

Or. en

Amendment 168
Kay Swinburne

Proposal for a regulation
Recital 20

Text proposed by the Commission

(20) A valid prospectus, drawn up by the issuer or the person responsible for drawing up the prospectus and available to the public at the time of the final placement of securities through financial intermediaries or in any subsequent resale of securities, provides sufficient information for investors to make informed investment decisions. Therefore, financial intermediaries placing or subsequently reselling the securities should be entitled to rely upon the initial prospectus published by the issuer or the person responsible for drawing up the prospectus as long as it is valid and duly supplemented and the issuer or the person responsible for drawing up the prospectus consents to its use. The issuer or the person responsible for drawing up the prospectus should be allowed to attach conditions to his or her consent. The consent to use the prospectus, including any conditions attached thereto, should be given in a written agreement enabling assessment by relevant parties of whether the resale or final placement of securities complies with the agreement. In the event that consent to use the prospectus has been given, the issuer or person responsible for drawing up the initial prospectus should be liable for the

Amendment

(20) A valid prospectus, drawn up by the issuer or the person responsible for drawing up the prospectus and available to the public at the time of the final placement of securities through financial intermediaries or in any subsequent resale of securities, provides sufficient information for investors to make informed ***assessments of the assets and liabilities, profits and losses, financial position and prospects of the issuer and any guarantor, and the rights attaching to the securities for the purpose of*** investment decisions. Therefore, financial intermediaries placing or subsequently reselling the securities should be entitled to rely upon the initial prospectus published by the issuer or the person responsible for drawing up the prospectus as long as it is valid and duly supplemented and the issuer or the person responsible for drawing up the prospectus consents to its use. The issuer or the person responsible for drawing up the prospectus should be allowed to attach conditions to his or her consent. The consent to use the prospectus, including any conditions attached thereto, should be given in a written agreement enabling assessment by relevant parties of whether the resale or final placement of securities complies with

information stated therein and in the case of a base prospectus, for providing and filing final terms and no other prospectus should be required. However, in the event that the issuer or the person responsible for drawing up such initial prospectus does not consent to its use, the financial intermediary should be required to publish a new prospectus. In that case, the financial intermediary should be liable for the information in the prospectus, including all information incorporated by reference and, in the case of a base prospectus, final terms.

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Or. en

Amendment 169 **Tom Vandenkendelaere**

Proposal for a regulation **Recital 20**

Text proposed by the Commission

(20) A valid prospectus, drawn up by the issuer or the person responsible for drawing up the prospectus and available to the public at the time of the final placement of securities through financial intermediaries or in any subsequent resale of securities, provides sufficient information for investors to make informed investment decisions. Therefore, financial intermediaries placing or subsequently reselling the securities should be entitled to rely upon the initial prospectus published by the issuer or the person responsible for drawing up the prospectus as long as it is valid and duly supplemented and the issuer or the person responsible for drawing up the prospectus consents to its use. The issuer or the person responsible for

Amendment

(20) A valid prospectus, drawn up by the issuer or the person responsible for drawing up the prospectus and available to the public at the time of the final placement of securities through financial intermediaries or in any subsequent resale of securities, provides sufficient information for investors to make ***an informed assessment of the assets and liabilities, profits and losses, financial position and prospects of the issuer and any guarantor, and the rights attaching to the securities for the purpose of*** investment decisions. Therefore, financial intermediaries placing or subsequently reselling the securities should be entitled to rely upon the initial prospectus published by the issuer or the person responsible for

drawing up the prospectus should be allowed to attach conditions to his or her consent. The consent to use the prospectus, including any conditions attached thereto, should be given in a written agreement enabling assessment by relevant parties of whether the resale or final placement of securities complies with the agreement. In the event that consent to use the prospectus has been given, the issuer or person responsible for drawing up the initial prospectus should be liable for the information stated therein and in the case of a base prospectus, for providing and filing final terms and no other prospectus should be required. However, in the event that the issuer or the person responsible for drawing up such initial prospectus does not consent to its use, the financial intermediary should be required to publish a new prospectus. In that case, the financial intermediary should be liable for the information in the prospectus, including all information incorporated by reference and, in the case of a base prospectus, final terms.

drawing up the prospectus as long as it is valid and duly supplemented and the issuer or the person responsible for drawing up the prospectus consents to its use. The issuer or the person responsible for drawing up the prospectus should be allowed to attach conditions to his or her consent. The consent to use the prospectus, including any conditions attached thereto, should be given in a written agreement enabling assessment by relevant parties of whether the resale or final placement of securities complies with the agreement. In the event that consent to use the prospectus has been given, the issuer or person responsible for drawing up the initial prospectus should be liable for the information stated therein and in the case of a base prospectus, for providing and filing final terms and no other prospectus should be required. However, in the event that the issuer or the person responsible for drawing up such initial prospectus does not consent to its use, the financial intermediary should be required to publish a new prospectus. In that case, the financial intermediary should be liable for the information in the prospectus, including all information incorporated by reference and, in the case of a base prospectus, final terms.

Or. en

Amendment 170

Kay Swinburne

Proposal for a regulation

Recital 21

Text proposed by the Commission

(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

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 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.***

information should be sufficient 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, 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 ***investors and thus undermine investor protection. Therefore, the information which is included in a prospectus should be adapted to reflect the nature and circumstances of the issuer, the type of securities, the type of investor targeted by an offering, any market to which the securities are to be admitted to trading, and the likely knowledge of investors and the information that is available to them because it has been made public under other legal or regulatory requirements.***

Or. en

Amendment 171

Neena Gill

Proposal for a regulation

Recital 21

Text proposed by the Commission

(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

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 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.

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. ***Therefore, the information which is included in a prospectus should be adapted to reflect the nature and circumstances of the issuer, the type of securities, the type of investor targeted by an offering, any market to which the securities are to be admitted to trading, and the likely knowledge of investors and the information that is available to them because it has been made public under other legal or regulatory requirements.***

Or. en

Amendment 172
Tom Vandenkendelaere

Proposal for a regulation
Recital 21

Text proposed by the Commission

(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

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, ***focused*** 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 *proportionate* disclosure requirements for secondary issuances and for SMEs *and issuers seeking admission to trading on SME growth markets*. 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 173 **Kay Swinburne**

Proposal for a regulation **Recital 22**

Text proposed by the Commission

(22) The *summary* of the prospectus should be a useful source of information for investors, in particular retail investors. It should be a self-contained part of the prospectus and should focus on *key* information that investors need in order to be able to decide which offers and admissions to trading of securities to consider further. *Such key* information should convey the essential characteristics of, and risks associated with, the issuer, any guarantor, and the securities offered or admitted to trading on a regulated market. It should also provide the general terms and conditions of the offer. In particular, the presentation of risk factors in the *summary* should consist of a limited selection of specific risks which the issuer considers to be *the most material ones*.

Amendment

(22) The *introduction to* the prospectus should be a useful source of information for investors, in particular retail investors. It should be a self-contained part of the prospectus and should focus on *highlighting relevant* information that investors need in order to be able to decide which offers and admissions to trading of securities to consider further. *The foregoing implies that information produced in the introduction is not replicated within the main body of the prospectus unless absolutely necessary. Such relevant* information should convey the essential characteristics of, and risks associated with, the issuer, any guarantor, and the securities offered or admitted to trading on a regulated market. It should also provide the general terms and conditions of the offer. In particular, the presentation of risk factors in the *introduction* should consist of a limited selection of specific risks which the issuer considers to be *of most relevance to the*

investor when making decisions.

Or. en

Amendment 174
Danuta Maria Hübner

Proposal for a regulation
Recital 22

Text proposed by the Commission

(22) The summary of the prospectus should be a useful source of information for investors, in particular retail investors. It should be a self-contained part of the prospectus and should focus on key information that investors need in order to be able to decide which offers and admissions to trading of securities to consider further. Such key information should convey the essential characteristics of, and risks associated with, the issuer, any guarantor, and the securities offered or admitted to trading on a regulated market. It should also provide the general terms and conditions of the offer. In particular, the presentation of risk factors in the summary should consist of a limited selection of specific risks which the issuer considers to be the most material ones.

Amendment

(22) The summary of the prospectus should be a useful source of information for investors, in particular retail investors. It should be a self-contained part of the prospectus and should focus on key information that investors need in order to be able to decide which offers and admissions to trading of securities to consider further. Such key information should convey the essential characteristics of, and risks associated with, the issuer, any guarantor, and the securities offered or admitted to trading on a regulated market, ***including unique identifiers such as the legal entities identifiers (LEI) of the actors involved in the offer and the international securities identification numbers (ISIN) of the securities.*** It should also provide the general terms and conditions of the offer. In particular, the presentation of risk factors in the summary should consist of a limited selection of specific risks which the issuer considers to be the most material ones.

Or. en

Amendment 175
Pervenche Berès

Proposal for a regulation
Recital 22

Text proposed by the Commission

(22) The summary of the prospectus should be a useful source of information for investors, in particular retail investors. It should be a self-contained part of the prospectus and should focus on key information that investors need in order to be able to decide which offers and admissions to trading of securities to consider further. Such key information should convey the essential characteristics of, and risks associated with, the issuer, any guarantor, and the securities offered or admitted to trading on a regulated market. It should also provide the general terms and conditions of the offer. In particular, the presentation of risk factors in the summary should consist of a limited selection of specific risks which the issuer considers to be the most material ones.

Amendment

(22) The summary of the prospectus should be a useful source of information for investors, in particular retail investors. It should be a self-contained part of the prospectus and should focus on key information that investors need, ***based on the targets established by Regulation (EU) No 1286/2014 of the European Parliament and of the Council on key information documents for packaged retail and insurance-based investment products (PRIIPs)***, in order to be able to decide which offers and admissions to trading of securities to consider further. Such key information should convey the essential characteristics of, and risks associated with, the issuer, any guarantor, and the securities offered or admitted to trading on a regulated market. It should also provide the general terms and conditions of the offer. In particular, the presentation of risk factors in the summary should consist of a limited selection of specific risks which the issuer considers to be the most material ones.

Or. en

Amendment 176

Tom Vandenkendelaere

Proposal for a regulation

Recital 22

Text proposed by the Commission

(22) The summary of the prospectus should be a useful source of information for investors, in particular retail investors. It should be a self-contained part of the prospectus and should focus on key information that investors need in order to be able to decide which offers and admissions to trading of securities ***to***

Amendment

(22) The summary of the prospectus should be a useful source of information for investors, in particular retail investors. It should be a self-contained part of the prospectus and should focus on key information that investors need in order to be able to decide which offers and admissions to trading of securities ***they***

consider further. Such key information should convey the essential characteristics of, and risks associated with, the issuer, any guarantor, and the securities offered or admitted to trading on a regulated market. It should also provide the general terms and conditions of the offer. In particular, the presentation of risk factors in the summary should consist of a limited selection of specific risks which the issuer considers to be the most material ones.

want to study further *by looking into the whole of the prospectus with the purpose of making an informed investment decision*. Such key information should convey the essential characteristics of, and risks associated with, the issuer, any guarantor, and the securities offered or admitted to trading on a regulated market. It should also provide the general terms and conditions of the offer. In particular, the presentation of risk factors in the summary should consist of a limited selection of specific risks which the issuer considers to be the most material ones.

Or. en

Amendment 177
Kay Swinburne

Proposal for a regulation
Recital 22 a (new)

Text proposed by the Commission

Amendment

(22a) Listing the risk factors presented in the introduction to the prospectus should be of relevance to the specific offering and solely for the benefit of investors and not to give general statements on investment risk or to limit the liability of the sponsors of the offering.

Or. en

Amendment 178
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 22 a (new)

Text proposed by the Commission

Amendment

(22a) The summary should contain a

clear warning, highlighting the inappropriate nature of the product for retail investors especially in the case of securities issued by banks that are subject to bail-in under Directive 2014/59/EU of the European Parliament and of the Council establishing a framework for the recovery and resolution of credit institutions and investment firms (BRRD).

Or. en

Amendment 179
Kay Swinburne

Proposal for a regulation
Recital 23

Text proposed by the Commission

Amendment

(23) The summary of the prospectus should be short, simple, clear and easy for investors to understand. It should be drafted in plain, non-technical language, presenting the information in an easily accessible way. It should not be a mere compilation of excerpts from the prospectus. It is appropriate to set a maximum length for the summary in order to ensure that investors are not deterred from reading it and to encourage issuers to select the information which is essential for investors.

deleted

Or. en

Amendment 180
Tom Vandenkendelaere

Proposal for a regulation
Recital 23

Text proposed by the Commission

Amendment

(23) The summary of the prospectus should

(23) The summary of the prospectus should

be short, simple, clear and easy for investors to understand. It should be drafted in plain, non-technical language, presenting the information in an easily accessible way. It should not be a mere compilation of excerpts from the prospectus. It is appropriate to set a maximum length for the summary in order to ensure that investors are not deterred from reading it and to encourage issuers to select the information which is essential for investors.

be short, simple, clear and easy for investors to understand. It should be drafted in plain, non-technical language, presenting the information in an easily accessible way. It should not be a mere compilation of excerpts from the prospectus. It is appropriate to set a maximum length for the summary in order to ensure that investors are not deterred from reading it and to encourage issuers to select the information which is essential for investors. ***Competent authorities should, however, retain the flexibility to extend the maximum length of the summary where the complexity of the issuer's business, the nature of the issue, or the nature of the securities issued so requires.***

Or. en

Amendment 181

Miguel Viegas, Fabio De Masi, Miguel Urbán Crespo

Proposal for a regulation

Recital 24

Text proposed by the Commission

(24) To ensure the uniform structure of the prospectus summary, general sections and sub-headings should be provided, ***with indicative contents*** which the issuer should fill in with brief, narrative descriptions including figures where appropriate. ***As long as they present it in a fair and balanced way, issuers should be given discretion to select the information that they deem to be material and meaningful.***

Amendment

(24) To ensure the uniform structure of the prospectus summary, general sections and sub-headings should be provided, which the issuer should fill in with brief, narrative descriptions including figures where appropriate.

Or. en

Amendment 182

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 26

Text proposed by the Commission

(26) **No** civil liability should be attached to any person solely on the basis of the summary, including any translation thereof, **unless** it is misleading, inaccurate or inconsistent with the relevant parts of the prospectus. ***The summary should contain a clear warning to this effect.***

Amendment

(26) Civil liability should be attached to any person solely on the basis of the summary, including any translation thereof, **if** it is misleading, inaccurate or inconsistent with the relevant parts of the prospectus.

Or. en

Amendment 183
Markus Ferber

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 three consecutive years can be considered well-known to the competent authority. All subsequent universal registration documents ***or changes to 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.

Or. de

Amendment 184
Tom Vandenkendelaere

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 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.

However, such prior approval of the universal registration document should still be necessary when there has been a significant gross change within the meaning of Article 4a(6) of Regulation (EC) No 809/2004 or a significant change in the assets, liabilities, financial position, profit and losses, or prospects of the issuer.

Or. en

Amendment 185
Neena Gill

Proposal for a regulation
Recital 33

Text proposed by the Commission

(33) An issuer which has filed and received approval for a universal registration

Amendment

(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.

document for **two** 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.

Or. en

Amendment 186
Tom Vandenkendelaere

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. ***However, in the case of a frequent issuer having filed a universal registration document without prior approval, the universal registration document and amendments made to that document since it was filed should not be subject to approval as part of a prospectus.***

Or. en

Amendment 187
Philippe De Backer

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. That should not affect the investor's right of withdrawal following publication of the supplement.***

Or. en

Justification

Replacing AM 7 in the draft report. Adding a sentence that it should not affect investor's right of withdrawal.

Amendment 188

Neena Gill

Proposal for a regulation

Recital 39

Text proposed by the Commission

(39) By nature, information on taxes on the income from the securities in a prospectus can only be generic, adding little informational value for the individual investor. ***Since such*** information must cover not only the country of registered office of the issuer but also the countries where the offer is being made or admission to trading is being sought, ***where a prospectus is passported, it is costly to***

Amendment

(39) By nature, information on taxes on the income from the securities in a prospectus can only be generic, adding little informational value for the individual investor. ***However, tax information on the issuer*** must cover not only the country of registered office of the issuer but also the countries where the offer is being made or admission to trading is being sought, ***as well as the issuer's turnover, profit, and***

produce and might hamper cross-border offers. Therefore a prospectus should *only* contain a warning that the tax legislation of the investor's Member State and of the issuer's Member State of incorporation may have an impact on the income received from the securities. *However*, the prospectus should *still* contain appropriate information on taxation where the proposed investment entails a specific tax regime, for instance in the case of investments in securities granting investors a favourable tax treatment.

tax liabilities. A prospectus should *furthermore* contain a warning that the tax legislation of the investor's Member State and of the issuer's Member State of incorporation may have an impact on the income received from the securities. The prospectus should *also* contain appropriate information on taxation where the proposed investment entails a specific tax regime, for instance in the case of investments in securities granting investors a favourable tax treatment.

Or. en

Amendment 189 **Kay Swinburne**

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 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*

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 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 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, *and the specific* risk factors *relating* to the issuer and the securities *arising in each case from the*

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).

specific offer or admission to trading.

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 190

Tom Vandenkendelaere

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 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,

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 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 be provided with consolidated and well-structured information on ***the actual impact of the issue on the financial structure of the issuer, including*** such

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.

elements as the terms of the offer and its context, including the working capital statement (*for equity securities*), **capitalisation and indebtedness (for equity securities), conflict of interests (for equity securities)**, the use of proceeds, risk factors specific to the issuer and the securities, , shareholding structure or relating-party transactions (*for equity securities*). 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. ***Given that information disclosed on an ongoing and ad hoc rather than a specific periodic basis is more complex for investors to assemble, a summarised and structured presentation of the most recent and relevant information should be provided. To avoid such a requirement defeating the whole purpose of an alleviated regime for secondary issuances, ESMA should develop draft regulatory technical standards to clarify the content and format of the summarised presentation.***

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).

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 191
Alain Lamassoure, Alain Cadec

Proposal for a regulation
Recital 40

(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 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.

(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 Council 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 be provided with consolidated and well-structured information on such elements as the terms of the offer and its context, including ***a structured and synthetic presentation of recent ongoing information***, the working capital statement, the ***statement of capitalisation and indebtedness***, ***the*** use of proceeds, ***material*** 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).

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 192

Ernest Urtasun

on behalf of the Verts/ALE Group

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* 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

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 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. Investors *should still* be provided with consolidated and well-structured information on such elements as the terms of the offer and its context, including *a compilation of relevant information since the last offering of that class, the impact on the capital structure of the issuer*, 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).

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 193 **Pervenche Berès**

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 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.

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 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 be provided with consolidated and well-structured information on such elements as the terms of the offer and its context, including the **statement of capitalisation and indebtedness**, 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).

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 194
Tom Vandenkendelaere

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 *proportionate* 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.

Or. en

Amendment 195
Kay Swinburne

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

Amendment

deleted

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. en

Amendment 196
Tom Vandenkendelaere

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 *proportionate* 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. en

Amendment 197
Tom Vandenkendelaere

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

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.

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 *and issuers seeking admission to SME growth markets* to achieve that objective.

Or. en

Amendment 198
Kay Swinburne

Proposal for a regulation
Recital 43 a (new)

Text proposed by the Commission

Amendment

(43a) In order to encourage the use of capital market financing by SMEs, the pan-Union proportionate regime developed in this Regulation should ensure that special consideration is given to SME growth markets, operating as MTFs, and to those medium-sized, privately held companies that have chosen to access debt instruments.

Or. en

Amendment 199
Neena Gill

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 key information necessary to the investors is disclosed.

Amendment

(44) The minimum information required to be disclosed by SMEs under the ***SME prospectus set out in Article 15*** 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 ***SME prospectus*** should be more flexible than that applying to companies on regulated markets to the extent compatible with ensuring that the key information necessary to the investors is disclosed.

Or. en

Amendment 200
Neena Gill

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

Amendment

(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 *key* information *necessary to the* investors is disclosed.

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 information *material to* investors is disclosed.

Or. en

Amendment 201
Kay Swinburne

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 *key* information *necessary to the* investors is disclosed.

Amendment

(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 information *material to* investors is disclosed.

Or. en

Amendment 202
Tom Vandenkendelaere

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 key information necessary to the investors is disclosed.

Amendment

(44) The minimum information required to be disclosed by SMEs *and issuers seeking admission to SME growth markets* 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 *and issuers seeking admission to SME growth markets* can draw up prospectuses without incurring costs that are not proportionate to their size, and thus the size of their fundraising, the *proportionate SME and SME growth market disclosure regime* should be more flexible than that applying to companies on regulated markets to the extent compatible with ensuring that the key information necessary to the investors is disclosed.

Or. en

Amendment 203
Danuta Maria Hübner

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*

Amendment

(45) The specific disclosure regime should be made available *for* offers of securities to the public by SMEs. It is 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. *In order to ensure*

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 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.

a level playing field between the different types of trading venues as well as to make this regime available to the largest possible number of SMEs, the possibility to opt for the new regime should be left to all SMEs offering securities, irrespective of the trading venues on which such offers take place. SMEs the securities of which 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 prospectus when offering their securities to the public, including through crowdfunding platforms.

Or. en

Amendment 204

Tom Vandenkendelaere

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

Amendment

(45) The *proportionate* 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. *SME growth markets in particular are a promising instrument to allow smaller, growing companies to raise capital. The successfulness of these future tailor-made trading venues is, however,*

any trading venue should also be eligible to this disclosure regime as they may also be required to draw up a 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.

also dependent on their attractiveness to companies of a certain size. Moreover, given that operators of SME growth markets are required under Directive 2014/65/EU to establish and apply rules ensuring appropriate ongoing disclosure by issuers, high quality disclosure standards will apply to all issuers on those SME growth markets. Therefore, it is appropriate to extend the proportionate disclosure regime to all issuers seeking admission to SME growth 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 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.

Or. en

Amendment 205
Neena Gill

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

Amendment

(45) The *SME prospectus* 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 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.

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 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.

Or. en

Amendment 206
Beatrix von Storch

Proposal for a regulation
Recital 47

Text proposed by the Commission

(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

Amendment

deleted

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.

Or. en

Amendment 207
Tom Vandenkendelaere

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

deleted

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.

Or. en

Amendment 208
Kay Swinburne

Proposal for a regulation
Recital 47

Text proposed by the Commission

(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.

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. ***In addition, the high minimum settlement amount rules imposed on central securities depositories by some Union issuers create operational inefficiencies and risks for financial market infrastructures and their participants in relation to post-trade services.*** 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.

Or. en

Justification

Suggestion by the ECB, given the ECBs role within the Target2Securities system this suggested amendment seems justified.

Amendment 209

Tom Vandenkendelaere

Proposal for a regulation

Recital 48

Text proposed by the Commission

(48) The primary purpose of including risk factors in a prospectus is to ensure that investors make an informed assessment of such risks and thus take investment decisions in full knowledge of the facts. Risk factors should therefore be limited to those risks which are material and specific to the issuer and its securities and which are corroborated by the content of the prospectus. A prospectus should not contain risk factors which are generic and only serve as disclaimers, as these could obscure more specific risk factors that investors should be aware of, thereby preventing the prospectus from presenting information in an easily analysable, succinct and comprehensible form. ***To help investors identify the most material risks, the issuer should be required to group specific risk factors together and allocate them across categories based on levels of materiality. A limited number of risk factors selected by the issuer from the category of highest materiality should be included in the summary.***

Amendment

(48) The primary purpose of including risk factors in a prospectus is to ensure that investors make an informed assessment of such risks and thus take investment decisions in full knowledge of the facts. Risk factors should therefore be limited to those risks which are material and specific to the issuer and its securities and which are corroborated by the content of the prospectus. A prospectus should not contain risk factors which are generic and only serve as disclaimers, as these could obscure more specific risk factors that investors should be aware of, thereby preventing the prospectus from presenting information in an easily analysable, succinct and comprehensible form. ***National competent authorities should encourage issuers to only include material and issuer- or security-specific risk factors.***

Amendment 210**Kay Swinburne****Proposal for a regulation****Recital 48***Text proposed by the Commission*

(48) The primary purpose of including risk factors in a prospectus is to ensure that investors make an informed assessment of such risks and thus take investment decisions in full knowledge of the facts. Risk factors should therefore be limited to those risks which are ***material and specific to*** the issuer and its securities and which are corroborated by the content of the prospectus. A prospectus should not contain risk factors which are generic and only serve as disclaimers, as these could obscure more specific risk factors that investors should be aware of, thereby preventing the prospectus from presenting information in an easily analysable, succinct and comprehensible form. ***To help investors identify the most material risks, the issuer should be required to group specific risk factors together and allocate them across categories based on levels of materiality. A limited number of risk factors selected by the issuer from the category of highest materiality should be included in the summary.***

Amendment

(48) The primary purpose of including risk factors in a prospectus is to ensure that investors make an informed assessment of such risks and thus take investment decisions in full knowledge of the facts. Risk factors should therefore be limited to those risks which are ***specific to the operational and investment risk faced by*** the issuer and its securities and which are corroborated by the content of the prospectus. A prospectus should not contain risk factors which are generic and only serve as disclaimers, as these could obscure more specific risk factors that investors should be aware of, thereby preventing the prospectus from presenting information in an easily analysable, succinct and comprehensible form.

Or. en

Amendment 211**Markus Ferber****Proposal for a regulation****Recital 48**

Text proposed by the Commission

(48) The primary purpose of including risk factors in a prospectus is to ensure that investors make an informed assessment of such risks and thus take investment decisions in full knowledge of the facts. Risk factors should therefore be limited to those risks which are material and specific to the issuer and its securities and which are corroborated by the content of the prospectus. A prospectus should not contain risk factors which are generic and only serve as disclaimers, as these could obscure more specific risk factors that investors should be aware of, thereby preventing the prospectus from presenting information in an easily analysable, succinct and comprehensible form. ***To help investors identify the most material risks, the issuer should be required to group specific risk factors together and allocate them across categories based on levels of materiality. A limited number of risk factors selected by the issuer from the category of highest materiality should be included in the summary.***

Amendment

(48) The primary purpose of including risk factors in a prospectus is to ensure that investors make an informed assessment of such risks and thus take investment decisions in full knowledge of the facts. Risk factors should therefore be limited to those risks which are material and specific to the issuer and its securities and which are corroborated by the content of the prospectus. A prospectus should not contain risk factors which are generic and only serve as disclaimers, as these could obscure more specific risk factors that investors should be aware of, thereby preventing the prospectus from presenting information in an easily analysable, succinct and comprehensible form.

Or. de

Justification

A legally certain classification and categorisation of risks at the time the prospectus is issued is extremely difficult .

The classification of risks in three categories may be also be misleading for investors.

Amendment 212
Ernest Urtasun

Proposal for a regulation
Recital 48

Text proposed by the Commission

(48) The primary purpose of including risk

Amendment

(48) The primary purpose of including risk

factors in a prospectus is to ensure that investors make an informed assessment of such risks and thus take investment decisions in full knowledge of the facts. Risk factors should therefore be limited to those risks which are material and specific to the issuer and its securities and which are corroborated by the content of the prospectus. A prospectus should not contain risk factors which are generic and only serve as disclaimers, as these could obscure more specific risk factors that investors should be aware of, thereby preventing the prospectus from presenting information in an easily analysable, succinct and comprehensible form. To help investors identify the most material risks, the issuer should be required to group specific risk factors together and allocate them across categories based on levels of materiality. A limited number of risk factors selected by the issuer from the category of highest materiality should be included in the summary.

factors in a prospectus is to ensure that investors make an informed assessment of such risks and thus take investment decisions in full knowledge of the facts. Risk factors should therefore be limited to those risks which are material and specific to the issuer and its securities and which are corroborated by the content of the prospectus. A prospectus should not contain risk factors which are generic and only serve as disclaimers, as these could obscure more specific risk factors that investors should be aware of, thereby preventing the prospectus from presenting information in an easily analysable, succinct and comprehensible form. To help investors identify the most material risks, the issuer should be required to group specific risk factors together and allocate them across categories based on levels of materiality. A limited number of risk factors selected by the issuer from the category of highest materiality should be included in the summary. ***Notwithstanding the foregoing, all the risk factors of highest materiality should be included in the summary and therefore an arbitrary upper limit cannot be applied.***

Or. en

Amendment 213
Philippe De Backer

Proposal for a regulation
Recital 51

Text proposed by the Commission

(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

Amendment

(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.

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. The use of a dynamic reference in place of a supplement should not affect the investor's right of withdrawal.

Or. en

Justification

Replacing AM 17 in the draft report. Adding the last sentence 'The use of a dynamic reference in place of a supplement should not affect the investor's right of withdrawal.'

Amendment 214
Philippe De Backer

Proposal for a regulation
Recital 52

Text proposed by the Commission

(52) Any regulated information, *as defined*

Amendment

(52) Any regulated information should be

in Article 2(1)(k) of Directive 2004/109/EC, should be eligible for incorporation by reference in a prospectus. Issuers whose securities are traded on a multilateral trading facility, and issuers which are exempted from publishing annual and half-yearly financial reports pursuant to Article 8(1)(b) of Directive 2004/109/EC, should also be allowed to incorporate by reference in a prospectus all or part of their annual and interim financial information, audit reports, financial statements, management reports or corporate governance statements, subject to their electronic publication.

eligible for incorporation by reference in a prospectus. Issuers whose securities are traded on a multilateral trading facility, and issuers which are exempted from publishing annual and half-yearly financial reports pursuant to Article 8(1)(b) of Directive 2004/109/EC, should also be allowed to incorporate by reference in a prospectus all or part of their annual and interim financial information, audit reports, financial statements, management reports or corporate governance statements, subject to their electronic publication.

Or. en

Justification

Technical amendment linked to the amendment on the definition of "regulated information"

Amendment 215

Neena Gill

Proposal for a regulation

Recital 53

Text proposed by the Commission

(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

Amendment

(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 ***and streamlining the approval process by the national competent authorities*** in order to ensure that all competent authorities take a convergent approach when scrutinising the completeness, consistency and comprehensibility of the information

should be publicly available of 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.

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)

contained in a prospectus. Guidance on how to seek approval of a prospectus should be publicly available of 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.

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)

Or. en

Amendment 216 **Philippe De Backer**

Proposal for a regulation **Recital 53 a (new)**

Text proposed by the Commission

Amendment

(53a) ESMA should make an assessment of the design, financing and operation of a central workflow system in the context of Capital Markets Union together with the national competent authorities.

Or. en

Amendment 217
Neena Gill

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 disclosed.
Charges imposed on issuers established in a third country should reflect the additional burden such establishment creates for the national competent authority of the Member States where the securities are issued.

Or. en

Amendment 218
Kay Swinburne

Proposal for a regulation
Recital 55

Text proposed by the Commission

(55) Since the internet ensures easy access to information, and in order to ensure better accessibility for investors, the approved prospectus should always be published in an electronic form. The prospectus should be published on a dedicated section of the website of the issuer, the offeror or the person asking for admission, or, where applicable, on the website of the financial intermediaries placing or selling the securities, including paying agents, or on the website of the regulated market where the admission to trading is sought, or of the operator of the multilateral trading facility, and be transmitted by the competent authority to ESMA along with the relevant data

Amendment

(55) Since the internet ensures easy access to information, and in order to ensure better accessibility for investors, the approved prospectus should always be published in an electronic form. The prospectus should be published on a dedicated section of the website of the issuer, the offeror or the person asking for admission, or, where applicable, on the website of the financial intermediaries placing or selling the securities, including paying agents, or on the website of the regulated market where the admission to trading is sought, or of the operator of the multilateral trading facility, and be transmitted by the competent authority to ESMA along with the relevant data

enabling its classification. ESMA should provide a centralised storage mechanism of prospectuses allowing access free of charge and appropriate search facilities for the public. Prospectuses should remain publicly available for at least 10 years after their publication, to ensure that their period of public availability is aligned with that of annual and half-yearly financial reports under Directive 2004/109/EC. ***The prospectus should however always be available to investors in paper form, free of charge and on request.***

enabling its classification. ESMA should provide a centralised storage mechanism of ***electronic*** prospectuses allowing access free of charge and appropriate search facilities for the public. Prospectuses should remain publicly available for at least 10 years after their publication, to ensure that their period of public availability is aligned with that of annual and half-yearly financial reports under Directive 2004/109/EC.

Or. en

Amendment 219
Danuta Maria Hübner

Proposal for a regulation
Recital 55

Text proposed by the Commission

(55) Since the internet ensures easy access to information, and in order to ensure better accessibility for investors, the approved prospectus should always be published in an electronic form. The prospectus should be published on a dedicated section of the website of the issuer, the offeror or the person asking for admission, or, where applicable, on the website of the financial intermediaries placing or selling the securities, including paying agents, or on the website of the regulated market where the admission to trading is sought, or of the operator of the multilateral trading facility, and be transmitted by the competent authority to ESMA along with the relevant data enabling its classification. ESMA should provide a centralised storage mechanism of prospectuses allowing access free of charge and appropriate search facilities for the public. Prospectuses should remain publicly available for at least 10 years after

Amendment

(55) Since the internet ensures easy access to information, and in order to ensure better accessibility for investors, the approved prospectus should always be published in an electronic form. The prospectus should be published on a dedicated section of the website of the issuer, the offeror or the person asking for admission, or, where applicable, on the website of the financial intermediaries placing or selling the securities, including paying agents, or on the website of the regulated market where the admission to trading is sought, or of the operator of the multilateral trading facility, and be transmitted by the competent authority to ESMA along with the relevant data enabling its classification. ESMA should provide a centralised storage mechanism of prospectuses allowing access free of charge and appropriate search facilities for the public. ***To ensure that investors have access to reliable data that can be used***

their publication, to ensure that their period of public availability is aligned with that of annual and half-yearly financial reports under Directive 2004/109/EC. The prospectus should however always be available to investors in paper form, free of charge and on request.

and analysed in a timely and efficient manner, key information for which international standards have been defined, such as ISIN and LEI, should be machine-readable, including metadata.

Prospectuses should remain publicly available for at least 10 years after their publication, to ensure that their period of public availability is aligned with that of annual and half-yearly financial reports under Directive 2004/109/EC. The prospectus should however always be available to investors in paper form, free of charge and on request.

Or. en

Amendment 220

Alain Lamassoure, Alain Cadec

Proposal for a regulation

Recital 56

Text proposed by the Commission

(56) It is also necessary to harmonise advertisements in order to avoid undermining public confidence and prejudicing the proper functioning of financial markets. The fairness and accuracy of advertisements, as well as their consistency with the content of the prospectus are of utmost importance for the protection of investors, including retail investors, **and** the supervision of such advertisements is an integral part of the role of competent **authorities**.

Amendment

(56) It is also necessary to harmonise advertisements in order to avoid undermining public confidence and prejudicing the proper functioning of financial markets. The fairness and accuracy of advertisements, as well as their consistency with the content of the prospectus are of utmost importance for the protection of investors, including retail investors. ***Without prejudice to the passport mechanism under this Regulation, the supervision of such advertisements is an integral part of the role of the competent authority of the host Member States, considering their linguistic competences and better knowledge of local corporate and consumer laws, investors' culture and level of financial education.***

Or. en

Amendment 221
Tom Vandenkendelaere

Proposal for a regulation
Recital 56

Text proposed by the Commission

(56) It is also necessary to harmonise advertisements in order to avoid undermining public confidence and prejudicing the proper functioning of financial markets. The fairness and accuracy of advertisements, as well as their consistency with the content of the prospectus are of utmost importance for the protection of investors, including retail investors, *and the supervision of such advertisements is an integral part of the role of competent authorities.*

Amendment

(56) It is also necessary to harmonise advertisements in order to avoid undermining public confidence and prejudicing the proper functioning of financial markets. The fairness and accuracy of advertisements, as well as their consistency with the content of the prospectus are of utmost importance for the protection of investors, including retail investors. *In view of their proximity, better comprehension of the language and more profound knowledge of the relevant national legislation, the competent authorities of the Member States where the advertisements are disseminated should be competent for the supervision of such advertisements.*

Or. en

Amendment 222
Pervenche Berès

Proposal for a regulation
Recital 56

Text proposed by the Commission

(56) It is also necessary to harmonise advertisements in order to avoid undermining public confidence and prejudicing the proper functioning of financial markets. The fairness and accuracy of advertisements, as well as their consistency with the content of the prospectus are of utmost importance for the protection of investors, including retail

Amendment

(56) It is also necessary to harmonise advertisements in order to avoid undermining public confidence and prejudicing the proper functioning of financial markets. The fairness and accuracy of advertisements, as well as their consistency with the content of the prospectus are of utmost importance for the protection of investors, including retail

investors, and the supervision of such advertisements is an integral part of the role of competent authorities.

investors, and, *without prejudice to the passport mechanism under this Regulation*, the supervision of such advertisements is an integral part of the role of *the* competent authorities *of the Member States where the prospectus is advertised, given their intrinsic skills, notably their linguistic competences as well as their knowledge of local corporate and consumer laws, investors' culture and level of financial education.*

Or. en

Amendment 223

Neena Gill

Proposal for a regulation

Recital 56

Text proposed by the Commission

(56) It is also necessary to harmonise advertisements in order to avoid undermining public confidence and prejudicing the proper functioning of financial markets. The fairness and accuracy of advertisements, as well as their consistency with the content of the prospectus are of utmost importance for the protection of investors, including retail investors, and the supervision of such advertisements is an integral part of the role of competent authorities.

Amendment

(56) It is also necessary to harmonise advertisements in order to avoid undermining public confidence and prejudicing the proper functioning of financial markets. The fairness and accuracy of advertisements, as well as their consistency with the content of the prospectus are of utmost importance for the protection of investors, including retail investors, and the supervision of such advertisements is an integral part of the role of competent authorities. *The competent authorities of the Member States where the advertisements are disseminated should be responsible for the supervision of advertisements made in that Member State.*

Or. en

Amendment 224

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 56

Text proposed by the Commission

(56) It is also necessary to harmonise advertisements in order to avoid undermining public confidence and prejudicing the proper functioning of financial markets. The fairness and accuracy of advertisements, as well as their consistency with the content of the prospectus are of utmost importance for the protection of investors, including retail investors, and the supervision of such advertisements is an integral part of the role of competent authorities.

Amendment

(56) It is also necessary to harmonise advertisements in order to avoid undermining public confidence and prejudicing the proper functioning of financial markets. The fairness and accuracy of advertisements, as well as their consistency with the content of the prospectus are of utmost importance for the protection of investors, including retail investors, and the supervision of such advertisements is an integral part of the role of competent authorities, ***with the cooperation of both home and host Member States and subject to ESMA mediation in the event of disputes.***

Or. en

Amendment 225
Neena Gill

Proposal for a regulation
Recital 59

Text proposed by the Commission

(59) The obligation for an issuer to translate the full prospectus into all the relevant official languages discourages cross-border offers or multiple trading. To facilitate cross-border offers, where the prospectus is drawn up in a language that is customary in the sphere of international finance, only the summary should be translated in the official language(s) of the host or home Member State(s).

Amendment

(59) The obligation for an issuer to translate the full prospectus into all the relevant official languages discourages cross-border offers or multiple trading. To facilitate cross-border offers, where the prospectus is drawn up in a language that is customary in the sphere of international finance, only the summary should be translated in the official language(s) of the host or home Member State(s) ***or in one of the official languages used in the part of the Member State where the investment product is distributed.***

Or. en

Amendment 226
Jonás Fernández

Proposal for a regulation
Recital 59

Text proposed by the Commission

(59) The obligation for an issuer to translate the full prospectus into all the relevant official languages discourages cross-border offers or multiple trading. To facilitate cross-border offers, where the prospectus is drawn up in a language that is customary in the sphere of international finance, only the summary should be translated in the official language(s) of the **host or home** Member State(s).

Amendment

(59) The obligation for an issuer to translate the full prospectus into all the relevant official languages discourages cross-border offers or multiple trading. To facilitate cross-border offers, where the prospectus is drawn up in a language that is customary in the sphere of international finance, only the summary should be translated in the official language(s) of the Member State(s) **of issue**.

Or. es

Amendment 227
Jonás Fernández

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 **authorities** of the **other** Member **States** should be entitled to receive a certificate from the competent authority of the Member State **where the issuer has his registered office** which states that the prospectus has been drawn up in accordance with this Regulation. The competent authority of the Member State **where the issuer is domiciled** should also notify the issuer or the person responsible for drawing up the prospectus of the certificate of approval of the prospectus that is **valid in any** 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.

Or. es

Amendment 228

Markus Ferber

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 universal registration document*** 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*** 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*** with certainty as to whether and when a notification has actually been made.

Or. de

Amendment 229

Neena Gill

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***

Amendment

(60) The competent authority of the *home* Member State should ***notify ESMA and*** the issuer or the person responsible for

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.

drawing up the prospectus of the certificate of approval of the prospectus 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.

Or. en

Amendment 230

Jakob von Weizsäcker

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) *ESMA should act as the single* competent *administrative* authority *responsible for carrying out the duties resulting from this Regulation. The national competent authorities referred to in Article 22 of Regulation (EU) No 596/2014* of the *home and* host Member State should be entitled to receive a certificate from the competent authority which states that the prospectus has been drawn up in accordance with this Regulation. The competent authority 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.

Or. en

Amendment 231
Jonás Fernández

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 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.

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, **the ESMA** 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. es

Amendment 232
Neena Gill

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 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.

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. 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 233
Kay Swinburne

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 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***

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. In order to ensure exchanges of information and cooperation with third-country authorities in relation to

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.

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 234

Jakob von Weizsäcker

Proposal for a regulation

Recital 62

Text proposed by the Commission

(62) A variety of competent authorities in Member States, with different responsibilities, *may* create unnecessary costs and overlapping of responsibilities without providing any additional benefit. *In each Member State*, a single competent authority *should be* designated to approve prospectuses and to assume responsibility for supervising compliance with this Regulation. *That competent authority should be established as an administrative authority and* in such a form that their independence from economic actors is guaranteed and conflicts of interest are avoided. The designation of *a* competent authority for prospectus approval should not exclude cooperation between that

Amendment

(62) A variety of competent authorities in Member States, with different responsibilities, *would* create unnecessary costs and overlapping of responsibilities without providing any additional benefit. *Therefore, ESMA as* a single competent authority *is* designated to approve prospectuses and to assume responsibility for supervising compliance with this Regulation. *ESMA should act* in such a form that their independence from economic actors is guaranteed and conflicts of interest are avoided. The designation of *ESMA as a single* competent authority for prospectus approval should not exclude cooperation between that competent authority and other entities, such as

competent authority and other entities, such as banking and insurance regulators or listing authorities, with a view to guaranteeing efficient scrutiny and approval of prospectuses in the interest of issuers, investors, markets participants and markets alike. Delegation of tasks by *a* competent authority to another entity should only be permitted where it relates to the publication of approved prospectuses.

banking and insurance regulators or listing authorities, with a view to guaranteeing efficient scrutiny and approval of prospectuses in the interest of issuers, investors, markets participants and markets alike. Delegation of tasks by *the* competent authority to another entity should only be permitted where it relates to the publication of approved prospectuses.

Or. en

Amendment 235

Jakob von Weizsäcker

Proposal for a regulation

Recital 63

Text proposed by the Commission

(63) A set of effective tools and powers and resources for the competent *authorities of Member States* guarantees supervisory effectiveness. This Regulation therefore should in particular provide for a minimum set of supervisory and investigative powers with which *competent authorities of Member States* should be entrusted in accordance with national law. Those powers should be exercised, where the national law so requires, by application to the competent judicial authorities. When exercising *their* powers under this Regulation *competent authorities and ESMA* should act objectively and impartially and remain autonomous in their decision making.

Amendment

(63) A set of effective tools and powers and resources for the competent *authority* guarantees supervisory effectiveness. This Regulation therefore should in particular provide for a minimum set of supervisory and investigative powers with which *the competent authority* should be entrusted in accordance with national law. Those powers should be exercised, where the national law so requires, by application to the competent judicial authorities. When exercising *its* powers under this Regulation *the competent authority* should act objectively and impartially and remain autonomous in their decision making.

Or. en

Amendment 236

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation
Recital 63

Text proposed by the Commission

(63) A set of effective tools and powers and resources for the competent authorities of Member States guarantees supervisory effectiveness. This Regulation therefore should in particular provide for a minimum set of supervisory and investigative powers with which competent authorities of Member States should be entrusted in accordance with national law. Those powers should be exercised, where the national law so requires, by application to the competent judicial authorities. When exercising their powers under this Regulation competent authorities and ESMA should act objectively and impartially and remain autonomous in their decision making.

Amendment

(63) A set of effective tools and powers and resources for the competent authorities of Member States guarantees supervisory effectiveness. This Regulation therefore should in particular provide for a minimum set of **responsibilities and** supervisory and investigative powers with which competent authorities of Member States should be entrusted in accordance with national law. Those powers should be exercised, where the national law so requires, by application to the competent judicial authorities. When exercising their powers under this Regulation competent authorities and ESMA should act objectively and impartially and remain autonomous in their decision making.

Or. en

Amendment 237

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 65

Text proposed by the Commission

(65) In line with the Commission Communication of 8 December 2010 entitled 'Reinforcing sanctioning regimes in the financial services sector' and in order to ensure that the requirements of this Regulation are fulfilled, it is important that Member States take necessary steps to ensure that infringements of this Regulation are subject to appropriate administrative penalties and measures. Those penalties and administrative measures should be effective, proportionate and dissuasive and ensure a common

Amendment

(65) In line with the Commission Communication of 8 December 2010 entitled 'Reinforcing sanctioning regimes in the financial services sector' and in order to ensure that the requirements of this Regulation are fulfilled, it is important that Member States take necessary steps to ensure that infringements of this Regulation are subject to appropriate administrative penalties and measures. Those penalties and administrative measures should be effective, proportionate and dissuasive and ensure a common

approach in Member States and a deterrent effect. This Regulation should not limit Member States in their ability to provide for higher levels of administrative sanctions.

approach in Member States and a deterrent effect. This Regulation *establishes criteria for a minimum sanction but* should not limit Member States in their ability to provide for higher levels of administrative sanctions.

Or. en

Amendment 238
Kay Swinburne

Proposal for a regulation
Recital 67

Text proposed by the Commission

(67) Although Member States may lay down rules for administrative and criminal penalties for the same infringements, Member States should not be required to lay down rules for administrative penalties for the infringements of this Regulation which are subject to national criminal law by [enter date of application of this Regulation]. In accordance with national law, Member States are not obliged to impose both administrative and criminal penalties for the same offence, but they should be able to do so if their national law so permits. However, the maintenance of criminal penalties instead of administrative penalties for infringements of this Regulation should not reduce or otherwise affect the ability of competent authorities to cooperate, access and exchange information in a timely way with competent authorities in other Member States for the purposes of this Regulation, including after any referral of the relevant infringements to the competent judicial authorities for criminal prosecution.

Amendment

(67) This Regulation specifies minimum requirements for Member States to lay down rules for administrative penalties for the same infringements. That provision should ensure that the same penalty applies across the Union for any infringements.

Or. en

Amendment 239

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Recital 68 a (new)

Text proposed by the Commission

Amendment

(68a) In order to examine the reasons behind the greatly varying estimates of costs, to inform legislators and to promote competition amongst the providers of services related to the drawing up of prospectuses, ESMA should provide detailed statistics on the costs of producing a prospectus, accompanied by an analysis of the effectiveness of competition between services providers involved in drawing up prospectuses and recommendations on how to reduce costs.

Or. en

Amendment 240

Neena Gill

Proposal for a regulation

Recital 69

Text proposed by the Commission

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 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,

(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 scrutiny, approval, filing and review of the universal registration document, as well as the conditions for its amendment or

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.

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.

Or. en

Amendment 241

Miguel Viegas, Paloma López Bermejo, Fabio De Masi, Miguel Urbán Crespo

Proposal for a regulation

Recital 74 – indent 3

Text proposed by the Commission

- the need to facilitate access to capital markets for SMEs while ensuring investor confidence in investing in such companies,

Amendment

deleted

Amendment 242

Dariusz Rosati

Proposal for a regulation

Recital 76

Text proposed by the Commission

(76) No later than *five* years after the entry into force of this Regulation, the Commission should review the application of this Regulation and assess in particular whether the disclosure regimes for secondary issuances and for SMEs, the universal registration document and the prospectus summary remain appropriate to meet the objectives pursued by this Regulation.

Amendment

(76) No later than *three* years after the entry into force of this Regulation, the Commission should review the application of this Regulation and assess in particular whether the disclosure regimes for secondary issuances and for SMEs, the universal registration document and the prospectus summary remain appropriate to meet the objectives pursued by this Regulation.

Or. en

Amendment 243

Miguel Viegas, Fabio De Masi, Miguel Urbán Crespo

Proposal for a regulation

Recital 78

Text proposed by the Commission

(78) Since the objectives of this Regulation, namely to enhance investor protection and market efficiency while establishing the Capital Markets Union, cannot be sufficiently achieved by the Member States but can rather, by reason of its effects, be better achieved at Union level, the Union may adopt measures in accordance with principle of subsidiarity as set out in Article 5 of the Treaty of the European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to

Amendment

deleted

achieve those objectives.

Or. en

Amendment 244
Marco Valli, Marco Zanni

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 *or a multilateral trading facility (MTF) or an organised trading facility (OTF) or a systematic internaliser* operating within a Member State.

Or. en

Amendment 245
Marco Valli, Marco Zanni

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

deleted

Or. en

Amendment 246
Kay Swinburne

Proposal for a regulation
Article 1 – paragraph 2 – point a

Text proposed by the Commission

Amendment

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

(a) units issued by collective investment undertakings;

Or. en

Amendment 247

Marco Valli, Marco Zanni

Proposal for a regulation

Article 1 – paragraph 2 – point b

Text proposed by the Commission

Amendment

(b) non-equity securities issued by a Member State or by one of a Member State's regional or local authorities, by public international bodies of which one or more Member States are members, by the European Central Bank or by the central banks of the Member States;

deleted

Or. en

Amendment 248

Kay Swinburne

Proposal for a regulation

Article 1 – paragraph 2 – point b

Text proposed by the Commission

Amendment

(b) non-equity securities issued by a Member State or by one of a Member State's regional or local authorities, by public international bodies *of which one or more Member States are members, by the European Central Bank or by the central banks of the Member States;*

(b) non-equity securities issued by a Member State or by one of a Member State's regional or local authorities, by public international bodies;

Or. en

Amendment 249

Jonás Fernández, Ramón Jáuregui Atondo

Proposal for a regulation

Article 1 – paragraph 2 – point b

Text proposed by the Commission

(b) non-equity securities issued by a Member State or by one of a Member State's regional or local authorities, by public international bodies of which one or more Member States are members, by the European Central Bank or by the central banks of the Member States;

Amendment

(b) Non-equity securities issued by a Member State or by one of a Member State's regional or local authorities, by public international bodies of which one or more Member States are members, by the European Central Bank or by the central banks of the Member States, ***by the European Investment Bank, the European Fund for Strategic Investments, the European Stability Mechanism or any other European Union institution or agency;***

Or. es

Amendment 250

Jonás Fernández, Ramón Jáuregui Atondo

Proposal for a regulation

Article 1 – paragraph 2 – point c

Text proposed by the Commission

(c) shares in the capital of central banks of the Member States;

Amendment

(c) shares in the capital of central banks of the Member States, ***the European Central Bank, the European Investment Bank, the European Fund for Strategic Investments or any other European Union institution or agency;***

Or. es

Amendment 251

Marco Valli, Marco Zanni

Proposal for a regulation
Article 1 – paragraph 2 – point d

Text proposed by the Commission

Amendment

(d) securities unconditionally and irrevocably guaranteed by a Member State or by one of a Member State's regional or local authorities;

deleted

Or. en

Amendment 252
Jonás Fernández, Ramón Jáuregui Atondo

Proposal for a regulation
Article 1 – paragraph 2 – point d

Text proposed by the Commission

Amendment

(d) securities unconditionally and irrevocably guaranteed by a Member State or by one of a Member State's regional or local authorities;

(d) securities unconditionally and irrevocably guaranteed by *the European Union*, a Member State or by one of a Member State's regional or local authorities;

Or. es

Amendment 253
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 1 – paragraph 2 – point d

Text proposed by the Commission

Amendment

(d) securities unconditionally and irrevocably guaranteed by a Member State or by one of a Member State's regional or local authorities;

(d) securities *wholly*, unconditionally and irrevocably guaranteed by a Member State or by one of a Member State's regional or local authorities;

Or. en

Justification

Surely if the State guarantees just 1% there should be a prospectus.

Amendment 254

Marco Valli, Marco Zanni

Proposal for a regulation

Article 1 – paragraph 2 – point e

Text proposed by the Commission

Amendment

(e) securities issued by associations with legal status or non-profit-making bodies, recognised by a Member State, for the purposes of obtaining the funding necessary to achieve their non-profit-making objectives; **deleted**

Or. en

Amendment 255

Kay Swinburne

Proposal for a regulation

Article 1 – paragraph 2 – point f

Text proposed by the Commission

Amendment

(f) non-equity securities issued in a continuous or repeated manner by credit institutions provided that these securities comply with all of the following conditions: **deleted**

(i) they are not subordinated, convertible or exchangeable;

(ii) they do not give a right to subscribe to or acquire other types of securities and that they are not linked to a derivative instrument;

(iii) they materialise reception of repayable deposits;

(iv) they are covered by a deposit guarantee scheme under Directive

2014/49/EU of the European Parliament and of the Council¹⁷ ;

¹⁷ Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes (OJ L 173, 12.6.2014, p. 149).

Or. en

Amendment 256
Marco Valli, Marco Zanni

Proposal for a regulation
Article 1 – paragraph 2 – point f

Text proposed by the Commission

Amendment

(f) non-equity securities issued in a continuous or repeated manner by credit institutions provided that these securities comply with all of the following conditions:

deleted

(i) they are not subordinated, convertible or exchangeable;

(ii) they do not give a right to subscribe to or acquire other types of securities and that they are not linked to a derivative instrument;

(iii) they materialise reception of repayable deposits;

(iv) they are covered by a deposit guarantee scheme under Directive 2014/49/EU of the European Parliament and of the Council¹⁷ ;

¹⁷ Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes (OJ L 173, 12.6.2014, p. 149).

Or. en

Amendment 257

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 1 – paragraph 2 – point h

Text proposed by the Commission

Amendment

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

(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 ‘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

Justification

It is not at all clear why there should be a special case for Sweden?

Amendment 258

Marco Valli, Marco Zanni

Proposal for a regulation

Article 1 – paragraph 2 – point h

Text proposed by the Commission

Amendment

(h) ‘bostadsobligationer’ issued repeatedly by credit institutions in Sweden whose **deleted**

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 ‘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 259

Marco Valli, Marco Zanni

Proposal for a regulation

Article 1 – paragraph 2 – point i

Text proposed by the Commission

Amendment

(i) non-equity securities issued in a continuous or repeated manner by a credit institution, where the total aggregated consideration in the Union for the securities offered is less than EUR 75 000 000 per credit institution over a period of 12 months, provided that those securities:

deleted

(i) are not subordinated, convertible or exchangeable;

(ii) do not give a right to subscribe to or acquire other types of securities and that they are not linked to a derivative instrument.

Or. en

Amendment 260
Andrea Cozzolino, Alfred Sant

Proposal for a regulation
Article 1 – paragraph 2 – point i – introductory part

Text proposed by the Commission

(i) non-equity securities issued in a continuous or repeated manner by a credit institution, where the total aggregated consideration in the Union for the securities offered is less than EUR **75 000 000** per credit institution over a period of 12 months, provided that those securities:

Amendment

(i) non-equity securities issued in a continuous or repeated manner by a credit institution, where the total aggregated consideration in the Union for the securities offered is less than EUR **150 000 000** per credit institution over a period of 12 months, provided that those securities:

Or. en

Amendment 261
Jonás Fernández

Proposal for a regulation
Article 1 – paragraph 2 – point i – introductory part

Text proposed by the Commission

(i) non-equity securities issued in a continuous or repeated manner by a credit institution, where the total aggregated consideration in the Union for the securities offered is less than EUR **75 000 000** per credit institution over a period of 12 months, provided that those securities:

Amendment

(i) non-equity securities issued in a continuous or repeated manner by a credit institution, where the total aggregated consideration in the Union for the securities offered is less than EUR **35 000 000** per credit institution over a period of 12 months, provided that those securities:

Or. es

Amendment 262
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 1 – paragraph 2 – point i – point i a (new)

Text proposed by the Commission

Amendment

(ia) are not issued in order to meet the minimum requirement for eligible liabilities under [BRRD/SRM];

Or. en

Justification

Point (i) first para and Point (i)(i) do not allow exemption from the Reg. of capital instruments. It would be consistent to add bail-inable instruments considered part of MREL, particularly when an issue is made expressly to comply with MREL. A prospectus should be produced here, even in a rolling program of issuance, as investors need to be appraised of the fact that this is part of the Total Loss Absorbing Capacity of the bank.

Amendment 263

Marco Valli, Marco Zanni

Proposal for a regulation

Article 1 – paragraph 3 – 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;

deleted

Or. en

Amendment 264

Kay Swinburne

Proposal for a regulation

Article 1 – paragraph 3 – 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) an offer of securities addressed to fewer than *500* natural or legal persons per Member State, other than qualified investors, *sophisticated investors, existing*

employees or shareholders;

Or. en

Justification

Extending this exemption from 100 people to 150 people as the commission suggests will not represent a meaningful difference to SMEs trying to establish at what point their success in attracting investors will trigger higher regulatory requirements. Adjusting to 500 will be more meaningful. Expanding the exemption to include the EuVECA definition of sophisticated investors will allow for private equity firms to also make use of the exemption

Amendment 265

Neena Gill

Proposal for a regulation

Article 1 – paragraph 3 – point b

Text proposed by the Commission

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

Amendment

(b) an offer of securities addressed to fewer than **500** natural or legal persons per Member State, other than qualified investors.

Or. en

Amendment 266

Brian Hayes, Marian Harkin

Proposal for a regulation

Article 1 – paragraph 3 – point b

Text proposed by the Commission

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

Amendment

(b) an offer of securities addressed to fewer than **300** natural or legal persons per Member State, other than qualified investors;

Or. en

Amendment 267

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 1 – paragraph 3 – 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) an offer of securities addressed to fewer than **200** natural or legal persons per Member State, other than qualified investors;

Or. en

Justification

Raising this to 200 is not expected to make a huge difference however a small change is acceptable from an investor protection point of view as opposed to the 3-10+ fold increases proposed by other parties.

Amendment 268

Alain Lamassoure, Alain Cadec

Proposal for a regulation

Article 1 – paragraph 3 – 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) an offer of securities addressed to fewer than **100** natural or legal persons per Member State, other than qualified investors;

Or. en

Justification

This amendment aims at preventing the circumvention of the Prospectus regulation. In practice, it is impossible to control the number of persons to whom the offer of securities has been addressed. As a result, this exemption enables an issuer not to publish a prospectus if a total of 4 200 persons in the EU have subscribed to the offer, whereas the initial intent was to limit this exemption to 4 200 persons to whom the securities have been offered. Thus, it is preferable to contain this exemption to a total of 2 800 persons in the EU.

Amendment 269
Beatrix von Storch

Proposal for a regulation
Article 1 – paragraph 3 – point b a (new)

Text proposed by the Commission

Amendment

(ba) an offer of securities whose denomination per unit amounts to at least EUR 100 000;

Or. en

Amendment 270
Andreas Schwab

Proposal for a regulation
Article 1 – paragraph 3 – point b a (new)

Text proposed by the Commission

Amendment

(ba) Offers of securities whose denomination per unit amounts at least EUR 100 000;

Or. de

Amendment 271
Andrea Cozzolino, Alfred Sant

Proposal for a regulation
Article 1 – paragraph 3 – point b a (new)

Text proposed by the Commission

Amendment

(ba) an offer of securities whose denomination per unit amounts to at least EUR 100 000;

Or. en

Amendment 272
Marco Valli, Marco Zanni

Proposal for a regulation
Article 1 – paragraph 3 – 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 273
Philippe De Backer

Proposal for a regulation
Article 1 – paragraph 3 – 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;

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

Or. en

Justification

The intention was to delete 'an offer of securities' but AT4AM accidentally deleted all content (this amendment replaces AM 32 from the draft report).

Amendment 274
Tom Vandenkendelaere

Proposal for a regulation
Article 1 – paragraph 3 – point c a (new)

Text proposed by the Commission

Amendment

(ca) an offer of securities whose denomination per unit amounts to at least

EUR 100 000;

Or. en

Amendment 275

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 1 – paragraph 3 – point c a (new)

Text proposed by the Commission

Amendment

(ca) an offer of securities whose denomination per unit amounts to at least EUR 100 000;

Or. en

Justification

This was removed from the previous PD by COMM in order to stimulate direct retail investment in securities (a minimum lot size of 100 000 is beyond most retail investors reach). There is no real benefit in stimulating DIRECT retail investment. Retail capital can still flow through institutional investors or UCITs where it is better protected.

Amendment 276

Neena Gill

Proposal for a regulation

Article 1 – paragraph 3 – 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;

deleted

Or. en

Amendment 277
Marco Valli, Marco Zanni

Proposal for a regulation
Article 1 – paragraph 3 – 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;

deleted

Or. en

Amendment 278
Kay Swinburne

Proposal for a regulation
Article 1 – paragraph 3 – 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 **10 000 000**, which shall be calculated over a period of 12 months;

Or. en

Justification

Instead of a pan EU threshold of 500,000 and an optional Member State regime of 10 million, one pan EU threshold should be introduced so as to create a level playing field.

Amendment 279
Brian Hayes, Marian Harkin

Proposal for a regulation
Article 1 – paragraph 3 – point d

Text proposed by the Commission

Amendment

(d) an offer of securities with a total consideration in the Union of less than

(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;

EUR **10 000 000**, which shall be calculated over a period of 12 months;

Or. en

Amendment 280

Tom Vandenkendelaere

Proposal for a regulation

Article 1 – paragraph 3 – point d

Text proposed by the Commission

(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;

Amendment

(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 281

Miguel Viegas, Paloma López Bermejo, Fabio De Masi, Miguel Urbán Crespo

Proposal for a regulation

Article 1 – paragraph 3 – point d

Text proposed by the Commission

(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;

Amendment

(d) an offer of securities with a total consideration in the Union of less than EUR **100 000**, which shall be calculated over a period of 12 months;

Or. en

Amendment 282

Kay Swinburne

Proposal for a regulation

Article 1 – paragraph 3 – point d a (new)

Text proposed by the Commission

Amendment

(da) an offer of securities addressed solely to sophisticated investors;

Or. en

Justification

This would allow for the private equity market to also benefit from the regime

Amendment 283

Marco Valli, Marco Zanni

Proposal for a regulation

Article 1 – paragraph 3 – point f

Text proposed by the Commission

Amendment

(f) securities offered in connection with a takeover by means of an exchange offer, provided that a document is available containing information describing the transaction and its impact on the issuer;

deleted

Or. en

Amendment 284

Marco Valli, Marco Zanni

Proposal for a regulation

Article 1 – paragraph 3 – point g

Text proposed by the Commission

Amendment

(g) securities offered, allotted or to be allotted in connection with a merger or division, provided that a document is available containing information describing the transaction and its impact on the issuer;

deleted

Or. en

Amendment 285

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 1 – paragraph 3 – point h

Text proposed by the Commission

Amendment

(h) dividends paid out to existing shareholders in the form of shares of the same class as the shares in respect of which such dividends are paid, provided that a document is made available containing information on the number and nature of the shares and the reasons for and details of the offer;

deleted

Or. en

Justification

It seems that the main reason for paying dividends in the form of shares is lower the taxes paid by holders of shares. The exemption from the obligation to draw up a prospectus makes this tax avoidance easier and should be removed.

Amendment 286

Marco Valli, Marco Zanni

Proposal for a regulation

Article 1 – paragraph 3 – point i

Text proposed by the Commission

Amendment

(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.

(i) securities offered, allotted or to be allotted to existing or former directors 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 287

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 1 – paragraph 3 – 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 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.

Or. en

Justification

Where a company invites employees (as opposed to directors) to purchase shares (as opposed to granting them as a bonus on top of fixed pay) a prospectus should be required. This is necessary to protect employees from being dragged into a 'bail-out' without being properly informed of the company's condition.

Amendment 288

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 1 – paragraph 3 – point i a (new)

Text proposed by the Commission

Amendment

(ia) securities offered, allotted or to be allotted in lieu of cash as part of extraordinary compensation to existing or former 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.

Or. en

Justification

Where a company invites employees (as opposed to directors) to purchase shares (as opposed to granting them as a bonus on top of fixed pay) a prospectus should be required. This is necessary to protect employees from being dragged into a 'bail-out' without being properly informed of the company's condition.

Amendment 289

Marco Valli, Marco Zanni

Proposal for a regulation

Article 1 – paragraph 4 – point a

Text proposed by the Commission

Amendment

(a) securities fungible with securities already admitted to trading on the same regulated market, provided that they represent, over a period of 12 months, less than 20 per cent of the number of securities already admitted to trading on the same regulated market;

deleted

Or. en

Amendment 290

Brian Hayes, Marian Harkin

Proposal for a regulation

Article 1 – paragraph 4 – point b

Text proposed by the Commission

Amendment

(b) shares resulting from the conversion or exchange of other securities or from the exercise of the rights conferred by other securities, where the resulting shares are of the same class as the shares already admitted to trading on the same regulated market, *provided that the resulting shares*

(b) shares resulting from the conversion or exchange of other securities or from the exercise of the rights conferred by other securities, where the resulting shares are of the same class as the shares already admitted to trading on the same regulated market;

represent, over a period of 12 months, less than 20 per cent of the number of shares of the same class already admitted to trading on the same regulated market. Where a prospectus was drawn up in accordance with either this Regulation or Directive 2003/71/EC upon the offer to the public or admission to trading of the securities giving access to the shares, or where the securities giving access to the shares were issued before the entry into force of this Regulation, this Regulation shall not apply to the admission to trading on a regulated market of the resulting shares irrespective of their proportion in relation to the number of shares of the same class already admitted to trading on the same regulated market.

Or. en

Amendment 291

Marco Valli, Marco Zanni

Proposal for a regulation

Article 1 – paragraph 4 – point d

Text proposed by the Commission

Amendment

(d) securities offered in connection with a takeover by means of an exchange offer, provided that a document is available containing information describing the transaction and its impact on the issuer;

deleted

Or. en

Amendment 292

Marco Valli, Marco Zanni

Proposal for a regulation

Article 1 – paragraph 4 – point e

Text proposed by the Commission

Amendment

(e) securities offered, allotted or to be allotted in connection with a merger or a division, provided that a document is available containing information describing the transaction and its impact on the issuer;

deleted

Or. en

Amendment 293

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 1 – paragraph 4 – point f

Text proposed by the Commission

Amendment

(f) shares offered, allotted or to be allotted free of charge to existing shareholders, *and dividends paid out in the form of shares of the same class as the shares in respect of which such dividends are paid*, provided that the said shares are of the same class as the shares 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 shares and the reasons for and details of the offer or allotment;

(f) shares offered, allotted or to be allotted free of charge to existing shareholders, provided that the said shares are of the same class as the shares 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 shares and the reasons for and details of the offer or allotment;

Or. en

Amendment 294

Marco Valli, Marco Zanni

Proposal for a regulation

Article 1 – paragraph 4 – point g

Text proposed by the Commission

Amendment

(g) securities offered, allotted or to be

(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;

allotted to existing or former directors, 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 295

Ernest Urtasun

on behalf of the Verts/ALE Group

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 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;

Or. en

Justification

See justification for AM to para 3 point i of same article.

Amendment 296

Kay Swinburne

Proposal for a regulation
Article 1 – paragraph 4 – point h – point i

Text proposed by the Commission

Amendment

(i) that these securities, or securities of the same class, have been admitted to trading on that other regulated market for more than 18 months; *deleted*

Or. en

Justification

This will provide a more proportionate regime that will be able to operate on a pan EU basis.

Amendment 297
Kay Swinburne

Proposal for a regulation
Article 1 – paragraph 5

Text proposed by the Commission

Amendment

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: *deleted*

(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;

Or. en

Amendment 298
Neena Gill

Proposal for a regulation
Article 1 – paragraph 5 – point b

Text proposed by the Commission

Amendment

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

deleted

Or. en

Amendment 299

Marco Valli, Marco Zanni

Proposal for a regulation

Article 1 – paragraph 6

Text proposed by the Commission

Amendment

6. The Commission shall be empowered to adopt delegated acts in accordance with Article 42 setting out the minimum information content of the documents referred to in points (f) and (g) of paragraph 3 and points (d) and (e) of paragraph 4 of this Article.

deleted

Or. en

Amendment 300

Marco Valli, Marco Zanni

Proposal for a regulation

Article 2 – paragraph 1 – point a

Text proposed by the Commission

Amendment

(a) ‘securities’ means transferable securities as defined by Article 4(1)(44) of Directive 2014/65/EU **with the exception of** money market instruments as defined by Article 4(1)(17) of Directive 2014/65/EU, **having a maturity of less than 12 months;**

(a) ‘securities’ means transferable securities as defined by Article 4(1)(44) of Directive 2014/65/EU **including** money market instruments as defined by Article 4(1)(17) of Directive 2014/65/EU, **structured finance products, derivatives;**

Or. en

Amendment 301

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 2 – paragraph 1 – point d

Text proposed by the Commission

(d) ‘offer of securities to the public’ means a communication to persons in any form and by any means, presenting *sufficient* information on the terms of the offer and the securities to be offered, *so as to enable* an investor to decide to purchase or subscribe to these securities. This definition also applies to the placing of securities through financial intermediaries;

Amendment

(d) ‘offer of securities to the public’ means a communication to persons in any form and by any means, presenting information on the terms of the offer and the securities to be offered, *presented as a basis for* an investor to decide to purchase or subscribe to these securities. This definition also applies to the placing of securities through financial intermediaries;

Or. en

Justification

The information may not actually be sufficient – it still represents an offer and should be subject to the provisions in this Regulation relating to such offers.

Amendment 302

Philippe De Backer

Proposal for a regulation

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

Text proposed by the Commission

Amendment

(ea) ‘retail investor’ means an investor that is not a qualified investor.

Or. en

Justification

Necessary for legal clarity

Amendment 303
Kay Swinburne

Proposal for a regulation
Article 2 – paragraph 1 – point e a (new)

Text proposed by the Commission

Amendment

(ea) 'sophisticated investor' means a person or entity within the meaning of Article 6(1) of Regulation (EU) No 345/2013;

Or. en

Justification

The EuVECA introduces a new class of investors that can be marketed to, distinct from the MiFID criteria of professional investor. This would mean they retain their rights as retail investors but increase the type of product they are able to invest in under limited circumstances. The criteria for this new category are : (a) commit to investing a minimum of EUR 100 000; and (b) state in writing, in a separate document from the contract to be concluded for the commitment to invest, that they are aware of the risks associated with the envisaged commitment or investment.

Amendment 304
Beatrix von Storch

Proposal for a regulation
Article 2 – paragraph 1 – point f – indent 1

Text proposed by the Commission

Amendment

- companies, which, according to their last annual or consolidated accounts, meet at least two of the following three criteria: an average number of employees during the financial year of less than 250, a total balance sheet not exceeding EUR **43 000 000** and an annual net turnover not exceeding EUR **50 000 000**; or

- companies, which, according to their last annual or consolidated accounts, meet at least two of the following three criteria: an average number of employees during the financial year of less than 250, a total balance sheet not exceeding EUR **100 000 000** and an annual net turnover not exceeding EUR **1 000 000 000**; or

Or. en

Text proposed by the Commission

Amendment

- published by or on behalf of the issuer, the offeror, the person asking for admission to trading on a regulated market or the guarantor;

Or. en

Amendment 308

Neena Gill

Proposal for a regulation

Article 2 – paragraph 1 – point k – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

Investment research, as defined in Article 2(1)(va), published or distributed by an investment firm and not on behalf of the issuer, the offeror, the person asking for admission to trading on a regulated market or the guarantor, is not an advertisement falling within this Article.

Or. en

Amendment 309

Philippe De Backer

Proposal for a regulation

Article 2 – paragraph 1 – point l

Text proposed by the Commission

Amendment

(l) ‘regulated information’ means all information ***as defined in*** Article 2(1)(k) of Directive 2004/109/EC;

(l) ‘regulated information’ means all information ***which the issuer, or any other person who has applied for admission to trading of securities to trading on a regulated market without the issuer's consent, is required to disclose under Directive 2004/109/EC or under the laws, regulations or administrative provisions of a Member State adopted under*** Article

3(1) of *that* Directive *and under Articles 17 and 19 of Regulation (EU) No 596/2014*;

Or. en

Justification

Technical amendment incorporating the definition of "regulated information" from the Transparency Directive, but adapting the cross references to the new Market Abuse Regulation to improve legal clarity and certainty.

Amendment 310
Jonás Fernández

Proposal for a regulation
Article 2 – paragraph 1 – point m – introductory part

Text proposed by the Commission

Amendment

(m) ‘*home* Member State’ means:

(m) ‘Member State *where the issuer is domiciled, that is to say, where it has its registered office*’ means:

(This amendment applies throughout the text)

Or. xm

Amendment 311
Neena Gill

Proposal for a regulation
Article 2 – paragraph 1 – point m – point i

Text proposed by the Commission

Amendment

(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;

(i) for all issuers of securities *incorporated* in the Union, the Member State where the issuer has its registered office;

Or. en

Amendment 312

Ernest Urtasun

on behalf of the Verts/ALE Group

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. en

Amendment 313

Pervenche Berès

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. en

Amendment 314

Neena Gill

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

Amendment

deleted

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

Or. en

Amendment 315

Pervenche Berès

Proposal for a regulation

Article 2 – paragraph 1 – point m – point ii

Text proposed by the Commission

Amendment

(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

deleted

apply to non-equity securities in a currency other than euro, provided that the value of such minimum denomination is nearly equivalent to EUR 1 000;

Or. en

Amendment 316

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 2 – paragraph 1 – point m – point ii

Text proposed by the Commission

Amendment

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

deleted

Or. en

Justification

Making home/host designation the choice to issuer/offeror/person seeking admission is an invitation for regulatory arbitrage.

Amendment 317

Alain Lamassoure, Alain Cadec

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

Amendment

(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. The same shall apply to non-equity securities in a currency other than euro, provided that the value of such minimum denomination is nearly equivalent to EUR 1 000;

Or. en

Justification

This amendment aims at deleting an exemption which enables issuers to choose their Home Member State. The home Member State plays a decisive role in the supervision of the prospectus. The possibility to choose the competent authority which will control the prospectus foster a race to the bottom regarding the quality of supervision, which is detrimental to the effective retail investor protection.

Amendment 318

Kay Swinburne

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 319

Neena Gill

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 320

Ernest Urtasun

on behalf of the Verts/ALE Group

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 321

Pervenche Berès

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 322
Jonás Fernández

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) ‘Member State *of issue*’ means the Member State where an offer to the public is made or admission to trading is sought, when different from the Member State ***where the issuer is domiciled***;

(This amendment applies throughout the text)

Or. xm

Amendment 323
Kay Swinburne

Proposal for a regulation
Article 2 – paragraph 1 – point o – introductory part

Text proposed by the Commission

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

Amendment

(o) ‘collective investment undertaking’ 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***;

Or. en

Amendment 324
Philippe De Backer

Proposal for a regulation
Article 2 – paragraph 1 – point o – introductory part

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’ means unit trusts and investment companies with both of the following characteristics:

Or. en

Justification

Technical correction - this AM replaces AM 28 from the draft report.

Amendment 325

Neena Gill

Proposal for a regulation

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

Text proposed by the Commission

Amendment

(va) ‘investment research’ in this context shall be understood as covering research material or services concerning one or several financial instruments or other assets, or the issuers or potential issuers of financial instruments, or be closely related to a specific industry or market such that it informs views on financial instruments, assets or issuers within that sector. That type of material or services explicitly or implicitly recommends or suggests an investment strategy and provides a substantiated opinion as to the present or future value or price of such instruments or assets, or otherwise contains analysis and original insights and reach conclusions based on new or existing information that could be used to inform an investment strategy and be relevant and capable of adding value to the investment firm's decisions on behalf of clients being charged for that research.

Or. en

Amendment 326
Jonás Fernández

Proposal for a regulation
Article 2 – paragraph 1 – point v a (new)

Text proposed by the Commission

Amendment

(va) 'seal of quality': that given by ESMA or the competent authority to a particular issue where the issuer publishes a prospectus without being obliged to do so;

Or. es

Amendment 327
Jonás Fernández

Proposal for a regulation
Article 2 – paragraph 1 – point v b (new)

Text proposed by the Commission

Amendment

(vb) 'European prospectus identification number': code drawn up by ESMA to identify prospectuses and assigned by the competent authorities;

Or. es

Amendment 328
Ernest Urtasun
on behalf of the Verts/ALE Group

Proposal for a regulation
Article 2 – paragraph 2

Text proposed by the Commission

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

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.

42 to specify some technical elements of the definitions laid down in paragraph 1 of this Article, **with the exception of** 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.

Or. en

Justification

Changing the definition of SMEs (and hence who can benefit from the lighter SME regime) is not a technical element to be dealt with in Level 2. Any change should be presented as a revision of the Level 1 text.

Amendment 329 **Jonás Fernández**

Proposal for a regulation **Article 3 – title**

Text proposed by the Commission

Obligation to publish a prospectus **and exemption**

Amendment

Obligation to publish a prospectus

Or. es

Amendment 330 **Neena Gill**

Proposal for a regulation **Article 3 – paragraph 1**

Text proposed by the Commission

1. Securities shall not be offered to the

Amendment

1. Securities shall not be offered to the

public in the Union without prior publication of a prospectus.

public in the Union without prior publication of a prospectus *or an SME prospectus*.

Or. en

Amendment 331
Brian Hayes, Marian Harkin

Proposal for a regulation
Article 3 – paragraph 2

Text proposed by the Commission

Amendment

2. A Member State may exempt offers of securities to the public from the prospectus requirement of paragraph 1 provided that:

deleted

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

(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.

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.

Or. en

Amendment 332
Jonás Fernández

Proposal for a regulation
Article 3 – paragraph 2

Text proposed by the Commission

Amendment

2. A Member State may exempt offers of securities to the public from the prospectus requirement of paragraph 1

deleted

provided that:

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

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.

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.

Or. es

Amendment 333

Ernest Urtasun

on behalf of the Verts/ALE Group

Proposal for a regulation

Article 3 – paragraph 2

Text proposed by the Commission

Amendment

2. A Member State may exempt offers of securities to the public from the prospectus requirement of paragraph 1 provided that: **deleted**

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

(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.

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.

Or. en

Justification

The national discretion that this para represents is the feature that most contravenes the 'Union' aspect of the CMU and should be removed. Greens propose a regime with no prospectus below 500K, a lighter prospectus for SMEs (up to 10 million of issuance) and secondary issues, and the full regime everywhere for all other cases.

Amendment 334
Kay Swinburne

Proposal for a regulation
Article 3 – paragraph 2 – subparagraph 1 – introductory part

Text proposed by the Commission

Amendment

2. A Member State *may* exempt offers of securities to the public from the prospectus requirement of paragraph 1 provided that:

2. A Member State *shall* exempt offers of securities to the public from the prospectus requirement of paragraph 1 provided that:

Or. en

Justification

Introducing this exemption as a uniform requirement across the EU will allow more legal certainty for SMEs and prevent differences across the single market for SMEs.

Amendment 335
Neena Gill

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 336
Kay Swinburne

Amendment 339

Miguel Viegas, Paloma López Bermejo, Fabio De Masi, Miguel Urbán Crespo

Proposal for a regulation

Article 3 – paragraph 2 – subparagraph 1 – point b

Text proposed by the Commission

(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**.

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 **5 000 000**.

Or. en

Amendment 340

Pervenche Berès

Proposal for a regulation

Article 3 – paragraph 2 – subparagraph 1 – point b

Text proposed by the Commission

(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**.

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 **5 000 000**.

Or. en

Amendment 341

Marco Valli, Marco Zanni

Proposal for a regulation

Article 3 – paragraph 2 – subparagraph 1 – point b

Text proposed by the Commission

(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**.

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 **5 000 000**.

Amendment 342

Kay Swinburne

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.

deleted

Or. en

Amendment 343

Neena Gill

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.

deleted

Or. en

Amendment 344

Miguel Viegas, Paloma López Bermejo, Fabio De Masi, Miguel Urbán Crespo

Proposal for a regulation

Article 3 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The referred thresholds shall be assessed after one year of the implementation of this Regulation and they shall be modified if the assessment so indicates.

Or. en

Amendment 345

Neena Gill

Proposal for a regulation

Article 3 – paragraph 3

Text proposed by the Commission

Amendment

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

3. Securities shall not be admitted to trading on a regulated market situated or operating within the Union without prior publication of a prospectus. ***For securities admitted to trading by an SME on an MTF, including an SME growth market, the simplified procedure laid down in Article 15 is applicable. Member States shall refrain from imposing 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.***

Or. en

Amendment 346

Kay Swinburne

Proposal for a regulation

Article 3 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. In order to take account of exchange

rate movements, including inflation and exchange rates for currencies other than the euro, the Commission may adopt, by means of delegated acts in accordance with Article 42, measures concerning the threshold laid down in point (b) of paragraph 2 of this Article.

Or. en

Justification

In order to take account of other currencies within the EU outside of the Euro

Amendment 347
Jonás Fernández

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 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. ***The voluntary drawing up of a prospectus may result in eligibility for a national quality label issued by the competent authority, or a European quality label issued by the ESMA.***

Or. es