

Submission Date

13/09/2012

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Additional Information

Level 1 Regulation

Short Selling Regulation (SSR) Regulation (EU) No 236/2012

Topic

Scope

Subject Matter

Shares of companies in scope

Question

Do shares of all companies traded on markets in the Union fall under the net short position notification and disclosure requirements under Articles 5 and 6, and the restriction on uncovered short sales of Article 12 of the regulation?

13-09-2012

Original language

[ESMA70-145-408 SSR Q&A, Q&A 4.4]

When determining whether the shares of an issuer fall under the regime, two cumulative conditions have to be taken into account:

- the shares are admitted to trading/traded on a trading venue (i.e. regulated market or MTF) in the Union;
- the principal trading venue for the share is in the Union (and not in a third country in case of multiple trading).

For instance, shares of a company domiciled in the USA which are admitted to trading on a trading venue in Germany but whose principal trading venue is located in the USA are exempt from the notification/disclosure requirements (Articles 5 and 6 of the Regulation), the restrictions on uncovered short sales (Article 12) and from the buy-in procedures (Article 15 of the Regulation).