

**Submission Date**

13/09/2012

## **ESMA\_QA\_1942**

Status: Answer Published

### **Additional Information**

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#### **Level 1 Regulation**

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

#### **Topic**

Uncovered short sales

### **Subject Matter**

Shares - Restriction on uncovered short sales in shares and instruments giving claims to as yet unissued shares (subscription rights, convertible bonds)

### **Question**

To what extent are instruments which give claims to as yet unissued shares (subscription rights, convertible bonds) affected by the restriction?

## ESMA Answer

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13-09-2012

Original language

[ESMA70-145-408 SSR Q&A, Q&A 10.5]

According to Article 12(1) of the Regulation, the provisions of the restriction on uncovered short sales of shares relate only to shares admitted to trading on a trading venue. That means that transactions in instruments such as subscription rights and convertible bonds e.g. performed as part of a capital increase do not fall within the scope of Article 12(1) of the Regulation.