|  |
| --- |
| 15 December 2017 |

|  |
| --- |
| Response form for the Consultation Paper on draft RTS under the new Prospectus Regulation |
|  |

|  |
| --- |
| Date: 15 December 2017 |

Responding to this paper

ESMA invites responses to the questions set out throughout its Consultation Paper on draft RTS under the new Prospectus Regulation (ESMA31-62-802). Responses are most helpful if they:

* respond to the question stated;
* contain a clear rationale; and
* describe any alternatives ESMA should consider.

ESMA will consider all responses received by 9 March 2018.

Instructions

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

* Insert your responses to the questions in the Consultation Paper in the present response form.
* Please do not remove tags of the type <ESMA\_QUESTION\_PR\_1>. Your response to each question has to be framed by the two tags corresponding to the question.
* If you do not wish to respond to a given question, please do not delete it but simply leave the text “TYPE YOUR TEXT HERE” between the tags.
* When you have drafted your response, name your response form according to the following convention: ESMA\_PR\_nameofrespondent\_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA\_PR\_ABCD\_RESPONSEFORM.
* Upload the form containing your responses, in Word format, to ESMA’s website ([www.esma.europa.eu](http://www.esma.europa.eu) under the heading “Your input – Open consultations” 🡪 “Consultation on draft RTS under the new Prospectus Regulation”).

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly indicate by ticking the appropriate checkbox on the website submission page if you do not wish your contribution to be publicly disclosed. A confidential response may be requested from us in accordance with ESMA’s rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA’s Board of Appeal and the European Ombudsman.

Data protection

Information on data protection can be found at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading “Data protection”.

Who should read the Consultation Paper

The Consultation Paper may be of particular interest to investors, issuers, offerors or persons asking for admission to trading on a regulated market as well as to any market participant who is affected by the new Prospectus Regulation (Regulation (EU) 2017/1129).

# General information about respondent

|  |  |
| --- | --- |
| Name of the company / organisation | **German Banking Industry Committee** |
| Activity | Banking sector |
| Are you representing an association? |  |
| Country/Region | Germany |

# Introduction

Please make your introductory comments below, if any:

<ESMA\_COMMENT\_ PR\_1>

The **German Banking Industry Committee** is the joint committee operated by the central associations of the German banking industry. These associations are the Bundesverband der Deutschen Volksbanken und Raiffeisenbanken (BVR), for the cooperative banks, the Bundesverband deutscher Banken (BdB), for the private commercial banks, the Bundesverband Öffentlicher Banken Deutschlands (VÖB), for the public-sector banks, the Deutscher Sparkassen- und Giroverband (DSGV), for the savings banks finance group, and the Verband deutscher Pfandbriefbanken (vdp), for the Pfandbrief banks. Collectively, they represent more than 1,700 banks.

<ESMA\_COMMENT\_ PR\_1>

# Key financial information in the summary

1. : Do you agree that the KFI extracted from the issuer’s historical financial information should be sign-posted?

<ESMA\_QUESTION\_PR\_1>

As a general remark we are of the opinion that the still existing disclosure system is working well in practice. With regard to the financial information to be included in the summary, we think ESMA's proposal to make certain financial information mandatory is too rigid. In principle, an issuer should be allowed to choose its own key financial figures, depending on the business model. For example, it does not make sense to specify the amount of deposits if the bank does not operate a (significant) deposit business.

If ESMA should maintain the proposed approach, we are of the view a limitation to three additional line items or APMs is also too strict and should be avoided. Such a limitation unnecessarily restricts issuers and could deprive investors of important information. In the interests of investors, issuers should therefore be able to provide information on their own particular circumstances by means of more than 3 additional "line items" or "APMs". The natural limit for information in the summary should only be the maximum number of pages in the summary.

An obligatory "sign-post" of all financial information used in the summary is, in our opinion, not effective and does not provide any additional value to the investor. It is essential that the summary contains the key financial information from the prospectus. It should be up to the issuer to provide individual financial statements, if deemed appropriate and adding value to the investor.

In cases where the issuer is using audited financial information as well as APMs, it seems reasonable to use such a sign-posting, so that investors can differentiate the given information. In those cases where the issuer is only referring to audited financial information, any additional flagging seems burdensome. Hence, it appears sufficient to just flag APMs that are not contained in the audited financial information rather than the other way around.

<ESMA\_QUESTION\_PR\_1>

1. : Would you suggest the inclusion of specific templates for other types of issuer? Please specify and explain your reasoning.

<ESMA\_QUESTION\_PR\_2>

From our point of view no further templates for other types of issuers are necessary.

<ESMA\_QUESTION\_PR\_2>

1. : Do you agree that cash flow from operations is the most useful measure of cash flow for non-financial entities issuing equity and that cash flow from financing activities and cash flow from investing activities are not so relevant for investors in equity securities?

<ESMA\_QUESTION\_PR\_3>

We agree that cash flow from operations typically is a useful measure. Nevertheless, the usefulness of this measure is dependent on the corporate purpose. If a non-financial entity does not have substantial cash flows from operations, the disclosure of the cash flow of operation item in the summary seems not very helpful for investors (in extreme cases this number could be zero). Therefore, it seems necessary that in those cases the non-financial entity not only discloses the cash flow from operations but additionally the cash flow item that bears the most useful measure for investors (cash flow from financing activities or cash flow from investing activities) depending on the nature of the entity in question. This would give investors a better overview of the financial situation on the entity and the issuer more flexibility in the presentation of its financials.

<ESMA\_QUESTION\_PR\_3>

1. : Given the page limit for the summary please provide your views on which items of historical financial information would be most useful for retail investors.

<ESMA\_QUESTION\_PR\_4>

In comparison to the Consultation Paper the questions 4 and 12 were swapped in the reply form. At this point we are answering to the following question: “*Given the page limit for the summary please provide your views on which items of historical financial information would be most useful for retail investors.*”

ESMA should not provide any specific guidance on the inclusion of specific balance sheet and profit and loss items in the summary. In terms of liability, it is the responsibility of each issuer to decide which figures it considers to be essential for the summary due to its business (example: the deposit-taking business is not conducted by every bank and therefore cannot be implemented as a mandatory disclosure). In addition, some of the financial information is not yet published by all institutions and a retrospective inclusion in the prospectus cannot be required.

Moreover, it is presumed that a retail investor is likely not to base his investment decision primarily on the historical financial information due to their complexity. Rather we expect a retail investor to focus on the narrative of the prospectus and its summary.

As a general comment on all proposed tables, for better comprehensibility and customary presentation, we would recommend to sort the columns chronologically, i.e. Interim/Year/Comparative Interim/Year -1. This sequence shows the most recent figures (interim) first. And an interim column would not appear warranted where the newest figures are the annual financials, as in this case the prospectus will only contain two, respectively three, years of annual financials.

<ESMA\_QUESTION\_PR\_4>

1. : Do you agree with the proposal to allow the use of footnotes to describe APMs or could this result in lengthy footnotes and complicated explanations?

<ESMA\_QUESTION\_PR\_5>

Allowing voluntary footnotes would give issuers the possibility to explain the APMs incorporated into the summary. That could in certain cases strengthen the understandability and investors could comprehend where this information has been taken from. Regarding the length of some footnotes for APMs, this problem could be solved in two ways: First, footnotes should not be included in the maximum page limit of the summary. Second, the new RTS could allow a general reference to the explanation of the APM in the main body of the prospectus. This appears more appropriate given the purpose of the summary and the page limit. Also, this would avoid a duplication of the – usually quite technical- explanations of APMs.

<ESMA\_QUESTION\_PR\_5>

1. : Do you agree that issuers should be given flexibility to present pro forma financial information as additional columns to the relevant tables or as a separate table? If not, should a format be mandated, bearing in mind the page limit for the summary as well as the requirement for the summary to be comprehensible?

<ESMA\_QUESTION\_PR\_6>

We agree that issuers should have some flexibility, if they want to present pro forma financial information. It will support the readability of the summary, if the issuer can choose to present the pro forma financial information in a separate table or in additional columns in the relevant table.

<ESMA\_QUESTION\_PR\_6>

1. : Do you agree that complex financial information in the summary should be presented according to its presentation in the prospectus? If not, please specify and provide alternative ways of presentation.

<ESMA\_QUESTION\_PR\_7>

In principle, it should be left to the issuers to decide whether or not an indication is relevant for the summary. A certain flexibility should be maintained. We agree that complex financial information should be presented in the summary according to the order in the prospectus. A comprehensive presentation of the financial information could be a hindrance to readability and transparency.

Where reference is made to an “audit report” we would like to point out that we understand that reference should be made to an “auditor’s report” instead. Under ISA, the auditor’s report is the key deliverable communicating the results of the audit process to be made available to investors and other financial statement users (see https://www.iaasb.org/new-auditors-report, and particularly ISA 700.20, see http://www.ifac.org/system/files/downloads/a036-2010-iaasb-handbook-isa-700.pdf). Conversely the “audit report” is a quite lengthy document setting out the audit process and the reasoning for the results of the audit and constitutes an internal document between the auditor and the audited company.

<ESMA\_QUESTION\_PR\_7>

1. : Which financial measures are most useful for retail investors to determine the health of a credit institution? Do you consider that the CET1 is comprehensible for retail investors? Please specify.

<ESMA\_QUESTION\_PR\_8>

To assess the health of a credit institution, uniformly defined parameters should be considered. Figures should be based on regulatory law and the use of relative key figures makes sense. The figure mentioned in the table 3b fits.

CET 1 is a useful, because uniformly defined figure but it is not in relation to the institute size and risk. Therefore, the use of CET-1 or other figures should be voluntary. Depending on the size of the issuer, these may be a useful supplement for certain issuers (principle of proportionality). Against this background the additional information should also not be limited to a specific number. The following additional financial measures could prove useful for investors:

- Common Equity Tier capital in €bn

- Tangible shareholders’ equity in €bn

- Reported liquidity reserves in €bn.

The items necessary for an investor to make an informed assessment do not differ depending on the kind of investor. While comprehending financial measures may generally prove a challenge for some retail investors, this has never been, nor should it be, a reason not to provide this type of information to those that can make good use of it.

<ESMA\_QUESTION\_PR\_8>

1. : Do you agree that it should be mandatory for credit institutions to disclose SREP information in relation to Common Tier One Equity, the minimum prudential capital requirements, the Total Capital Ratio and the Leverage Ratio in the summary?

<ESMA\_QUESTION\_PR\_9>

In our opinion, the inclusion of regulatory ratios (SREP quotas) in the summary proposed by ESMA does not result from the requirements of Article 7 (EU) 2017/1129 on historical financial information. Therefore, such requirements should be deleted without substitution. The disclosure obligation should not exceed the requirements in the audited financial statements.

<ESMA\_QUESTION\_PR\_9>

1. : Do you agree with the choice of measures for insurance companies?

<ESMA\_QUESTION\_PR\_10>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_PR\_10>

1. : Do you think it would be useful for retail investors to include a measure of historical performance for closed end funds in the summary?

<ESMA\_QUESTION\_PR\_11>

TYPE YOUR TEXT HERE

<ESMA\_QUESTION\_PR\_11>

1. : Do you think that investment companies which are subject to capital requirements should be required to include regulated capital ratios in their summary?

<ESMA\_QUESTION\_PR\_12>

In comparison to the Consultation Paper the questions 4 and 12 were swapped in the reply form. At this point we are answering to the following question: “*Do you think that investment companies which are subject to capital requirements should be required to include regulated capital ratios in their summary?*”

We do not consider a mandatory admission to be necessary. If the issuer deems this to be reasonable, however, it should be possible to include them, even against this background there must be no restriction of the additional line items and APMs in order to achieve the best possible weighting between transparency and page delimitation. The disclosure obligation should not exceed the requirements in the audited financial statements.

<ESMA\_QUESTION\_PR\_12>

1. : Would the issuer, offeror or person asking for admission to trading incur costs if the proposed provisions are adopted? If so, please specify the nature of such costs, including quantifying them.

<ESMA\_QUESTION\_PR\_13>

As long as no financial measures are required that do not already exist, the additional costs are negligible. Having said that, the explanation of specific regulatory line items might require additional efforts in terms of drafting an explanation. However, if they are generally material for the assessment of such an issuer they will have to be included (and, hence, explained) anyway. Additional drafting costs are difficult to estimate, though, as they largely depend on a case-by-case analysis.

<ESMA\_QUESTION\_PR\_13>

# Data and machine readability

1. : Do you believe that the data related to the amount raised should be made mandatory? Please explain your reasons.

<ESMA\_QUESTION\_PR\_14>

No, we think this point should not be mandatory. It may make sense to submit the amount raised on a mandatory basis in respect of the issuance of equity securities, but this does not apply in those cases where notes, certificates or warrants are being issued on a Final Terms basis. Usually Final Terms will include an up-to-amount, which would be submitted then by the NCA. This up-to-amount implies only the maximum number of securities an issuer may sell to the investors. In most cases this maximum amount will not be fully used and is therefore not a viable source of information for the investor.

<ESMA\_QUESTION\_PR\_14>

1. : Do you agree with the data items that have been identified as necessary for the purpose of classification as well as to allow for the compilation of the annual report under Article 47 of the Prospectus Regulation? Would you like to propose any additional items or suggest items that should in your view be deleted? Please explain your reasons.

<ESMA\_QUESTION\_PR\_15>

According to Annex VII the overall number of fields is 33. Considering the number of prospectuses and final terms that are filed with the NCAs this data collection seems quite extensive. If you consider the number of certificates, warrants and notes that will be filed with the NCAs using Final Terms (this number can be over 500.000 per issuer per year) it will place a heavy burden on issuers; especially if the issuer (and not the NCA) has to provide all information separately for each security.

In our opinion, it contains errors, duplications and more information than necessary for ESMAs evaluations. The following points of criticism should be taken into account:

it is urgently necessary to check which data are absolutely necessary, also with regard to the requirements of Article 47 (EU) 2017/1129. Data which can already be generated from the combination of existing fields should not be broken down again (e. g. No. 32 Disclosure regime, is not required in this form)

Redundant databases and duplicate deliveries should be avoided, in this respect data which can be determined via the LEI or ISIN should be accessed directly from ESMA at the source (interface required - e. g. in Germany to WM Datenservice - to which the issuers report the relevant data); this means, that ESMA can receive the necessary emission-specific data, errors and redundancies are avoided and the effort for both NCA and issuers is reduced.

No product restrictions may be imposed by the data delivery (e. g. number of underlyings, i. e. several (multi-field) must be possible, open end must be reproducible, increases with interim ISINs must be related to the original ISIN, possibly by creating an additional field, up to date emissions must be reproducible).

<ESMA\_QUESTION\_PR\_15>

1. : Do you agree with the ESMA proposal to maintain the current system in place whereby NCAs submit data to ESMA in XML format as the practical arrangement to ensure that such data is machine readable? Do you agree that, by keeping the data submission system unchanged, adaptation costs are minimised for the market at large?

<ESMA\_QUESTION\_PR\_16>

We agree to maintain the current setup. It is a functioning workflow and adaptation costs will be minimised for all market participants.

<ESMA\_QUESTION\_PR\_16>

1. : Do you agree that the proposed amendment to the technical advice on prospectus approval could contribute to provide clarity on the way data referred to in Annex VII are collected by NCAs?

<ESMA\_QUESTION\_PR\_17>

We see the current version as a danger of redundancies in the data supplied. Furthermore, we do not know how to deal with subsequent registrations, corrections etc.

<ESMA\_QUESTION\_PR\_17>

1. : Do you have suggestions in relation to how the efficiency, accuracy and timeliness of the data compilation and submission process can be further improved? In your experience, is there any specific reporting format or standard that you would deem most appropriate in this context?

<ESMA\_QUESTION\_PR\_18>

We do not understand ESMA's position in para. 75 and do not see any increase in efficiency in the proposed process. On the contrary, existing and good practices should be used. The URD and RD should therefore be forwarded directly from NCA to ESMA after they have been approved.

In the event that ESMA adheres to this viewpoint, we are in favour of that for multi-issuances it would be advantageous if issuers could provide a data list for all securities included in the Final Terms instead for each security contained in the Final Terms. This would make it less onerous in those cases to provide a data list for each filed final terms instead. The data list in those cases could be a XML file that will include all necessary data for all issued securities. Since certain interfaces and a data exchange are already existing, double delivery should be avoided. Only the data which are not already delivered elsewhere should be transmitted additionally. This type of data delivery is common for the information given to the clearing systems(s) and therefore would be something issuers are already familiar with.

Separately, referring to paragraph 75 of the Consultation Paper, we believe that Registration Documents (RDs) and Universal Registration Documents (URDs) approved as standalone documents should also be submitted to ESMA after approval and published in the Prospectus Register. This would allow an investor to see all approved prospectus documents relating to an issuer in one place. Coupling the upload of RDs and URDs to the approval of a securities note is also less efficient, as RDs and URDs will typically be used for many securities and therefore would be uploaded many times.

<ESMA\_QUESTION\_PR\_18>

# Advertisements

1. : Do you consider that an advertisement should contain at least a hyperlink to the website where it is published and where available and technically feasible additional information that would facilitate tracing the prospectus? Please provide examples of the additional information that you think would be helpful to include in the advertisement.

<ESMA\_QUESTION\_PR\_19>

We are of the view that ESMAs remarks do not constitute a mandatory standard for embedding hyperlinks in advertisements. Embedding of hyperlinks in advertisements have to be technically possible and feasible. If the issuer choose to embed a hyperlink it seems reasonable that the hyperlink leads to the webpage where the prospectus is or will be available (it is not necessary that the prospectus is directly linked). In those cases where the prospectus has not been published, it should be sufficient to give a hyperlink to the webpage on which the prospectus will be published.

In cases where embedding hyperlinks in advertisements are technically possible for issuers it seems reasonable that advertisements shall contain hyperlinks to the webpage where the prospectus is or will be available (it is not necessary that the prospectus is directly linked). In cases where the prospectus has not been published, it should be sufficient to give a hyperlink to the webpage on which the prospectus will be published.

Furthermore it seems to be reasonable that an advertisement also includes a hyperlink to the webpage where the relevant final terms, in case these have been based on a base prospectus, have been published. In these cases the investor would be able to inform himself about the economic features of the product (by reading the final terms) as well as all other relevant aspects (which are included in the base prospectus).

It would not seem necessary that the advertisement, apart from such a hyperlink, contains additional information to help investors trace the prospectus. Only in cases where the advertisement does not contain a hyperlink to the prospectus, it would be advantageous for an investor to include such additional information.

<ESMA\_QUESTION\_PR\_19>

1. : Do you consider that the definition for complex securities set out in para 140 provides clarity to issuers and would be helpful in deciding when the comprehension alert referred to in Article 8(3)(b) of the PRIIPs Regulation should be included in an advertisement?

<ESMA\_QUESTION\_PR\_20>

We think that this approach would provide clarity under which circumstances a product is considered a complex security.

<ESMA\_QUESTION\_PR\_20>

1. : Do you agree with the requirements suggested for Article 11 of the RTS? If not, please provide your reasoning.

<ESMA\_QUESTION\_PR\_21>

We are fine with the requirements of Article 12 (1), (3) and (4) of the RTS, but we think that the proposed requirements of Article 12 (2) go too far (for details see our answer to question 22). Particularly when one considers that this is a mere repetition of warnings, which are already contained in a prospectus.

<ESMA\_QUESTION\_PR\_21>

1. : In particular, do you agree with the requirement to include warnings in advertisements? Do you consider that the suggested warnings are fit for purpose in terms of investor protection?

<ESMA\_QUESTION\_PR\_22>

Advertising requirements should take into account the various forms of advertising (for example: advertising in written form, in verbal communication, electronic communication) and therefore have to be kept on a practicable level.

However, ESMAs advertising requirements seems not very practical. Therefore, we do not agree that the proposed warnings should be a requirement for advertisements. It should be sufficient that the advertisement contains a reference clarifying that such document is an advertisement, as stipulated by Article 12(3). It should be clear to investors, before they make an investment decision, that there is a difference between an advertisement and a prospectus.

At the most the proposed warning 2 b) (“potential investors should read the prospectus before making an investment decision”) could be included in advertisements, since it will refer to the prospectus, which contains all necessary information (especially all risk factors) for investors.

Moreover it seems questionable whether investors will consider the proposed warnings in a sufficient way, especially if the usage of such warnings will unnecessarily lengthen the advertisement and would make it more onerous to read. If the additional warnings are included anyway, they should be kept as short as possible to maximise their effect.

In addition, most proposed warnings will already be part of the summary of the prospectus. Therefore, it seems not necessary to incorporate these warnings also into advertisements.

Furthermore, the product governance requirements of Article 9 of the Commission Delegated Directive (EU) 2017/593 will ensure that investors will be sufficiently protected. In addition, the requirements of MiFID 2 (Article 24 (3)) 2014/65/EU and the Delegated Regulation (EU) 2017/565 in Article 44 do not foresee that advertisements have to contain special warnings. It is only necessary that the information addressed by the issuer is fair, clear and not misleading.

If those warnings should be retained, nevertheless, it should be sufficient to make reference to a website where such warnings are posted. In a similar context, Commission Delegated Regulation (EU) 2016/958 of 9 March 2016 supplementing Regulation (EU) No 596/2014 (MAR), the RTS for the technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest provides in its Article 3 (2) that where the required disclosure of conflicts of interest information is disproportionate in relation to the length or form of an investment recommendation, including in the case of a non-written recommendation that is made using modalities, such as meetings, road shows, audio or video conferences, as well as radio, television or website interviews, the person who produces recommendations shall state in the recommendation where the required information can be directly and easily accessed by the persons receiving the recommendation free of charge. This appears a useful concept also with respect to the required warnings in an advertisement and might avoid the incorporation of lengthy cautionary language that may be disproportionate to the size of an advertisement.

<ESMA\_QUESTION\_PR\_22>

1. : Would the issuer, offeror or person asking for admission to trading incur costs if the aforementioned provisions are adopted? If so, please specify the nature of such costs, including whether they are one-off or ongoing and, quantify them.

<ESMA\_QUESTION\_PR\_23>

There should be no additional major costs for an issuer if these provisions were to be adopted. Nevertheless, there may be some minor costs to adapt existing systems and workflows (e. g.: Increase in advertising costs due to longer advertising messages that may be required in the future; the implementation of requirements can lead to IT costs).

<ESMA\_QUESTION\_PR\_23>

# Supplements

1. : Do you agree that Article 2 of the First Commission Delegated Regulation should be carried over, in its entirety, to Level 2 under the new regime?

<ESMA\_QUESTION\_PR\_24>

The carrying over of Article 2 of the First Commission Delegated Regulation would provide stability regarding the evaluation if a supplement to the prospectus is necessary. Therefore we are fine with this approach.

<ESMA\_QUESTION\_PR\_24>

1. : Do you agree that the additional requirements identified from ESMA’s draft technical advice should also be included.

<ESMA\_QUESTION\_PR\_25>

As we commented in response to the consultation relating to the draft technical advice, we do not believe that the inclusion of outstanding profit forecasts or profit estimate should be made mandatory for non-equity securities.

Following paragraph 30 of the present Consultation Paper this is not a decision criterion for investors in non-equity securities. The same applies to the current proposal on supplements: Neither the publication of a profit forecast nor the publication of a profit estimate should necessarily lead to a supplement for non-equity securities. It is up to the decision of the issuer whether there is an essential circumstance that justifies a supplementary liability.

In this context, we would like to reiterate that particularly in the context of the requirement to timely publish a supplement the existing requirement to attach a related report prepared by independent accountants (Regulation 809/2004, annex I 13.2) is burdensome and should be abolished. It stands in contrast to the requirement to publish a supplement without undue delay after the occurrence of a trigger event according to Article 17 (EU) 2017/1129. For listed issuers this requirement is also inconsistent with their disclosure obligations under Article. 17 MAR.

<ESMA\_QUESTION\_PR\_25>

1. : Do you agree that the publication of audited financial statements by an issuer of retail debt or retail derivative securities should not trigger the requirement to publish a supplementary prospectus?

<ESMA\_QUESTION\_PR\_26>

We agree that it should be in the discretion of an issuer of retail debt or retail derivative securities to publish a supplement in case of the publication of audited financial statements.

<ESMA\_QUESTION\_PR\_26>

1. : Would the issuer, offeror or person asking for admission to trading incur costs if the aforementioned provisions are adopted? If so, please specify the nature of such costs, including quantifying them.

<ESMA\_QUESTION\_PR\_27>

We assume that no major costs shall occur by adopting this provision. Especially since these provisions were already in place and issuers had to comply with them.

If there should be an obligation to make a supplement to Profit Forecast and Profit Estimates, the number of supplements would increase considerably. Any new requirements would cause considerable costs.

<ESMA\_QUESTION\_PR\_27>

# Publication

1. : Do you agree that only Article 6(1)(c) and 6(3) of the Second Commission Delegated Regulation need to be carried over to Level 2 under the new regime?

<ESMA\_QUESTION\_PR\_28>

We agree that both clauses shall be carried over. Furthermore, we welcome the proposed changes by ESMA in respect of the usage of hyperlinks. This would make it less burdensome for issuers to draft a prospectus, since they would not have to check the whole document if not allowed hyperlinks are included. Also the clarification in respect of the usage of a disclaimer on the website of the issuer for those investors that shall not be targeted by the offer is advantageous.

<ESMA\_QUESTION\_PR\_28>

1. : Do you agree that no other publication provisions of the new Prospectus Regulation need to be specified by way of RTS? If not, please identify the provisions which should be specified.

<ESMA\_QUESTION\_PR\_29>

We think that no other provisions need to be inserted into the RTS.

<ESMA\_QUESTION\_PR\_29>

1. : Do you believe that the proposed publication provisions will impose additional costs on issuers, offerors or persons asking for admission to trading? If yes, please specify the type and nature of such costs, including whether they are one-off or on-going, and quantify them.

<ESMA\_QUESTION\_PR\_30>

We do not expect additional costs in respect of the proposed publication provisions.

Depending on the implementation of the above regulations, additional costs could be incurred by adapting the website, for example.

<ESMA\_QUESTION\_PR\_30>