



ESMA UPDATES THE QUESTIONS AND ANSWERS DOCUMENT ON SHORT SELLING REGULATION (EU) No 236/2012

7 June 2018

ESMA has updated its Questions and Answers document (Q&As, ESMA70-145-408) on Short Selling Regulation (EU) No 236/2012.

The purpose of this update is to clarify some conditions that must be met by the confirmations of ease of borrowing and acquisition of shares based on lists of shares that can be provided by third-party entities to investors who wish to short sell so that the short sale of shares complies with the regulations and it is considered that it is not an uncovered short sale.

The applicable rules are Article 12(1)(c) of Short Selling Regulation (EU) No 236/2012 and Article 6 of Implementing Regulation (EU) No 827/2012.

This issue is especially relevant for investors who intend to carry out short sales of shares, including intra-daily short sale activity, as well as for third parties with whom these investors intend to enter into the aforementioned agreements, with the aim of ensuring that such sales meet the conditions set forth in Article 12 of Regulation (EU) No 236/2012 and there are no uncovered short sales which violate legislation.

Below is a link to the questions and answers document updated by ESMA, which includes the question addressed in this notification and its corresponding answer (Q10.13 and A10.13).

https://www.esma.europa.eu/sites/default/files/library/esma70-145-408_qa_on_ssr.pdf