

Circular 02/19

Questions and Answers

Prospectus and Transparency Rules in Case of No-Deal Brexit

Background

On 31 January, the European Securities and Markets Authority (ESMA) has issued three Q&As regarding the Prospectus Directive ([PD](#)) and the Transparency Directive ([TD](#)). The purpose of the Q&As is to promote common supervisory approaches and practices in the application of the PD and the TD in case of a no-deal Brexit.

The Q&As provide the following clarifications in the event of a no-deal Brexit:

- When issuers of equity securities and non-equity securities below 1,000 EUR who currently have the UK as their PD home Member State choose a new home Member State, they should choose between the EU27 Member States / EEA EFTA States in which they have activities after 29 March 2019 (either offers/admissions made after the withdrawal or admissions made before the withdrawal which continue after the withdrawal);
- Issuers admitted to trading on a regulated market within EU27 / EEA EFTA who currently have the UK as their TD home Member State should choose and disclose their new home Member State without delay following 29 March 2019;
- As the UK will be a third country, prospectuses and supplements approved by the UK FCA before 29 March 2019 cannot be used in EU27 / EEA EFTA after a no-deal Brexit.

Contacts

Should you have any queries relating to the above, please do not hesitate to send an e-mail on capitalmarkets@mfsa.com.mt

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