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## Press release

### AFME welcomes temporary relaxation of pre-emption rights for share issuance

1 April 2020

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In response to the [announcement](#) by the Pre-Emption Group (PEG) today, **Gary Simmons, Managing Director of High Yield and Equity Capital Markets**, said:

“The recent social and economic restrictions placed on businesses to stop the spread of the COVID-19 virus has had a significant impact on UK businesses and markets. AFME’s Equity Capital Markets group therefore welcomes today’s statement by the Pre-Emption Group to temporarily relax the guidelines relating to pre-emption in issuances by companies of up to 20% of their issued share capital during this period of unprecedented market turbulence. This follows an initial suggestion by AFME’s Equity Capital Markets group to the Pre-Emption Group to take a pragmatic and flexible approach regarding the fact that certain companies will likely need to raise capital very quickly, and within limited marketing windows. AFME recommends that its members follow the guidance in the PEG statement, given that the announcement is consistent with the objectives of the AFME ECM Board.”

-ENDS-

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#### About AFME:

AFME (Association for Financial Markets in Europe) advocates for deep and integrated European capital markets which serve the needs of companies and investors, supporting economic growth and benefiting society. AFME is the voice of all Europe’s wholesale financial markets, providing expertise across a broad range of regulatory and capital markets issues. AFME aims to act as a bridge between market participants and policy makers across Europe, drawing on its strong and long-standing relationships, its technical knowledge and fact-based work. Its members comprise pan-EU and global banks as well as key regional banks, brokers, law firms, investors and other financial market participants. AFME participates in a global alliance with the Securities Industry and Financial Markets Association (SIFMA) in the US, and the Asia Securities Industry and Financial Markets Association (ASIFMA) through the GFMA (Global Financial Markets Association). For more information please visit the AFME website: [www.afme.eu](http://www.afme.eu).

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