



EUROFINUSE / EUROSHAREHOLDERS PRESS RELEASE

INDIVIDUAL INVESTORS CALL FOR FURTHER EU ACTIONS IN 2012

EU SOVEREIGN BONDS, FINANCIAL TRANSACTION TAX, INVESTMENT ADVICE (MIFID, PRIPS AND IMD), SHADOW BANKING/HEDGE FUNDS, COLLECTIVE REDRESS SCHEME

Euroshareholders & EuroFinuse (ES), the leading European associations of individual investors representing more than 1 million retail investors, call for further actions of the EU in order to forward investor protection:

1. NO FURTHER DISCRIMINATION OF INDIVIDUAL HOLDERS OF EU SOVEREIGN BONDS

As the case of the Greek bonds has just shown there is a severe risk that individual bond holders whose voice was not heard get treated worse than other bondholders (e.g. in Greece) and have to carry the burden of such an agreement although they were not part of it. "If individual bondholders are not being included in any negotiations, then the negotiating parties should be obliged to file a separate offer to the retail bond holders and reimburse them at least the purchase price", urges Jella Benner-Heinacher, current president of ES, "since individual investors play such a minor role in such an important agreement."

2. OPPOSITION TO THE FINANCIAL TRANSACTION TAX

ES opposes the introduction of the Financial Transaction Tax as currently designed, as it is once more targeting primarily individual investors and not financial institutions. Also the FTT will have no significant impact if only single Member States such as Germany and France enforce such a tax leaving out the most important capital markets.

3. FURTHER IMPROVEMENTS OF INVESTMENT ADVICE

ES recommends a more investor oriented approach to investment advice by thoroughly and consistently reviewing **MIFID¹, PRIPS² AND IMD³ DIRECTIVES**. This should include issues such as 'independent' advice, the complete prohibition of inducements and the extended application of MIFID to all investment products sold to retail investors.

¹ The EU Markets in Financial Instruments Directive

² The EU acronym for „Packaged Retail Investment Products“

³ The EU Insurance Mediation Directive



4. RULES FOR SHADOW BANKING/HEDGE FUNDS

ES calls for further and stricter regulation of hedge funds as a potential 'shadow banking' system since the rules taken so far prove to be insufficient. Also the EU should think of introducing a risk levy for the 'shadow-banking' system.

5. ESTABLISHMENT OF AN EU WIDE COLLECTIVE REDRESS SCHEME

ES urges for the establishment of a European Collective Redress system to enable investors and other financial services users to be indemnified in case of damages.

Guillaume Prache, General Secretary of ES asks that "the EU takes a close look at the excellent experiences in the Netherlands with investor compensation claims and takes them as a good example for the EU".

Jella Benner-Heinacher, President of EuroFinuse & Euroshareholders

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