Rules for issuers of ETFs on NASDAQ OMX Copenhagen A/S

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1. Introduction

ETFs can be admitted to trading if the instrument and the issuer fulfill the terms and conditions described below and if the instrument, in the reasonable opinion of NASDAQ OMX Copenhagen A/S (hereafter the exchange) is suitable for trading.

1.1 Applicability

These rules shall apply to the issuer as of the day the issuer applies for admission to trading, and for such time the issuer’s instrument are admitted to trading on the exchange.

1.2 Amendments to the rules

Amendments to these rules shall enter into force in appropriate time after the exchange has notified the issuer in an appropriate manner and after the amendments have been published on the exchange’s website.

1.3 Listing Fees

The issuer is required to pay fees as defined in the price list of the exchange to the exchange.

2. LISTING REQUIREMENTS

2.1 General requirements

2.1.1 Supervision

The issuer must be a fund approved by The Danish Financial Supervisory Authority or, in the case of foreign fund, by an equivalent foreign supervisory authority and be subject to satisfactory supervision by the relevant authority or other authorized body.

2.1.2 Activities

The purpose of the issuer shall be to invest in financial instruments, by which an index, a basket of assets or commodity prices is tracked.

2.1.3 Free negotiability

The instruments shall be freely transferable.

2.1.4 Capacity to produce and disseminate information to the market

Well in advance of the admission to trading, the issuer shall establish and maintain adequate procedures, controls and systems, to enable compliance with the disclosure requirements and provide the market with timely, reliable, accurate and up-to-date information.
2.1.5 Registration in a central securities depository
The issuer’s instruments must be registered in a Danish or a foreign central securities depository.

2.1.6 Distribution of fund units to the public
There must be at least 500 fund unit holders each of whom holds fund units corresponding to a value of at least approximately DKK 10,000, otherwise it shall be ensured that a market maker quotes prices.

2.1.7 Prospectus or information document
The issuer must prepare and publish a prospectus or information document.

2.1.8 Suitability
Even where all requirements for admission to trading have been met, the exchange may refuse an application for admission to trading if it finds that admission to trading will be detrimental to the interests of the investors and the securities market.

2.2 Application
The issuer must provide the exchange with the following:

- Application for admission to trading
- The name of the company that manages the admission for trading on behalf of the association
- The issuers latest annual report and if possible semi-annual report unless if the issuer is newly established
- Documentation for the issuer’s approval from the Danish Financial Services Authority or an equivalent foreign authority
- Documentation for the issuer’s approval in the Danish Commerce and Companies Agency or an equivalent authority of registration
- The issuer’s prepared prospectus or offer document or draft of such document
- Information about the issuer’s assets, the size of the offer etc.
- The issuer’s articles of association

The issuer must accept and sign the “General terms and conditions for admission for trading on NASDAQ OMX Copenhagen”. The signed form must have reached the exchange prior to the first day of trading.

3. Deletion from trade
In accordance with section 25 of the Danish Securities Trading Act and based on an application, the exchange can make decisions on deletion from trading.

The issuer’s instruments can be deleted if the issuer or the instrument no longer fulfils the listing requirements.
4. Disclosure rules

4.1 General disclosure rules

4.1.1 General provision
The issuer shall, as soon as possible, disclose information about decisions or other facts and circumstances that are “price sensitive”. For the purpose of these rules, “price sensitive” information means information which is reasonably expected to affect the price of the issuer’s listed instruments.

4.1.2 Correct and relevant information
Information disclosed by the issuer shall be correct, relevant and clear, and must not be misleading.

Information regarding decisions, facts and circumstances must be sufficiently comprehensive to enable assessment of the effect of the information disclosed on the price of its listed instruments.

4.1.3 Timing of information
Disclosure of information shall, unless special circumstances exist, be made as soon as possible. If price sensitive information is given intentionally to a third party, who does not owe a duty of confidentiality, disclosure shall be made simultaneously.

The disclosure of information may be delayed in accordance with applicable national legislation.

Significant changes to previously disclosed information shall be disclosed as soon as possible by the issuer. Errors in information disclosed by the issuer need to be disclosed as soon as possible, unless the error is insignificant.

4.1.4 Information leaks
If the issuer learns that price sensitive information has leaked prior to such disclosure, the issuer shall make an announcement regarding the matter. If price sensitive information is given non-intentionally to a third party, who does not owe a duty of confidentiality, disclosure shall be made promptly.

4.1.5 Methodology
Information to be disclosed under these rules shall be disclosed in a manner that ensures fast access to such information on a non-discriminatory basis.
Information to be disclosed shall also be submitted to the exchange for surveillance purposes not later than simultaneously with the disclosure of information, in the manner prescribed by the exchange.

Announcements shall contain information stating the time and date of disclosure, the issuers name, website address, contact person and phone number.

The most important information in an announcement shall be clearly presented at the beginning of the announcement. Each announcement published by the issuer shall have a heading indicating the substance of the announcement.

4.1.6 Web site
The issuer shall have its own website on which information disclosed by the issuer due to the issuer’s disclosure requirements shall be available for at least three years.

However, financial reports must be available for at least five years from the time it was published.

The information shall be made available on the website as soon as possible after the information has been disclosed.

4.2 Regular disclosure requirements

4.2.1 Net asset value
The issuer shall every trading day in ample time before the opening of the exchange disclose the net asset value its instrument’s.

4.2.2 The composition of the issuer’s assets
The issuer shall disclose the composition of its assets on a quarterly basis.

4.2.3 Financial reports
The issuer shall prepare and disclose financial reports pursuant to accounting legislation and regulations applicable to the issuer.

4.2.4 Timing of financial statement release and interim reports
The issuer shall publish an annual report as soon as possible and by latest four months from the expiry of the financial year. The issuer shall also submit a semi-annual report as soon as possible and by latest two months from the expiry of the semi-annual period.

4.2.5 Content of financial reports
Annual reports and semi-annual reports shall contain the information required in order to be able to assess the development and financial position of the issuer.
4.2.6 Audit report
The issuer shall disclose a qualified auditors’ report or if the audit report includes a statement which is not in standard format.

4.2.7 General meeting
The issuer shall publish the notices convening annual and extraordinary general meetings, and publish information about passed resolutions.

4.3 Other disclosure requirements

4.3.1 Articles of association
Proposed amendments in the issuer’s articles of association shall be published.

4.3.2 Changes in board of directors etc
Proposals and actual changes with respect to the board of directors of the company shall be disclosed. In addition, any other significant changes to the company’s top management, including but not limited to managing director, shall be disclosed.

A change of the auditor shall also be disclosed.

4.3.3 Change in identity
If substantial changes are made to the issuer’s articles of association to such a degree that the issuer may be regarded as a new undertaking, the issuer shall disclose an announcement informing about the changes and the consequences.

4.3.4 Consolidation or division of funds
Proposed consolidation or division shall be published along with information about the consequences of the transaction.

5. Exemption
In special cases the exchange can grant exemption from these rules.

6. Sanctions
In the event that an issuer fails to meet requirements, according to this set of rules, the exchange may give the issuer a reprimand. Moreover, the exchange may give an issuer a fine of not less than one hundred thousand DKK and not more than five million DKK. Decisions made by the exchange concerning a reprimand or a fine are published with the identity of the issuer. In cases with less serious reprimands or where special circumstances apply, the exchange can choose not to publish the identity of the issuer.