Reform of the Finnish Securities Markets legislation - The Rules of the Stock Exchange of NASDAQ OMX Helsinki to be updated

The new securities markets legislation will enter into force on 1st of January, 2013.

A new Securities Markets Act (746/2012, the “New SMA”) and a new Act on Trading in Financial Instruments (laki rahoitusvälineiden kaupankäynnistä, 748/2012, the “Trading Act”) mainly correspond the existing Securities Markets Act (495/1989), as regards regulation concerning listed companies and stock exchanges.

General structural reform of the Rules of the Stock Exchange

According to Trading Act (Chapter 12, Section 2), a stock exchange has a transition period of six months for updating its rules to correspond to the new legislation. The new Rules of the Stock Exchange shall enter into force on 1 July, 2013, at the latest.

In addition to the changes deriving from the new legislation, the rulebook will be restructured. The aim of the reform is to make the rulebook more user-friendly. NASDAQ OMX Helsinki is looking forward to publish a first draft of the new rulebook in March, 2013. The draft will be sent for comments to the Advisory Board of Finnish Listed Companies, as separately informed.

How to apply the current Rules of the Stock Exchange from 1st of January, 2013, on?

Before the abovementioned new rulebook enters into force, any references to the current legislation to be annulled at the end of this year shall be interpreted as references to the corresponding provisions of the new legislation.

Additionally, any definitions used in the Rules of the Stock Exchange that will change when the new legislation enters into force shall be interpreted as definitions used in the new legislation.

In case the new legislation and the Rules of the Stock Exchange are in conflict with one another, the new legislation shall be obeyed. In case the Rules of the Stock Exchange include provisions exceeding the level of the new legislation, the Rules of the Stock Exchange shall be followed.

NASDAQ OMX Helsinki kindly asks you to take into consideration that disclosure of a forward looking-statement (a future forecast) in connection with an interim report is not required by the new legislation. Disclosure of such statement is not required by the current wording of the Rules 3.3.1 Forecasts and Forward-looking statements either, and thus the rule does not conflict with the new legislation.

Rule changes to be implemented at the beginning of the year 2013

Separate from the general structural reform of the Rules of the Stock Exchange, the following rule changes shall be implemented at the beginning of the year 2013. The aim of the rule changes is to clarify the relationship between the new legislation and the Rules of the Stock Exchange and thus reduce listed companies’ administrative burden.
NASDAQ OMX Helsinki shall notify the listed companies of the exact effective date of the rule changes separately.

3.1.6 Website
According to the New SMA (Chapter 10, Section 5) all the information disclosed based on the disclosure duty set in Chapters 6–9 and 11 of the New SMA shall be available on the company’s website for five years, at the minimum.

Pursuant to the current rule 3.1.6, such five years time is required only as regards financial reports. Thus, the rule will be amended according to the new legislation. Please note that the current regulation of the Financial Supervisory Authority (Finanssivalvonta) recommend keeping all the information available on the website for five years, at the minimum.

3.2.2 Timing of Financial Statement Release and Interim Reports
According to Chapter 7, Section 7 of the New SMA, a financial statement release shall be published without undue delay and not later than two months from the expiry of the reporting period. Additionally, the timing for the disclosure of the financial statement release shall be disclosed immediately when it has been decided.

According to the current rule 3.2.2, the financial statement release shall be disclosed not later than two months or not later than three months from the expiry of the reporting period depending on whether the annual financial report has been audited or not. Thus, the wording of the rule will be amended to be in line with the new legislation as regards the timing of the financial statement release and disclosure of such timing.

3.5.16 Annual Information
The New SMA does not require listed companies to disclose an annual summary of the information disclosed in the preceding financial reporting year.

Thus, the current rule 3.5.16 including such a requirement will be deleted. Additionally, a corresponding rule 3.6.16 (Annual information of the listed debt instruments) will be deleted accordingly.

5.3.4 (Trading by a listed company in its own shares)
Disclosing a decision of the repurchase or disposal of the listed company’s own shares one week prior to the repurchase or disposal is not required by the New SMA.

According to the current rule 5.3.4, such a prior disclosure is required and thus the rule will be amended in such a way that the requirement for the prior disclosure of the decision on repurchase or disposal will be deleted.


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Should you have any questions, please kindly contact your contact person at NASDAQ OMX Helsinki or Surveillance of NASDAQ OMX Helsinki, tel. +358 9 6166 7260.

NASDAQ OMX HELSINKI Global Corporate Client Group