INTRODUCTION

According to the Act on Trading in Financial Instruments (748/2012), the Exchange shall draw up and keep available to the public rules regarding exchange operations. The Ministry of Finance shall confirm said Rules of the Exchange and any amendments to them. In accordance with said Act, the Exchange may make amendments to the Rules that are technical or of minor importance without confirmation.

These Rules are applicable to NASDAQ OMX Helsinki Ltd’s exchange operations. The Rules comprise chapters on shares, securities entitling to a share, bonds, covered warrants and certificates, funds listed on the Exchange, securities listed on other trading venues as well as chapters on surveillance and discipline procedures. The Rules also contain provisions related to the insider guidelines, for instance.

The rules regarding shares are in substance harmonised between NASDAQ OMX Nordic Exchanges in Stockholm, Helsinki, Copenhagen and Iceland. Above all, the listing requirements and the rules related to the disclosure requirements have been harmonised at Nordic level. This promotes investor operations and enhances opportunities of the issuers to attract capital. In addition to the Rules of the Exchange referred to in the legislation, this Rulebook contains explanatory texts that will give guidance on the application of certain rules. These explanatory texts are written with italics and indented so that they can better be distinguished from the actual rule text.

The explanatory texts are not part of the Rules of the Exchange confirmed by the Ministry of Finance, neither are they legally binding. The purpose of issuing explanatory texts is to describe the purpose of the rules and give guidelines and examples on how the Exchange interprets the rules. Therefore, the text does not always describe a definite interpretation of the rule, as situations that are different from those described in the explanatory texts may occur in practice. The explanatory texts are included mainly in chapter 2, pertaining to shares, but they give guidelines and examples on the interpretation of the Rules even for other instruments, above all regarding the disclosure obligation.

The latest version of these Rules is always available on NASDAQ OMX’s website at http://www.nasdaqomx.com/listing/europe/rulesregulations/
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1. GENERAL PROVISIONS

1.1 SCOPE OF APPLICATION AND DEFINITIONS

1.1.1 These Rules (Rules of the Exchange) are applied to the exchange activities conducted by NASDAQ OMX Helsinki Ltd (the Exchange). They apply to an issuer of a security and contain for instance rules on the listing of securities and the disclosure obligation of the issuer. Where applicable, the Rules are also applied to the investment service providers who have obtained trading rights on the Exchange (broker), when they act on behalf of an issuer of securities.

1.1.2 The Exchange has issued separate rules for securities trading, which together with these Rules constitute the Rules of the Exchange within the meaning of Chapter 2, Section 23 of the Act on Trading in Financial Instruments.

1.1.3 The Managing Director of the Exchange may issue supplementary rules and regulations and any other necessary guidelines relating to exchange operations. Such guidelines shall be binding in the same manner as these Rules.

1.1.4 These Rules and all guidelines issued by the Managing Director are governed by Finnish law.

1.1.5 Any amendments and additions to these Rules or to the supplementary guidelines will become effective on the day announced by the Exchange. The Exchange will inform issuers of the changes in the appropriate manner and disclose the amendments and additions on its website before they become effective.

Definitions

1.1.6 The following securities may be traded on the Exchange:

1) a share of a limited liability company and the corresponding share in some other corporation as well as a certificate of deposit issued for such right;

2) a bond or other debt obligation as well as a certificate of deposit issued for such right;

3) other security that entitles to purchase or sell a security referred to in item 1 or 2, or a security on the basis of which the holder may receive a security, currency, interest or yield, commodity or a cash payment otherwise defined based on an index or value; and

4) a unit of a mutual fund referred to in the Mutual Funds Act (48/1999) or comparable interest in a collective investment undertaking (fund unit).

Trading is arranged on the Official List, Prelist and on the Securities Listed on Other Trading Venues List. Trading is a multilateral trading procedure maintained by the operator of a regulated market, as referred to in the Act on Trading in Financial Instruments and submitted to the list on regulated markets maintained by the European Commission. The provisions of the European Commission Regulation (EC) No. 1287/2006 are also applied to the admission of securities to trading on a regulated market.

1.1.7 Official List refers to an official list referred to in Chapter 2, Section 27 of the Act on Trading in Financial Instruments.
1.1.8 Exchange trade refers to a securities trade executed on the Official List, Prelist or Securities Listed on Other Trading Venues List in accordance with the Rules of the Exchange. An exchange trade is a binding transaction with a financial instrument executed on a regulated market referred to in the Act on Trading in Financial Instruments and submitted to the list maintained by the European Commission.

1.1.9 Book-entry security is a security referred to in rule 1.1.6 above that is included in the book-entry securities system. Where applicable, all provisions of these Rules with respect to securities also cover book-entry securities.

1.1.10 Listed company is a public limited company referred to in the Limited Liability Companies Act, a company referred to in the Act on European Companies or a corresponding foreign limited company, a share issued by which is traded on the Exchange. Where applicable, all provisions of these rules with respect to entities incorporated as limited liability companies also cover any other form of association.

1.1.11 Bond refers to a debt obligation according to item 2 of rule 1.1.6 that has been admitted to trading on the Exchange. Such bond may be, e.g. a corporate loan, convertible note and a bond with warrants.

1.1.12 Security entitling to a share refers to an option right or other special right, for instance.

1.1.13 Covered warrant refers to warrants, certificates and other similar structured products.

1.1.14 Fund management company is a company engaged in mutual fund business and a comparable foreign entity engaged in collective investment operations (UCITS), the fund unit of a mutual fund or other collective investment managed by which, as referred to in item 4 of rule 1.1.6, has been listed on the Exchange.

1.1.15 Mutual fund refers to a fund of a mutual fund and collective investment undertaking.

1.1.16 Real estate investment fund is a public limited company referred to in the Act on Real Estate Investment Funds (1173/1997) or a corresponding foreign limited company, a share issued by which is traded on the Exchange.

1.1.17 Market maker refers to a provider of investment service that has obtained a trading right on the Exchange and that, based on an undertaking, is obliged to give binding bids and offers on the security that is object of the undertaking.

1.2 PURPOSE OF EXCHANGE OPERATIONS AND PRINCIPLES FOR TRADING IN SECURITIES

Purpose of exchange operations

1.2.1 The Exchange is a neutral and independent trading venue.

1.2.2 The Exchange shall through its operations maintain an open, impartial, informative and liquid market value.
1.2.3 The purpose of exchange trading is to determine the price of securities in a well-functioning and efficient market so that all parties to the market have simultaneously access to adequate information as basis for price formation.

Principles for the securities market and securities trading

1.2.4 The operations on securities markets shall be ethically unquestionable. The entities and individuals operating on the Exchange and in the securities market shall carefully follow good securities market practice as well as regulations governing the securities market and the operations of the Exchange, both in letter and pursuant to intention of provisions, bearing in mind that it has not been possible to draw up complete and watertight provisions. No provisions may be circumvented through the use of intermediaries or by any other means.

1.2.5 It is in accordance with good securities market practice to apply these provisions also to trading outside the Exchange.
2. SHARE

2.1 GENERAL RULES

2.1.1 Chapter 2 contains provisions on the listing and delisting of shares as well as provisions on the disclosure obligation and other obligations of a listed company. In addition, the chapter comprises provisions on the trading of a listed company in its own shares, and the Listing Committee.

2.2 LISTING AND DELISTING

2.2.1 INTRODUCTION

2.2.1.1 Chapter 2.2 describes the listing process of a share of a listed company, listing requirements and some other issues pertaining to listing. In this section, the term listing requirements shall mean the requirements set out under chapters General listing requirements (2.2.3), Administration of listed companies (2.2.4), Corporate governance (2.2.5) and Special listing requirements for acquisition companies (2.2.10).

2.2.1.2 General listing requirements have been harmonised between the NASDAQ OMX Nordic Exchanges. The shares of companies that are traded on NASDAQ OMX Helsinki are presented on the Nordic list together with the shares of companies traded on NASDAQ OMX Stockholm, NASDAQ OMX Copenhagen and NASDAQ OMX Iceland. The Nordic List is divided into three segments based on the market capitalisation of the companies: Large Cap, Mid Cap and Small Cap. In addition, all companies are presented according to their industry, based on the ICB standard. The information disclosed about the Nordic List also relates, for instance, on which NASDAQ OMX Nordic Exchange the company has been listed, has the share been listed on the Official List or has it been admitted to trading without official listing (possible on NASDAQ OMX Stockholm).

Most of the listing requirements have been harmonised. Due to national legislation or other regulation related to one of the countries, for instance, there may be minor differences in the listing requirements of the NASDAQ OMX Nordic Exchanges.

2.2.1.3 A listed company must meet the listing requirements continuously while being listed. The following requirements, which are only applied when the company is admitted to the list, make an exception to this principle:

(i) Accounts and operating history (2.2.3.5 and 2.2.3.6);

(ii) Profitability and working capital (2.2.3.7 and 2.2.3.8); and

(iii) Market value of shares (2.2.3.13).
2.2.2 APPLICATION PROCEDURE

Filing a listing application

2.2.2.1 A company shall without undue delay disclose the filing of a listing application with the Exchange. A company that has filed a listing application is considered equal to a listed company until the company share has been listed, the company has disclosed information about the cancellation of a listing application, or the Exchange has rejected the listing application. Such a company shall follow the Rules of the Exchange applicable to listed companies.

Listing application

2.2.2.2 A listing application shall be made in writing and include:

1) a statement by the company’s board of directors or corresponding corporate body on the development outlook for the current and immediately following financial period;

2) a list indicating the fifty largest shareholders of the company in terms of share capital and voting rights, as well as their holdings and votes;

3) a statement establishing that the listing requirements are met (chapters 2.2.3, 2.2.4, 2.2.5, 2.2.10, if applicable);

4) the company’s Trade Register extract or corresponding document and information about any decisions that have not yet been recorded;

5) the company's Articles of Association as recorded in the Trade Register, and any amendments thereto decided at a general meeting of shareholders that have not yet been recorded together with any amendments proposed thereto by the company’s board of directors or corresponding corporate body;

6) an extract from the minutes of the meeting of the company’s board of directors or corresponding corporate organ at which the decision to submit a listing application has been made;

7) a statement issued by an advisor in charge of the company’s listing process, or by another party approved by the Exchange, on the preconditions for the company listing and its operation as a listed company, and the information issued about the company in the listing application;

8) a statement by the company management affirming that they are familiar with the obligations imposed on a listed company under applicable law and the Rules of the Exchange and that the company has the preconditions for meeting these obligations;

9) written consent stating that the Exchange may order an investigation of the company, and if the company is part of a group of companies, of the group as well, at the company’s expense, if necessary;

10) a commitment to enter into an agreement with the Exchange (rule 2.2.2.4) and, if the company has a parent company, a commitment by the parent company to follow all valid rules and guidelines of the Exchange applicable to listed companies. If the parent company of the listed company is part of a group of companies, the parent company of this group shall also issue a corresponding commitment. The commitment shall be issued in a manner that the Exchange will specify in detail;
11) commitment by the company’s parent company and the company stating that the
company does not give any group contributions to its parent company;

12) evidence of the payment of the registration fee (rule 2.2.2.7);

13) description of the details that are necessary for arranging the clearing and
settlement of trades;

14) a prospectus referred to in Chapter 4 of the Securities Markets Act, which has been
approved by the Financial Supervisory Authority, or a prospectus approved in another
member state of the European Economic Area and duly notified to the Financial
Supervisory Authority, and a document certifying such notification of approval.

Exceptions to the application

2.2.2.3 The Exchange may, on special grounds, decide not to require in the
application a particular piece of information listed above in items 1 to 14 of rule 2.2.2.2.

Agreement

2.2.2.4 A company is required to enter into a written agreement with the
Exchange on trading its shares on the Official List and, in the agreement, undertake to
abide by the rules and guidelines of the Exchange in force at the time in question as well
as by its commitments to the Exchange.

2.2.2.5 If the share of a foreign company has been admitted to trading on a
regulated market in another member state of the European Economic Area (primary
exchange), the company will primarily follow the rules of its primary exchange in Finland
as well. The company discloses any differences between the rules of its primary
exchange and the Rules of the Exchange. However, no deviations from the Rules of the
Exchange will be permitted, if the deviation will materially impair the proper function of
the Finnish securities market or the position of an investor.

2.2.2.6 In cases where a foreign company that is not covered by rule 2.2.2.5
and the shares of which have been listed on the Exchange would have to violate the
rules of its primary exchange, the Exchange may, in individual cases and on special
grounds, give a permission to deviate from the provisions of the Rules of the Exchange.
However, no deviations from the Rules of the Exchange may materially impair the proper
function of the Finnish securities market or the position of an investor. The company
shall disclose the exemption order and agree to comply with the rules of its primary
exchange in Finland as well.

Registration fee and annual fee

2.2.2.7 A company shall pay a registration fee to the Exchange prior to
submitting its application for listing. This registration fee is non-refundable.

2.2.2.8 A listed company the share of which has been admitted to the Official
List shall pay an annual fee to the Exchange.

Rejection of a listing application and appeals

2.2.2.9 The Exchange may reject an application for the listing of a share in
order to protect investors. The Exchange must make a decision on an application for the
listing of a share within six (6) months from receipt. If the Exchange requests additional
information about the application from the applicant during this time, said time limit will be calculated from the date the Exchange receives such additional information. If the Exchange fails to make a decision within the set time limit, the application is considered rejected.

2.2.2.10 An issuer shall have the right to appeal the decision of the Exchange to the Financial Supervisory Authority within 30 days from the decision or the termination of the time limit referred to above in rule 2.2.2.9.

2.2.3 GENERAL LISTING REQUIREMENTS

Incorporation

2.2.3.1 The company must be duly incorporated or otherwise validly established according to the relevant laws of its place of incorporation or establishment.

Validity

2.2.3.2 The shares of the issuer must:

(i) conform with the laws of the company’s place of incorporation, and

(ii) have the necessary statutory or other consents.

Negotiability

2.2.3.3 The shares must be freely negotiable.

Free negotiability of the shares is a general prerequisite for becoming publicly traded and listed on the Exchange. When the company’s Articles of Association include limitations on the transferability of the shares, such limitations may be typically considered to restrict free transferability in the meaning of this rule, and other arrangements with a similar effect may lead to a similar interpretation.

Entire class must be listed

2.2.3.4 The application for listing must cover all issued shares of the same class.

The application for listing must cover all shares of the same class that have been issued and that are issued in an IPO preceding the first day of listing.

The application for listing must cover all shares of the same class that have been issued and that are issued in an IPO preceding the first day of listing.

Subsequent issues of new shares and listings of such new shares shall be listed in accordance with the practices applied by the Exchange and requirements in the legislation.

Accounts and operating history

2.2.3.5 The company shall have published annual accounts for at least three (3) years in accordance with the accounting laws applicable to the company.

2.2.3.6 In addition, the line(s) of business and the field of operation of the company and its group shall have a sufficient operating history.
The general rule is that the company shall have complete annual accounts for at least three (3) years. When the operating history of the company is evaluated, a company that has conducted its current business, in essential respects, for three (3) years and is able to present financial accounts for these years is normally deemed to fulfil the requirement. Evaluation of accounts and operating history shall cover the company including its subsidiaries. The basis for the assessment shall be the situation for the company as it develops over time. Since a company may acquire or divest one or more subsidiaries, this, of course, must be reflected in the annual accounts. The company must have a business idea and ongoing operations and also be able to demonstrate its operations in order for the Exchange and the investors to assess the development of the business.

Pro forma accounts (or other financial information that is presented for comparative purposes to explain changes to official accounts or a lack thereof) are presented as required in the prospectus, and typically such accounts are presented for one fiscal year. However, the Exchange may require additional comparable information for evaluating fulfilment of rule 2.2.3.6. Material changes in the company’s line(s) of business or field of operation prior to listing, or for example a reverse takeover, may lead to the requirement stipulated in rule 2.2.3.6 not being fulfilled, or require extensive additional information about the business of the company before making an informed judgment of the company.

In order for an exemption to be granted from the requirement to have annual accounts for three years, there should be sufficient information for the Exchange and the investors to evaluate the development of the business and to form an informed judgment of the company and its shares as an investment. This information may be evidence of an otherwise stable and high-quality environment, as may be the case, for example, in the event of spin-offs from listed companies or where a company has been formed through an acquisition or merger between two or more companies that would be suitable for listing, or other corresponding cases. For evaluating companies with less than three years of operational history, even more attention will be paid to the information presented about the business and operation of the company.

Profitability and working capital

2.2.3.7 The company shall demonstrate that it possesses documented earnings capacity on a business group level.

2.2.3.8 Alternatively, a company that does not possess documented earnings capacity shall demonstrate that it has sufficient working capital available for its planned business for at least twelve (12) months after the first day of listing.

As a principle, this rule means that the company shall be able to document that its business is profitable. Accordingly, the company’s financial statements shall show that the company has generated profits or has the capacity to generate profits of a reasonable size in comparison with the industry in general. The general rule is that a profit must have been reported during the most recent fiscal year. For companies that lack financial history, stringent requirements are imposed regarding the quality and scope of the non-financial information set forth in the prospectus and the listing application in order for investors and the Exchange to be able to make a well-founded assessment of the company and its business. At the very least, it should be made clear when the company expects to be profitable and how the company intends to finance its operations until such time.
When demonstrating to the Exchange and investors the existence of sufficient working capital, various means may be used. Means to present sufficient working capital for the next twelve months may include estimates on cash-flow statements, planned and available measures for financing, descriptions of the planned business and investments, and well-founded assessments of the future prospects of the company. It is important that the basis for the company’s well-founded assessment be made clear. Despite such financing, the requirement is not considered to be fulfilled in a case where, for some other reason, the company’s financial status is extraordinary or threatened, as may be the case, for example, if a company restructuring or a similar voluntary process has taken place.

Liquidity

2.2.3.9 Conditions for sufficient demand and supply shall exist in order to facilitate a reliable price formation process.

2.2.3.10 A sufficient number of shares shall be distributed to the public. In addition, the company shall have a sufficient number of shareholders.

2.2.3.11 For the purposes of rule 2.2.3.10, a sufficient number of shares shall be considered as being distributed to the public when 25 per cent of the shares within the same class are in public hands.

2.2.3.12 The Exchange may accept a percentage lower than 25 per cent of the shares if it is satisfied that the market will operate properly with a lower percentage in view of the large number of shares that are distributed to the public.

A prerequisite for exchange trading is that there is sufficient demand and supply for the listed securities. Such sufficient demand and supply must support reliable price formation in trading. There are various components in the evaluation of these requirements before listing on the Main Market. Factors that may be considered in the evaluation may include previous trading history.

As a general requirement, there shall be a sufficient number of shares in public hands, and there shall be a sufficient number of shareholders. The number of shareholders may be considered as one way to estimate sufficient demand and supply. In this context, a small number of shares or shareholders may lead to deterioration in reliable price formation. Under normal circumstances, companies having at least 500 shareholders holding shares with a value of around EUR 1000 will be considered to fulfil the requirement regarding the number of shareholders.

In this context, the term "Public hands" means a person who directly or indirectly owns less than 10 per cent of the company’s shares or voting rights. In addition, all holdings by natural or legal persons that are closely affiliated or are otherwise expected to employ concerted practices in respect of the company shall be aggregated for the purposes of the calculation.

Also the holdings of members of the board and the executive management of the company, as well as any closely affiliated legal entities such as pension funds operated by the company itself, are not considered to be publicly owned.

When calculating shares that are not publicly owned, shareholders who have pledged not to divest their shares during a protracted period of time (so-called lock-up) are included.
There may be situations in which more than 25 per cent of the shares are in public hands at the time of the admission to trading and listing, but where the distribution falls under such percentage thereafter. It should be noted that the 25-per cent rule is to be seen as a proxy, supporting the main principle that there should be a sufficient share distribution. Consequently, once a company is admitted to trading and listing, the Exchange will continuously assess whether share distribution and liquidity are sufficient from an overall viewpoint, and the 25-per cent rule will thus become only one of many components in such an assessment. This also means that a company that is not complying with the 25-percent rule will not automatically be considered to violate the rule.

In the event that the conditions regarding liquidity materially deviate from the listing requirements while the company is listed, such companies will be encouraged to remedy the situation. It may be suggested that a company commission the services of a liquidity provider. If trading in the company’s shares remains sporadic the Exchange may consider giving the shares observation status. Such a decision by the Exchange is preceded by a discussion with the company.

If the company considers listing a second class of shares, the Exchange’s assessment will be based on whether there will be sufficient liquidity in the shares in such a class. In practice, this means that the Exchange will make an overall assessment of expected trading interest.

There may be situations in which the shares are not fully distributed at the time of the introduction, but where it is ascertained that such distribution will be achieved shortly thereafter. In such circumstances, the Exchange may find it appropriate to approve the application with reference to Section 2.5.

**Market value of shares**

**2.2.3.13** The expected aggregate market value of the shares shall be at least EUR 1 million.

The expected aggregate market value of the shares is typically evaluated based on the offering price in the Initial Public Offering, but other means of evaluation can be used as well. This requirement applies only prior to an initial listing on the Exchange.

**Suitability**

**2.2.3.14** The Exchange may also, in cases where all listing requirements are fulfilled, refuse an application for listing if it considers that the listing would be detrimental for the securities market or investor interests.

In exceptional cases, a company applying for listing may be deemed to be unsuitable for listing, despite the fact that the company fulfils all of the listing requirements. This may be the case where, for example, it is believed that the listing of the company’s shares might damage confidence in the securities market in general. If an already listed company, despite fulfilling all continuous listing requirements, is considered to damage confidence in the securities market in general because of its operations or organization, the Exchange may consider evaluating grounds for giving the shares observation status or delisting.
In order to maintain and preserve the public’s confidence in the market, it is imperative that persons discharging managerial responsibilities in the company, including members of the board, do not have a history that may jeopardize the reputation of the company and thus confidence in the securities market. It is also important that the history of such persons be sufficiently disclosed by the company prior to the listing, as part of the information presented in the prospectus. For example, the company should carefully consider whether information relating to the criminal record of such persons should be disclosed or not, and the same goes for information pertaining to involvement in bankruptcies and suchlike. In extreme circumstances, if a relevant person has a history of felonies, in particular white-collar crimes, or has been involved in a number of bankruptcies in the past, such circumstances may disqualify the company from being listed, unless such a person is relieved from his/her position in the company.

2.2.4 ADMINISTRATION OF LISTED COMPANIES

The management and board of directors

2.2.4.1 The board of directors of the company shall be composed so that it sufficiently reflects the competence and experience required to govern a listed company and to comply with the obligations of such a company.

2.2.4.2 The management of the company shall have sufficient competence and experience to manage a listed company and to comply with the obligations of such a company.

A prerequisite for being a listed company is that the members of the board and persons with managerial responsibilities in the company have a sufficient degree of experience and knowledge in respect of the special requirements for such companies. It is equally important that such persons also understand the demands and expectations placed on listed companies. It is neither mandated nor warranted that all members of the board possess such experience and competence, but the board needs to be sufficiently qualified based on an overall assessment. As regards the management, at least the CEO and CFO must be sufficiently qualified in this respect.

When assessing the merits of relevant persons in the company or its board, the Exchange will take into consideration any previous experience gained from a position in a company listed on the Exchange, another regulated market or a marketplace with equivalent legal status. Other relevant experience shall qualify as well.

It is also important that the members of the board and the company’s management know the company and its business, and are familiar with the way the company has been structured, for example, its internal reporting lines, the management pertaining to financial reporting, its investor relation management and its procedures for disclosing ad hoc and regular information to the stock market. The Exchange will normally consider the members of the board and the management as being sufficiently familiar with such circumstances if they have been active in their respective current positions in the company for a period of at least three months and if they have participated in the production of at least one annual or interim report issued by the company prior to the listing.
It is also important that all members of the board and persons in the management have a general understanding of stock market rules, in particular such rules that are directly attributable to the company and its listing. Such understanding may be acquired by participating in one of the regular seminars that are offered by the Exchange. Persons that are sufficiently qualified shall demonstrate this to the Exchange, for example by providing a CV, a certification by an acceptable third party or other means that may satisfy the Exchange.

The Exchange requires the CEO to be employed by the company. This requirement may be waived for a shorter period, if duly justified.

Capacity for providing information to the market

2.2.4.3 Well in advance of the listing, the company must establish and maintain adequate procedures, controls and systems, including systems and procedures for financial reporting, to enable compliance with its obligation to provide the market with timely, reliable, accurate and up-to-date information as required by the Exchange.

The company shall have an organization that ensures timely dissemination of information to the stock market. The organization and the routines should be in place prior to the listing, meaning that the company should have prepared at least one interim report for publication in accordance with the Exchange rules, although this information need not have been disseminated to the market. The Exchange encourages applicants to go even further, in the sense that it is recommended that the organization for dissemination of information to the stock market will have been in operation for at least two quarters and involved in the production of at least two interim reports or a report of annual earnings figures and one interim report prior to the listing.

The financial system shall be structured in such a manner that management and the board of directors receive the necessary information for decision-making. This should facilitate speedy and frequent reporting to management and the board of directors, commonly in the form of monthly reports. The financial system must allow for the speedy production of reliable interim reports and reports of annual earnings figures. The company shall also have the human resources required to analyze the material so that, for example, profit trends in the external reporting can be commented upon in a manner relevant to the stock market. It may be acceptable that retained external personnel handle parts of the financial function, provided that there is a long-term contractual relationship and reasonable continuity of personnel. However, the responsibility for the fulfilment of the financial functions always rests with the company and having essential aspects of financial expertise based on external personnel is not acceptable.

In order to avoid a situation in which the president becomes overly burdened, there shall be at least one additional person who can communicate externally on behalf of the company. Consultants may function as a support in the distribution of information, especially with respect to the drafting of stock market information. However, basing material parts of the information expertise on consultants or hired external personnel is not acceptable.

To ensure that the company provides the market with timely, reliable, accurate and up-to-date information, the exchange encourages the company to adopt an information and disclosure policy. A company’s information and disclosure policy is a document that helps the company to continuously provide high-quality internal and external information. It should be formulated in such a manner that
compliance with it is not dependent on a single person, and it should also be
designed to fit the circumstances pertaining to the specific company. The
information provided to the stock market shall be correct, relevant, and reliable
and shall be provided in accordance with the rules of the Exchange.

A company’s information and disclosure policy normally deals with a number of
areas, such as who is to act as the company’s spokesperson, which type of
information is to be made public, how and when publication shall take place and
the handling of information in crises. With respect to a listed company, it is also
of particular importance that the policy contains a section dealing with the stock
market’s demands for information. The internal rules to be laid down by the listed
companies will contribute to this.

2.2.5 CORPORATE GOVERNANCE

The company shall notify how it complies with the corporate governance
recommendations issued in its home state. If corporate governance recommendations
are not applied to the company in its home state, the company shall apply the Corporate
Governance Code that applied by the Exchange.

A company domiciled in Finland follows the Finnish Corporate Governance Code,
but a company with some other domicile than Finland follows the corporate
governance recommendations that are applied to it in its home state. If corporate
governance recommendations are not applied to the company in its home state
(no corporate governance recommendations exits in its home state), the
company shall, as a rule, apply the Finnish Corporate Governance Code, unless
the Exchange has, on special grounds, given the right to deviate from this
principle in accordance with rule 2.2.7.3.

2.2.6 WAIVERS

2.2.6.1 The Exchange may approve a listing application, even if the company
or share does not fulfil all listing requirements, if the Exchange can be satisfied that
(i) the objectives behind the relevant listing requirement or any statutory requirements
are not compromised; or
(ii) the objectives behind certain listing requirements can be achieved by other means.

The objectives behind the listing requirements are to facilitate sufficient liquidity and
to promote confidence in the company, the Exchange and the stock market at large.
These objectives are normally deemed to have been met if all the listing
requirements are satisfied. However, each particular case has to be assessed on its
own merits. Where the circumstances considered together give a sufficient
assurance that the situation of the company and its shares is in compliance with the
said objectives, the Exchange may approve an application for listing even if all the
listing requirements have not been fulfilled. For example, it may be that the share
distribution is less than 25 per cent, but the number of shares distributed to the
public and the number of shareholders is sufficient to provide orderly trading and
sufficient liquidity. In such circumstances, the requirements need to provide a
sufficient degree of flexibility, in order not to hinder admission to trading if such
trading would be in the best interest of the company and the investors. Waivers may
only be relevant at the time of admission to trading and listing.

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In some situations, a waiver may require permission from the Financial Supervision Authority. In such cases, the decision of the Exchange will require such a permission in order to become valid. The Exchange will apply for the permission from the Financial Supervision Authority.

2.2.6.2 The Exchange may approve, based on the written application by the listed company, an individual deviation from the listing requirements presented in these Rules, if the Exchange is, prior to granting the exemption, certain that

(i) the deviation does not endanger the position of the investors; and

(ii) the deviation would not be contrary to public interest or the Securities Markets Act or other laws; or

(iii) if the Financial Supervisory Authority has granted an exemption in the matter pursuant to the Act on Trading in Financial Instruments.

A listed company shall apply for an exemption order, if its situation changes so that one or several of the listing requirements are no longer met. The prerequisite for the exemption order issued by the Exchange is either that the Financial Supervision Authority grants an exemption regarding the same matter or that the Exchange is certain that the deviation would not endanger the position of investors or be contrary to public interest or legislation. In such circumstances, the Exchange also usually discusses the matter with the listed company with the aim of finding a solution to the situation, if necessary. In situations where there are serious shortcomings in the listing requirements, delisting may be considered as an utmost alternative.

2.2.6.3 The above described possibilities to make a deviation are, however, not applied to the negotiability of shares (2.2.3.3) or the provisions regarding the administration of the company (2.2.4). In connection with admission to the list, exemption may not either be granted from the requirements regarding profitability and working capital (2.2.3.6, 2.2.3.7 and 2.2.3.8).

As for the number of shares held by the public (2.2.3.10 and 2.2.3.11) and providing financial statements (2.2.3.5), another prerequisite of an exemption is that the Financial Supervision Authority has granted an exemption regarding said requirement in accordance with the Decree of the Ministry of Finance on the requirements for listing of securities.

2.2.7 SECONDARY LISTING

2.2.7.1 Finnish listed companies shall be considered as having their primary trading venue (primary exchange) on NASDAQ OMX Helsinki. However, if the company can demonstrate that the majority of the trading in its share takes place in some other regulated market, NASDAQ OMX Helsinki may accept the maintainer of such a foreign regulated market equivalent to an exchange to be the primary exchange.

2.2.7.2 The primary exchange of other than Finnish listed companies can be a regulated market in the home state of the company, if the company is listed in said regulated market, in which the trading in the share also primarily takes place. If a company is not listed in a regulated market in its home state, the company may be deemed to have a primary listing with the maintainer of such an established and recognized foreign regulated market to which it is considered to have the closest
connection, when comparing the trade in the company share in said regulated market with other possible regulated markets.

2.2.7.3 With regard to the provisions in rule 2.2.7, the Exchange may approve secondary listing of a company with its primary listing with the maintainer of a regulated market, and, on the basis of this, grant exemption from one or more of the general listing requirements (2.2.3) as well as the requirements regarding the administration of the company (2.2.4 and 2.2.5).

Companies with a primary listing on a regulated market, or equivalent, which is run by NASDAQ, Deutsche Börse, London Stock Exchange, NYSE Euronext, Oslo Børs, Hong Kong Exchanges and Clearing, Australian Securities Exchange, Singapore Exchange or Toronto Stock Exchange may be granted exemptions from the rules of chapter 2. Decisions on secondary listings of such companies shall be made by the Managing Director of the Exchange.

In connection with a secondary listing, the Exchange will normally require a certificate from the regulated market where the company has its primary listing. This is done to verify that the company, in essential respects, has complied with the listing requirements at the primary market.

2.2.7.4 When seeking a secondary listing on the Exchange, the company must satisfy the Exchange that there will be sufficient liquidity in order to facilitate orderly trading and an efficient price formation process.

The Exchange will normally recognize the listing requirements of another – in the Exchange’s opinion – well recognized regulated market or equivalent trading venue, if the company is subject to primary listing on such a market. The Exchange may accept a secondary listing of a company having its primary listing on such a market in accordance with the requirements set out in the above rules.

However, also in case of secondary listings, it is imperative that the liquidity is sufficient to provide for orderly trading and an efficient price formation process. The Exchange will consider the forecast of sufficient liquidity based on an overall assessment of the share distribution of the company, not only on the domestic market but also in a Nordic, European or even global perspective. In its assessment, the Exchange will consider factors such as (i) the share distribution in the national market, and (ii) the efficiency of relevant cross-border clearing and settlement facilities. If deemed appropriate under the circumstances, the Exchange may require that the company use a designated liquidity provider in order to safeguard a sufficient liquidity.

The Exchange may at any time decide that the listing on the Exchange shall be considered as a primary listing in case of changed circumstances. For example, the Exchange may initiate such a change if it becomes evident that the prerequisites for secondary listing set out in the rules above are no longer fulfilled.

2.2.8 OBSERVATION SEGMENT

Purpose of observation segment

2.2.8.1 The purpose of the observation segment is to alert the market to special facts and circumstances or actions pertaining to the subject issuer or security. The
observation segment is a subset of the Official List. Provisions on the observation segment also apply to the Prelist.

Grounds for observation status

2.2.8.2 The Exchange may decide to give a listed company’s share observation status if

(i) the company fails to satisfy the listing requirements and the failure is deemed to be significant;

(ii) the company has made a serious breach against other regulation covering listed companies;

(iii) the company has applied for delisting;

(iv) the company is subject to a public bid or a bidder has disclosed its intention to make a bid for the company;

(v) the company has been subject to a reverse take-over or otherwise plans to make or has made an extensive change in its business or organization so that the company upon an overall assessment appears to be an entirely new company;

(vi) there is a material adverse uncertainty in respect of the company’s financial position; or

(vii) any other circumstance exists that results in substantial uncertainty regarding the company or the pricing of its security.

As a signal to the stock market, a listed company’s shares may temporarily be given observation status. The objective behind the observation status is to give a signal to the market that there are special circumstances related to the listed company or its shares to which the investors should pay attention. Reasons for giving the security observation status may vary significantly in various situations, as can be seen from the list of reasons above. The observation status should last for a limited period of time, normally no more than six (6) months. As for acquisition companies, the provision in item (v) above shall be interpreted taking into account that the objective of such a company is to complete one or more acquisitions.

2.2.8.3 However, the Exchange may decide on special grounds not to transfer a security to the observation segment.

Procedure

2.2.8.4 The Exchange shall decide on the transfer to and removal from the observation segment.

2.2.8.5 An issuer shall be given the opportunity to be heard before a decision on a transfer to the observation segment is made, unless this is clearly unnecessary.

2.2.8.6 A share shall be removed from the observation segment when the grounds for the transfer no longer exist.
2.2.8.7 A transfer to the observation segment that is based on deficiency in listing requirements or breach of the rules may not last for more than six (6) months at a time. On special grounds, the Exchange may decide on a longer duration.

2.2.8.8 If a share has been transferred to the observation segment pursuant to item (v) of rule 2.2.8.2, the share may be removed from the observation segment based on an application by the issuer. Such application must contain a statement on the requirements and conditions of listing as well as the basis for removal from the observation segment.

Trading in the observation segment

2.2.8.9 Trading in the observation segment will be subject to the rules of the Exchange applicable to trading in securities.

2.2.9 DELISTING OF A SHARE

Requirements and procedure

2.2.9.1 The Exchange may, based on the application of a listed company, decide that trading in a listed share is terminated, if the termination will not result in any significant harm to investors or to the proper function of the financial market. The Exchange may set conditions for the termination of trading.

2.2.9.2 The Exchange may, at its own initiative, decide that trading in a share is terminated. This decision may be made if the share or its issuer no longer fulfils the listing requirements or other provision of the Rules of the Exchange and if the termination will not result in any significant harm to investors or to the proper function of the financial market. The Exchange may set conditions for the termination of trading.

Hearing

2.2.9.3 A listed company shall be provided the opportunity to be heard before a delisting decision is made.

Appeals

2.2.9.4 If the Exchange has rejected a delisting application or made a delisting decision based on an application by a listed company or at its own initiative, the listed company shall have the right to bring the matter to the Financial Supervisory Authority within 30 days from the decision.

2.2.10 SPECIAL LISTING REQUIREMENTS FOR ACQUISITION COMPANIES

2.2.10.1 An Acquisition Company (AC) is such a listed company the business plan of which is to complete one or more business acquisitions within a certain time period. The listing requirements regarding the financial statements (2.2.3.5), operating history (2.2.3.6) and profitability (2.2.3.7) shall not be applicable to such a company provided that the Financial Supervision Authority has granted an exemption, if necessary.

2.2.10.2 An acquisition company shall deposit in a blocked bank account at least 90 per cent of the capital acquired through the initial public offering and some other capital that is to be used for acquisitions.
2.2.10.3 Within 36 months of the approval of its prospectus or such a shorter period of time that the company specifies in its prospectus, the acquisition company must complete one or more business acquisitions having an aggregate market value of at least 80 per cent of the value of the capital (excluding any deferred underwriters fees and taxes payable on the income earned on the deposit account) in the blocked bank account when the agreement on the first acquisition is signed.

2.2.10.4 Until the acquisition company has fulfilled the requirements presented in rule 2.2.10.3 above, each business acquisition must be approved by a majority of directors who are independent of the company (see recommendation regarding corporate governance).

2.2.10.5 Until the acquisition company has fulfilled the requirements presented in rule 2.2.10.3 above, each business acquisition must be approved at the general meeting of shareholders with at least a simple majority of votes.

2.2.10.6 Until the acquisition company has fulfilled the requirements presented in rule 2.2.10.3 above, the company must notify the Exchange about each proposed business acquisition prior to the disclosure without any undue delay.

2.2.10.7 Until the acquisition company has fulfilled the requirements presented in rule 2.2.10.3 above, a shareholder voting against a business acquisition at a shareholders’ meeting and making a claim for redemption at that meeting, shall have the right, determined in the company’s Articles of Association, to have his shares redeemed provided that the business acquisition is approved and executed. The redemption price is the relative share of the shares of the capital deposited in the blocked bank account, excluding the taxes payable and expenses related to the company operations. A company may set a limit to the maximum number of shares the redemption of which may be required. The limit may not be below 10 per cent of the company’s total shareholder capital. The right of redemption does not apply to:

i) members of the board of directors of the company,

ii) the company management,

iii) the founding shareholders of the company,

iv) the spouses or partners of any person referred to in items (i) to (iii),

v) persons who are under custody of a person referred to in items (i) to (iii), and

vi) legal persons over which any person referred to in items (i) to (v), alone or together with any other person referred to therein, exercises a controlling influence.

The notice of the general meeting shall mention the shareholders’ right to demand redemption.

2.2.10.8 When an acquisition company has fulfilled the preconditions of rule 2.2.10.3 above, it is no longer regarded as an acquisition company, and the company shall without any undue delay initiate a new listing process for applicable parts. In this connection, the company shall fulfil all listing requirements for listed companies. If the company does not fulfil the listing requirements, the Exchange may decide that trading in the listed security will be terminated in accordance with rule 2.2.9.2.
2.2.11 ADDITIONAL LISTING OF SHARES

Listing procedure

2.2.11.1 Any shares of the same class as those listed on the Exchange will be listed in the manner described below.

2.2.11.2 When a listed company carries out a share issue, either through a public offering or in such a manner that the shareholders of the company have a pre-emptive right to purchase additional shares in the same class as the listed shares in proportion to their relative holdings, the following will be listed without separate application:

1) a new share that, within a given period of time, will produce property or governance rights in the company that are different from those attached to previously outstanding shares of the same class;

2) a share issued through a bonus issue that will produce property and governance rights comparable to those attached to previously listed shares of the same class;

3) a security related to a share that allows the bearer to subscribe for listed shares or securities entitling to a share.

2.2.11.3 When a listed company has issued shares deviating from the shareholders’ pre-emptive right to subscribe for shares in a manner other than a public offering, the Exchange shall, on the basis of a written application by the listed company, decide on the listing of such new shares as referred to in item 1 of rule 2.2.11.2. The application must state the number of shares and holders of shares or securities and address any facts and circumstances that may affect trading in these shares. The Exchange may also make the decision at its own initiative.

2.2.11.4 Whenever shares of a listed company have been issued through the exercise of convertible notes or option rights, the Exchange shall, in accordance with rule 2.2.11.3 above, decide on the listing of such shares as referred to in item 1 of rule 2.2.11.2.

2.2.11.5 Whenever a listed company issues shares and the shares to be issued or shares given through the exercise of convertible notes or option rights carry the same rights as shares already listed, the Exchange shall, upon written application by the listed company, decide on the listing of such shares. In this case, the number of shares and the fact that they will carry the same rights as the shares already listed on the Exchange must be noted in the application. If the listed company may, by virtue of the Securities Markets Act, deviate from the obligation to publish a prospectus, the company shall note that the preconditions for the deviation from said obligation are fulfilled.

2.2.12 PRELIST

Listing of shares on the Prelist

Listing decision

2.2.12.1 The listing of shares on the Prelist will be subject to the sole discretion of the Exchange, based on the application of a company.
Filing a listing application

2.2.12.2 A company must without undue delay disclose the submission of its listing application to the Exchange.

Listing requirements

2.2.12.3 One or more of the following facts and circumstances are typically associated with shares listed on the Prelist:

1) the issuer has disclosed its intention to apply later for the listing of its shares on the Official List;

2) the shares of the issuer have a material connection with a publicly traded set of assets, where the issuer and a listed company, or a company referred to in item 1, form one economic unit, for example, or are connected in other essential manner;

3) the shares are subject to significant investor interest;

4) there is a significant need to determine the value of the shares in public trading, or another comparable reason.

2.2.12.4 Shares may be listed on the Prelist if conditions for sufficient demand and supply shall exist in order to facilitate a reliable price formation process. The following conditions must also be met:

1) If the company has published a decision to later apply for listing (rule 2.2.12.3 above):

a) The company applying for listing fulfils the listing requirements of the official list in question as follows: rules 2.2.3.5; 2.2.3.6 (accounts and operating history); either 2.2.3.7 or 2.2.3.8 (profitability and working capital); and chapters 2.2.4 and 2.2.5 regarding company administration; and

b) the company has prepared a plan and a schedule for measures whose implementation will lead to the satisfaction of the requirements and conditions for listing on the Official List;

2) the share must be freely negotiable. A share subject to a redemption clause or a consent clause within the meaning of the Limited Liability Companies Act may be listed on the Prelist, however, if sufficient grounds exist for secondary market liquidity;

3) the administration of the company fulfils the requirements of chapter 2.2.4;

4) a prospectus, within the meaning of Chapter 4 of the Securities Markets Act, which has been approved by the Financial Supervisory Authority, or a prospectus approved in another member state of the European Economic Area and duly notified to the Financial Supervisory Authority, and a document certifying such approval or notification, have been drawn up for prelisting.

2.2.12.5 The Exchange may, on special grounds, grant an exemption from an individual listing requirement. A general precondition for such a deviation is that the company and its shares overall satisfy the requirements for listing and that the exemption will not compromise the position of investors.
2.2.12.6 The Exchange may also in cases where all listing requirements are fulfilled refuse an application for listing if it feels that the listing would be or is detrimental for the proper function of the financial market or investors.

2.2.12.7 As a rule, shares will remain on the Prelist for no more than one (1) year. The Exchange may extend the prelisting of a share, if the requirements for prelisting are still fulfilled.

Company application

2.2.12.8 Applications for listing must be in writing and must include the information required in rule 2.2.2.2. The Exchange may, on special grounds, decide not to require a particular piece of information listed in sections 1 through 14 of said rule.

Agreement

2.2.12.9 The company must enter into a written agreement with the Exchange on the trading in its share on the Prelist. In the agreement, the company shall undertake to abide by the rules and guidelines of the Exchange in force at the time in question as well as by its commitments to the Exchange.

Registration fee and annual fee

2.2.12.10 Companies will be required to pay a registration fee to the Exchange prior to submitting their application for listing. This registration fee is non-refundable. A company whose share is listed on the Prelist is required to pay an annual fee to the Exchange.

Applicable provisions

2.2.12.11 Provisions regarding listed companies apply to companies listed on the Prelist. As for additional listing, the provisions in this chapter shall be applied. As for the commencement and termination of trading, the rules regarding the commencement and termination of trading in a share (2.2.13) shall be applied.

Transfer of a share to another list

2.2.12.12 The Exchange may, upon the application of an issuer, decide to transfer a share to another list. Such transfers require that the preconditions for listing on the target list are fulfilled. In connection with a transfer, the company may deviate from the prospectus requirement in accordance with the Securities Markets Act.

Removal of a share from the Prelist

2.2.12.13 The Exchange may, based on the application of an issuer, decide that trading in a share admitted to the Prelist will be terminated, if the decision will not result in any significant harm to investors or to the proper function of the financial market. The Exchange may set conditions for the termination of trading.

2.2.12.14 The Exchange may, at its own initiative, decide that trading in a share admitted to the Prelist will be terminated. This decision may be made if the security or its issuer no longer fulfils the listing requirements or other requirements of the Rules of the Exchange and if the decision will not result in any significant harm to investors or the proper function of the financial market. The Exchange may set conditions for the termination of trading.
2.2.12.15 An issuer shall be provided with the opportunity to be heard before a decision on the removal from the list is made.

Appeals

2.2.12.16 If the Exchange has rejected a delisting application from the Prelist or if it has made a delisting decision based on the application of a listed company or its own initiative, the company will have the right to bring the delisting decision to the Financial Supervisory Authority within 30 days of the decision.

2.2.13 COMMENCEMENT AND TERMINATION OF TRADING IN SHARES

2.2.13.1 The Exchange will decide the starting date for trading in a share. Trading will end if a share is delisted in accordance with rule 2.2.9.

2.2.13.2 Trading in subscription rights entitling to a share commences on the first day of their subscription period and ends so that the subscription rights will be last tradable on the fifth trading day immediately preceding the close of the subscription period.

2.2.13.3 Trading in new shares subscribed through an increase from reserves commences on the first day of the subscription period and ends when their property and governance rights are equal to those of the old shares.

2.2.13.4 Trading in new shares subscribed through an issue based on the shareholders’ precedence (interim shares) commence at the latest on the first trading day immediately following the close of the subscription payment period and ends as soon as their property and governance rights are equal to those of the old shares.

2.2.13.5 In an issue based on the shareholders’ precedence, trading in subscribed and fully paid new shares (interim shares) can commence on the first day of the subscription period or later during the subscription period. Trading will end when the property and governance rights of the new shares are equal to those of the old shares.

2.2.13.6 Trading in shares subscribed through a private placement or in a bonus issue or the exercise of convertible notes or equity warrants will commence on a day decided by the Exchange.

2.2.13.7 The new shares will be traded together with the old shares once the property and governance rights of both shares are equal.

2.2.14 LISTING COMMITTEE

Functions of the Listing Committee

2.2.14.1 The listing and delisting of shares, except for secondary listings in accordance with these rules, will be decided by a Listing Committee reporting to the Exchange’s Board of Directors. The Listing Committee may treat situations referred to in section 2.2.8.2, item (v) of these Rules in a similar manner as listings or delistings.

2.2.14.2 The Board of Directors will issue working orders to the Listing Committee.
Listing Committee members

2.2.14.3 The Listing Committee consists of six members appointed by the Board of Directors of the Exchange for terms of three (3) years. Each member is required to have sound knowledge of business and the securities market. Three (3) of the members will represent the business sector and the securities market.

2.3 DISCLOSURE REQUIREMENTS

2.3.1 GENERAL PROVISIONS

2.3.1.1 General provision

A listed company shall, without undue delay, 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 listed company’s securities in accordance with the Securities Markets Act.

In accordance with Chapter 6, Section 4 of the Securities Markets Act, the issuer of a security subject to trading on a regulated market shall, without undue delay, make public all such decisions and circumstances regarding the issuer and its operations which are likely to be price sensitive.

This general provision addresses situations which require disclosure of information and which are not covered by other sections of these rules. The wording of the general provision shall not be interpreted in such a manner that it would extend, or its aim would be to extend, the obligations set by law.

A listed company shall ensure that all market participants have simultaneous access to any price sensitive information about the listed company. The listed company is also required to ensure that the information is treated confidentially and that no unauthorised party is given such information prior disclosure. As a consequence of the foregoing, price sensitive information may not be disclosed to analysts, journalists, or any other parties, either individually or in groups, unless such information is simultaneously made public to the market.

The general provision also stipulates that all price-sensitive information concerning the listed company must be disclosed as soon as possible (see also "Timing of information", section 2.3.1.3). Disclosure shall be made according to the Securities Markets Act and rule 2.3.1.5 "Methodology".

The determination of what constitutes price sensitive information must be based on the facts and circumstances in each case and, where doubts persist, the listed company may contact the Exchange for advice. The Exchange’s employees are subject to a duty of confidentiality. However, the listed company is always ultimately responsible for fulfilling its duty of disclosure.

In evaluating whether a price sensitive effect is reasonably expected to occur, the factors to be considered may include:

- the expected extent or importance of the decision, fact or circumstance compared with the listed company’s activities as whole;
• the relevance of the information as regards the main determinants of the price of the listed company’s securities; and
• all other market variables that may affect the price of the securities.

When the listed company has received the information from an external party, also the reliability of the source can be taken into consideration.

An additional basis for evaluation is whether similar information in the past had a price sensitive effect or if the listed company itself has previously treated similar circumstances as price sensitive. Of course this does not prevent listed companies from making changes to their disclosure policies, but inconsistent treatment of similar information should be avoided.

As previously mentioned, a listed company must disclose information when it is "reasonably expected” that the price of the securities will be affected. It is not required that actual changes in the price of the securities occur. The effect on the price of the securities may vary and should be determined on a company by company basis, taking into account, among other things, the share price trend, the relevant industry in question, and the actual market circumstances. Accordingly, an obligation to provide information pursuant to this provision may, for example, exist in the following situations:

• orders or investment decisions;
• co-operation agreements or other agreements of major importance;
• price or exchange rate changes;
• credit or customer losses;
• new joint ventures;
• research results;
• commencement or settlement of, or decisions rendered in, legal disputes;
• financial difficulties;
• decisions taken by authorities;
• shareholder agreements known to the company which pertain to the use of voting rights or transferability of the shares;
• market rumours;
• market making agreements;
• information regarding subsidiaries and affiliated companies; or
• significant change in the financial position.

Some of the examples are described in greater detail below.
Orders or investment decisions; co-operation agreements

If a listed company discloses a major order, it could be essential to provide information about the value of the order, including the product or other content of the order and time period to which the order relates. Orders relating to new products, new areas of use, new customers or customer types, and new markets may be considered as price sensitive under certain circumstances. In the context of co-operation agreements, it may be difficult to determine the financial effects and, therefore, it is very important to provide the securities market with a clear description of the reasons, purpose, and plans.

Financial difficulties

If a listed company encounters financial difficulties, such as a liquidity crisis or suspension of payments, and simultaneously loses control of its situation as significant decisions are taken by other parties, e.g. lenders or major shareholders, such a factor is reasonably expected to be price sensitive.

The foregoing does not absolve the listed company of its responsibilities relating to information disclosure and, therefore, the company remains liable for the disclosure of the information. This is achieved by the listed company staying continuously informed of developments through contacts with representatives from lenders, major shareholders, etc. On the basis of information then received, appropriate information measures may be taken.

Not infrequently, loan agreements contain different types of limits in relation to equity ratio, turnover, credit ratings or suchlike (“covenants”) and if these limits are exceeded, the lender may demand renegotiation of the loan. Exceeding such limits may be a factor of a price sensitive nature and thus must be disclosed.

Decisions taken by authorities

Even though it may be difficult for the listed company to control processes where decisions are made by authorities or courts of law, it is still the company’s responsibility to provide information regarding such decision(s) to the securities market as soon as possible. The information must be sufficiently comprehensive and relevant from the market’s viewpoint to enable an assessment of the effect on the listed company and its operations, result or financial position and thus the extent of the information needed may vary.

If it is impossible for the listed company to provide an opinion on the consequences of the decisions made by authorities or courts of law, the listed company may initially make an announcement regarding the decision. As soon as the listed company has made an assessment of the consequence of the decision, if any, the listed company should make a new announcement regarding these consequences.

Information regarding subsidiaries and affiliated companies

Decisions, facts and circumstances pertaining to the group or to individual subsidiaries, and in some cases affiliated companies as well, may likewise be price sensitive. Evaluation is naturally affected by the legal and operational structure of the group and by other circumstances.
A situation may occur in which an affiliated company discloses information independently with regard to its own operations regardless of whether the affiliated company itself has a similar duty of disclosure. In such cases the listed (parent) company is required to evaluate whether that information is also price sensitive with regard to the listed company’s securities and, accordingly, disclose such information in accordance with the general provision.

When the subsidiary is a listed company, circumstances in the subsidiary may be price sensitive for the parent company’s listed securities and must be disclosed by the parent company. When the information is not significant from the parent company’s perspective and when the investors have sufficient information to assess the announcement from the subsidiary, it is generally unnecessary for the parent company to make a separate disclosure of information already disclosed to the markets by the subsidiary. However, the parent company must disclose the information when special assessment is required from the parent company’s perspective, for example when the consequences to the parent company cannot be easily understood from the announcement made by the subsidiary. In such cases, the information should also follow the requirements of the “Correct and Relevant Information” rule 2.3.1.2. It is preferable that listed group companies cooperate in making their announcements.

Selective insider information

In accordance with Chapter 14, Section 2 of the Securities Markets Act, insider information may not be disclosed, if this is not part of the work, profession or tasks of the ordinary tasks of the person disclosing the information.

In special cases it is however possible to provide information before the disclosure to persons who take an active part in the decision process or as a part of their professional role is involved in the information process. This applies to situations in which it is highly important for the listed company to be permitted to release certain information selectively. It could, for example, concern information to major shareholders or contemplated shareholders in conjunction with an analysis prior to a planned new share issue, to advisors retained by the company for, e.g. work on prospectuses prior to a planned share issue or other major transaction, to contemplated bidders or target companies in conjunction with negotiations regarding takeover bids or to rating institutions prior to credit ratings or to lenders prior to significant credit decisions.

The possibility to make exceptions shall be used very restrictively and subject to the continuous consideration of whether the information requested is actually required for the intended purpose. Normally, where the information is selectively disclosed, it should be subsequently published in order to neutralise the “insider position” held by those persons receiving the information.

The company shall make clear to the recipient of the information that he or she must treat the information confidentially and that the recipient has become an “insider” by virtue of the receipt of the information and, consequently is prohibited by law Chapter 14, Section 2 of the Securities Markets Act from exploiting the information for his or her own or another’s profit. The company must also maintain records in respect of those persons who have received access to the selective information in the manner required by Chapter 13 of the Securities Markets Act.
Where a listed company is a subsidiary of another listed company, the subsidiary may, before the subsidiary publishes its own report of unaudited annual earnings figures and interim reports, disclose any information necessary for the parent company to prepare its report of unaudited annual earnings figures or interim reports. This also applies to associated companies reported by a listed owner company in accordance with the equity method. This information must, however, be treated by the parent or owner company as confidential information. On the other hand, a subsidiary may not, as a rule, disclose to the parent company other price-sensitive information, e.g. monthly accounts, budgets, forecasts, or investment plans to be used, for example, in the parent company’s internal reporting system. Naturally, the parent company’s representatives on the subsidiary’s board of directors are not precluded, in such capacity, from receiving such information.

As a result of regular contact with a customer, larger suppliers may also obtain non-published information about the customer. Since this information is obtained as a result of the business relationship, the listed company (the customer) may ensure, for example, through a confidentiality agreement, that the supplier does not make public or otherwise disclose the customer’s instructions or orders.

**Significant deviation in financial result or financial position**

In the event that the financial result or position of the company deviates in an unexpected and significant way from what could reasonably be expected based on financial information previously disclosed by the company, the company shall disclose information about the change if it is considered price sensitive.

### 2.3.1.2 Correct and relevant information

Information disclosed by the listed company 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 listed company, its financial result and financial position, or the price of its listed securities.

The information the listed company discloses must reflect the company’s actual situation and may not be misleading or inaccurate in any manner. The requirement regarding relevance dictates that the information must contain facts which provide sufficient guidance to enable evaluation of such information and its effect on the price of the listed company’s securities.

The second part of the provision states that information must be “sufficiently comprehensive to enable assessment of the effect of the information disclosed on the listed company itself, its financial result and financial position, or the price of its securities” and therefore also information omitted from an announcement may cause the announcement to be inaccurate or misleading. The information in an announcement must however be ready to be disclosed.

In some cases, like mergers and acquisitions, disclosure at various stages of the transactions may be necessary. When the transaction or specific elements of it are not yet finalized, and more information is expected to be disclosed later, the company should refer to such pending matters and in due course give further
information about them. However, listed companies should, in general, avoid disclosing information in stages.

2.3.1.3 Timing of information

Disclosure of information covered by these Rules shall be made without undue delay, unless otherwise specifically stated. 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 the Securities Markets Act.

Significant changes to previously disclosed information shall be disclosed as soon as possible. Corrections to errors in information disclosed by the listed company itself need to be disclosed as soon as possible after the error has been noticed, unless the error is insignificant.

The purpose of the requirement is to ensure that all market participants shall have access to the same information at the same time. The requirement to inform the market as soon as possible means that very little time may elapse between the time when a decision is taken or an event occurs, and the disclosure thereof. Normally, the disclosure should not take more time than necessary to compile and disseminate the information, but at the same time it is necessary that the information must be ready to be disclosed, to allow a sufficiently comprehensive disclosure. Even if draft announcements normally are prepared prior to planned decision-making, the rule does not require an announcement e.g. during an ongoing meeting of the board of directors or other decision-making. The disclosure can then be made after the meeting is finished.

Where an election is held or a decision is taken during evening hours, night-time hours or during a weekend, and the listed company’s shares are not being traded on any other marketplace with information requirements, publication may take place the following Exchange day in due time prior to the opening of the Exchange. This presupposes, however, that those persons in possession of the information continue to apply strict secrecy during the interim period.

According to these Rules it is not possible to provide price sensitive information e.g. at general meetings or analyst presentations without disclosure of the information. If the company intends to provide such information during such a meeting or presentation, the company must simultaneously – at the latest – disclose the new price sensitive information as an announcement in accordance with rule 2.3.1.5 (Methodology).

According to Chapter 6, Section 5 of the Securities Markets Act is it under certain circumstances sometimes possible to delay disclosure of price sensitive information. In these cases the listed company must make sure that they comply with all applicable rules in local legislation regarding delayed information.

Whenever the listed company discloses significant changes to previously disclosed information, the changes should also be disclosed using the same distribution channels as previously. When there are changes to information in a financial report, it is not usually necessary to repeat the complete financial report, but the changes can be disclosed in an announcement with a similar distribution as for the report.
2.3.1.4 Information leaks

If a listed company learns that price sensitive information has leaked prior to a disclosure, the listed company 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 without undue delay.

If a listed company learns that price sensitive information has leaked from the company or from a party acting in its behalf before its disclosure, the listed company shall disclose an announcement of the matter. See Chapter 6, Section 6 of the Securities Markets Act.

It may occur that information about the listed company becomes available publicly without the listed company itself having disclosed it by an announcement. In such cases the listed company assesses whether such information may be price sensitive and whether a disclosure obligation in accordance with the general provision has arisen. The assessment takes into consideration, among other things, accuracy of the information and possible underlying insider information within the listed company. When such information is largely accurate and in fact price sensitive information within the company, the listed company will need to assess whether it has been able to ensure the confidentiality of such information or if price sensitive information has leaked to the market (see also provision 2.3.1.3 regarding Timing of information).

Market rumours or media speculation regarding the listed company may occur even if information has not leaked from the listed company. The listed company is not obliged to monitor market rumours or respond to rumours which are without substance or other inaccurate or misleading information from a third party. In such cases the listed company may alternatively respond with “no comment”. However, when an untrue rumour has a significant effect on the price of the listed company’s securities, the listed company may consider making an announcement in order to provide the market with correct information and to promote orderly price formation. If orderly trading is substantially affected by such rumours, the Exchange will need to consider whether it needs to take action such as suspending trading.

2.3.1.5 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 company’s 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 by the company shall have a heading indicating the substance of the announcement.

The purpose of the requirement is to ensure that all market participants shall have access to the same information at the same time. Information for surveillance purposes must be sent electronically in the manner prescribed by the
2.3.1.6 Website

The listed company shall have its own website on which information disclosed by the listed company on the basis of the disclosure requirements imposed on listed companies shall be available for at least five (5) years.

The information shall be made available on the website without undue delay after the information has been disclosed.

*The listed company is required to have its own website in order to ensure the availability of corporate information to the market.*

*The requirement applies as of the date of listing. The requirement also pertains to annual reports and prospectuses, when possible.*

2.3.1.7 Waivers

The Exchange may approve, based on the written application of the company, an individual deviation from the disclosure requirements of these Rules, if the Exchange is, prior to granting the exemption, satisfied that;

(i) the deviation does not endanger the position of the investors; and

(ii) the deviation would not be contrary to the Securities Markets Act or other laws; and

(iii) the disclosure of information would be contrary to public interest or materially detrimental to the listed company; or

(iv) if the Financial Supervisory Authority has granted an exemption in the matter pursuant to the Securities Markets Act.

*The Exchange may, based on a written application by the listed company, accept single deviations from the disclosure obligation based on the Rules of the Exchange, when the preconditions mentioned in the Rules are fulfilled.*

2.3.2 REGULAR DISCLOSURE REQUIREMENTS FOR LISTED COMPANIES

2.3.2.1 Financial reports

The listed company shall prepare and disclose all financial reports pursuant to legislation and other regulations applicable to the listed company. The listed company may disclose interim management statements in accordance with the Securities Markets Act instead of disclosing quarterly interim reports.

*Since the annual financial report must be prepared according to IFRS adopted by EU for groups of undertakings, the financial statements release must also be prepared on the basis of the accounting principles for the annual financial report. Normally the financial statements release should be so comprehensive that the annual report does not provide the market with any new significant information that may be price sensitive.*
2.3.2.2 Timing of the financial statements release and interim reports

A financial statements release shall be disclosed without undue delay and not later than two (2) months from the expiry of the reporting period, and the financial statements release shall state whether it has been audited or reviewed by the auditor, or whether it is unaudited. The timing for the disclosure of the financial statements release shall be disclosed immediately when it has been decided.

Interim reports shall be disclosed without undue delay and not later within two (2) months from the expiry of the reporting period and shall state whether they have been audited or reviewed by the auditor, or whether they are unaudited. The timing for the disclosure of an interim report shall be disclosed immediately when it has been decided.

A full report may be disclosed prior to the pre-announced day where, for example, it appears that the preparation of the financial statements release or interim report is proceeding faster than estimated. Where the company becomes aware that the report will not be disclosed by the pre-announced time, the listed company should announce a new day for disclosure. See also the provision regarding “Company calendar”, rule 2.3.3.11.

Where information arises during preparation of a financial report, indicating that the information in the report will deviate significantly from an explicit forecast or reasonable assessment which can be made based on information previously provided by the listed company, the company shall disclose such information without undue delay. Therefore it is required that the disclosed information gives unambiguous and clear information without confusing or misleading the market. Also when the timeframe until the scheduled disclosure of the upcoming financial report is very short, it may be justified for the listed company to wait until the disclosure of the full report if it can be considered that the new information is given to the markets without undue delay. The listed company may also decide to disclose a complete financial report ahead of the scheduled time, when it is possible.

The two-month (2) time limit is applied to all interim reports, including those that cover the first and third quarters, if the listed company publishes such reports. Interim management statements are published in accordance with Chapter 7, Section 14 of the Securities Markets Act. The requirements regarding a statement on whether the interim report has been audited or not, are not applied to interim management statements. The contents and disclosure schedule of interim management reports must be in accordance with the Securities Markets Act and regulations issued by virtue of it. A listed company that discloses interim reports quarterly does not have to disclose interim management statements, as required in the Transparency Directive.

2.3.2.3 Contents of financial reports

The financial statements release shall contain corresponding information as the interim report published for the first six months of a financial period and, besides, the proposal by the board regarding measures called for by a profit or loss (proposed dividend per share) as well as information on the company’s distributable means. The release shall also state where and which week the financial statements and annual report will be made available to the public.
A financial statements release or an interim report release shall commence with a summary stating the listed company’s key figures, including, but not limited to, the listed company’s net sales and earnings per share.

If the listed company discloses the interim report, the interim management statement or the financial statements release in accordance with the procedure described in the rules and regulations of the Financial Supervisory Authority concerning the issuer’s disclosure obligation in some other way than in unedited full text, all price sensitive information shall be included in the release in which the financial report is disclosed.

The requirement to include information about the proposed dividend per share only applies provided that such a proposal exists at the time of the disclosure. Where no dividend is proposed, this must be clearly stated in the release. If a dividend proposal has not been made when the financial statements release is disclosed, the dividend proposal shall be disclosed, when the decision has been made.

2.3.2.4 Timing of financial statements and annual report

A listed company shall disclose its financial statements and annual report three (3) weeks prior to the general meeting at which the financial statements shall be presented for confirmation at the latest, but no later than within three (3) months from the end of the financial period.

2.3.2.5 Auditors’ report

A listed company shall disclose auditors’ report together with the financial statements and annual report. However, a listed company shall disclose an auditors’ report immediately, if the auditors’ report includes a statement which is not in standard format, if it contains remarks or additional information by the auditor, or if it states that no corporate governance statement has been issued or that the statement is not consistent with the financial statements.

For the purpose of this rule, an auditors’ report is considered to include remarks or additional information by the auditor or not to be in standard format, if the auditor has issued a qualified opinion based on the audit or if the auditor has not issued a report in standard format without remarks or additional information.

An adverse opinion is, for instance, given when a qualified opinion would not draw enough attention to any deficiency or inaccuracy in the financial statements or the annual report. No opinion is given when the auditor has been unable to carry out the auditing of the accounts to a sufficient extent and, consequently, no opinion can be given at all. Remarks or additional information by the auditor means any information given by the auditor which deviates from an auditors’ report in standard format, e.g. a note regarding, or reference to, a specific piece of information or a key figure in the listed company’s financial statements.

2.3.3 CONTINUOUS DISCLOSURE REQUIREMENTS FOR LISTED COMPANIES

2.3.3.1 Forecast and forward-looking statements

If the listed company discloses a forecast, it shall provide information regarding the assumptions or conditions underlying the forecast provided. To the extent possible, forecasts shall be presented in an unambiguous and consistent manner. If the company
issues other forward-looking statements, they shall also be provided in an unambiguous and consistent manner.

Where the listed company reasonably expects that its financial result or financial position will deviate significantly from a forecast disclosed by the listed company and such deviation is price sensitive, the listed company shall disclose information about the deviation. Such disclosure shall also reiterate the forecast previously provided.

The rule itself does not require the listed companies to disclose a forecast. Within the framework of the legislation, it is up to the listed company to decide the extent to which it will make a forecast or other forward-looking statements.

"Forecast" is interpreted as an explicit figure for the current financial period and/or following financial periods. It could also for instance include a comparison to previous period (for instance "slightly better than last year") or indicate a figure or a minimum or maximum figure for the likely level of profits or losses for the current financial period and/or following financial periods. A “forward-looking statement” is a more general description of the company’s expected future developments.

Forecasts and other forward-looking statements shall to the extent possible be presented in an unambiguous and consistent manner. Information regarding, for example, underlying conditions should be described clearly so that investors can evaluate such information properly. For example, the information should be unambiguous about the income measure to which reference is made, e.g. whether the financial results are expressed before or after tax, whether capital gains/losses are included, whether the effects of planned corporate acquisitions are included, etc. The timeframe for the forecast should also be provided. Forecasts and other information relating to the future in interim reports and annual financial statements releases should be provided under a separate heading and in a prominent position. In conjunction with forecast adjustments, the information in the announcement shall reiterate the preceding forecast in order to evaluate the significance of the change.

The "general provision" (2.3.1.1) regarding disclosure of price sensitive information shall also serve as a guide with respect to interpretation of changes in forecasts. This rule requires the listed company to disclose information about deviations from a previous forecast, when it is reasonably expected that such changes will be price sensitive. When deciding whether a change in forecast is significant enough to require a public announcement, the company must evaluate the deviation based on the latest disclosed financial report. In deciding whether to make an announcement, the listed company should consider performance prospects and publicly known changes in financial conditions during the remainder of the review period. Matters affecting such prospects may include changes in the company’s operating environment and seasonal patterns in the company’s line(s) of business. Attention may also be given to any information the listed company has disclosed about the effect of external factors on the listed company, e.g. sensitivity analysis regarding commodity prices or in relation to specific market developments. Market expectations, such as analyst estimates, are not decisive for such evaluation; instead, the information disclosed by the listed company itself and what can justifiably be concluded from such information is decisive.

When the listed company has come to the conclusion that a change in forecast in the period between two reports is likely to be price sensitive, the listed company
must disclose the change in an announcement. Also when such change is disclosed, it shall be based on sufficient knowledge in order to give unambiguous and consistent information about the change without confusing or misleading the market (see also section 2.3.1.2 Correct and relevant information).

2.3.3.2 General meeting of shareholders

Notices to attend general meetings of shareholders shall be disclosed.

The company shall disclose information about resolutions adopted by the general meeting of shareholders unless a resolution is insignificant. This requirement applies notwithstanding that such resolutions are in accordance with previously disclosed proposals. Where the general meeting has authorised the board of directors to decide later on a specific issue, such resolution by the board of directors shall be disclosed, unless such resolution is insignificant.

Notices of general shareholder meetings shall always be disclosed. This applies irrespective of if a notice contains price sensitive information or not, if a notice will be sent to the shareholders by mail or it will be made public in some other manner (e.g. in a newspaper) and notwithstanding if certain information included in the notice has been disclosed previously according to these Rules.

A proposal to a general meeting of shareholders which is price sensitive must be disclosed as soon as possible. This means that a price sensitive proposal must be disclosed without any undue delay, even though the contents of the proposal would later be part of the notice of the meeting.

Even though a notice does not contain any price sensitive information, the notice must in general be disclosed at the same time as it is sent to a newspaper, for instance. Some matter included in the notice may, however, still be open, when a notice draft is sent to a newspaper. This may constitute a reason to await the disclosure until the notice is finalized. A notice must, however, always be disclosed before the notice is published in a newspaper and before it is made available on the listed company’s website.

With insignificant resolutions, the rule refers for example to matters that are of technical nature.

If a listed company plans to disclose price sensitive information at a general meeting, the listed company shall disclose the information to all investors at the same time it is presented to the general meeting at the latest.

After the close of the general meeting, a listed company shall as soon as possible disclose information about resolutions adopted by the general meeting of shareholders unless a resolution is insignificant. This requirement applies regardless whether such resolutions are in accordance with previously disclosed proposals.

Resolutions whereby the general meeting authorises the board of directors to decide on a matter, such as the issuance of securities or repurchase of own shares, must also be disclosed. In such cases, the listed company must also disclose the board of directors’ resolution based on said authorisation.
2.3.3.3 Issues of securities

The listed company shall disclose all proposals and decisions to make changes in the share capital or the number of shares or other securities related to shares of the company, unless the proposal or decision is insignificant.

Information shall be disclosed regarding terms and conditions for an issue of securities.

The company shall also disclose the outcome of the issue.

The announcement regarding an issue of securities shall include all significant information concerning the issue of new securities. Information in the announcement should, at a minimum, include the reasons for the issue, expected total amount to be raised, subscription price and, where relevant, to whom the issue is directed. In accordance with this rule, the listed company also discloses a share issue (or issue of other securities) to the listed company itself, where such an issue is possible based on applicable law, and the decision to transfer own shares held by the listed company to a third party.

Disclosure concerning issues of securities shall include terms and conditions of the issue, any agreements or commitments to subscribe for shares, and time schedule information. When the company discloses the outcome of the issue, the announcement should include information such as whether or not the issue has been fully subscribed or if, for example, secondary subscription rights have been exercised. Normally, it is also relevant to repeat the subscription price, especially in cases where a fixed price has not been used (e.g. book-building process).

In accordance with Chapter 8, Section 6 of the Securities Markets Act, a listed company is obliged to disclose the total number of shares and voting rights at the end of each such calendar month during which the said number has changed, unless this information has been disclosed during the calendar month.

2.3.3.4 Changes in the board of directors or management and auditors of a listed company

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.

The disclosure regarding a new board member or a new managing director shall include relevant information about the experience and former positions held by the board member or managing director.

A change of the auditor shall also be disclosed.

Any announcement regarding a new board member or managing director shall include relevant information about the experience and former positions held by that person. Such relevant information comprises, for example, information about former and present board positions as well as relevant education.

Depending on the organisation of the listed company, different people and positions may be considered important. In a listed company, all changes pertaining to the managing director and the directors are important. Other changes can also be important and, in such case, must be disclosed. This may, for example, include changes in the supervisory board and management team as
well as other persons in a leading position and their deputies. Often the significance of key persons for the securities market depends on the nature of the listed company’s business and its organisation. Changes in the management of the listed company’s significant subsidiaries may also be price sensitive, above all if significant parts of the business are managed by subsidiaries and not the listed company itself.

2.3.3.5 Share-based incentive programs

The company shall disclose any decision to introduce a share-based incentive programme. The disclosure shall contain information about the most important terms and conditions of the programme.

The information is required to provide investors with information about the factors motivating management and other employees and also the dilution effects of the incentive programmes, in order to help investors understand the potential total liabilities under such programmes.

An announcement concerning share-based incentive programmes shall normally contain:

- the types of share-based incentive covered by the programmes;
- the group of persons covered by the programmes;
- timetable for the incentive programme;
- the total number of shares involved in the programmes;
- the objectives of the share-based incentive and the principles for granting;
- the exercise period;
- the exercise price;
- the main terms and conditions that must be met; and
- the theoretical market value of the share-based incentive programmes, including a description of how the market value has been calculated and the most important assumptions for the calculation.

The rule is only related to significant share-based incentive programmes. ‘Share-based incentives’ here means any incentive programme where the participants receive shares, securities entitling to shares, other securities where the value is based on the share price as well as synthetic programmes where a cash settlement is based on the share price or other programmes with similar features.

Information about "group of persons covered by the programmes” may consist of a general reference to groups such as board of directors, management, general staff, etc.

2.3.3.6 Closely-related party transactions

A transaction between the company and closely-related parties which is not entered into in the normal course of business shall be disclosed when the decision regarding such a transaction is taken, unless the transaction is insignificant to the parties involved.

‘Closely-related parties’ of listed companies include managing directors, members of the board of directors, and other managers in the parent company or significant subsidiaries who control or exercise significant influence in making financial and operational decisions in the parent company or in the relevant significant subsidiary. Legal entities controlled by these persons and shareholders controlling more than ten per cent of the shares or voting rights of the listed company are also considered closely-related parties.
In order to ensure credibility and confidence, any transaction with a closely-related party should be disclosed unless it is insignificant to the parties involved.

An example of a matter to be disclosed is when a closely related party, according to the definition in the rule, buys out a subsidiary from the listed company. Even if the subsidiary is small compared to the listed company and the price of securities may be unaffected, disclosure must be made according to the rule. There is however no need to disclose information if the transaction is insignificant to the involved parties. In the case of a buy out of a subsidiary, the evaluation from the listed company’s point of view should be done in relation to the whole group and not merely to the size of the subsidiary itself. A buy out is often significant in relation to the closely related party - and therefore a disclosure must be made if the transaction is not made in the normal course of business.

A disclosure according to this provision should only be done for transactions which are not entered into in the normal course of business. This means that a disclosure is not required for example on matters which are not exceptional but are generally available to many employees on similar terms.

2.3.3.7 Business acquisitions and divestitures

An acquisition or a sale of a company or business that is price sensitive shall be disclosed.

The disclosure shall include:

- purchase price, unless special circumstances exist;
- method of payment;
- relevant information about the acquired or sold entity;
- the reasons for the transaction;
- estimated effects on the operation of the listed company;
- the time schedule for the transaction; and
- any key terms or conditions that apply to the transaction.

The company or business acquired shall be described in a manner that addresses its key line(s) of business, historical financial performance and financial position.

In conjunction with price sensitive corporate transactions, specific requirements are imposed regarding the completeness of information. Based on the information disclosed about a transaction, the market participants should be able to assess the financial effects of the acquisition or sale as well as the effects on the operation of the listed company and the effect on the value of the securities. Typically, such assessment requires knowledge of the financial effects of the acquisition or sale as well as the effects on the operation of the listed company.

A listed company shall disclose the price in a purchase or a sale of a company because it normally is a key element in an assessment of the effects of the transaction. In rare cases there is, however, a possibility to withhold information
regarding the price for an acquired or sold entity. This might be the case where the purchase price is not of importance for the valuation of the listed company.

Another example could be when disclosure must be made in an early stage - according to other disclosure rules - before the final price negotiations have been finalized. It is then impossible to inform about the price, but once the price has been agreed upon, relevant information thereon must be disclosed. It is not unusual that the purchase price is related to the future outcome of the acquired business. In such a case the listed company should disclose the total estimated purchase price at once, and then if necessary, adjust the figure in future reporting. A listed company cannot evade the disclosure obligation by making an agreement with the opposite party stating that the purchase price or other required information will not be disclosed.

Different kinds of transactions can be considered price sensitive and there can be different ways to evaluate the transactions. Under normal circumstances, the Exchange considers a transaction to be price sensitive where any of the following pertain:

- the target entity represents more than ten per cent of the listed company’s consolidated revenue or assets;
- the target entity represents more than ten per cent of the listed company’s consolidated equity capital according to the balance sheet; or
- the consideration paid for the target entity represents more than ten per cent of the listed company’s consolidated equity according to the balance sheet or more than ten per cent of the total market value of the listed company’s shares if its total equity capital is lower than the market value of its securities.

Transactions which do not fulfill the abovementioned limits can also be considered price sensitive, e.g. due to their strategic importance.

Relevant information could include:

- the effects on the income statement or balance sheet resulting from the integration of operations or, alternatively, the effects of the sale;
- in conjunction with very large acquisitions, supplementary information should be provided in the form of pro forma accounts.

In conjunction with the acquisition of business activities, it may be particularly important to report information regarding the purchase price, the type of business that has been acquired, the assets and liabilities included in the acquisition, the number of employees transferred, etc.

In some cases, a transaction might be treated as significant but might still not significantly affect the listed company’s future result or financial position. In such case, it is advisable to mention this fact in the announcement.

2.3.3.8 Change in identity

If substantial changes are made to a listed company during a short period of time, or in its business activities in other respects, to such a degree that the company may be
When a listed company undergoes significant changes and, following those changes, may be regarded to be an entirely new company, additional information regarding the listed company is needed. A change in identity of the listed company may need to be evaluated where, for example, an acquired operation is extremely large and, in particular, where the character of the business is different from the listed company’s business to date. “During a short period of time” means that a gradual development process within a listed company does not normally fall under this provision.

Evaluation of the change in identity is made on an overall basis. Criteria for evaluating whether there has been a change in identity typically include, but are not limited to, the following.

- changes in ownership structure, management or assets;
- the existing business of a limited company is sold and, in connection therewith, a new business is acquired;
- the acquired turnover or assets exceed the turnover or assets of the listed company;
- the market value of the acquired company exceeds the market value of the listed company or the paid contribution, e.g. the value of the new issued securities, exceeds the market value of the listed company;
- the control of the listed company is transferred as a result of the acquisition; and
- the majority of the board of directors or management changes as a result of a transaction.

Upon an overall evaluation, the occurrence of most or all of the abovementioned factors means that a change of identity is deemed to have taken place. On the other hand, the occurrence of only one or two of these factors might not be sufficient to treat the listed company as a completely new undertaking.

When a change in identity occurs, it is of the utmost importance that the securities market receives sufficient information about the listed company. The information must be equivalent to what is required pursuant to the rules applicable to prospectuses. This rule applies notwithstanding that the listed company is not obligated to prepare such a prospectus pursuant to the Securities Markets Act or any other regulation. Information must be provided within a reasonable time.

If the information presented by the listed company in conjunction with the disclosure of a change in identity is insufficient, the listed company’s securities may be given observation status pending additional information.

Observation status may also be given when the Exchange is of the opinion that the change in operation is such that it can be equated with the listing of a new company. The fulfilment of the listing requirements of a listed company can, in such cases, be questioned and the Exchange may initiate an examination comparable to that conducted for an entirely new company applying for listing on
the Exchange. In conjunction with a planned change in identity, the Exchange should be contacted in advance so that issues regarding the listed company’s continued listing may be administered as smoothly as possible. The listing process has been described above in this chapter 2.

2.3.3.9 Decisions regarding listing

The company shall disclose information on the listing application, when it applies to have its securities admitted to trading on the Exchange for the first time, as well as if it applies for a secondary listing to trading at another trading venue. The listed company shall also disclose any decision to apply to remove its securities from trading on the Exchange or another trading venue. The company shall also disclose the outcome of any such application.

The duty to comply with the disclosure rules enters into force when a company applies to have its securities admitted to trading on an exchange. The company has no obligation to disclose unsolicited listings because such listings do not entail any disclosure or other obligations on the company.

2.3.3.10 Information required by another trading venue

When the company discloses any significant information due to rules or other disclosure requirements of another regulated market or trading venue, such information shall be simultaneously disclosed.

The purpose of the rule is to ensure that all market participants have the same information on which to base their investment decisions. The simultaneous disclosure obligation exists even if the information to be disclosed is not subject to disclosure under these rules.

2.3.3.11 Company calendar

The listed company shall publish a company calendar listing the dates on which the listed company aims to disclose the financial statements release, interim reports and interim management reports, if any, and the date of the annual general meeting. In respect of the financial statements and annual report, the listed company shall publish the week of disclosure.

The company calendar shall be published before the beginning of each financial period.

If reports cannot be disclosed on the date announced in the company calendar, the listed company shall publish a new date of disclosure as soon as possible. If possible, the new date should be published at least one week prior to the original date.

The company calendar is normally disclosed on the company website.

If possible, the dividend payment date should be included in the disclosed calendar.

If possible, the listed company should also try to specify the time of the day at which the listed company aims to disclose the information.

If the financial statements and annual report are disclosed as part of the annual report, the date when the annual report is disclosed should also be included in the calendar.
2.3.4 INFORMATION TO THE EXCHANGE ONLY

2.3.4.1 Public tender offers

If a listed company has made internal preparations to make a public tender offer for securities in another listed company, the listed company shall notify the Exchange when there are reasonable grounds to assume that the preparations will result in a public tender offer.

If a listed company has learnt that a third party intends to make a public tender offer to its shareholders, and such public tender offer has not been disclosed, the listed company shall notify the Exchange when there are reasonable grounds to assume that the intention to make a public tender offer will be carried out.

When discussions on the acquisition of another company listed on a NASDAQ OMX Nordic Exchange have advanced far enough, the Exchange shall be informed of the matter well in advance. The announcement is, however, given first when the company has a well-founded reason to expect that the preparations will lead to an offer. The Exchange uses the information for the supervision of trade in order to detect unusual changes in the value of securities and prevent insider trading.

The Exchange is also informed when the company has been contacted by a third party that intends to make a public tender offer to the shareholders of the listed company, if there are reasonable grounds to assume that the contact will lead to a public tender offer.

There are no formal requirements for the manner of giving the information. Usually, it is done by calling the Surveillance of the Exchange.

2.3.4.2 Advance information

If a listed company intends to disclose information that is assumed to have a highly significant effect on the price of the securities, the listed company shall notify the Exchange of the matter prior to disclosure.

If the company intends to disclose a piece of information that is expected to have a highly significant effect on the value of the security, it is important that the Exchange learns of the matter in advance in order to be able to assess if the Exchange will have to take measure. The Exchange may, e.g. interrupt trading on a short term and cancel any open bids in order to give the market the opportunity to assess the new information.

It is not necessary to give information to the Exchange in advance, if it is given in connection with a report that is disclosed at a time that has been notified in advance, as it can in such a case be expected that the company discloses significant information.

2.3.5 OTHER DISCLOSURE REQUIREMENTS FOR LISTED COMPANIES (NOTIFICATIONS)

Changes in listing requirements

2.3.5.1 A listed company must without undue delay notify the Exchange if they can no longer fully satisfy one or more of the listing requirements or their conditions presented in the Rules.
Information on the disclosure of an interim management statement

2.3.5.2 Prior to the beginning of the following financial period, a listed company is required to notify if they will disclose an interim management statement instead of an interim report for the first three (3) and nine (9) months of the financial period, as well as the reasons for not disclosing said interim reports.

Trading on another regulated market

2.3.5.3 A listed company is required to notify the Exchange of any decision to submit an application to have a share, convertible note, or option right of the listed company or a significant subsidiary within the same group of companies listed on another regulated market, and the outcome of such application. However, the matter shall not be disclosed, if the rules or regulations of such other regulated market prevent it.

2.3.5.4 If the shares of a listed company or another company within the same group of companies are admitted to the official list or equivalent list on another regulated market, the company is required to provide any information provided to such regulated market to the Exchange as well.

Share capital and number of shares

2.3.5.5 A listed company is required to provide the Exchange with any information recorded in the Trade Register with respect to changes in their share capital or number of shares immediately upon such recording.

Index calculations

2.3.5.6 A listed company is required to provide the Exchange with any information needed for index calculations in accordance with guidelines issued by the Managing Director.

Information for trading and clearing

2.3.5.7 A listed company is required to provide the Exchange with any information needed for trading and in the clearing of securities and book-entry securities.

Record date and dividend payment date

2.3.5.8 A listed company is required to notify the Exchange of a record date referred to in Chapter 4, Section 2 of the Limited Liability Companies Act, and of a dividend payment date immediately when they have been decided.

Disclosure requirements regarding the company’s own shares

2.3.5.9 A listed company is required to notify the Exchange of any acquisition or transfer of its own shares as well a share issue without payment to the company itself.

2.3.5.10 Such notification must be provided without delay and no later than before the beginning of the following trading day. However, with regard to large acquisitions of own shares of a listed company, such notification shall be made immediately. The acquisition shall be considered large at least when the acquisition exceeds 10 per cent of the maximum amount of the share acquisition pursuant to the
acquisition decision of the listed company. The notification must indicate the number and 
prices of shares, specified by class of shares.

2.3.5.11 A listed company may authorize a broker who has been granted trading 
rights on the Exchange to provide the information required under rule 2.3.5.10 on its 
behalf.

2.3.5.12 More detailed regulations regarding the content of such notification and 
its submission to the Exchange are set in the guidelines issued by the Managing Director 
of the Exchange.

2.3.5.13 The Exchange will make such notifications available to the public and 
disclose them in the manner specified by the Financial Supervisory Authority.

Shares without voting rights

2.3.5.14 If a listed company has issued shares without voting rights, the listed 
company shall inform the Exchange if such shares provide voting rights due to the 
provisions of the Limited Liability Companies Act or the Articles of Association. 
Correspondingly, the expiration of such rights must be notified.

2.4 OTHER RULES

2.4.1 TRADING BY A LISTED COMPANY IN ITS OWN SHARES

2.4.1.1 Chapter 15 of the Limited Liability Companies Act and the Securities 
Markets Act contain provisions on a limited company’s acquisition and transfer of own 
shares.

2.4.1.2 A listed company may trade in its own shares on the Exchange. Any 
exchange trades by a listed company in its own shares constitute trades in public 
trading, within the meaning of rule 1.1.8, Chapter 15 of the Limited Liability Companies 
Act and the Securities Markets Act.

2.4.1.3 Any acquisition and disposal of own shares by a listed company must be 
made in accordance with the Limited Liability Companies Act. The trading rules of the 
Exchange, as referred to in rule 1.1.2, apply to any trading by listed companies involving 
their own shares.

2.4.1.4 Disclosure and notice requirements applicable to the acquisition and 
disposal of own shares by listed companies are provided in rules 2.3.5.9 to 2.3.5.12.

2.4.1.5 Further instructions on the procedures to be followed regarding the 
acquisition of own shares and the execution of share acquisition programmes are given 
in the Guidelines issued by the Managing Director of the Exchange.

2.4.2 DISCIPLINARY PROCEDURE AND SANCTIONS

2.4.2.1 The rules regarding the surveillance and breach of the rules set in this 
chapter 2, and the consequences of such a breach are as set forth in chapter 9.
3. SECURITY ENTITLING TO A SHARE

3.1 GENERAL RULES

3.1.1 This chapter shall be applied to securities entitling to a share, such as option rights, convertible notes and bonds with warrants. The provisions of chapter 2 regarding shares are also applied to the issuer of securities entitling to a share. This chapter also describes to what extent the provisions of chapter 2 are applied to an issuer of securities entitling to a share that is not a listed company.

3.2 LISTING AND DELISTING

3.2.1 INTRODUCTION

3.2.1.1 Chapter 3.2 describes the listing process of a security entitling to a share, the listing requirements and the delisting process.

3.2.2 APPLICATION PROCEDURE

3.2.2.1 Based on an application by a Finnish or foreign limited company, the Exchange decides to list a security entitling to the share of a company, which has been admitted or will simultaneously be admitted to the Official List, or which is traded on other regulated market than the Exchange.

Filing a listing application

3.2.2.2 If the issuer of a security entitling to a share is not otherwise a listed company, the company shall without undue delay disclose the submission of its listing application to the Exchange.

Contents of the application

3.2.2.3 An application for the listing of a security entitling to a share shall include:

1) a statement establishing a sufficient basis for listing and the satisfaction of the conditions for listing (chapter 3.2.3).

2) a commitment to enter into an agreement with the Exchange (3.2.2.6).

3) a description of any facts needed in arranging the clearing of trades; and

4) a prospectus referred to in Chapter 4 of the Securities Markets Act, which has been approved by the Financial Supervisory Authority, or a prospectus approved in another member state of the European Economic Area and duly notified to the Financial Supervisory Authority, and a document certifying such notification of approval;

3.2.2.4 On special grounds, the Exchange may decide not to require the disclosure of a particular piece of information listed in items 1 through 4 of rule 3.2.2.3.

3.2.2.5 A listing application pertaining to a security entitling to other that listed shares must, in addition to the information required under rule 3.2.2.3 above, also contain the information required under rule 3.2.3.2 (general listing requirements for
shares, the requirements regarding the administration of a listed company and corporate governance in listed companies.

The application must also set forth the facts and circumstances required under items 5 to 12 of rule 2.2.2.2 of a listing application for a share. On special grounds, the Exchange may decide to not require the disclosure of a particular piece of information listed in items 5 to 12.

Agreement

3.2.2.6 If the issuer of a security entitling to a share is not otherwise a listed company, the issuer must enter into a written agreement with the Exchange regarding the trading of the security entitling to the company share on the Official List and agree to abide by the rules and guidelines of the Exchange in force at the time in question as well as by its commitments to the Exchange.

3.2.2.7 If a security entitling to the shares of a foreign company has been admitted to trading on a regulated market in another member state of the European Economic Area (primary exchange), the company will primarily follow the rules of its primary exchange in Finland as well. The company discloses any differences between the rules of their primary exchange and the Rules of the Exchange. However, no deviations from the Rules of the Exchange will be permitted, if the deviation will materially impair the proper function of the Finnish securities market or the position of an investor.

3.2.2.8 In cases where a foreign company that is not covered by rule 3.2.2.7 above and whose security entitling to a share is listed on the Exchange would be required to violate the rules of its primary exchange, the Exchange may, in individual cases and on special grounds give a permission to deviate from the provisions of the Rules of the Exchange. However, no deviations from the Rules of the Exchange will be permitted, if the deviation will materially impair the proper function of the Finnish securities market or the position of an investor. The company shall disclose the exemption order and agree to comply with the rules of its primary exchange in Finland as well.

Registration fee and annual fee

3.2.2.9 A company whose security entitling to a share is listed on the Exchange is required to pay a registration fee and an annual fee to the Exchange.

Rejection of an application and appeals

3.2.2.10 The Exchange may reject any application for the listing of a security entitling to a share in order to protect investors. The Exchange must decide an application for the listing of a security entitling to a share within six (6) months of receipt. If the Exchange requests additional information from the applicant during this period, said time limit will be calculated from the date the Exchange receives such additional information. If the Exchange fails to render a decision within the indicated time, the application will be considered rejected.

3.2.2.11 The issuer of a security that entitles to a share has the right to bring the decision of the Exchange to the Financial Supervisory Authority within 30 days of the decision or the end of the time limit mentioned in rule 3.2.2.10.
3.2.3 GENERAL LISTING REQUIREMENTS

3.2.3.1 Securities entitling to a share may be listed, if it is likely that sufficient demand and supply will exist for them and price formation can thus be deemed reliable. When assessing the tradability of a security entitling to a share in the secondary market, the share that the security entitles to is taken into account.

3.2.3.2 If the issuer of a security entitling to a share is not otherwise a listed company, the issuer shall, for applicable parts, fulfil the general listing requirements for shares in accordance with these Rules (2.2.3) as well as the requirements pertaining to the administration of a listed company (2.2.4) and the corporate governance of listed companies (2.2.5).

3.2.3.3 The security entitling to a share must be freely negotiable.

3.2.3.4 The amount of a bond with warrants, whose admission for trading is applied for together with a convertible note and option right, shall be no less than two hundred thousand (200 000) euros or an equivalent amount in a foreign currency.

3.2.3.5 The Exchange may approve an application regarding the issue of a security entitling to a share even though all requirements referred to in this chapter 3.2.3 are not met, if the Exchange is satisfied that

i) the objectives behind the material requirements or requirements arising from other regulation are not endangered; or

ii) the objectives behind the deviating requirements regarding securities entitling to a share can be secured in some other manner.

3.2.4 OBSERVATION SEGMENT

3.2.4.1 A security entitling to a share may be transferred to the observation segment subject to the rules set out in chapter 2.2.8, for applicable parts.

3.2.5 DELISTING

Requirements and procedure

3.2.5.1 The Exchange may, based on the application of an issuer, decide that trading in the listed security entitling to a share will be terminated, if the decision will not result in any significant harm to investors or the proper function of the financial market. The Exchange may set conditions for the termination of trading.

3.2.5.2 The Exchange may, at its own initiative, decide that trading in a security entitling to a share will be terminated. This decision may be made if the security or its issuer no longer fulfil the listing requirements or other requirements of the Rules of the Exchange and the decision will not result in any significant harm to investors or the proper function of the financial market. The Exchange may set conditions for the termination of trading.

Hearing

3.2.5.3 The issuer of a security entitling to a share shall be provided with the opportunity to be heard before the delisting decision is made.
Appeals

3.2.5.4 If the Exchange has rejected a delisting application or has made a delisting decision at its own initiative, the issuer of a security entitling to a share will have the right to bring the delisting decision to the Financial Supervisory Authority within 30 days from the decision.

3.2.6 PRELIST

3.2.6.1 A security entitling to a share may be admitted to trading on the Prelist and delisted from the Prelist subject to the provisions of chapter 2.2.12.

3.2.7 COMMENCEMENT AND TERMINATION OF TRADING

3.2.7.1 Trading in an option right and a combination of a bond with warrants and an option right will commence on a trading day decided by the Exchange. The trading of an option right on the Official List will end so that the option right will be last tradable on the fifth trading day immediately preceding the last subscription day of the share that is the subject of the option right. If a bond with warrants is traded together with an option right, the bond is listed without the option right beginning from the fourth trading day preceding the last subscription date of the share until maturity, or until the bond otherwise becomes due and payable in full.

3.2.7.2 Trading in a convertible note commences on a day decided by the Exchange. Trading in a convertible note ends so that the convertible note will be last tradable on the fifth trading day immediately preceding the close of the conversion period. Thereafter, trading will continue as a debt instrument until maturity, or until the bond otherwise becomes due and payable in full.

3.2.7.3 The Exchange may decide on commencement and ending times for trading that differ from those given in this chapter on special grounds.

3.3 DISCLOSURE REQUIREMENTS

3.3.1 GENERAL DISCLOSURE REQUIREMENTS

3.3.1.1 Application of the rules concerning the disclosure requirements

The provisions regarding the disclosure requirements included in this chapter 3.3 shall be applied to such an issuer of a security entitling to a share that is not a listed company. A listed company shall also follow the disclosure obligations set out in chapter 2.3 related to a share regarding a security entitling to a share that it has issued.

3.3.1.2 General provisions

The issuer of a security entitling to a share shall, without undue delay, 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 securities in accordance with the Securities Markets Act.
3.3.1.3 Correct and relevant information

Information disclosed by the issuer of a security entitling to a share 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 issuer, its result and financial position, or the price of the securities.

3.3.1.4 Timing of information

Disclosure of information covered by these Rules shall be made without undue delay, unless otherwise specifically stated. If price sensitive information about a security entitling to a share 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 the Securities Markets Act.

Significant changes to previously disclosed information shall be disclosed as soon as possible. Corrections to errors in information disclosed by the issuer itself need to be disclosed as soon as possible after the error has been noticed, unless the error is insignificant.

3.3.1.5 Information leaks

If an issuer of a security entitling to a share learns that price sensitive information has leaked prior to a disclosure, the company 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 without undue delay.

3.3.1.6 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 issuer's 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 by the company shall have a heading indicating the substance of the announcement.

3.3.1.7 Website

The issuer of security entitling to a share shall have its own website on which information disclosed on the basis of the disclosure requirements shall be available for at least five (5) years.

The information shall be made available on the website without undue delay after the information has been disclosed.
3.3.1.8 Waivers

The Exchange may approve, based on the written application of the company, an individual deviation from the disclosure requirements of these Rules, if the Exchange is, prior to granting the exemption, satisfied that

(i) the deviation does not endanger the position of the investors; and

(ii) the deviation would not be contrary to the Securities Markets Act or other laws; and

(iii) the disclosure of information would be contrary to public interest or materially detrimental to the listed company; or

(iv) if the Financial Supervisory Authority has granted an exemption in the matter pursuant to the Securities Markets Act.

3.3.2 REGULAR DISCLOSURE REQUIREMENTS

Financial statements, annual report and interim reports

3.3.2.1 The issuer of a security entitling to a share shall disclose its financial statements, financial statements release and annual report in accordance with the Securities Markets Act.

3.3.2.2 The issuer of a security entitling to a share shall, in accordance with the Securities Markets Act, prepare and publish for each financial period that exceeds six (6) months an interim report for the first three (3), six (6) and nine (9) months of the financial period.

Auditors’ report

3.3.2.3 An issuer of a security entitling to a share shall disclose an auditors’ report together with the financial statements and annual report. An issuer shall disclose an auditors’ report immediately, if it includes a statement which is not in standard format, if it contains remarks or additional information by the auditor, or if it states that no corporate governance statement has been issued or that the statement is not consistent with the financial statements.

3.3.3 CONTINUOUS DISCLOSURE REQUIREMENTS

Subscription commitment

3.3.3.1 If a subscription commitment has been signed with respect to the subscription of a security entitling to a share before the commencement of the subscription period, this must be disclosed no later than at the commencement of the subscription period.

Lowering of share capital

3.3.3.2 An issuer of a security entitling to a share shall disclose in full any proposal by the company’s board of directors or other corresponding body to a general meeting of shareholders regarding the lowering of the share capital.

3.3.3.3 An issuer of a security entitling to a share shall disclose in full the decision of the general meeting of shareholders in the matter.
Merger, demerger, reorganization, liquidation and bankruptcy

3.3.3.4 An issuer of a security entitling to a share must disclose any proposal by the company’s board of directors or other corresponding body of the company that is the issuer to a general meeting of shareholders regarding the merger of the company with another company, the demerger of the company, or the placement of the company in liquidation, together with the decision of the general meeting of shareholders.

3.3.3.5 An issuer of a security entitling to a share is required to disclose any petition filed in a court of law seeking to place the company in liquidation, bankruptcy, or the financial restructuring of the company under the Company Restructuring Act.

3.3.3.6 An issuer of a security entitling to a share is required to disclose any court decisions relating to its financial restructuring, liquidation or bankruptcy, or the entry into force of any merger or demerger.

Decisions and acts by authorities

3.3.3.7 An issuer of a security entitling to a share is required to disclose any instituted legal action or decision or injunction issued by a court of law or an authority that would tend to materially affect the value of the security entitling to a share.

Matters affecting solvency and the ability to meet obligations

3.3.3.8 An issuer of a security entitling to a share is required to disclose any facts and circumstances that would tend to have a material impact on its solvency, liquidity or ability to meet its obligations. Such matters include, for instance, a loss for a reporting period detected by the issuer's management in connection with the preparation of an internal report that materially affects the company's solvency. Such effect on solvency must always be considered significant when it is discovered that the company's total equity capital is less than one-half of its share capital.

3.3.4 INFORMATION TO THE EXCHANGE ONLY

Changes in listing requirements

3.3.4.1 An issuer of a security entitling to a share is required to provide without undue delay a notice to the Exchange if they can no longer fully satisfy one or more of the listing requirements provided under chapter 3.2.3.

3.4 OTHER RULES

3.4.1 DISCIPLINARY PROCEDURE AND SANCTIONS

3.4.1.1 The rules regarding the surveillance and breach of the rules set in this chapter 3, and the consequences of such a breach are as set forth in chapter 9.
4. REAL ESTATE INVESTMENT FUND

4.1 GENERAL RULES

4.1.1 This Chapter contains provisions on the listing of shares of a real estate investment fund applying for listing and delisting of shares of a real estate investment fund as well as provisions on the disclosure obligation and other obligations of a real estate investment fund.

4.2 LISTING AND DELISTING

4.2.1 INTRODUCTION

4.2.1.1 Chapter 4.2 describes the listing process of a share of a real estate investment fund applying for listing, listing requirements and some other issues pertaining to listing.

4.2.1.2 A real estate investment fund must meet the listing requirements continuously while being listed. The following requirements, which are only applied when the real estate investment fund is admitted to the list, make an exception to this principle:

(i) Accounts and operating history (4.2.3.5 and 4.2.3.6);

(ii) Profitability and working capital (4.2.3.7 and 4.2.3.8); and

(iii) Market value of shares (4.2.3.13).

4.2.2 APPLICATION PROCEDURE

Filing a listing application

4.2.2.1 A real estate investment fund applying for listing shall without undue delay disclose the filing of a listing application with the Exchange. A real estate investment fund that has filed a listing application is considered equal to a listed real estate investment fund until the real estate investment fund share has been listed, the real estate investment fund applying for listing has disclosed information about the cancellation of a listing application, or the Exchange has rejected the listing application. Such a real estate investment fund applying for listing shall follow the Rules of the Exchange.

Listing application

4.2.2.2 A listing application shall be made in writing and include:

1) a statement by the board of directors of the real estate investment fund applying for listing on the development outlook for the current and immediately following financial period;

2) a list indicating the fifty largest shareholders of the real estate investment fund applying for listing in terms of share capital and voting rights, as well as their holdings and votes;
3) a statement establishing that the listing requirements are met (chapters 4.2.3, 4.2.4, 4.2.5);

4) a Trade Register extract of the real estate investment fund applying for listing or corresponding document and information about any decisions that have not yet been recorded;

5) the Articles of Association of the real estate investment fund applying for listing as recorded in the Trade Register, and any amendments thereto decided at a general meeting of shareholders that have not yet been recorded together with any amendments proposed thereto by the board of directors of the real estate investment fund applying for listing;

6) Effective rules of the real estate investment operations;

7) an extract from the minutes of the meeting of the board of directors of the real estate investment fund applying for listing or corresponding corporate organ at which the decision to submit a listing application has been made;

8) a statement issued by an advisor in charge of the listing process of the real estate investment fund applying for listing, or by another party approved by the Exchange, on the preconditions for the real estate investment fund listing and its operation as a real estate investment fund, and the information issued about the real estate investment fund in the listing application;

9) a statement by the management of the real estate investment fund applying for listing affirming that they are familiar with the obligations imposed on a real estate investment fund under applicable law and the Rules of the Exchange and that the real estate investment fund applying for listing has the preconditions for meeting these obligations;

10) written consent stating that the Exchange may order an investigation of the real estate investment fund, and if the real estate investment fund is part of a group of companies, of the group as well, at the real estate investment fund’s expense, if necessary;

11) a commitment to enter into an agreement with the Exchange (rule 4.2.2.4) and, if the real estate investment fund applying for listing has a parent company, a commitment by the parent company to follow all valid rules and guidelines of the Exchange applicable to real estate investment funds. If the parent company of the real estate investment fund applying for listing is part of a group of companies, the parent company of this group shall also issue a corresponding commitment. The commitment shall be issued in a manner that the Exchange will specify in detail;

12) commitment by the parent company of the real estate investment fund applying for listing and the real estate investment fund applying for listing stating that the real estate investment fund does not give any group contributions to its parent company;

13) evidence of the payment of the registration fee (rule 4.2.2.7);

14) description of the details that are necessary for arranging the clearing and settlement of trades;

15) a prospectus referred to in Chapter 4 of the Securities Markets Act, which has been approved by the Financial Supervisory Authority, or a prospectus approved in another
member state of the European Economic Area and duly notified to the Financial Supervisory Authority, and a document certifying such notification of approval.

Exceptions to the application

4.2.2.3 The Exchange may, on special grounds, decide not to require in the application a particular piece of information listed above in items 1 to 15 of rule 4.2.2.2.

Agreement

4.2.2.4 A real estate investment fund applying for listing is required to enter into a written agreement with the Exchange on trading its shares on the Official List and, in the agreement, undertake to abide by the rules and guidelines of the Exchange in force at the time in question as well as by its commitments to the Exchange.

4.2.2.5 If the share of a foreign real estate investment fund has been admitted to trading on a regulated market in another member state of the European Economic Area (primary exchange), the real estate investment fund will primarily follow the rules of its primary exchange in Finland as well. The real estate investment fund discloses any differences between the rules of its primary exchange and the Rules of the Exchange. However, no deviations from the Rules of the Exchange will be permitted, if the deviation will materially impair the proper function of the Finnish securities market or the position of an investor.

4.2.2.6 In cases where a foreign real estate investment fund that is not covered by rule 4.2.2.5 and the shares of which have been listed on the Exchange would have to violate the rules of its primary exchange, the Exchange may, in individual cases and on special grounds, give a permission to deviate from the provisions of the Rules of the Exchange. However, no deviations from the Rules of the Exchange may materially impair the proper function of the Finnish securities market or the position of an investor. The real estate investment fund shall disclose the exemption order and agree to comply with the rules of its primary exchange in Finland as well.

Registration fee and annual fee

4.2.2.7 A real estate investment fund applying for listing shall pay a registration fee to the Exchange prior to submitting its application for listing. This registration fee is non-refundable.

4.2.2.8 A real estate investment fund the share of which has been admitted to the Official List shall pay an annual fee to the Exchange.

Rejection of a listing application and appeals

4.2.2.9 The Exchange may reject an application for the listing of a share of a real estate investment fund in order to protect investors. The Exchange must make a decision on an application for the listing of a share within six (6) months from receipt. If the Exchange requests additional information about the application from the applicant during this time, said time limit will be calculated from the date the Exchange receives such additional information. If the Exchange fails to make a decision within the set time limit, the application is considered rejected.

4.2.2.10 A real estate investment fund applying for listing shall have the right to appeal the decision of the Exchange to the Financial Supervisory Authority within 30
days from the decision or the termination of the time limit referred to above in rule 4.2.2.9.

4.2.3 GENERAL LISTING REQUIREMENTS

Incorporation

4.2.3.1 The real estate investment fund applying for listing must be duly incorporated or otherwise validly established according to the relevant laws of its place of incorporation or establishment.

Validity

4.2.3.2 The shares of the real estate investment fund applying for listing must:

(i) conform with the laws of the real estate investment fund’s place of incorporation, and

(ii) have the necessary statutory or other consents.

Negotiability

4.2.3.3 The shares must be freely negotiable.

Entire class must be listed

4.2.3.4 The application for listing must cover all issued shares of the same class.

Accounts and operating history

4.2.3.5 The real estate investment fund applying for listing shall have published annual accounts for at least one (1) year in accordance with the accounting laws applicable to the real estate investment fund.

4.2.3.6 In addition, the line(s) of business and the field of operation of the real estate investment fund applying for listing and its group shall have a sufficient operating history.

Profitability and working capital

4.2.3.7 The real estate investment fund applying for listing shall demonstrate that it possesses documented earnings capacity on a business group level.

4.2.3.8 Alternatively, a real estate investment fund applying for listing that does not possess documented earnings capacity shall demonstrate that it has sufficient working capital available for its planned business for at least twelve (12) months after the first day of listing.

Liquidity

4.2.3.9 Conditions for sufficient demand and supply shall exist in order to facilitate a reliable price formation process.

4.2.3.10 A sufficient number of shares shall be distributed to the public. In addition, the real estate investment fund shall have a sufficient number of shareholders.
4.2.3.11 For the purposes of rule 4.2.3.10, a sufficient number of shares shall be considered as being distributed to the public when 25 per cent of the shares within the same class are in public hands.

4.2.3.12 The Exchange may accept a percentage lower than 25 per cent of the shares if it is satisfied that the market will operate properly with a lower percentage in view of the large number of shares that are distributed to the public.

There shall be a sufficient number of shares of a real estate investment fund in public hands, and a real estate investment fund shall have a sufficient number of shareholders. Taking into account the special feature of the operation of real estate investment funds, under normal circumstances, real estate investment funds having at least 300 shareholders holding shares with a value of around EUR 500 will be considered to fulfil the requirement regarding the number of shareholders. If a real estate investment fund has less than 300 shareholders but at least 100 shareholders holding shares with a value of around EUR 500 and the share of the real estate investment fund is subject to liquidity providing, the real estate investment fund will be considered to fulfil the requirement regarding the number of shareholders.

Market value of shares

4.2.3.13 The expected aggregate market value of the shares shall be at least EUR 5 million.

Suitability

4.2.3.14 The Exchange may also, in cases where all listing requirements are fulfilled, refuse an application for listing if it considers that the listing would be detrimental for the securities market or investor interests.

Listing Committee

4.2.3.15 The listing Committee referred to in chapter 2.2.14 shall decide on the listing of shares of a real estate investment fund applying for listing and delisting of shares of a real estate investment fund.

4.2.4 ADMINISTRATION OF REAL ESTATE INVESTMENT FUND

The management and board of directors

4.2.4.1 The board of directors of the real estate investment fund shall be composed so that it sufficiently reflects the competence and experience required to govern a real estate investment fund and to comply with the obligations of such a real estate investment fund.

4.2.4.2 The management of the real estate investment fund shall have sufficient competence and experience to manage a real estate investment fund and to comply with the obligations of such a real estate investment fund.

Capacity for providing information to the market

4.2.4.3 Well in advance of the listing, the real estate investment fund applying for listing must establish and maintain adequate procedures, controls and systems, including systems and procedures for financial reporting, to enable compliance with its
obligation to provide the market with timely, reliable, accurate and up-to-date information as required by the Exchange.

The administration of a real estate investment fund shall be reliably organized so that the real estate investment fund shall constantly have sufficient resources in order to e.g. comply with its reporting and disclosure obligations. The administration of the real estate investment fund can be organized contractually. The real estate investment fund shall provide the Exchange a description of the contractual arrangements in question. Regardless of said contractual arrangements the real estate investment fund is liable for its administration and obligations set out in the Rules of the Exchange as well as legislation.

The real estate investment fund shall prior to listing disclose at least quarterly the value and amount of shares in accordance with the Act on Real Estate Investment Funds.

4.2.5 CORPORATE GOVERNANCE

The real estate investment fund applying for listing shall notify how it complies with the corporate governance recommendations issued in its home state. If corporate governance recommendations are not applied to the real estate investment fund in its home state, the real estate investment fund shall apply the Corporate Governance Code that applied by the Exchange.

4.2.6 WAIVERS

4.2.6.1 The Exchange may approve a listing application, even if the real estate investment fund applying for listing or share does not fulfil all listing requirements, if the Exchange can be satisfied that

(i) the objectives behind the relevant listing requirement or any statutory requirements are not compromised; or

(ii) the objectives behind certain listing requirements can be achieved by other means.

4.2.6.2 The Exchange may approve, based on the written application by the real estate investment fund, an individual deviation from the listing requirements presented in these Rules, if the Exchange is, prior to granting the exemption, certain that

(i) the deviation does not endanger the position of the investors; and

(ii) the deviation would not be contrary to public interest or the Securities Markets Act or other laws; or

(iii) if the Financial Supervisory Authority has granted an exemption in the matter pursuant to the Act on Trading in Financial Instruments.

4.2.6.3 The above described possibilities to make a deviation are, however, not applied to the negotiability of shares (4.2.3.3) or the provisions regarding the administration of the real estate investment fund (4.2.4). In connection with admission to the list, exemption may not either be granted from the requirements regarding profitability and working capital (4.2.3.6, 4.2.3.7 and 4.2.3.8).
As for the number of shares held by the public (4.2.3.10 and 4.2.3.11) and providing financial statements (4.2.3.5), another prerequisite of an exemption is that the Financial Supervision Authority has granted an exemption regarding said requirement in accordance with the Decree of the Ministry of Finance on the requirements for listing of securities.

4.2.7 SECONDARY LISTING

4.2.7.1 Chapter 2.2.7 shall be applied to secondary listings of real estate investment funds. However, the Exchange can grant an exemption from one or more of the listing requirements as well as the requirements regarding the administration of the real estate investment fund set out in chapter 4.

4.2.8 OBSERVATION SEGMENT

4.2.8.1 A share of a real estate investment fund may be transferred to the observation segment subject to the rules set out in chapter 2.2.8, for applicable parts.

4.2.9 DELISTING OF A SHARE OF A REAL ESTATE INVESTMENT FUND

Requirements and procedure

4.2.9.1 The Exchange may, based on the application of a real estate investment fund, decide that trading in a listed share is terminated, if the termination will not result in any significant harm to investors or to the proper function of the financial market. The Exchange may set conditions for the termination of trading.

4.2.9.2 The Exchange may, at its own initiative, decide that trading in a share is terminated. This decision may be made if the share or the real estate investment fund no longer fulfils the listing requirements or other provision of the Rules of the Exchange and if the termination will not result in any significant harm to investors or to the proper function of the financial market. The Exchange may set conditions for the termination of trading.

Hearing

4.2.9.3 A real estate investment fund shall be provided the opportunity to be heard before a delisting decision is made.

Appeals

4.2.9.4 If the Exchange has rejected a delisting application or made a delisting decision based on an application by a real estate investment fund or at its own initiative, the real estate investment fund shall have the right to bring the matter to the Financial Supervisory Authority within 30 days from the decision.

4.2.10 ADDITIONAL LISTING OF SHARES

4.2.10.1 Any real estate investment fund shares of the same class as those listed on the Exchange will be listed in the manner described in chapter 2.2.11.

4.2.11 PRELIST

4.2.11.1 A share of a real estate investment fund applying for listing may be listed on the Prelist and delist from the Prelist in accordance with chapter 2.2.12.
4.2.12   COMMENCEMENT AND TERMINATION OF TRADING IN SHARES

4.2.12.1   The Exchange will decide the starting date for trading in a share of a real estate investment fund. Trading will end if a share is delisted in accordance with rule 4.2.9.

4.2.12.2   Trading in subscription rights entitling to a share commences on the first day of their subscription period and ends so that the subscription rights will be last tradable on the fifth trading day immediately preceding the close of the subscription period.

4.2.12.3   Trading in new shares subscribed through an increase from reserves commences on the first day of the subscription period and ends when their property and governance rights are equal to those of the old shares.

4.2.12.4   Trading in new shares subscribed through an issue based on the shareholders’ precedence (interim shares) commence at the latest on the first trading day immediately following the close of the subscription payment period and ends as soon as their property and governance rights are equal to those of the old shares.

4.2.12.5   In an issue based on the shareholders’ precedence, trading in subscribed and fully paid new shares (interim shares) can commence on the first day of the subscription period or later during the subscription period. Trading will end when the property and governance rights of the new shares are equal to those of the old shares.

4.2.12.6   Trading in shares subscribed through a private placement or in a bonus issue or the exercise of convertible notes or equity warrants will commence on a day decided by the Exchange.

4.2.12.7   The new shares will be traded together with the old shares once the property and governance rights of both shares are equal.

4.3   DISCLOSURE REQUIREMENTS

Chapter 2 (Share) of the Rules of the Exchange contains explanatory texts regarding disclosure requirements of which purpose is to give guidelines and examples on how the Exchange interprets the rules. These explanatory texts give guidelines and examples regarding disclosure requirement of a real estate investment fund as well if applicable.

4.3.1   GENERAL PROVISIONS

4.3.1.1   General provision

A real estate investment fund shall, without undue delay, 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 real estate investment fund’s securities in accordance with the Securities Markets Act.

4.3.1.2   Correct and relevant information

Information disclosed by the real estate investment fund 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 real estate investment fund, its financial result and financial position, or the price of its listed securities.

4.3.1.3 Timing of information

Disclosure of information covered by these Rules shall be made without undue delay, unless otherwise specifically stated. 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 the Securities Markets Act.

Significant changes to previously disclosed information shall be disclosed as soon as possible. Corrections to errors in information disclosed by the real estate investment fund itself need to be disclosed as soon as possible after the error has been noticed, unless the error is insignificant.

4.3.1.4 Information leaks

If a real estate investment fund learns that price sensitive information has leaked prior to a disclosure, the real estate investment fund 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 without undue delay.

4.3.1.5 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 real estate investment fund’s 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 by the company shall have a heading indicating the substance of the announcement.

4.3.1.6 Website

The real estate investment fund shall have its own website on which information disclosed by the real estate investment fund on the basis of the disclosure requirements imposed on real estate investment funds shall be available for at least five (5) years.

The information shall be made available on the website without undue delay after the information has been disclosed.
4.3.1.7 Waivers

The Exchange may approve, based on the written application of the real estate investment fund, an individual deviation from the disclosure requirements of these Rules, if the Exchange is, prior to granting the exemption, satisfied that;

(i) the deviation does not endanger the position of the investors; and

(ii) the deviation would not be contrary to the Securities Markets Act or other laws; and

(iii) the disclosure of information would be contrary to public interest or materially detrimental to the real estate investment fund; or

(iv) if the Financial Supervisory Authority has granted an exemption in the matter pursuant to the Securities Markets Act.

4.3.2 REGULAR DISCLOSURE REQUIREMENTS FOR REAL ESTATE INVESTMENT FUND

4.3.2.1 Financial reports

The real estate investment fund shall prepare and disclose all financial reports pursuant to legislation and other regulations applicable to the real estate investment fund. The real estate investment fund may disclose interim management statements in accordance with the Securities Markets Act instead of disclosing quarterly interim reports.

4.3.2.2 Timing of the financial statements release and interim reports

A financial statements release shall be disclosed without undue delay and not later than two (2) months from the expiry of the reporting period, and the financial statements release shall state whether it has been audited or reviewed by the auditor, or whether it is unaudited. The timing for the disclosure of the financial statements release shall be disclosed immediately when it has been decided.

Interim reports shall be disclosed without undue delay and not later within two (2) months from the expiry of the reporting period and shall state whether they have been audited or reviewed by the auditor, or whether they are unaudited. The timing for the disclosure of an interim report shall be disclosed immediately when it has been decided.

4.3.2.3 Contents of financial reports

The financial statements release shall contain corresponding information as the interim report published for the first six months of a financial period and, besides, the proposal by the board regarding measures called for by a profit or loss (proposed dividend per share) as well as information on the real estate investment fund’s distributable means. The release shall also state where and which week the financial statements and annual report will be made available to the public.

A financial statements release or an interim report release shall commence with a summary stating the real estate investment fund’s key figures, including, but not limited to, the real estate investment fund’s net sales and earnings per share.

The real estate investment fund shall disclose in the annual report as well as in the interim report or interim management statement information regarding real estate
investment fund’s real estate investment operations set out in the Act on Real Estate Investment Funds and related Decree of the Ministry of Finance.

If the real estate investment fund discloses the interim report, the interim management statement or the financial statements release in accordance with the procedure described in the rules and regulations of the Financial Supervisory Authority concerning the issuer’s disclosure obligation in some other way than in unedited full text, all price sensitive information shall be included in the release in which the financial report is disclosed.

4.3.2.4 Timing of financial statements and annual report

A real estate investment fund shall disclose its financial statements and annual report three (3) weeks prior to the general meeting at which the financial statements shall be presented for confirmation at the latest, but no later than within three (3) months from the end of the financial period.

4.3.2.5 Auditors’ report

A real estate investment fund shall disclose auditors’ report together with the financial statements and annual report. However, a real estate investment fund shall disclose an auditors’ report immediately, if the auditors’ report includes a statement which is not in standard format, if it contains remarks or additional information by the auditor, or if it states that no corporate governance statement has been issued or that the statement is not consistent with the financial statements.

4.3.3 CONTINUOUS DISCLOSURE REQUIREMENTS FOR REAL ESTATE INVESTMENT FUND

4.3.3.1 Forecast and forward-looking statements

If the real estate investment fund discloses a forecast, it shall provide information regarding the assumptions or conditions underlying the forecast provided. To the extent possible, forecasts shall be presented in an unambiguous and consistent manner. If the real estate investment fund issues other forward-looking statements, they shall also be provided in an unambiguous and consistent manner.

Where the real estate investment fund reasonably expects that its financial result or financial position will deviate significantly from a forecast disclosed by the real estate investment fund and such deviation is price sensitive, the real estate investment fund shall disclose information about the deviation. Such disclosure shall also reiterate the forecast previously provided.

4.3.3.2 General meeting of shareholders

Notices to attend general meetings of shareholders shall be disclosed.

The real estate investment fund shall disclose information about resolutions adopted by the general meeting of shareholders unless a resolution is insignificant. This requirement applies notwithstanding that such resolutions are in accordance with previously disclosed proposals. Where the general meeting has authorised the board of directors to decide later on a specific issue, such resolution by the board of directors shall be disclosed, unless such resolution is insignificant.
4.3.3.3  Issues of securities

The real estate investment fund shall disclose all proposals and decisions to make changes in the share capital or the number of shares or other securities related to shares of the real estate investment fund, unless the proposal or decision is insignificant.

Information shall be disclosed regarding terms and conditions for an issue of securities.

The real estate investment fund shall also disclose the outcome of the issue.

4.3.3.4  Changes in the board of directors or management and auditors of a real estate investment fund

Proposals and actual changes with respect to the board of directors of the real estate investment fund shall be disclosed. In addition, any other significant changes to the real estate investment fund’s top management, including but not limited to managing director, shall be disclosed.

The disclosure regarding a new board member or a new managing director shall include relevant information about the experience and former positions held by the board member or managing director.

A change of the auditor shall also be disclosed.

4.3.3.5  Share-based incentive programs

The real estate investment fund shall disclose any decision to introduce a share-based incentive programme. The disclosure shall contain information about the most important terms and conditions of the programme.

4.3.3.6  Closely-related party transactions

A transaction between the real estate investment fund and closely-related parties which is not entered into in the normal course of business shall be disclosed when the decision regarding such a transaction is taken, unless the transaction is insignificant to the parties involved.

‘Closely-related parties’ of real estate investment funds include managing directors, members of the board of directors, and other managers in the parent company or significant subsidiaries who control or exercise significant influence in making financial and operational decisions in the parent company or in the relevant significant subsidiary. Legal entities controlled by these persons and shareholders controlling more than ten per cent of the shares or voting rights of the real estate investment fund are also considered closely-related parties.

4.3.3.7  Business acquisitions and divestitures

An acquisition or a sale of a company or business that is price sensitive shall be disclosed.

The disclosure shall include:

- purchase price, unless special circumstances exist;
- method of payment;
• relevant information about the acquired or sold entity;
• the reasons for the transaction;
• estimated effects on the operation of the real estate investment fund;
• the time schedule for the transaction; and
• any key terms or conditions that apply to the transaction.

The company or business acquired shall be described in a manner that addresses its key line(s) of business, historical financial performance and financial position.

4.3.3.8 Change in identity

If substantial changes are made to a real estate investment fund during a short period of time, or in its business activities in other respects, to such a degree that the real estate investment fund may be regarded as a new real estate investment fund or company, the real estate investment fund shall disclose information about the changes and consequences of the changes.

4.3.3.9 Decisions regarding listing

The real estate investment fund shall disclose information on the listing application, when it applies to have its securities admitted to trading on the Exchange for the first time, as well as if it applies for a secondary listing to trading at another trading venue. The real estate investment fund shall also disclose any decision to apply to remove its securities from trading on the Exchange or another trading venue. The real estate investment fund shall also disclose the outcome of any such application.

4.3.3.10 Information required by another trading venue

When the real estate investment fund discloses any significant information due to rules or other disclosure requirements of another regulated market or trading venue, such information shall be simultaneously disclosed.

4.3.3.11 Company calendar

The real estate investment fund shall publish a company calendar listing the dates on which the real estate investment fund aims to disclose the financial statements release, interim reports and interim management reports, if any, and the date of the annual general meeting. In respect of the financial statements and annual report, the real estate investment fund shall publish the week of disclosure.

The company calendar shall be published before the beginning of each financial period.

If reports cannot be disclosed on the date announced in the company calendar, the real estate investment fund shall publish a new date of disclosure as soon as possible. If possible, the new date should be published at least one week prior to the original date.
4.3.4 INFORMATION TO THE EXCHANGE ONLY

4.3.4.1 Public tender offers

If a real estate investment fund has made internal preparations to make a public tender offer for securities in another listed company, the real estate investment fund shall notify the Exchange when there are reasonable grounds to assume that the preparations will result in a public tender offer.

If a real estate investment fund has learnt that a third party intends to make a public tender offer to its shareholders, and such public tender offer has not been disclosed, the real estate investment fund shall notify the Exchange when there are reasonable grounds to assume that the intention to make a public tender offer will be carried out.

4.3.4.2 Advance information

If a real estate investment fund intends to disclose information that is assumed to have a highly significant effect on the price of the securities, the real estate investment fund shall notify the Exchange of the matter prior to disclosure.

4.3.5 OTHER DISCLOSURE REQUIREMENTS FOR REAL ESTATE INVESTMENT FUND (NOTIFICATIONS)

Changes in listing requirements

4.3.5.1 A real estate investment fund must without undue delay notify the Exchange if they can no longer fully satisfy one or more of the listing requirements or their conditions presented in the Rules.

Information on the disclosure of an interim management statement

4.3.5.2 Prior to the beginning of the following financial period, a real estate investment fund is required to notify if they will disclose an interim management statement instead of an interim report for the first three (3) and nine (9) months of the financial period, as well as the reasons for not disclosing said interim reports.

Trading on another regulated market

4.3.5.3 A real estate investment fund is required to notify the Exchange of any decision to submit an application to have a share, convertible note, or option right of the real estate investment fund or a significant subsidiary within the same group of companies listed on another regulated market, and the outcome of such application. However, the matter shall not be disclosed, if the rules or regulations of such other regulated market prevent it.

4.3.5.4 If the shares of a real estate investment fund or another company within the same group of companies are admitted to the official list or equivalent list on another regulated market, the real estate investment fund is required to provide any information provided to such regulated market to the Exchange as well.

Share capital and number of shares

4.3.5.5 A real estate investment fund is required to provide the Exchange with any information recorded in the Trade Register with respect to changes in their share capital or number of shares immediately upon such recording.
Index calculations

4.3.5.6 A real estate investment fund is required to provide the Exchange with any information needed for index calculations in accordance with guidelines issued by the Managing Director.

Information for trading and clearing

4.3.5.7 A real estate investment fund is required to provide the Exchange with any information needed for trading and in the clearing of securities and book-entry securities.

Record date and dividend payment date

4.3.5.8 A real estate investment fund is required to notify the Exchange of a record date referred to in Chapter 4, Section 2 of the Limited Liability Companies Act, and of a dividend payment date immediately when they have been decided.

Disclosure requirements regarding the real estate investment fund’s own shares

4.3.5.9 A real estate investment fund is required to notify the Exchange of any acquisition or transfer of its own shares as well a share issue without payment to the real estate investment fund itself.

4.3.5.10 Such notification must be provided without delay and no later than before the beginning of the following trading day. However, with regard to large acquisitions of own shares of a real estate investment fund, such notification shall be made immediately. The acquisition shall be considered large at least when the acquisition exceeds 10 per cent of the maximum amount of the share acquisition pursuant to the acquisition decision of the real estate investment fund. The notification must indicate the number and prices of shares, specified by class of shares.

4.3.5.11 A real estate investment fund may authorize a broker who has been granted trading rights on the Exchange to provide the information required under rule 4.3.5.10 on its behalf.

4.3.5.12 More detailed regulations regarding the content of such notification and its submission to the Exchange are set in the guidelines issued by the Managing Director of the Exchange.

4.3.5.13 The Exchange will make such notifications available to the public and disclose them in the manner specified by the Financial Supervisory Authority.

4.3.5.14 The real estate investment fund’s acquisition of own shares is subject to the rules set out in chapter 2.4.1.

Shares without voting rights

4.3.5.15 If a real estate investment fund has issued shares without voting rights, the real estate investment fund shall inform the Exchange if such shares provide voting rights due to the provisions of the Limited Liability Companies Act or the Articles of Association. Correspondingly, the expiration of such rights must be notified.
Rules of the real estate investment operations

4.3.5.16 A real estate investment fund shall publish on its website the effective rules of the real estate investment operations and any changes related thereto.

4.4 OTHER RULES

4.4.1 DISCIPLINARY PROCEDURE AND SANCTIONS

4.4.1.1 The rules regarding the surveillance and breach of the rules set in this chapter 4, and the consequences of such a breach are as set forth in chapter 9.

4.4.2 MARKET MAKING

4.4.2.1 The real estate investment fund is subject to the rules set out in chapter 10.1.

4.4.3 GUIDELINES FOR INSIDERS

4.4.3.1 The real estate investment fund is subject to the rules set out in chapter 10.3.

5. (PUBLIC) BONDS

5.1 GENERAL RULES

5.1.1 This chapter shall be applied to a bond (1.1.11) defined in these Rules.

5.2 LISTING AND DELISTING

5.2.1 INTRODUCTION

5.2.1.1 Chapter 5.2 describes the listing process of a bond, the listing requirements and the delisting process of a bond.

5.2.2 APPLICATION PROCEDURE

5.2.2.1 Based on an application by the issuer, the Exchanges decides to list a bond of said issuer.

Contents of the application

5.2.2.2 The application for the listing submitted in writing shall include:

1) a statement establishing a sufficient basis for listing and the satisfaction of the conditions for listing (rule 5.2.3);

2) the issuer’s Trade Register extract and Articles of Association, if the issuer is entered in the Trade Register and it is not a listed company, or other corresponding documents;

3) a commitment to enter into an agreement with the Exchange (5.2.2.4);
4) an extract from the minutes of the meeting of the company’s board of directors at which the decision to submit a listing application or possible authorisations has been made; and

5) a prospectus referred to in Chapter 4 of the Securities Markets Act, which has been approved by the Financial Supervisory Authority, or a prospectus approved in another member state of the European Economic Area and duly notified to the Financial Supervisory Authority, and a document certifying such notification of approval;

5.2.2.3 On special grounds, the Exchange may decide not to require the disclosure of a particular piece of information listed in items 1 through 5 of rule 5.2.2.2.

Agreement

5.2.2.4 The issuer is required to enter into a written agreement with the Exchange on the trading of the bond on the Official List and, in the agreement undertake to abide by the rules and guidelines of the Exchange in force at the time in question as well as by its commitments to the Exchange.

5.2.2.5 If a bond of a foreign company has been admitted to trading on a regulated market in another member state of the European Economic Area (primary exchange), the company will primarily follow the rules of its primary exchange in Finland as well. The company shall disclose any differences between the rules of their primary exchange and the Rules of the Exchange. However, no deviations from the Rules of the Exchange will be permitted, if the deviation will materially impair the proper function of the Finnish securities market or the position of an investor.

5.2.2.6 In cases where a foreign company that is not covered by the rule above and whose bond is listed on the Exchange would be required to violate the rules of its primary exchange, the Exchange may, on special grounds and in individual cases give a permission to deviate from the provisions of the Rules of the Exchange. However, no deviations from the Rules of the Exchange may materially impair the proper function of the Finnish securities market or the position of an investor. The company shall disclose the exemption order and agree to comply with the rules of its primary exchange in Finland as well.

Registration fee and annual fee

5.2.2.7 An issuer whose bond is listed on the Exchange is required to pay a registration fee and an annual fee to the Exchange.

5.2.2.8 The Exchange may reject any application for the listing of a bond in order to protect investors. The Exchange must decide an application for the listing of a bond within six (6) months of receipt. If the Exchange requests additional information from the applicant during this period, said time limit will be calculated from the date the Exchange receives such additional information. If the Exchange fails to render a decision within the indicated time, the application will be considered rejected.

5.2.2.9 The issuer of a bond has the right to bring the decision of the Exchange to the Financial Supervisory Authority within 30 days of the decision or the end of the time limit mentioned in rule 5.2.2.8.
5.2.3 GENERAL LISTING REQUIREMENTS

Listing requirements

5.2.3.1 A bond may be listed on the following conditions:

1) all bonds included in the same issue are included in the application;

2) the amount of the bond shall be no less than two hundred thousand (200,000) euros or an equivalent amount in a foreign currency;

3) the bonds are freely negotiable;

4) the issuer of the bond is solid enough; and

5) the reporting and monitoring systems of the issuer have been organized so that it has the ability to satisfy the requirements applicable to an issuer of bonds traded on the Exchange set by law and the Rules of the Exchange.

5.2.3.2 A bond in some other currency than the euro and the deposit receipt related to it of an issuer from a state not part of the European Economic Area may be admitted for listing only if the bond is admitted to trading on a regulated market supervised by an authority in a third country.

Waivers

5.2.3.3 The Exchange may approve an application for the issue of a bond even though all requirements set out in this chapter 5.2.3 are not fulfilled, if the Exchange can be satisfied that

(i) the objectives behind the essential requirements or requirements arising from other regulation are not compromised;

(ii) the objectives behind the deviating requirements regarding the bond may be secured in some other manner.

5.2.4 OBSERVATION SEGMENT

5.2.4.1 A bond may be transferred to the observation segment subject to the rules set out in chapter 2.2.8, for applicable parts.

5.2.5 DELISTING

Requirements and procedure

5.2.5.1 The Exchange may, based on the application of an issuer of a bond, decide that trading in the listed bond will be terminated, if the decision will not result in any significant harm to investors or the proper function of the financial market. The Exchange may set conditions for the termination of trading.

5.2.5.2 The Exchange may, at its own initiative, decide that trading in a bond will be terminated. This decision may be made if the bond or its issuer no longer fulfil the listing requirements or other requirements of the Rules of the Exchange and the decision will not result in any significant harm to investors or the proper function of the financial market. The Exchange may set conditions for the termination of trading.
Hearing

5.2.5.3 The issuer of a bond shall be provided with the opportunity to be heard before the delisting decision is made.

Appeals

5.2.5.4 If the Exchange has rejected a delisting application or has made a delisting decision at its own initiative, the issuer of a bond shall have the right to bring the matter to the Financial Supervisory Authority within 30 days from the decision.

5.2.6 PRELIST

5.2.6.1 A bond may be admitted to trading on the Prelist and delisted from the Prelist subject to the provisions of chapter 2.2.12.

5.2.7 COMMENCEMENT AND TERMINATION OF TRADING

5.2.7.1 Trading in a bond will commence on a trading day decided by the Exchange.

5.2.7.2 The interest and amortization of a bond are included in the trade in the debt instrument, if the execution date of the trade is before the due date of the interest or amortization.

5.2.7.3 Trading in a bond is terminated on a day decided by the Exchange.

5.2.7.4 The Exchange may decide on commencement and ending times for trading that differ from those given in this chapter on special grounds.

5.3 DISCLOSURE REQUIREMENTS

5.3.1 GENERAL DISCLOSURE REQUIREMENTS

5.3.1.1 General provisions

The issuer of a bond shall, without undue delay, 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 securities in accordance with the Securities Markets Act.

5.3.1.2 Correct and relevant information

Information disclosed by the issuer of a bond 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 issuer, its result and financial position, or the price of the bond.
5.3.1.3 Timing of information

Disclosure of information covered by these Rules shall be made without undue delay, unless otherwise specifically stated. If price sensitive information about a bond 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 the Securities Markets Act.

Significant changes to previously disclosed information shall be disclosed as soon as possible. Corrections to errors in information disclosed by the issuer of a bond itself need to be disclosed as soon as possible after the error has been noticed, unless the error is insignificant.

5.3.1.4 Information leaks

If an issuer of a bond learns that price sensitive information has leaked prior to a disclosure, the company 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 without undue delay.

5.3.1.5 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 issuer’s 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 by the company shall have a heading indicating the substance of the announcement.

5.3.1.6 Website

The issuer of a bond shall have its own website on which information disclosed on the basis of the disclosure requirements shall be available for at least five (5) years.

The information shall be made available on the website without undue delay after the information has been disclosed.

5.3.1.7 Waivers

The Exchange may approve, based on the written application of the company, an individual deviation from the disclosure requirements of these Rules, if the Exchange is, prior to granting the exemption, satisfied that

(i) the deviation does not endanger the position of the investors; and

(ii) the deviation would not be contrary to the Securities Markets Act or other laws; and
(iii) the disclosure of information would be contrary to public interest or materially detrimental to the listed company; or

(iv) if the Financial Supervisory Authority has granted an exemption in the matter pursuant to the Securities Markets Act.

5.3.2 REGULAR DISCLOSURE REQUIREMENTS

Financial statements, annual report and interim reports

5.3.2.1 The issuer of a bond shall disclose its financial statements, financial statements release and annual report in accordance with the Securities Markets Act.

5.3.2.2 The issuer of a bond shall, in accordance with the Securities Markets Act, prepare and publish for each financial period that exceeds six (6) months an interim report for the first six (6) months of the financial period.

Auditors’ report

5.3.2.3 An issuer of a bond shall disclose auditors’ report together with the financial statements and annual report. An issuer shall disclose an auditors’ report immediately, if it includes a statement which is not in standard format, if it contains remarks or additional information by the auditor, or if it states that no corporate governance statement has been issued or that the statement is not consistent with the financial statements.

5.3.3 CONTINUOUS DISCLOSURE REQUIREMENTS

Subscription commitment

5.3.3.1 If a subscription commitment has been signed with respect to the subscription of a bond before the commencement of the subscription period, this must be disclosed no later than at the commencement of the subscription period.

Lowering of share capital

5.3.3.2 An issuer of a bond in form of a limited liability company shall disclose in full any proposal by the company’s board of directors or other corresponding body to a general meeting of shareholders regarding the lowering of the share capital.

5.3.3.3 An issuer shall disclose in full the decision of the general meeting of shareholders in the matter.

Merger, demerger, restructuring, liquidation and bankruptcy

5.3.3.4 An issuer of a bond in form of a limited liability company shall disclose in full any proposal by the company’s board of directors or other corresponding body of the company that is the issuer to a general meeting of shareholders regarding the merger of the company with another company, the demerger of the company, or the placement of the company in liquidation, together with the decision of the general meeting of shareholders.

5.3.3.5 An issuer of a bond is required to disclose any petition filed in a court of law seeking to place the company in liquidation, bankruptcy, or the financial restructuring of the company under the Company Restructuring Act.
5.3.3.6 An issuer of a bond is required to disclose any court decisions relating to its financial restructuring, liquidation or bankruptcy, or the entry into force of any merger or demerger.

Decisions and acts by authorities

5.3.3.7 An issuer of a bond is required to disclose any instituted legal action or decision or injunction issued by a court of law or an authority that would tend to materially affect the value of the bond.

Matters affecting solvency and the ability to meet obligations

5.3.3.8 An issuer of a bond is required to disclose any facts and circumstances that would tend to have a material impact on its solvency, liquidity or ability to meet its obligations. Such matters include, for instance, a loss for a reporting period detected by the issuer’s management in connection with the preparation of an internal report that materially affects the issuer’s solvency. Such effect on solvency must always be considered significant when it is discovered that the issuer’s total equity capital is less than one-half of its share capital.

5.3.3.9 What is stated above about the disclosure obligation of an issuer of a bond in form of a limited liability company is, for applicable parts, also applied to an issued with some other form of association.

5.3.4 INFORMATION TO THE EXCHANGE ONLY

Changes in listing requirements

5.3.4.1 An issuer of a bond is required to provide without undue delay a notice to the Exchange if they can no longer fully satisfy one or more of the listing requirements provided under chapter 5.2.3.

Changes in the amount of a bond

5.3.4.2 An issuer of a bond is required to provide without undue delay a notice to the Exchange of changes in the amount of the bond.

5.4 OTHER RULES

5.4.1 DISCIPLINARY PROCEDURE AND SANCTIONS

5.4.1.1 The rules regarding the surveillance and breach of the rules set in this chapter 5, and the consequences of such a breach are as set forth in chapter 9.
6. WARRANTS AND CERTIFICATES

6.1 GENERAL RULES

6.1.1 Covered warrants can be admitted to trading on the Official List of the Exchange, if the covered warrants and the issuer fulfil the terms and conditions mentioned in these Rules and if the covered warrants, in the reasonable opinion of the Exchange, are suitable for trading on the Official List of the Exchange.

Applicability

6.1.2 These Rules shall apply to the issuer of covered warrants as of the day the issuer signs an undertaking in which the issuer agrees to abide by all Rules of the Exchange and supplementary guidelines issued by the Exchange, as amended from time to time, for such time the issuer's covered warrants are admitted to trading on the Official List of the Exchange. The Rules regarding sanctions are, however, applicable after a delisting, in case a violation was committed during the period the issuer had covered warrants admitted to trading on the Official List of the Exchange.

6.2 LISTING AND DELISTING

6.2.1 APPLICATION PROCEDURE

Documentation for each new issue

6.2.1.1 Prior to each new issue of covered warrants, the issuer shall provide the Exchange with the following documentation:

1) a copy of the final terms for the covered warrants. The final terms shall be signed by a person(s) authorized to sign for the issuing firm and filed with the relevant competent supervisory authority,

2) a formal application for admission of the relevant covered warrants to trading, as provided by the supplementary guidelines issued by the Exchange. The application shall be signed by a person authorized to sign for the issuing firm,

3) a listing form with basic data for the covered warrants, as provided by the supplementary guidelines issued by the Exchange, containing all relevant information concerning the covered warrants to be admitted to trading.

Listing fees

6.2.1.2 An issuer will be required to pay fees to the Exchange as defined in the price list of the Exchange.

Rejection of a listing application and appeals

6.2.1.3 The Exchange may reject any application for approval as issuer or an application for the admission of covered warrants to trading on the Exchange even if the applicant fulfilled all requirements set out in these Rules, if the Exchange assesses that approval as issuer of covered warrants or the admission of covered warrants to trading on the Exchange is or could be detrimental to the securities market or investors.
The Exchange may for some other reason than those mentioned above reject or postpone the approval of the application for issuer or for the admission of covered warrants to trading on the Exchange, if the Exchanges assesses that the qualification requirements are not met.

The Exchange must act on all applications for the admission of covered warrants to trading on the Exchange within six (6) months of receipt. If the Exchange requests additional information from the applicant during this period, this processing period will be calculated from the date the Exchange receives such additional information. If the Exchange fails to render a decision within the indicated time, the application will be considered rejected.

6.2.1.4 The issuer of covered warrants has the right to appeal the decision of the Exchange to the Financial Supervisory Authority within 30 days after it has been rendered or the time given in rule 6.2.1.3 has lapsed.

6.2.2 GENERAL LISTING REQUIREMENTS

Requirements for the issuer

6.2.2.1 An issuer must meet the following conditions in order to be approved as an issuer of covered warrants on the Exchange:

1) The issuer shall be a credit institution or an investment firm, whose corporate-law registered office is in a state belonging to the European Economic Area and which is authorized under applicable legislation of an EEA state and shall be granted a license to act as such by the competent supervisory authority. Such firm or institution shall, furthermore, be subject to the supervisory authority’s ongoing investigatory and monitoring powers.

2) If the issuer’s corporate-law registered office is in a state outside the European Economic Area, the issuer shall be satisfactorily supervised and authorized by an authority or other competent body being responsible for the regulation of credit institutions, investment firms and similar firms carrying on its activities relating to covered warrants within the approved scope of its business. Such an authority or other competent body shall, furthermore, have signed a Memorandum of Understanding. Alternatively, such issuer shall otherwise be approved by the Financial Supervisory Authority of Finland.

3) An issuer shall possess a suitable organization for the business, requisite risk management routines, secure technical systems, reporting systems and monitoring systems, so that it is able to fulfil all requirements applicable to the issuers of publicly traded covered warrants on the Official List of the Exchange and otherwise be deemed as suitable for issuing and trading publicly traded covered warrants under applicable legislation and these Rules.

4) The issuer shall, on a regular basis, publish annual reports and semi annual financial reports. These reports shall be published and updated on the issuer’s webpage in accordance with the applicable legislation for periodic financial information.

5) The issuer of the covered warrants shall be sufficiently solvent.
6.2.2.2 The issuer shall submit to the Exchange:

1) extract from the issuer’s relevant register or a similar legally binding document including the list of people being authorized to apply for issuance of covered warrants,

2) the latest three (3) audited annual financial reports,

3) a signed undertaking in which the issuer agrees to abide by all Rules and supplementary guidelines issued by the Exchange, as amended from time to time,

4) an extract from the minutes regarding the decision to become an issuer on the Exchange, signed by the members of the board or person(s) authorized to sign for the issuing firm,

5) a certification from the competent supervisory authority regarding the required authorisation to act as a credit institution or investment firm (item 1 of rule 6.2.2.1),

6) the issuer's Articles of Association as recorded in the Trade Register.

6.2.2.3 Any material change(s) in documents stated in items 1 through 6 of this rule shall be submitted to the Exchange as soon as possible. In addition to what is stated above, an issuer shall, upon the request by the Exchange submit any of the documentation stated in items 1 through 6 above.

Requirements for covered warrants

6.2.2.4 The Exchange may, upon application by the issuer, decide to admit covered warrants to trading on the Official List of the Exchange. Rules regarding the underlying instruments of covered warrants, the admission of new covered warrants to trading on the Exchange and requirements relating to recalculations of the covered warrants and adjustments to the terms of covered warrants shall also be fulfilled in order for an application to be approved by the Exchange.

Requirements concerning the underlying instrument of the covered warrant

6.2.2.5 If the underlying instrument of a covered warrant is a security, the underlying instrument shall be publicly traded and have sufficient liquidity (i.e. the price of the underlying instrument must be reliable and publicly available) on the Exchange or in another regulated market, unless the underlying instrument will be admitted to trading on the Official List of the Exchange at the same time as the covered warrant.

6.2.2.6 If the underlying instrument of a covered warrant is a raw material, another commodity or some type of interest, the price or other value measure of the underlying must be reliable and publicly available.

6.2.2.7 If the underlying instrument of a covered warrant is an index or other indicator, the price or value measure of the index or indicator shall be reliable and publicly available.

6.2.2.8 If the underlying instrument of a covered warrant is a derivative instrument based on any of the underlying assets noted above the design of the derivative instrument must be clear and allow for its orderly pricing. Such a derivative instrument shall be publicly traded in a regulated market or the scope of trading in the instrument shall otherwise facilitate reliable and public price information with respect to the covered warrant.
Requirements concerning the admission of new covered warrants to trading on the Exchange

6.2.2.9 Covered warrants may be admitted to trading on the Official List of the Exchange, if it is likely that sufficient demand and supply will exist and price formation thus can be deemed reliable.

6.2.2.10 All covered warrants that are part of the same issue shall be included in the application.

6.2.2.11 The covered warrants shall be freely transferable.

6.2.2.12 Covered warrants may be admitted to trading on the Official List of the Exchange, if a prospectus has been approved by the Financial Supervisory Authority of Finland in accordance with the Securities Markets Act. The issuer shall, in addition, publish the prospectus and have it available to the public in accordance with the Securities Markets Act.

If another state, belonging to the European Economic Area, is the home state for an issuer, the competent supervisory authority of the home state shall have provided the Financial Supervisory Authority of Finland with:

1) a certificate of approval attesting that the prospectus has been drawn up in accordance with applicable legislation,

2) copy of the approved prospectus and

3) a translation of the summary (if applicable).

6.2.2.13 The issuer is, on a continuous basis, responsible for quoting and disclosing binding bid and ask prices for its warrants admitted to public trading on the Exchange, by providing market making as the Rules or supplementary guidelines issued by the Exchange require.

6.2.2.14 The issuer undertakes to maintain satisfactory routines for a market maker service for its warrants admitted to public trading on the Exchange during the continuous trading session. The issuer undertakes to quote bid and ask prices for the covered warrants in the trading system, under normal conditions, related to the market or the issuer's technical systems.

If the issuer ceases to quote bid and ask prices, it shall immediately notify the Exchange and, as soon as possible, provide information regarding the stated circumstances on its website. An announcement, regarding the cease of quoting prices, shall be disclosed as soon as possible.

6.2.2.15 The issuer of covered warrants is responsible at all times for settlement of the trades.

Recalculations and adjustments of the terms of the covered warrants

6.2.2.16 If a company, whose shares or depository receipts are the underlying instruments of a covered warrant, makes a decision which may have a concentrating or diluting effect on the underlying instrument, the terms of the covered warrant shall be adjusted. The issuer is responsible for making the necessary recalculations for the covered warrants and adjustments to the terms of covered warrants, in accordance with
terms and conditions stated in the issuer’s prospectus. If the underlying instrument consists of other assets than a share, the same shall be applied for events which will affect the valuation of such assets.

6.2.2.17 The issuer shall inform the Exchange of all planned recalculations for the covered warrants and adjustments to the terms of the covered warrants that are admitted to public trading on the Exchange. An announcement, regarding every adjustment or recalculation, shall be published as soon as possible.

6.2.2.18 Recalculations for the covered warrants and adjustments to the terms of the covered warrants that are admitted to trading on the Official List of the Exchange, shall be published on the issuer’s webpage.

6.2.2.19 The Exchange may approve an application for admission to trading on the Exchange, even if not all the requirements set in chapter 6.2.2 are fulfilled, if it is satisfied

(i) that the objectives behind the relevant requirements for covered warrants set out above or any relevant statutory requirements are not compromised; or;

(ii) that the objectives behind the requirements for covered warrants can be achieved by other means.

6.2.3 OBSERVATION SEGMENT

6.2.3.1 The warrant may be transferred to the observation segment subject to the rules set in chapter 2.2.8.

6.2.4 DELISTING

Requirements and procedure

6.2.4.1 The Exchange may, based on the application of an issuer, decide that trading in the warrant admitted to the trading will be terminated, if the decision will not result in any significant harm to investors or to orderly operation of the markets. The Exchange may set conditions for the termination of trading.

6.2.4.2 The Exchange may, at its own initiative, decide that trading in the warrant will be terminated. This decision may be made if the security or its issuer no longer fulfils listing requirements or other Exchange rules and if the decision will not result in any significant harm to investors or to orderly operation of the markets. The Exchange may set conditions for the termination of trading.

Hearing

6.2.4.3 The issuer of the warrant must be provided with the opportunity to be heard before a delisting decision is made.

Appeals

6.2.4.4 If the Exchange has rejected a delisting application or made a delisting decision at its own initiative, the issuer of warrants shall have the right to bring the matter to the Financial Supervisory Authority within 30 days from the decision.
6.2.5 COMMENCEMENT AND TERMINATION OF TRADING

6.2.5.1 Trading in warrant commences on a date determined by the Exchange.

6.2.5.2 Trading in warrant terminates on a date determined by the Exchange.

6.3 DISCLOSURE REQUIREMENTS

General provision

6.3.1 Any facts and circumstances as well as decisions related to the issuer that are deemed to have a significant impact on the price of the covered warrants or the issuer’s ability to meet its obligations defined by these rules and applicable legislation shall be disclosed as soon as possible.

The aforementioned includes, but is not limited to, facts, circumstances or decisions that are likely to have a significant impact on the issuer’s solvency, liquidity etc., as well as any decisions or actions issued by the relevant competent supervisory authority.

Methodology

6.3.2 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 issuer’s 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 by the issuer shall have a heading indicating the substance of the announcement.

6.4 OTHER RULES

6.4.1 DISCIPLINARY PROCEDURE AND SANCTIONS

The rules regarding the surveillance and breach of the rules set in this chapter 6, and the consequences of such a breach are as set forth in chapter 9.
7. FUNDS LISTED ON THE EXCHANGE

7.1 GENERAL RULES

7.1.1 This chapter 7 will be applied to the fund units traded on the Exchange. The chapter also includes provisions on the disclosure requirements and other liabilities of the fund management company and the fund.

7.2 LISTING AND DELISTING

7.2.1 INTRODUCTION

7.2.1.1 Chapter 7.2 includes provisions on the listing process of a fund unit, the listing requirements and the delisting process.

7.2.2 APPLICATION PROCEDURE

7.2.2.1 The Exchange may, upon application by the fund management company, decide to list a fund unit.

Application for listing

7.2.2.2 Applications for listing must be in writing and must include:

1) a statement establishing a sufficient basis for listing and the satisfaction of the conditions for listing (7.2.3);

2) the fund management company’s Trade Register extract or a corresponding document, and disclosure of any decisions that have not yet been registered;

3) the fund management company’s Articles of Association as recorded in the Trade Register, and any amendments thereto decided at a general meeting of shareholders that have not yet been registered and any amendments proposed thereto by the company’s board of directors;

4) an extract from the minutes of the company’s board of directors regarding the board’s decision to submit a listing application;

5) the latest audited financial statements of the fund management company and the latest annual report of the mutual fund together with the latest interim report of the fund management company and the latest half-yearly or quarterly report of the mutual fund, if any. If the fund management company or the mutual fund lack financial statements or annual reports at the time of application, the budget for the current and following year must be provided in their place;

6) a commitment to enter into an agreement (rule 7.2.2.4) with the Exchange;

7) the operating license of the fund management company, the fund rules, key investor information document and fund prospectus, together with evidence of the right of a foreign UCITS to market fund units in Finland;

8) a description of the operating principles, investment operations and investments of the mutual fund at the time of application, and a statement regarding the satisfaction of
the minimum requirements for mutual fund operations under the Finnish Act on Mutual Funds or a plan for meeting them; and

9) a description of any facts needed in arranging the clearing and settlement of trades.

7.2.2.3 The Exchange may on special grounds decide that disclosure of a particular piece of information listed in items 1 through 9 of rule 7.2.2.2 is not required in the listing application.

Agreement

7.2.2.4 The fund management company is required to enter into a written agreement with the Exchange on the trading of fund units on the Official List and, in the agreement, undertake to abide by the rules and guidelines of the Exchange in force at the time in question as well as by its commitments to the Exchange.

7.2.2.5 If the units of a fund managed by a foreign fund management company have been admitted to trading on a regulated market in another member state of the European Economic Area (primary exchange), such fund management company will primarily follow the rules of its primary exchange in Finland as well. The company discloses any differences between the rules of their primary exchange and the Rules of the Exchange. However, no deviations from the Rules of the Exchange will be permitted, if the deviation will materially impair the proper function of the Finnish securities market or the position of an investor.

7.2.2.6 In cases where a foreign fund management company that is not covered by the rule above and that manages a mutual fund whose units have been listed on the Exchange would have to violate the rules of its primary exchange, the Exchange may, in individual cases and on special grounds give a permission to deviate from the provisions of the Rules of the Exchange. However, no deviations from the Rules of the Exchange may materially impair the proper function of the Finnish securities market or the position of an investor. The company shall disclose the exemption order and agree to comply with the rules of its primary exchange in Finland as well.

Registration fee and annual fee

7.2.2.7 All management companies that manage mutual funds whose units are listed on the Exchange are required to pay a registration fee and an annual fee to the Exchange.

Rejection of a listing application and appeals

7.2.2.8 The Exchange may reject any application for the listing of a fund unit in order to protect investors. The Exchange must act on all applications for the listing of a fund unit within six (6) months of receipt. If the Exchange requests additional information from the applicant during this period, this processing period will be calculated from the date the Exchange receives such additional information. If the Exchange fails to render a decision within the indicated time, the application will be considered rejected.

7.2.2.9 The fund management company has the right to bring the decision of the Exchange to the Financial Supervisory Authority within 30 days after it has been rendered or the time given in rule 7.2.2.8 has lapsed.
7.2.3 GENERAL LISTING REQUIREMENTS

7.2.3.1 Fund units may be listed if it is likely that sufficient demand and supply will exist for them and price formation can thus be deemed reliable. Any possible market making contract(s) regarding the units will be taken into account in evaluating the sufficiency of demand and supply.

7.2.3.2 Fund management companies and fund units must also meet the following terms and conditions:

1) sufficient information is available on the mutual fund and its operating principles, and on its investment operations and investments, for the formation of an informed assessment of the mutual fund and the value of the fund units;

2) the rules of the mutual fund include provisions regarding the redemption of units or another procedure protecting investors in a situation where the market value of fund units in public trading differs significantly from their net asset value;

3) the reporting and monitoring systems of the fund management company have been organized so that it has the ability to satisfy all requirements applicable to mutual funds whose units are publicly traded and their management companies under law and the Rules of the Exchange;

4) all units of the same class of the same mutual fund are included in the application; and

4) all fund units are freely negotiable.

7.2.4 OBSERVATION SEGMENT

7.2.4.1 The fund unit may be transferred to the observation segment subject to the rules set in chapter 2.2.8.

7.2.5 DELISTING

Requirements and procedure

7.2.5.1 The Exchange may, based on the application of a fund management company, decide that trading in the listed fund unit will be terminated, if the decision will not result in any significant harm to investors or to the proper function of the financial market. The Exchange may set conditions for the termination of trading.

7.2.5.2 The Exchange may, at its own initiative, decide that trading in the fund unit will be terminated. This decision may be made if the fund unit or its issuer no longer fulfil the listing requirements or other provisions of the Rules of the Exchange and the decision will not result in any significant harm to investors or to the proper function of the financial market. The Exchange may set conditions for the termination of trading.

Hearing

7.2.5.3 The issuer of a fund unit must be provided with the opportunity to be heard before a delisting decision is made.
Appeals

7.2.5.4 If the Exchange has rejected a delisting application or made a delisting decision based at its own initiative, the fund management company shall have the right to bring the delisting decision to the Financial Supervisory Authority within 30 days from the decision.

7.2.6 PRELIST

7.2.6.1 Mutual fund units may be listed on the Prelist subject to the provisions of chapter 2.2.12.

7.2.7 COMMENCEMENT AND TERMINATION OF TRADING

7.2.7.1 Trading in mutual fund units commences on a date determined by the Exchange.

7.2.7.2 Trading in mutual fund units terminates on a date determined by the Exchange.

7.2.7.3 A yield from a mutual fund or other right related to a book-entry security are last traded on the Exchange together with the book-entry security on the third trading day preceding the applicable record date.

7.2.7.4 The Exchange may decide on commencement and ending times for trading that differ from those given in this section of these Rules on special grounds.

7.3 DISCLOSURE REQUIREMENTS

7.3.1 GENERAL DISCLOSURE REQUIREMENTS

7.3.1.1 A fund management company or mutual fund is not required to disclose facts and circumstances or decisions that shall be disclosed by the issuer of a security that is included in the fund assets.

7.3.1.2 General rule

The fund management company and the mutual fund shall, without undue delay, 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 expected to materially affect the price of the company’s listed securities, in accordance with the Securities Markets Act.

7.3.1.3 Correct and relevant information

Information disclosed by the fund management company or the mutual fund 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 fund management company and the mutual fund, its financial result and financial position, or the value of the listed securities.
7.3.1.4 Timing of information

Disclosure of information covered by these Rules shall be made without undue delay, unless otherwise specifically stated. 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 the Securities Markets Act or in accordance with the Finnish Act on Mutual Funds.

Significant changes to previously disclosed information shall be disclosed without undue delay. Corrections to errors in information disclosed by the company itself need to be disclosed without undue delay after the error has been noticed, unless the error is insignificant.

7.3.1.5 Information leaks

If the fund management company learns that price sensitive information has leaked prior to a disclosure, it 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 without undue delay.

7.3.1.6 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 company’s name, website address, contact person and phone number.

7.3.1.7 Website

The fund management company shall have its own website on which information disclosed by the company on the basis of the disclosure requirements imposed on listed companies shall be available for at least five years.

The information shall be made available on the website without undue delay after the information has been disclosed.

7.3.1.8 Waivers

The Exchange may approve, based on the written application of the company, an individual deviation from the disclosure requirements of these Rules, if the Exchange is, prior to granting the exemption, satisfied that

(i) the deviation does not endanger the position of the investors; and

(ii) the deviation would not be contrary to the Securities Markets Act or other laws; and

(iii) the disclosure of information would be contrary to public interest or materially detrimental to the fund management company; or
(iv) if the Financial Supervisory Authority has granted an exemption in the matter pursuant to the Securities Markets Act and/or the Mutual Funds Act.

**7.3.2 REGULAR DISCLOSURE REQUIREMENTS**

**NAV**

7.3.2.1 The fund management company shall every trading day in ample time before the opening of the Exchange publish every fund’s net asset value.

**INAV for actively managed funds**

7.3.2.2 The fund management company managing an active fund shall publish the indicative net asset value for each ISIN as detailed in the guidelines for actively managed funds issued by the Managing Director of the Exchange.

**The fund’s and actively managed fund’s units**

7.3.2.3 The fund management company shall, whenever it issues or redeems units in the fund and at least twice a month, publish the value of the units as well as the number of units in circulation unless the Financial Supervisory Authority has granted an exemption from the publication. Such exceptional publication shall be informed to the Exchange.

**Financial reports**

7.3.2.4 The fund management company shall prepare and disclose financial reports for each fund pursuant to accounting legislation and regulations applicable to the company.

**Timing of annual report and half-yearly reports**

7.3.2.5 The fund management company shall, for each listed fund, publish an annual report as soon as possible and by latest three (3) months from the expiry of the financial year. The fund management company shall also submit a half-yearly report regarding the fund at least for the first six (6) months of each financial period as soon as possible and by latest two (2) months from the expiry of the half-yearly period.

**Contents of financial reports**

7.3.2.6 Annual reports and half yearly reports shall contain the information required in order to be able to assess the development and financial position of each listed mutual fund.

**Auditors’ report**

7.3.2.7 The fund management company shall disclose an auditors’ report together with its annual report. If the auditors’ report includes a statement which is not in standard format or if it contains remarks or additional information by the auditor, the auditors’ report shall be disclosed immediately.
7.3.3 CONTINUING DISCLOSURE REQUIREMENTS OF THE FUND MANAGEMENT COMPANY

7.3.3.1 The fund management company shall ensure the disclosure of any facts and circumstances or decisions required to be disclosed by the mutual fund.

7.3.3.2 The fund management company is required to disclose any proposed yield payable on fund units and any decisions regarding the payment of the yield, together with the time of payment, upon the making of such proposal or decision.

Fund prospectus

7.3.3.3 The fund management company shall publish a fund prospectus for each listed fund in accordance with the Finnish Mutual Funds Act. The fund prospectus shall be kept updated and the fund rules shall be attached to it.

Fund rules

7.3.3.4 Amendments to the fund rules shall be disclosed as soon as the amendment has been confirmed by the Financial Supervisory Authority, or approved by equivalent foreign authority, and when the fund unit owners have been or will be informed about the amendment pursuant to the fund rules.

Changes in board of directors, management or auditors

7.3.3.5 Changes with respect of the composition of the board of directors or auditors, elected by the general meeting of the fund management company, or the change of a chief executive officer or managing director shall be published immediately.

Change in identity

7.3.3.6 If substantial changes are made to the fund rules to such a degree that the fund unit may be regarded as a new fund unit, the fund management company shall disclose a new key investor information document in case such a document needs to be drawn up, and the amended and confirmed fund rules.

Consolidation or division of funds

7.3.3.7 Where the fund management company has obtained authorization from the Financial Supervisory Authority regarding the consolidation of the fund with another fund or the division of the fund, the fund management company shall as soon as possible disclose information regarding the planned measure and the authority's decision on the matter.

7.3.4 INFORMATION TO THE EXCHANGE ONLY

Changes in listing requirements

7.3.4.1 The fund management company is required to provide without undue delay a notice to the Exchange if they can no longer fully satisfy one or more of the listing requirements provided under chapter 7.2.3.
Amendments to the key investment information document

7.3.4.2 The fund management company shall, following the revision of the key investor information document, as soon as possible submit the revised key investor information document to the Exchange.

7.4 OTHER RULES

7.4.1 DISCIPLINARY PROCEDURE AND SANCTIONS

7.4.1.1 The rules regarding the surveillance and breach of the rules set in this chapter 7, and the consequences of such a breach are as set forth in chapter 9.
8. SECURITIES LISTED ON OTHER TRADING VENUES

Admission to trading and removal from trading

8.1 The admission of securities to Securities Listed on Other Trading Venues List and removal of these securities from trading will be based on the sole discretion of the Exchange. The issuer of a security and the Financial Supervision Authority will be informed of such admission prior to the commencement of trading. The Exchange will disclose a set of basic information for each traded security before the commencement of trading.

Conditions for admission to trading, information on the issuer and trading in the security

8.2 A security may be admitted to trading, when conditions for a sufficient demand and supply shall exist in order to facilitate a reliable price formation process, and when it is subject to public trading on a regulated market or some equivalent market in another member state of the European Economic Area.

8.3 An additional condition for admission to trading is that the issuer of a security discloses its regulatory information in Finnish, Swedish or English. The Exchange shall attend to the fact that information regarding the security to be admitted, as required in the Securities Markets Act, the Ministry of Finance Decree issued based on said Act or an exemption order issued by the Financial Supervisory Authority, is available prior to the commencement of trading.

8.4 Disclosure requirements applicable to the issuer of the traded security will be based on the legislation of the issuer’s home state and the rules of its primary listing market (primary exchange). Disclosure requirements or other requirements pertaining to listed companies in these Rules do not apply to the issuers of securities covered by this chapter.

8.5 Any information disclosed by an issuer of a security will be available from the issuer and in the officially appointed mechanism of the issuer’s home state. Information regarding trades executed on the primary exchange of the issuer will be available at such primary exchange. The Exchange will provide investors with the contact information of the issuer and its primary exchange.

Trading in securities

8.6 The trading rules of the Exchange shall apply to trading on the Securities Listed on Other Trading Venues List. If information related to a security subject to trading, or sufficient information on the issuer of such security, is not available to the brokers on equal basis, or if warranted by some other specific facts and circumstances, the Exchange may suspend trading in the security in question. The
Exchange also has the right to suspend trading whenever trading in a security has been suspended on the issuer’s primary exchange, and the Exchange must suspend trading at the request of the Financial Supervision Authority. Trading will resume when the basis for suspension has ceased. The Exchange will without undue delay make public any such decisions regarding the suspension or resumption of trading.

8.7 A security traded on the Securities Listed on Other Trading Venues List may be transferred to the observation segment subject to the rules set out in chapter 2.2.8, for applicable parts.

8.8 The Exchange will supervise compliance with the trading rules and regulations, the Rules of the Exchange and good securities market practice within the Exchange. The Exchange does not supervise the operations of the issuer of a security that has been admitted to trading.
9. SURVEILLANCE AND DISCIPLINARY PROCEDURE

9.1 SURVEILLANCE

Surveillance and access to information

9.1.1 In addition to its other statutory and regulatory duties, the Exchange is required to provide sufficient and reliable surveillance to ensure compliance with the rules and regulations governing the activities of the Exchange, the Rules of the Exchange, and good securities market practice.

9.1.2 The Exchange has the right to obtain any information from listed companies, their parent companies and other issuers of securities required for the surveillance of the provisions, decisions, agreements, commitments and good securities market practice referred to in rule 9.1.1.

9.1.3 The Exchange has the right to engage an Authorised Public Accountant or other expert to audit any listed company or other issuer in order to secure the information referred to in rule 9.1.2. The cost of such audit will be borne by the organization to be audited.

9.2 DISCIPLINARY PROCEDURE

Handling of disciplinary matters and sanctions

9.2.1 Disciplinary matters are handled by the Exchange and by the Disciplinary Committee appointed by the Exchange’s Board of Directors. The Exchange shall bring any matter before the Disciplinary Committee if required by the nature of the matter, the recurrence of the breach, the need to establish a precedent or any other corresponding reason.

9.2.2 If a listed company, its parent company, or the issuer of some other security commits a breach of applicable law, any regulations based thereon, the Rules of the Exchange or any regulations, guidelines or decisions of the Exchange, its agreement with the Exchange, any commitment issued to the Exchange, or good securities markets practice, such breaching party may be subject to the sanctions specified in this section of these Rules.

9.2.3 The Disciplinary Committee may impose a warning to a party who has breached the norms referred to above in section 9.2.2. In addition to a warning, the Disciplinary Committee may impose a fine. The amount of the fine to be paid to the Exchange shall be no less than ten thousand euros (EUR 10 000) nor more than five hundred thousand euros (EUR 500 000). When imposing a sanction, consideration shall be given to the seriousness of the breach, the size of the breaching party, and other circumstances.

9.2.4 If the breach is particularly serious, the Disciplinary Committee may, in addition to a warning and fine, propose to the Exchange the delisting of the security in question. In these cases the Disciplinary Committee will be required to issue a statement on the seriousness of the breach.

9.2.5 If the breach is of a minor nature, the Exchange may handle the matter and issue a reprimand to the party in question.
Miscellaneous provisions

9.2.6 In addition to the provisions of this section, disciplinary procedures are also subject to the Rules of the Disciplinary Committee. The Rules of the Disciplinary Committee are confirmed by the Exchange’s Board of Directors.

9.2.7 The Chairman and Deputy Chairman of the Disciplinary Committee will be appointed by the Exchange’s Board of Directors and must both be experienced judges. In addition, the Exchange’s Board of Directors will appoint no less than two (2) and no more than four (4) other members to the Disciplinary Committee, at least two of whom must have thorough knowledge of the securities market. The members of the Disciplinary Committee are appointed for terms of four (4) calendar years. The Exchange’s Board of Directors cannot release members of the Disciplinary Committee from their duties without a particularly weighty reason.

9.2.8 No person employed by an organization that directly or indirectly owns at least 10 per cent of the share capital or voting rights of the Exchange, or that belongs to the same group of companies, may be appointed member of the Disciplinary Committee. Nor can any person who is the Managing Director or a member of the board of directors of such organization, or who carries out an assignment for such organization on a non-temporarily basis, be appointed member of the Disciplinary Committee.

9.2.9 The Financial Supervisory Authority will be given the opportunity to provide its opinion regarding the suitability of the Chairman and members of the Disciplinary Committee prior to their appointment.

9.2.10 The right of the Disciplinary Committee to obtain information will be subject to the provisions of rules 9.1.2 and 9.1.3 on the right of the Exchange to obtain information.

9.2.11 If a disciplinary matter pertains to an organization that directly or indirectly owns at least 10 per cent of the share capital or voting rights of the Exchange, or that belongs to the same group of companies, the Financial Supervisory Authority may also bring a matter before the Disciplinary Committee.

9.2.12 The Exchange and the Disciplinary Committee are required to inform the Financial Supervisory Authority of any disciplinary matter handled and the decision issued therein.

9.2.13 Rules 9.2.1 and 9.2.7 through 9.2.12 of this chapter also apply to disciplinary procedures related to the rules of the Exchange governing the trading of securities (Rule 1.1.2).
10. MISCELLANEOUS PROVISIONS

10.1 MARKET MAKING

Purpose and definition of market making

10.1.1 The purpose of market making is to increase an investor’s possibilities to trade in the securities subject to market making.

10.1.2 Market making refers to the obligation of a market maker based on a commitment to issue binding bids and offers for a listed security that is the subject of the commitment.

Market making agreement

10.1.3 Market making shall be based on a written agreement.

10.1.4 The issuer must disclose the contents of such market making agreement and its time of commencement before the beginning of market making. The issuer must also disclose the time of the termination of the market making agreement before the market making agreement is terminated.

Surveillance and more detailed provisions

10.1.5 The Exchange will supervise the activities of a market maker and compliance with the market making agreement.

10.1.6 The Managing Director may issue more detailed guidelines on market making.

10.2 CORPORATE GOVERNANCE RECOMMENDATION FOR LISTED COMPANIES

10.2.1 The Board of Directors of the Exchange may issue a corporate governance recommendation for listed companies.

10.3 GUIDELINES FOR INSIDERS

10.3.1 The Board of Directors of the Exchange may issue guidelines regarding the management of insider matters as well as the procedures regarding disclosure requirements applicable to insiders and the trading of securities by insiders in listed companies (Guidelines for Insiders).

10.3.2 Listed companies may be permitted to decide on the application of these Guidelines for Insiders within the company. Listed companies must notify in the financial statements or annual report if they apply the Guidelines for Insiders.