



Rules of Nasdaq First North Structured Leveraged
Products
[Final Draft]

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1. Introduction

Fixed income instruments defined as securitized derivatives (hereinafter “instruments”) can be admitted to trading on a segment of Nasdaq First North Denmark, Finland and/or Sweden if the instrument and the issuer fulfil the terms and conditions below and if the instrument, in the reasonable opinion of Nasdaq Copenhagen A/S, Nasdaq Helsinki Ltd or Nasdaq Stockholm AB (hereinafter individually or collectively referred to as the “Exchange”), is suitable for trading.

In order to simplify the application of the rules, the rule text is in some cases followed by guidance. The guidance is written in *italic*, and is not binding for the issuer and represents the Exchange’s interpretation of current applicable practice.

Country specific rules are, as applicable, set out in Supplement A–C.

Trading is conducted in accordance with the relevant provisions of the Nordic Member Rules. In order to gain access to trading on this segment of Nasdaq First North Denmark, Finland and/or Sweden, the trading member must be a member of the Exchange that operates the particular market. Nasdaq Member Rules apply to the trading on this segment. The applicable trading hours are published on Nasdaq First North’s website.

1.1 Applicability

These rules shall apply to the issuer of the instruments as of the day the issuer signs an undertaking in which the issuer agrees to abide by all rules and guidelines of the Exchange, as amended from time to time, for such time the issuer’s instruments are admitted to trading on the Exchange. The rules regarding sanctions (Chapter 7) are however applicable after a delisting, in case a violation was committed during the period the issuer had instruments admitted to trading on the Exchange.

1.2 Amendments to the rules

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

1.3 Undertaking and fees

The issuer shall, prior to the first day of trading, sign an undertaking to comply with the rules.

The issuer shall pay fees to the Exchange as defined in the price list of the Exchange.

2. Issuer requirements

2.1 The issuer must be duly incorporated or otherwise validly established according to the relevant laws and regulations of the country of incorporation or establishment.

2.2 Unless otherwise stated in the Supplements A–C, the issuer shall have published annual accounts for at least three years in accordance with the accounting laws applicable in the issuer’s home country. Where applicable, the accounts shall also include consolidated accounts for the issuer and all its subsidiaries.

The general rule is that the issuer shall have complete annual accounts for at least three years. In order for an exemption to be granted from the requirement to have annual accounts for three years (please see Section 3.2), there must be sufficient information for the Exchange and the investors to

evaluate the development of the business and to form an informed judgment of the issuer and its instruments.

2.3 Well in advance of the admission to trading, the issuer 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 in accordance with the rules.

3. Requirements for the Instruments

3.1 Requirements for admission to trading

3.1.1 The instrument must be freely negotiable.

3.1.2 The admission application must apply to all of the instruments that are part of the issue.

3.1.3 The instrument must be registered in a Central Securities Depository (CSD) or similar institution as set out in Supplement A–C.

3.1.4 The instrument may be admitted to trading on a segment of Nasdaq First North, only if a prospectus is required under local legislation and such prospectus has been approved by the competent authority of an EEA state in accordance with the local legislation and duly notified as may be necessary. The issuer shall, in addition, publish the prospectus and have it available to the public in accordance with the local legislation. Also the final terms and conditions should have been issued, if applicable.

3.1.5 If the Exchange considers certain information to be important and in the interest of investors, the Exchange may require that the issuer posts supplementary information on its website.

3.1.6 Only instruments with a total nominal amount of minimum of the values set out in Supplement A–C may be admitted to trading.

3.1.7 If the instrument has underlying instruments consisting of commodities, the maximum number of issued units may not exceed 2.5 million, or, if the instrument is traded as a percentage of the nominal value, the maximum issued volume may not exceed 2.5 million round lots.

3.1.8 The issuer must, in the prospectus or the final terms, clearly stipulate whether or not it undertakes to repay the nominal amount on the reimbursement date. If there is a fixed interest rate to be repaid on the reimbursement date, this must be clearly stipulated in the prospectus or the final terms.

3.1.9 The prospectus or the final terms describing the instrument must contain an adequate description of how any return is to be calculated. This must also be clarified by providing a minimum of three examples of the possible return in the final terms or in the marketing brochure.

3.1.10 The final terms shall be signed by an authorized company signatory of the issuer.

3.2 Waivers

The Exchange may approve an application for admission to trading, even if not all the requirements are fulfilled, if it is satisfied based on the proper documentation

- (a) that the objectives behind the relevant requirements for instruments set out above and any relevant statutory requirements are not compromised; or
- (b) that the objectives behind the requirements for instruments can be achieved by other means.

4. Disclosure Rules

4.1 Disclosure of inside information (General provision)

The issuer shall disclose inside information in accordance with Article 17 of the Market Abuse Regulation¹ (“MAR”).

Guidance by the Exchange regarding the interpretation of MAR

Article 17 of MAR sets out the disclosure obligations in respect of inside information. The term inside information is defined in Article 7 of MAR. According to Article 17 the issuer may, on its own responsibility, delay disclosure to the public of inside information provided that all of the conditions set out in MAR are met.²

Set out in Section 3.1 in the Rule book for Issuers of Shares and set out in Section 2.3.1 of the Rules of the Helsinki Exchange is guidance on certain circumstances and events that in the Exchange’s view may involve inside information under MAR. The intention of the guidance is to facilitate the issuer’s compliance with MAR and to provide guidance on the Exchange’s view on the issuer’s disclosure requirements under MAR.

4.2 Website

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

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

4.3 Other disclosure requirements

4.3.1 Introduction

This Section 4.3 contains disclosure requirements that go beyond the requirements in Article 17 of MAR. Consequently, the information set out in this Section 4.3 should always be disclosed irrespective of whether it constitutes inside information which require disclosure pursuant to MAR. Information to be disclosed in accordance with this Section shall, regardless if considered inside information, be disclosed in the same manner as inside information in Section 4.1, unless otherwise stated.

4.3.2 Financial reports

The issuer shall prepare and disclose all financial reporting pursuant to accounting legislation and regulations applicable to the issuer.

Notwithstanding the above, issuers shall disclose an annual financial statement release and a half year report.

4.3.3 Timing of financial statement release and interim reports

The financial statement release and the half year report shall be disclosed within two months from the expiry of the reporting period. The half year report shall state whether or not the issuer’s auditors have conducted a review.

¹ Regulation (EU) No 596/2014.

² Please see Article 17(4) of MAR and the Commission’s Delegated Act on disclosure and for delaying disclosure of inside information.

4.3.4 Content of financial reports

The announcement containing the financial statement release and the half year report shall at least include the information required by IAS 34 “Interim financial reporting”.

The financial statement release shall state where and which week the annual financial report will be made available to the public.

An announcement containing a financial statement release or a half year report shall commence with a summary stating the key figures, including, but not limited to, net turnover and information regarding forecasts, if a forecast is provided in the report.

4.3.5 Audit report

The audit report is a part of the annual financial report. However, the issuer shall disclose any audit report as soon as possible, if the audit report includes a statement which is not in standard format or if the audit report has been modified.

4.3.6 Forecasts and forward-looking statements

When the issuer 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 issuer issues other forward-looking statements, they shall also be provided in an unambiguous and consistent manner.

4.3.7 General meetings of shareholders

The issuer shall disclose resolutions adopted by the general meeting of shareholders unless such resolutions are insignificant.

5. Suitability

The Exchange may, in cases where all requirements are fulfilled, refuse an application for becoming an issuer or an application for admission of instruments to trading, or otherwise postpone an approval of such an application, if the Exchange considers that the approval of such an application would be detrimental for the market or for the investors’ interests.

The Exchange may also refuse an application for becoming an issuer or an application for admission of instruments to trading, or otherwise postpone an approval of such an application, if the Exchange considers that there is any other reason eligible for such a decision.

If an issuer whose instruments are already admitted to trading on the Exchange is considered to damage confidence in the securities market in general because of its operations or organization, the Exchange may decide to delist the instruments, despite the issuer fulfilling all issuer and admission requirements.

In exceptional cases, an issuer applying for admission to trading of its instruments may be deemed unsuitable, despite the fact that the issuer and the instruments covered by the application fulfil all of the above admission requirements. This may be the case if, for example, it is believed that admission to trading of the issuer’s instruments could damage confidence in the securities market in general.

6. Delisting and observation status

6.1 An issuer may request that its instruments shall be delisted. The Exchange will approve such request and decide, together with the issuer, on the last day of trading of the instruments.

6.2 The Exchange may decide to delist the instruments in circumstances where

- 1) an application for bankruptcy, winding-up or equivalent motion has been filed by the issuer or a third party to a court or other public authority; or
- 2) the issuer does not fulfill all issuer or admission requirements, assuming that
 - the issuer has not remedied the situation within a time decided by the Exchange;
 - there are no other available means to remedy the situation and restore the situation; and
 - the non-fulfilment is deemed to be significant; or
- 3) the issuer has, after having been reminded, failed to pay any admission fee, when due.

6.3 The Exchange may decide to give an issuer's instruments observation status if there is substantial uncertainty in respect of the issuer's financial position or the pricing of the instruments.

7. Sanctions

If the issuer fails to comply with these rules, or if the issuer violates any legislation, statute or, if the issuer otherwise violates the Exchange's rules, imposing of sanctions will be decided by the relevant instance of the Exchange as described in Supplement A–C.

Supplement A – Denmark

In addition to the rules in Chapter 3 and 7, the following also applies for the segment of Nasdaq First North Denmark, operated by Nasdaq Copenhagen A/S.

3. Requirements for the instruments

3.1 Requirements concerning the admission to trading

3.3 The instrument must be registered in a register with VP Denmark or – following the consent of the Exchange – with another Danish or foreign Central Securities Depository (CSD) or similar institution.

3.6 Only instruments with a total nominal amount of minimum DKK 2 million, or the equivalent amount in foreign currency, may be admitted to trading.

7. Sanctions

In the event that an issuer fails to meet requirements, according to this set of rules, the Exchange may give the issuer a reprimand. Moreover, the Exchange may give an issuer a fine of up to three times the annual trading fee, however, not less than DKK 25,000 and not more than DKK 1 million. Where special cause exists, the Exchange may decide to remove the Issuer's securities from admittance to trading. Decisions made by the Exchange concerning a reprimand or a fine are published with the identity of the issuer. In cases with less serious reprimands or where special circumstances apply, the Exchange can choose not to publish the identity of the issuer.

If an issuer fails to meet requirements, according to this set of rules, the Exchange will generally give the Issuer a direct reprimand, and this reprimand will be published with the identity of the issuer.

The identity of the Issuer will in principle only be published if the issuer has received a reprimand. Thereby the Exchange can provide an opinion and find a situation regrettable without this leading to a publication of the issuer's identity, but where the case will be described in anonymous form.

Elements such as no continuity between announcements published or misleading of the market might be included in the choice of sanctions. If it can be established that the issuer has intended to conceal essential information from the market or place facts in a more favorable light, etc., this may be an aggravating factor, not only when the form of sanction is to be chosen, but also when the amount of a fine is to be fixed. Where special cause exists, the Exchange may decide to remove the issuers' securities from admittance to trading. Persistent violations may result in publication of a reprimand or imposition of a fine, even though the gravity of the individual violation, in isolated terms, is of no such nature that publication of a reprimand or imposition of a fine would be required.

Supplement B – Finland

In addition to the rules in Chapter 2–7, the following also applies for the segment of Nasdaq First North Finland, operated by Nasdaq Helsinki Ltd.

2. Issuer requirements

2.1 The issuer must be duly incorporated or otherwise validly established according to the relevant laws and regulations of the country of incorporation or establishment. Furthermore, the issuer of the instrument shall be solid enough.

3. Requirements for the instruments

3.1 Requirements concerning the admission to trading

3.3 The instrument must be registered in a register with Euroclear Finland or – following the consent of the Exchange – with another Finnish or foreign Central Securities Depository (CSD) or similar institution.

3.6 Only instruments with a total nominal amount of minimum EUR 200,000, or the equivalent amount in foreign currency, may be admitted to trading.

4. Disclosure requirements

Except item 4.2, 4.3.6 and 4.3.7, the disclosure obligations of the issuer are governed by the chapter 5.3 in the Rules of the Exchange of Nasdaq Helsinki. Unless otherwise required by the Exchange, the periodic disclosure requirements shall be governed by the jurisdiction of home country of the issuer.

5. Suitability

Furthermore, the delisting is regulated in Chapter 6 of this Supplement.

6. Delisting

The delisting of an instrument is governed by Act on Trading in Financial Instruments (748/2012 or as amended thereafter).

7. Sanctions

In the event of a breach(es) against these rules, the disciplinary and surveillance procedures in accordance with Chapter 9 of the Rules of the Exchange of Nasdaq Helsinki shall apply for the issuer.

Supplement C – Sweden

In addition to the rules in Chapter 2, 3 and 7, the following also applies for the segment of Nasdaq First North Sweden, operated by Nasdaq Stockholm AB.

2. Issuer requirements

2.3 If the issuer is a limited company, it must be public. The issuer must have a share capital of at least SEK 500,000, or the equivalent amount in another currency.

3. Requirements for the instruments

3.1 Requirements concerning the admission to trading

3.3 The instrument must be registered in a register with Euroclear Sweden or – following the consent of the Exchange – with another Swedish or foreign Central Securities Depository (CSD) or similar institution.

3.6 Only instruments with a total nominal amount of minimum SEK 2 million, or the equivalent amount in foreign currency, may be admitted to trading.

3.11 The issuer shall, in the prospectus, the final terms or the marketing brochure, undertake to provide bid prices and, if possible, offer prices of the instruments to be admitted.

7. Sanctions

In the event of a failure by the issuer to comply with law, other regulations, these rules, or generally acceptable behaviour in the securities market, the Exchange may, where such violation is serious, resolve to delist the issuer's instruments or, in other cases, impose on the issuer a fine of minimum SEK 100,000 and maximum SEK 5,000,000. Where the non-compliance is of a less serious nature or is excusable, the Exchange may issue a reprimand to the issuer instead of imposing a fine.

The issue of the determination of sanctions in accordance with this Section shall be the responsibility of a Disciplinary Committee appointed by the Board of Directors of the Exchange.

Detailed provisions about the Disciplinary Committee are set forth in the Securities Markets Act (2007:528) and in regulations issued by the Swedish Financial Supervisory Authority, Finansinspektionen (FFFS 2007:17).