

Nasdaq Stockholm

Dome Energy AB

Decision

The Disciplinary Committee orders Dome Energy AB (publ) to pay a fine to Nasdaq Stockholm corresponding to seven times the annual fee.

Motion

The shares in Dome Energy AB (publ) ("Dome" or the "Company") are admitted to trading on the Nasdaq First North trading platform on Nasdaq Stockholm (the "Exchange"). Dome has signed an undertaking to comply with the Exchange's Rule Book for Nasdaq First North applicable from time to time (the "Rule Book").

The Exchange has requested that the Disciplinary Committee consider the Company's violations of the Rule Book and determine a reasonable sanction.

On September 20, 2016, a hearing was held in the matter at which the Exchange was represented by Karin Ydén (Head of Issuer Surveillance), Andreas Blomquist (Senior Legal Counsel) and Niklas Ramstedt (Regulatory Compliance Specialist). Dome was represented by *advokat* Ulf Stigare and *advokat* Mats Willman.

The Disciplinary Committee's assessment

The Exchange has claimed that Dome has violated the Rule Book in various respects. The Exchange's allegations are summarized below, as are Dome's comments, whereupon the Disciplinary Committee's assessment is set out in connection with each item.

Disclosure of information regarding the divestment of Dome's US operations and Dome's continued operations

The Exchange has alleged the following. Dome has violated items 4.1 (a) and 4.2 (g) of the Rule Book by undertaking, in press releases on February 25, which concerned a letter of intent with Pacific Energy Development Inc. (“Pedecco”) regarding Dome’s US operations, and May 22, 2015, to publish, prior to the 2015 annual general meeting, final terms and conditions in respect of the divestment of Dome’s US operations as well as a plan for the Company’s continued operations. The information is to be regarded as material to shareholders to enable an informed decision at the general meeting. Prior to the annual general meeting, the Company has neither published final terms and conditions in respect of the divestment nor a plan for the Company’s continued operations. Dome has not communicated that it would not be able to publish the final terms and conditions in accordance with previous undertakings. In press releases dated, *inter alia*, May 22 and October 22, 2015, Dome has announced that it was necessary that the merger with Pedecco was completed prior to the middle of November 2015. Dome has not informed the market of the changed circumstances associated with the fact that the completion would not take place during the stated time period. Moreover, Dome has failed to fulfil the obligation to as soon as possible disclose material changes in information which has previously been disclosed.

Dome has stated the following. Dome has not undertaken to provide certain information. The Company did not provide the relevant information prior to the annual general meeting because the final terms and conditions had not been established since the financing was not complete, which was a result of the turbulence on the oil market. Admittedly, Dome’s information disclosure could have been clearer as to the fact that some final terms and conditions could not be presented prior to the annual general meeting. In the notice to attend the annual general meeting which was to be held on June 25, 2015, Dome disclosed that final terms and conditions were not settled and, under item 12 of the proposed agenda for the general meeting, it was proposed that the general meeting authorize the board of directors to negotiate and carry out the sale of the Company’s US subsidiary in exchange for payment of shares in Pedecco. The Company’s annual report for 2014 published on September 24, 2015 also states, under “the Pedecco transaction”, that the transaction was ongoing and that it was anticipated that the merger would be completed prior to the middle of November. Corresponding information was published in a press release on October 22, 2015 and in the interim report for the third quarter of 2015, which was published on November 30, 2015. On December 30, 2015, the Company published information regarding that the transaction was aborted and the press release stated that the Company had received an offer for financing but the terms and conditions were not acceptable to Pedecco’s lenders.

The Disciplinary Committee concludes that Dome, on a number of occasions, has disregarded its disclosure obligation by failing to disclose, as soon as possible, information regarding the development of the transaction or changes in relation to previously disclosed information about the transaction. The fact that Dome, at an early stage of the transaction in a press release on February 25, 2015 announced that the Company had entered into a letter of intent with Pedecco induced an increased disclosure obligation, taken into consideration that facts

and circumstances in respect of the announced transaction can be assumed to have had a significant impact on the Company's share price. During the time which passed from Dome's press release regarding the letter of intent in February 2015 and the press release on December 30, 2015 stating that the merger plans between Dome and Pedevco had been cancelled, Dome has provided information in various forms. The information provided has in certain aspects been contradictory and also incomplete due to the lack of information, for quite some time, regarding significant outstanding financing issues. The Disciplinary Committee finds that Dome has violated items 4.1 (a) and 4.2 (g) of the Rule Book.

Notice to attend the 2015 annual general meeting

The Exchange has alleged that Dome has violated item 4.1 (a) of the Rule Book in that the notice to attend the annual general meeting to be held on June 25, 2015, which was announced in *Post- och Inrikes Tidningar* on May 27, 2015, was not published through a press release until May 29, 2015.

Dome has argued that it has not committed any violation of the Rule Book since the notice was published on the same day as the announcement in *Post- och Inrikes Tidningar* by it being published on the Company's website, which was consistent with the Company's articles of association.

The Disciplinary Committee concludes that information which is announced pursuant to item 4.1 (a) of the Rule Book must be disclosed in a manner which ensures fast public access to the information on a non-discriminatory manner (item 4.2 (d) of the Rule Book). Such information must simultaneously be provided to the Company's Certified Adviser and the Exchange, as well as being made available on the company's website as soon as possible (item 4.2 (e) of the Rule Book). By failing to disclose the notice to attend the general meeting in a press release on the same day as the announcement was made in *Post- och Inrikes Tidningar*, Dome has violated item 4.1 (a) of the Rule Book.

Annual general meeting 2015

It is undisputed in the matter that Dome's annual general meeting for the 2014 financial year, which was held on September 24, 2015, was held after the statutory six-month deadline set forth in Chapter 7, Section 10 of the Swedish Companies Act (2005:551).

The Exchange has argued that Dome's violations of the abovementioned provision of the Companies Act, upon application of item 7.2.1 (a) of Supplement B to the Rule Book, must be deemed to have damaged the public confidence in the Exchange and the securities market.

Dome has claimed that it was placed into an impossible situation because the Company's US subsidiary had not been able to complete any annual accounts due to disarray in the bookkeeping. Dome argues that it should not be held accountable for the subsidiary's shortcomings in the instant respect since it came as a surprise to Dome and since Dome, as soon as it came to the Company's attention, took measures to enable the subsidiary to complete its annual accounts, which is a condition for the parent company's ability to submit group accounts and hold an annual general meeting.

At the hearing held on September 20, 2016, it was found that the person who was employed as CEO of the US subsidiary was also the CEO, on a consultancy basis, of Dome. The Disciplinary Committee therefore believes that the situation in the US subsidiary, insofar as it pertains to the bookkeeping, cannot have been a surprise to Dome to such extent that it can be deemed to constitute grounds for the annual general meeting not being held within the statutorily prescribed time. The fact that a listed company fails, in this way, to fulfil its obligation to hold an annual general meeting within the time stipulated in the Companies Act is, in the Disciplinary Committee's opinion, indeed likely to damage public confidence in the Exchange and the securities market.

Capacity to satisfy the requirements on disclosure of information

The Exchange has alleged that Dome, in light of its violations, has failed to satisfy the requirement set forth in item 2.2.4 of the Rule Book in respect of the organization required to comply with the requirements regarding disclosure of information to the market as set forth in Chapter 4 of the Rule Book.

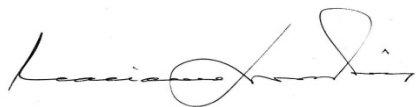
In light of, among other things, the Exchange's comments on Dome changing language in certain press releases in January 2016, the Company has adopted a new information policy.

The Disciplinary Committee believes, in light of the disclosure of information which has taken place, especially in respect of the Pedevco transaction, that the Company must be deemed to have lacked the capacity to fulfil the requirements regarding disclosure of information under the Rule Book.

Taken together, the Company's violations of the Rule Book must be deemed serious.

The Disciplinary Committee orders the Company to pay a fine to the Exchange corresponding to seven times the annual fee.

On behalf of the Disciplinary Committee,



Marianne Lundius

Former Justice of the Supreme Court Marianne Lundius, Justice of the Supreme Court Anne-Christine Lindeblad, MBA Ragnar Boman, Director Jack Junel and Director Erik Einerth participated in the Committee's decision.