

Rules and regulations  
of the  
Luxembourg Stock Exchange



**Ministerial Order of 25 October 1996 approving the Rules and Regulations of the Luxembourg Stock Exchange, as amended by**

<i>Ministerial Order of 14 May 1997</i>	<i>(Mémorial A N° 39 of 28 May 1997)</i>
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**Coordinated text**

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## **RULES AND REGULATIONS OF THE LUXEMBOURG STOCK EXCHANGE**

### **Chapter I – Management of the stock exchange**

- Article 1.** The overall management of the stock exchange and of its related departments shall be performed by the Board of Directors of the Luxembourg Stock Exchange, hereinafter referred to as the Board.
- Article 2.** The Board shall appoint the senior executives, including the “fondés de pouvoir”, of whom it shall define the assignments.



## Chapter II – Stock exchange committee

**Article 1.** The stock exchange committee shall be composed of at least nine members and at most fifteen members who shall be appointed by the Board among the member firms or their representatives.

The Board shall make its decision, in particular by taking into consideration the member firms' activity on the Luxembourg Stock Exchange and the professional abilities of the suggested candidates, and to the largest possible extent by taking into consideration the geographical origin of the member firms.

The members shall be appointed every second year, in December, for the following two years and their appointment shall expire at the end of that period. They may be removed at any time by the Board.

In the event of a vacancy in the office of a member, a new member shall be appointed within two months for the rest of the period.

**Article 2.** During the month of January following the appointment of its members, the stock exchange committee shall appoint from amongst its midst a chairman and a vice-chairman and distribute its tasks between its members for the period of their term of office.

The stock exchange committee shall meet after a notice is given in writing or verbally by its chairman or upon the chairman's instruction.

The chairman shall call a meeting within four stock exchange days, if and when so requested by two members.

The notice shall specify the agenda. The meeting of the stock exchange committee is chaired by the chairman or the vice-chairman or, in their absence, by the oldest member.

The attendance of the majority of the members shall be required for the stock exchange committee to deliberate validly.

Decisions shall be taken by a majority of the votes; in case there is a parity of votes, the member acting as chairman shall have a casting vote.

*(MO of 18.6.2001)*

*(MD of 28.2.2003)*

**Article 3.** The stock exchange committee shall perform the tasks defined in these rules and regulations or the tasks which it is assigned by the Board.

The stock exchange committee shall have the following duties:

1. examination of the applications submitted by the member firms;
2. admission of trading supervisors and liquidators;
3. preparation and enforcement of the provisions and measures necessary to the organization and operation of the market;
4. implementation and enforcement of the provisions and measures necessary to the market transparency;

5. dissemination of prices with regard to the securities admitted to listing or to trading on a market ;
6. establishment of the rules governing the constitution and management of the stock exchange indices;
7. the communication and dissemination of the information received pursuant to Article 3 of Chapter VII of these rules and regulations;
8. definition of the buy-in and sell-out procedures;
9. organisation of auctions;
10. review of the waiver applications with regard to the listing of securities to official stock exchange listing;
11. implementation of the rules of conduct to be complied with for the conclusion of transactions in the market;
12. assessment of the good delivery status of the securities admitted or to be admitted to official stock exchange listing;
13. realisation of the guarantees of the Exchange's members failing to meet their obligations towards the stock exchange;
14. proposed cancellation of the listing of a security;
15. control of the regular information to be published by the companies the shares of which are admitted to official stock exchange listing.

The stock exchange committee may delegate all or part of the powers with which it is vested pursuant to items 1., 2., 9., 12., 13., 14. and 15. to senior managers of the stock exchange, as it may define and determine.

*(...) (repealed by MO of 18.6.2001)*

*(MO of 18.6.2001)*

**Article 5.** Unless otherwise specified in these rules and regulations, the decisions made by the stock exchange committee in connection with the operation of the market shall be promptly notified to all of the Exchange's members.

### Chapter III – Trading sessions

**Article 1.** The trading sessions shall be conducted within the premises and pursuant to the provisions, such as defined by the stock exchange committee within the framework of guidelines laid down by the Board.

*(MD of 26.11.2001)*

**Article 2.** The trading sessions shall be held on stock exchange days at the times defined by the stock exchange committee, pursuant to the guidelines laid down by the Board. The trading hours shall be published in the official price list. The surveillance committee may decide to prolong the trading hours or to interrupt the trading session. In that case, it shall inform the member firms thereof prior to applying its decision. The stock exchange may be closed by a decision of the Board and with the approval of the Commission for the Supervision of the Financial Sector.

**Article 3.** A stock exchange day means a working day on which there shall be a trading session of the Luxembourg Stock Exchange.



## Chapter IV – Authorized members

*(MO of 16.2.2000)*

*(MD of 26.11.2001)*

- Article 1.** To be admitted to the stock exchange, both as a resident member or as a non-resident member in the Grand-Duchy of Luxembourg, the applicant shall:
- a) be a credit institution or another professional of the financial sector duly supervised and authorized to provide the investment services referred to in Section A point 1 b) or 2 of Appendix II of the law of 5 April 1993, as amended, concerning the financial sector;
  - b) be able to ensure the proper conduct of its business on the market by implementing the convenient means and assigning sufficient staff resources.

*(MO of 18.6.2001)*

- Article 2.** For the purpose of this chapter, the non-resident members shall be persons authorized to provide, to professional ends, investment services in connection with the execution on their own behalf or on behalf of clients of orders on securities admitted to official stock exchange listing, and authorized to render such services on the market of the Luxembourg Stock Exchange without being required to be established in the Grand-Duchy of Luxembourg.

*(MO of 18.6.2001)*

- Article 2-1.** Without prejudice to the requirements of chapter VI, for the purpose of these rules and regulations, market shall mean the market segments fulfilling the criteria of a regulated market with regard to the list of regulated markets published in the Official Journal of the European Commission.

- Article 3.** Any application for membership shall be made in writing to the Board of Directors.

*(MD of 26.11.2001)*

- Article 4.** The application for membership shall be supported by:
1. a document giving evidence of a written authorization by the Minister whose competences cover the Commission for the Supervision of the Financial Sector, or by the competent authority of another member state of the European Economic Area, or by the competent authority of a country with which, under its duty to supervise the financial assets markets, the Commission for the Supervision of the Financial Sector may share information for the purpose of performing its duties, and giving evidence of a supervision by the authority in question;
  2. a copy of the up-to-date by-laws;
  3. a detailed description of the activities with regard to securities;
  4. a list of the main partners or shareholders;
  5. a description of the financial and technical means available to the applicant;

6. a list of all the other regulated markets of which the applicant is a member or to which it has access;
7. the accounts and annual reports in respect of the last three years;
8. a statement by the applicant where it undertakes:
  - a) to inform the stock exchange of any fact which may affect its membership status or the status of any person registered on its behalf with the Luxembourg Stock Exchange;
  - b) to inform the stock exchange of any change to the documentation and information communicated pursuant to points 1 to 6 above, and in particular any change in the structure of the major holdings of its share capital compared to the information communicated previously;
  - c) to communicate upon request to the stock exchange any other information or statistical data in connection with its activities, operations and functioning;
  - d) to comply with the requirements of these rules and regulations, any measures or decisions taken for the purpose of enforcing the requirements in question, and any subsequent amendment thereto;
  - e) to communicate its annual accounts and annual report to the stock exchange during the month following their approval;
  - f) to authorize the persons designated to carry out the audit of the Luxembourg Stock Exchange's hardware and equipment installed in its offices.

The applications shall be notified to all the member firms within three stock exchange days following their receipt. The stock exchange committee may receive any comment on an application for eight stock exchange days as from the publication of the said applications for membership.

**Article 5.** The Board may request the communication of any information or the delivery of any document which it may deem useful to carry out a proper examination of the application.

**Article 6.** The Board shall decide on the application for membership within three months after it has been submitted, or following the receipt of all the information or documentation requested by the Board pursuant to article 5 of this chapter. The party concerned may appeal against this decision subject to Article 11 of Chapter X of these Rules and Regulations.

**Article 7.** Prior to being authorized to deal on the stock exchange, a member shall deposit a guarantee subject to the terms and conditions to be laid down by the Board. The purpose of the guarantee is to cover the commitments of the member towards the Luxembourg Stock Exchange.

No guarantee may be released until the Board is satisfied that the member has met all its commitments towards the Luxembourg Stock Exchange.

**Article 8.** The Board may request a member to present guarantees in respect of commitments towards third parties, resulting from operations conducted on the Luxembourg Stock Exchange, and of which it shall set the amount and the terms and conditions.

*(MD of 28.2.2003)*

**Article 9.** The members shall have one or several persons of their senior management approved for assuming their permanent representation to the stock exchange.

The application shall be supported by:

1. an extract from the resolution outlining the scope of the powers conferred to the permanent representative;
2. a picture of the person concerned;
3. an extract from the judicial record, or a certificate of good conduct, of the person concerned;
4. a professional curriculum vitae of the applicant.

The Board shall lay down any other professional requirement to be met by the applicant, including those concerning practical training.

The persons appointed as permanent representatives shall establish vis-à-vis the Luxembourg Stock Exchange all the necessary procedures so that they are available at any time or may be promptly contacted.

*(MD of 26.11.2001)*

*(MD of 28.2.2003)*

**Article 10.** The members shall appoint one or several trading supervisors to be approved by the Luxembourg Stock Exchange and who will represent them towards the other member firms admitted to the stock exchange and of the Luxembourg Stock Exchange in connection with the trades executed on the trading system and with the use of the trading system and any related procedure.

The application shall be submitted in writing to the stock exchange committee and be supported by:

1. a copy of the resolution defining the powers of the persons concerned;
2. an extract from the judicial record, or a certificate of good conduct, and a professional curriculum vitae of the applicant.

The application is governed by the requirements outlined below, without prejudice to any other requirement prescribed by the stock exchange committee:

1. the applicant must be deemed to be able to assume the trading supervisor functions;
2. the applicant must have received theoretical education in connection with the securities industry and hold a degree recognized by the Stock Exchange Committee;
3. without prejudice to Article 10-2, the member firm will attach to the application a commitment made writing by the applicant and in which the applicant undertakes to comply with the provisions of these rules and regulations, the measures and decisions implemented to enforce the rules and regulations, any subsequent amendment thereto, and any specific requirement determined at the time of approval.

The trading supervisor(s) has/have the responsibility to select and supervise the employees having access to the trading system (stock exchange traders), and, when it so applies, the employees assigned to the settlement of the trades (liquidators) of the member firm which they represent. The trading supervisor(s) will appoint as stock exchange traders persons with appropriate professional qualifications to act in this capacity. The qualifications will be assessed on the basis of the professional track record and the knowledge of the operating rules of the Luxembourg Stock Exchange market and trading system, the provisions of these rules and regulations, the measures and decisions taken for the purpose of enforcing these provisions, and any subsequent amendment thereto.

The approval of a trading supervisor is confirmed in writing to the member firm.

In the event that the approval granted to a trading supervisor is suspended or withdrawn, the member firm concerned shall provide for a substitute.

Approval given to the persons referred to in this article is strictly personal.

*(MD of 26.11.2001)*

*(MD of 28.2.2003)*

**Article 10-1.** The persons referred to in Articles 9 and 10 may be approved only for one of the functions described therein, unless otherwise explicitly stipulated on a case-by-case basis.

*(MD of 26.11.2001)*

**Article 10-2.** The members are responsible for the acts and omissions of the persons referred to in Articles 9 and 10 in the performance of their duties.

*(MD of 26.11.2001)*

*(MD of 28.2.2003)*

**Article 10-3** The members shall implement and maintain an internal audit system to ensure that the requirements aimed at maintaining their membership capacity are complied with, as laid down by the Stock Exchange Committee. The system in question must cover the storage of data related to the transactions executed or planned on the market, including the data concerning the routing of orders.

The internal audit system must contain internal rules which take into account the member's capacity to operate on the market. The rules are specified in a manual and will be updated at regular intervals.

*(...) (repealed by MO of 18.6. 2001)*

**Article 12.** The authorized traders are the persons who, on behalf of a member and under his responsibility, have access to the market organized by the Luxembourg-Stock Exchange and are authorized to enter bid and offer orders, and to use the functions supplied in respect of the market, such as laid down by the stock exchange committee.

The authorized trader admitted to deal on the Luxembourg Stock Exchange on behalf of a member shall be directly answerable to the said member throughout his activity as an authorized trader.

*(...) (repealed by MD of 28.2.2003)*

*(MD of 28.2.2003)*

**Article 14.** The Luxembourg Stock Exchange shall assign a personal code or have a personal code assigned to give access to the trading system as laid down in Article 10 of this Chapter. All the data entered by means of one code shall be assigned to the holder. The member shall be responsible for any misuse of the codes by its traders.

*(MD of 26.11.2001)*

**Article 15.** A list indicating the names, addresses, office locations and capacities of the members admitted to trading and the names and professional addresses of their permanent representatives and persons responsible for trading is maintained by the Luxembourg Stock Exchange and made available through the official price list.

The members shall inform promptly and in writing the Luxembourg Stock Exchange of any change to the information specified in the preceding paragraph.

Upon written request by an interested party, the Luxembourg Stock Exchange will communicate an excerpt of the list containing each member's data.

The Luxembourg Stock Exchange draws up every year a list indicating the names, addresses, office locations and capacities of the members, their permanent representatives and persons responsible for trading, and provides a copy of the said list to each member.

**Article 16.** Any application for a liquidator shall be made in writing to the stock exchange committee and shall be supported by:

1. a professional curriculum vitae;
2. an extract from the judicial record, or a certificate of good conduct.

*(MD of 26.11.2001)*

**Article 17.** Under penalty of the sanctions detailed in Article 1 of Chapter X of these rules and regulations, any person referred to in Article 10 shall be prohibited to perform operations on his/her own behalf or on behalf of another person without their employer being informed of such operations, or to knowingly favour the execution of such operations.

*(MD of 28.2.2003)*

**Article 18.** The members shall promptly inform, in writing, the stock exchange committee in the event that an employee having been granted access to the trading system or performing a job for which he/she is registered with the Stock Exchange does no longer belong to their staff.

In the latter case, when and if necessary, the personal code of the employee shall be promptly given back to the Luxembourg Stock Exchange. The Luxembourg Stock Exchange is authorized to provide information to a member willing to obtain information on the persons registered with it.

**Article 19.** Access to the stock exchange market shall be forbidden to any person not specified in the list referred to in Article 15 of this Chapter.

**Article 20.** The authorization granted to the members to execute trades in the market and individual access to the market may be lifted or rescinded at any time. The person concerned may appeal against this decision, in accordance with Articles 6 and 11 of Chapter X of these rules and regulations.

*(MD of 26.11.2001)*

**Article 21.** The persons as described below shall cease to be admitted to the stock exchange:

*A. The members*

- a) which, by registered letter, have informed the Luxembourg Stock Exchange that they abandon their membership;
- b) which have resolved to wind up;
- c) which, after they have been admitted, fall under the circumstances described in Article 25 of the Grand-ducal regulation of 31 March 1996;
- d) of which the share capital has fallen below the minimum amount specified in the legislation of the state of jurisdiction of the member;
- e) which have been dismissed by the Board under Article 20 of this Chapter;
- f) which have no longer the approval referred to in Article 1 of this Chapter;
- g) of which the managing directors or senior managers do no longer meet the requirements prescribed for being granted admission;
- h) which have not met their obligations towards the stock exchange, under Article 4.8 of this Chapter.

*B. The persons acting as permanent representatives of the persons admitted to the stock exchange:*

whom the Board has resolved to dismiss.

*C. The persons appointed by the members admitted to the market to be responsible for trading:*

- a) whom the Board has resolved to dismiss;
- b) who, after they have been approved, are in one of the cases listed in Article 25 of the Grand-ducal regulation of 31 March 1996;
- c) who have been stripped by their employer of the trading responsibility;
- d) who have left the employer by whom they had been appointed as the person responsible for trading.

**Article 22.** A one-off admittance fee shall be paid by the members. In addition the members shall pay an annual membership fee.

The amount of the admittance and membership fees shall be fixed by the Board of the Luxembourg Stock Exchange.

## Chapter V - Rules for access to the trading system

*(MO of 18.6.2001)*

**Article 1.** The purpose of this Chapter is to define the general conditions under which the members admitted pursuant to Article 1 of Chapter IV of these rules and regulations may access the computerized trading system (hereinafter referred to as the trading system, such as defined by these rules and regulations.

*(MO of 18.6.2001)*

*(MD of 26.11.2001)*

*(MD of 28.2.2003)*

**Article 2.** The Luxembourg Stock Exchange authorizes the members duly approved to execute transactions on the market to use the trading system, provided that they comply with the requirements set out below :

- the members shall meet the technical requirements which govern the access to the trading system and conform to the market access rules prescribed by these rules and regulations, any measure or decision taken for the purpose of enforcing the said provisions, and any subsequent amendment thereto;
- the members shall register the person(s) responsible for trading.

*(MD of 28.2.2003)*

**Article 3.** Membership applicants have to enter into a service access agreement which provides for the information technology requirements of the trading system connection.

Members may opt to use in their offices one of the configurations described below:

- Configuration 1 – “STOCK EXCHANGE” trading system

The technical hardware and the trading system software supplied to the members are the property of the Luxembourg Stock Exchange which orders, installs and maintains them through and by any person appointed for these purposes by the Stock Exchange.

The Luxembourg Stock Exchange provides each of its members with one or several licences conforming to the requirements laid down by the Luxembourg Stock Exchange.

The Luxembourg Stock exchange conducts, in the members’ offices, the installation of the trading system connection facilities.

- Configuration 2 – “ISV LICENCE” trading system

The trading system software supplied to the members is the property of an approved ISV selected by the Luxembourg Stock exchange. The Luxembourg Stock Exchange places the related orders. The ISV conducts the installation and maintenance under the supervision of the Luxembourg Stock Exchange.

The ISV provides each member with one or several licences conforming to the requirements laid down by the Luxembourg Stock Exchange.

The members are responsible for the connection of their equipment to the network concentrator of the ISV provided the ISV has one. In this case the Stock Exchange has a connection established between the ISV's network and the trading system.

In the event that the ISV has no network, the Luxembourg Stock Exchange sees that trading system connection facilities are instated in the member's offices.

**Article 4.** The equal treatment principle shall apply to the use of the trading system software and technical equipment hardware and shall terminate at the gate of the interface connecting the trading stations to the members' own information technology systems. The Luxembourg Stock Exchange shall apply this principle as follows:

- access possibilities to the trading system functions are identical for all the members;
- the data disseminated by the trading system are made available simultaneously to all the members via the trading stations;
- the formation of prices in the market is determined by the price formation rules laid down by the stock exchange committee, equally for all the members;

**Article 5.** The Luxembourg Stock Exchange shall implement all the technical means necessary to the proper operation of the trading system under normal trading volume conditions.

**Article 6.** The members shall be prohibited from misusing the instruments made available to them. The members shall implement all and any procedures so that the instruments are used in the best conditions and protected from any misuse.

**Article 7.** The members shall be entitled to develop and use in-house applications provided such applications do not hinder the operation of the trading system. Should they do, their use may be regulated or forbidden by the stock exchange committee.

**Article 8.** The routing of the orders to the market shall be fully under the responsibility of the members.

The members shall implement technical, organizational and monitoring systems in order to ensure that the orders routed to the market may not, in particular through their volume, speed and price specifications, harm the proper operation of the trading system and the market integrity.

The specifications of such systems shall be communicated to the Luxembourg Stock Exchange. The members shall notify the Luxembourg Stock Exchange of any material change in the said systems and provide any additional information, when and if so requested by the Luxembourg Stock Exchange.

**Article 9.** Any person designated by the Luxembourg Stock Exchange under this Article shall be entitled to carry out at any time an audit of the hardware installed at the members' offices, and to perform an audit of its use and to ensure that the member's obligations, such as laid down hereunder, are duly complied with. Such audits, which shall be conducted with the least possible disturbance to

ongoing activities, shall be notified by prior notice and shall be made in presence of the person(s) responsible for the use of the trading stations.

**Article 10.** Under the requirements laid down in these rules and regulations, any measure or decision implemented pursuant to such requirements and any further amendment thereto, the Luxembourg Stock Exchange shall supply information on the orders, prices traded volumes to the members via the trading system.

The members may use such information for their own needs in respect of trades and any related processing.

Any dissemination or retransmission of a commercial nature of such information shall be prohibited, unless otherwise and explicitly authorized by the Luxembourg Stock Exchange.

**Article 11.** The Luxembourg Stock Exchange shall be entitled to use, examine and exploit the data produced in the trading system. It shall publish such data, such as prescribed under these rules and regulations.

*(...) (repealed by MO of 18.6.2001)*

**Article 13.** The maintenance and the adjustments of the technical equipment hardware installed at the members' offices shall be made by the Luxembourg Stock Exchange, at its own expenses, by any person whom it may designate.

The Luxembourg Stock Exchange shall promptly take action in case of failure.

**Article 14.** Save in case of gross negligence or wilful fault, the Luxembourg Stock Exchange shall not be deemed liable for any damage to the members, their customers or any third party, resulting from:

1. the impossibility to use all or part of the trading system;
2. any defect in the supplied IT hardware or software;
3. any erroneous or incomplete processing or dissemination of data;
4. handling errors by users, or changes made to the connection to the trading system;
5. any measures taken within the framework of an emergency procedure;
6. any other failure or disturbance of the system, or any other problem due to exceptional events or to events beyond the control of the stock exchange.

**Article 15.** The members shall be responsible for the data entered into the trading system via their trading stations.



## Chapter VI – Admission of securities to official stock exchange listing

(MO of 14.5.1997)

**Article 1.** The admission of transferable securities to official stock exchange listing and the cancellation of their listing shall be decided by the Board. Under Article 20 (1) of the grand-ducal regulation of 31 March 1996, the Board may delegate all or part of the powers with which it is granted by Article 27 of the said regulation to the stock exchange committee, members of the stock exchange committee, or senior executives of the stock exchange, under the terms and conditions which it lays down. In this case the constituency delegated by the Board shall decide on the application.

To obtain the admission of a security to official stock exchange listing, an application in writing, signed by the applicants and supported by the documents listed in the subsequent Articles shall be submitted to the Luxembourg Stock Exchange. At least one of the applicants shall be a member of the stock exchange.

The Board may determine the requirements concerning the knowledge and abilities, specific requirements and procedural requirements to be observed by the members wishing to be approved to apply for the admission of securities to official stock exchange listing.

**Article 2.** In order to be admitted to official stock exchange listing, the shares shall meet the following requirements.

*A. Conditions relating to the company for the shares of which admission to official stock exchange listing is applied for.*

1. Legal position of the company.

The legal position of the company shall conform to the laws and regulations to which it is subject, as regards both its incorporation and its operation under its articles.

2. Minimum size of the company.

The foreseeable market capitalization of the shares for which admission to official stock exchange listing is sought or, if this cannot be assessed, the company's capital and reserves, including the profit or loss for the last financial year, must be at least 50,000,000 Luxembourg francs or the equivalent in any other currency. However, the admission to official stock exchange listing may be granted, even though this condition is not fulfilled, provided that the Board is satisfied that there will be an adequate market for the shares concerned.

The condition set out in the first paragraph shall not be applicable for the admission to stock exchange listing of a further block of shares of the same category as those already listed.

3. Period of existence of the company.

The company must have published or filed its annual accounts in accordance with national law for the three financial years preceding the application for official stock exchange listing.

By way of exception, the Board may derogate from this requirement when such derogation is desirable in the company's or investors' interest and when the Board is satisfied that investors have the necessary information available to be able to make a grounded opinion of the company and the shares for which admission to stock exchange listing is applied for.

In the event that a derogation is granted, the company shall, apart from meeting the general listing requirements laid down in Chapters VI and XI, conform to the requirements defined in Articles 6.6.D of this Chapter and 2 of Chapter XI of these rules and regulations.

*B. Conditions relating to the shares for which admission to official stock exchange listing is applied for.*

1. Legal position of the shares.

The legal position of the shares shall conform to the laws and regulations to which they are subject.

2. Negotiability of the shares.

The shares shall be freely transferable.

The Board may consider shares which are not fully paid up as freely transferable, if arrangements have been made to ensure that the negotiability is not restricted and that trading is made open and proper by providing the public with all appropriate information.

The Board may, in case of admission to official stock exchange listing of shares which may be acquired only subject to approval, derogate from the first paragraph only if the use of the clause of approval is not likely to disturb the market.

3. Public issue preceding admission to official stock exchange listing.

Where a public issue precedes admission to official stock exchange listing, the date of first listing may be fixed only after the end of the period during which applications for subscription may be submitted.

4. Distribution of shares.

A sufficient number of shares must be distributed to the public in one or several member states of the EC not later than the date of admission.

This condition shall not apply when the shares are distributed to the public through the stock exchange. In this case, admission to official stock exchange listing may be granted only if the Board is satisfied that a sufficient number of shares will be distributed through the stock exchange within a short period of time.

If admission to official stock exchange listing is applied for a further block of shares of the same category, the Board may assess whether a sufficient number of shares has been distributed to the public in relation to all the shares issued and not only in relation to this further block.

However, by way of derogation from the first paragraph and if the shares are admitted to official stock exchange listing in one or several non-member states of the EC, the Board may provide for their admission to official stock exchange listing, if a sufficient number of shares is distributed to the public in the non-member state(s) where they are listed.

A sufficient number of shares shall be deemed to have been distributed either when the shares in respect of which application for admission has been made are in the hands of the public to an extent of at least 25 % of the subscribed capital represented by the category of shares concerned or when, in view of a large number of shares of the same category and the extent of their distribution to the public, the market will operate properly with a lower percentage.

5. Listing of shares of the same category.

The application for admission to official stock exchange listing must cover all the shares of the same category already listed.

However, this condition shall not apply to applications for admission not covering all the shares of the same category issued, if the shares of that category for which admission is not applied for belong to blocks used to keep control of the company or are not negotiable for a certain period of time under agreements, provided that the public is informed of such situations and that there is no danger of such situations being detrimental to the interests of the holders of the shares for which admission to official stock exchange listing is sought.

6. Physical form of the shares.

For the admission to official stock exchange listing of shares which are issued by companies based in another member state of the EC and which have a physical form, it is sufficient and necessary that their physical form complies with the standards laid down in that other member state. When the physical form does not conform to the standards in force in Luxembourg, the Board shall make that fact known to the public.

The physical form of shares issued by companies based in a non-member state of the EC must offer sufficient safeguard for the investors' protection.

7. Shares issued by companies based in a non-member state of the EC.

Where the shares issued by a company based in a non-member state of the EC are not listed in the country of origin or of the principal market, they can only be admitted to official stock exchange listing if the Board is satisfied that the absence of listing in the country of origin or of the principal market is not due to the necessity of protecting the investors.

**Article 3.** To be admitted to official stock exchange listing, the debt securities shall meet the following requirements:

*A. Admission to official stock exchange listing of debt securities issued by a company.*

I. Conditions relating to the company for the debt securities of which admission to official stock exchange listing is sought.

Legal position of the company.

The legal position of the company shall conform to the laws and regulations to which it is subject, as regards both its incorporation and its operation under its articles.

II. Conditions relating to the debt securities for which admission to official stock exchange listing is applied for.

1. Legal position of the debt securities.

The legal position of the debt securities shall conform to the laws and regulations to which they are subject.

2. Negotiability of the debt securities.

The debt securities shall be freely transferable.

The Board may consider debt securities which are not fully paid up as freely transferable, if arrangements have been made to ensure that the negotiability is not restricted and that trading is made open and proper by providing the public with all appropriate information.

3. Public issue preceding admission to official stock exchange listing.

When a public issue precedes admission to official stock exchange listing, the date of first listing may be fixed only after the end of the period during which applications for subscription may be submitted.

This provision shall not apply in case of tap issues of debt securities when the closing date for subscription is not yet determined.

4. Listing of debt securities of one issue.

The application for admission to official stock exchange listing shall cover all debt securities of one issue.

5. Physical form of the debt securities.

For the admission to official stock exchange listing of debt securities which are issued by companies based in another member state of the EC and which have a physical form, it is sufficient and necessary that their physical form complies with the standards laid down in that other member state. When the physical form does not conform to the standards in force in Luxembourg, the Board shall make that fact known to the public.

However, the physical form of debt securities issued in one single member state must conform to the standards in force in that state.

The physical form of debt securities issued by companies based in a non-member state of the EC must afford sufficient safeguard for the investors' protection.

III. Other requirements.

1. Minimum amount of the issue.

The amount of the issue may not be less than 10,000,000 Luxembourg francs or the equivalent in any other currency. This provision shall not apply in case of tap issues where the amount of the issue is not determined.

However, admission to official stock exchange listing may be granted even though this condition is not fulfilled, provided that the Board is satisfied that there will be an adequate market in the debt securities concerned.

2. Convertible or exchangeable debt securities and debt securities with warrants attached.

Convertible and exchangeable debt securities and debt securities with warrants attached may be admitted to official stock exchange listing only if the related shares are already listed on the same stock exchange or on another regulated, regularly operating, recognized open market or are so admitted simultaneously.

However, by way of derogation from the first paragraph, convertible or exchangeable debt securities or debt securities with warrants attached may be admitted to official stock exchange listing, if the Board is satisfied that the holders have at their disposal all the information necessary to form an opinion concerning the value of the shares to which these debt securities relate.

*B. Admission to official stock exchange listing of debt securities issued by a state or its regional and local authorities or by public international bodies.*

1. Negotiability of the debt securities.

The debt securities shall be freely transferable.

2. Public issue preceding admission to official stock exchange listing.

Where a public issue precedes admission to official stock exchange listing, the date of first listing may be fixed only after the end of the period during which applications for subscription may be submitted. This provision shall not apply in case of tap issues of debt securities when the closing date for subscription is not yet determined.

3. Listing of debt securities of one issue.

The application for admission to official stock exchange listing shall cover all debt securities of one issue.

4. Physical form of the debt securities.

For the admission to official stock exchange listing of debt securities which are issued by a member state of the EC or its regional and local authorities and which have a physical form, it is sufficient and necessary that their physical form complies with the standards laid down in that member state. When the physical form does not conform to the standards in force in Luxembourg, the Board shall make that fact known to the public.

The physical form of debt securities issued by non-member states of the EC, or their regional and local authorities, or public international bodies, must afford sufficient safeguard for the investors' protection.

*(MO of 24.2.1999)*

**Article 3-1.** To be admitted to official stock exchange listing, the debt securities belonging to one of the groups listed below shall conform to the listing requirements laid down in this Chapter and to the following additional requirements:

*A. Debt securities of which the income and/or redemption is/are linked to underlying shares.*

1. The listing requirements laid down in this Chapter apply to the debt securities of which the income and/or redemption is/are linked to underlying shares.

2. The issuer of the underlying shares shall have no link with the issuer or guarantor of the debt securities.

*B. Debt securities of which the income and/or redemption is/are linked to some underlying assets.*

1. The listing requirements laid down in this Chapter apply to the debt securities of which the income and/or redemption is/are linked to some underlying assets.
2. The issuer must normally be a specific financing vehicle of the issue of this type of debt securities.
3. Where the debt securities are linked to shares, the issuer of the underlying shares shall have no link with the issuer or guarantor of the debt securities.
4. The structure of the issue shall include the appointment of a fiduciary agent or any appropriate independent party duly appointed to represent the interest of the bondholders and entitled to access the appropriate information.

Without prejudice to any other relevant requirement, The Luxembourg Stock Exchange may, under Article 4 of this Chapter, grant a waiver concerning the publication of annual accounts and an annual report provided that, pursuant to a fiduciary agreement to be established under paragraph 4, the issuer has to inform, at least once a year and in writing, the fiduciary agent or any other party established therefor that there has been no payment default or other fact to be brought to the attention of the fiduciary agent or any other party established therefor. As the case may be, such waiver can be granted on an annual basis under the same terms and conditions.

*C. Debt securities of which income and/or redemption are linked to some solvency risks.*

The listing requirements laid down in this Chapter apply to the debt securities of which income and/or are linked to some solvency risks.

(MO of 24.2.1999)

**Article 3-2.** To be admitted to official stock exchange listing, the warrants shall conform to the following requirements :

I. Requirements in respect of the issuer whose warrants for which admission to official stock exchange listing is applied.

1. Application for admission to official stock exchange listing may be submitted for the warrants issued by the issuers listed below:
  - credit or financial institutions approved or authorized in Luxembourg in accordance with banking law or governed by prudential supervision in their country of origin, provided that the warrant issuing activity is part of those approved for the issuer;
  - a State;
  - the issuer whose obligations created in respect of this Article are unconditionally and irrevocably guaranteed by one of the entities specified above or are granted an equivalent arrangement by the same.
2. Where the application for admission to official stock exchange listing is for warrants issued by issuers who do not meet the requirements stipulated above, it may not be examined unless, in the Board's opinion, the issuer of the warrants provides sufficient guarantees in respect of investor protection.

3. The issuer of the warrants need not meet the requirements laid down in 1. and 2. provided that, in the Board's opinion, procedures or schemes have been implemented in order to deposit the underlying assets in favour of the warrant-holders with a fiduciary agent or an equivalent third party independent from the issuer of the warrants.
- II. Requirements in respect of the warrants for which admission to official stock exchange is applied.
1. For the purpose of this Article, warrants mean the warrants entitling their holder to acquire or dispose of an underlying asset, or to received a sum equivalent to the difference between the price or quotation of an underlying asset on the day or during the period of exercise of the warrant, and its exercise price, provided that the issuer and, where applicable, the guarantor of the warrants differ from the issuer of the underlying asset.
  2. The requirements laid down in Article 3 of this Chapter, under A. II 1., 2., 3., 4. and 5. shall apply in the event that the warrants are admitted to official stock exchange listing.
  3. The warrants relating directly or indirectly to the underlying assets specified below may be admitted to official stock exchange listing:
    - 3.1 stocks and shares previously or simultaneously admitted to listing on a stock exchange or another regularly operating regulated market which is recognized and open to the public,
    - 3.2 debt securities or other transferable debt,
    - 3.3 precious metals regularly trading in a market,
    - 3.4 commodities regularly trading in a market,
    - 3.5 currencies,
    - 3.6 interest rates,
    - 3.7 regularly updated and published baskets or indices on the assets specified above.
  4. Where the application for admission to stock listing is for other similar warrants, it may not be examined unless the underlying assets have been previously or are simultaneously listed in a regularly operating regulated market which is recognized and open to the public.
  5. The issuer will take, as the case may be, all the required precautionary measures in respect of the authorizations prescribed by the owners or publishers for the use of the indices and prices used as a basis to assess the value of the warrants.

*(MO of 24.2.1999)*

- Article 3-3.** 1. The application for admission to official stock exchange listing shall be for the maximum number or an unlimited number of securities which may be admitted to official stock exchange at any time under a programme.

In the event that an application for admission of the programme to official stock exchange listing is approved, all the securities which can be issued under the programme within 12 months following the publication of the prospectus may be listed, provided that

- the supplement is received in a written form,
  - any additional prospectus, as the case may be, drawn up in conformity with the applicable legal and regulatory provisions is received as stipulated in Article 6 of this Chapter.
2. A new application for admission to official stock exchange must be submitted for the securities issued above the maximum amount admitted to listing or issued more than 12 months after the publication of the basic prospectus.
  3. The provisions contained in this Chapter shall apply to the individual tranches of debt securities and warrants admitted to listing under a programme.

**Article 4.** The Board may:

- make the admission of a transferable security to official stock exchange listing subject to any particular requirement which it deems convenient and of which it would have explicitly notified the applicant. The requirement in question may be imposed only for the purpose of investor protection;
- grant waivers for the requirements laid down in these rules and regulations provided that the waivers are generally applicable to all the issuers when the justifying circumstances are similar;
- reject at any time an application for admission to official stock exchange listing if in its opinion, the situation of the issuer is such that the admission would be detrimental to the investors' interest;
- refuse to admit to official stock exchange listing a transferable security already admitted to official stock exchange listing in another member state of the European Economic Community, when the issuer does not meet the obligations resulting from the admission in the said member state;
- publicize the fact that the issuer does not meet the obligations which it has to fulfil in connection with an admission to official stock exchange listing.

**Article 5.** The application for admission to official stock exchange listing of certificates representing shares may be taken into consideration only if the Board is satisfied that the issuer of these certificates offers sufficient safeguard for the investors' protection.

*(MO of 24.2.1999)*

**Article 6.** The application for admission to official stock exchange listing, referred to in Article 1 of this Chapter, shall be supported in particular by the documents listed below:

1. a sufficient number of issuing prospectuses, listing particulars, issuing or listing documents equivalent to the prospectuses, supplements, additional prospectuses, or the document published instead of the listing particulars, including one copy approved for the purpose of publication and availability to the public, drawn up in accordance with the legal and regulatory provisions in force, hereinafter referred to as the "listing document". The Board sets the precise number of listing documents to be transmitted;
2. where applicable, a statement that, to the best knowledge of the applicants, no significant fact which may impact the valuation of the securities has occurred since the approval of the listing document;

3. one copy of the legal notice to be filed with the Chief Registrar of the Luxembourg District Court, according to the Law of 10 August 1915;
4. one copy of the conventions or of any other document governing the representation of the security holders. The Board shall lay down the other types of conventions to be transmitted;
5. the articles of incorporation of the issuing company and, where applicable, of the guarantor as well as their last three annual reports;
6. one specimen of each final denomination unit or, in the absence of a specimen at the time of application, a description of the physical form of the securities, including the special techniques used to guarantee the investors' protection. In the event that issued securities are represented only by one or several global certificates filed with a clearing system at the time of listing, the specimen of the final securities or their description shall be submitted to the Luxembourg Stock Exchange prior to being put at the disposal of the subscribers;
7. furthermore, the application for admission to official stock exchange listing shall be supported by:

*A. In the case of debt securities issued by a State, a local or regional authority, a public supranational organization, or a public body:*

- a) a document certifying the official publication of the law, order or decision concerning the issue of the debt securities, or failing such publication, a certificate evidencing that the decision concerning the debt securities emanates from the competent authority;
- b) a document justifying that the approval or authorization required from the responsible body has been granted.

*B. In the case of shares:*

- a) a certified true copy or a copy of the official publication of the deed of incorporation of the company and a certificate stating that the company has been incorporated according to the legislation in force in its country of origin, if the Board deems it advisable;
- b) a certified true copy of the minutes relating to the decision authorizing the issue of these shares by the company.

*C. In the case of debt securities issued by companies:*

- a) the documents similar to those referred to in B a) and b) above;
- b) a certified true copy of the decision authorizing the issue of the debt securities and of all related documents.

*D. In the case of shares of a company which is not in a position to have published or registered, in accordance with the relevant laws and regulations, its annual accounts for the three financial years preceding the application or admission to official stock exchange listing:*

- a) the documents listed below:
  - a detailed and up-to-date curriculum vitae evidencing the professional experience and the knowledge necessary to the performance of the company's activity,
  - a judicial record extract or any similar documents,

- banking references, concerning the persons sitting on the administrative, management and supervisory bodies and who may have a significant influence on the performance of the company's business, or concerning the persons responsible for the company's management and entitled to actually define the guidelines for the company's operation.
- b) three-year estimates, including in particular financial estimates for the development of the planned activities, which shall be established or approved by one or several independent and specialized experts or organizations.

*E. In the case of securities, shares or certificates representing such shares officially listed in another member state of the European Union or of the European Economic Area for not less than three years:*

- a) a certificate, confirming that during the preceding three years or during the whole period the issuers securities have been listed, if that period is less than three years, the issuer has complied with all the requirements concerning information and admission to official listing imposed by Community Directives, delivered by the competent authorities of the member state(s) in which the issuers securities are officially listed.

**Article 7.** Furthermore, the application for admission to official stock exchange listing has to be accompanied by a statement signed by the issuer of securities and by which the issuer undertakes:

*A. In the case of an application for admission to official stock exchange listing of securities other than debt securities:*

1. to provide for the financial service of the securities to be listed through a credit institution located in Luxembourg;
2. to provide facilities in Luxembourg to the holders for obtaining final securities against temporary certificates, for obtaining new securities, and, if need be, full or partial payment of securities and to enable them to have effected all the operations in respect of the same, and in particular to obtain new coupon sheets free of charge;
3. to publish promptly in Luxembourg all announcements necessary to the security holders and mainly those relating to dividend payment and bonuses, the operations of new share issues as well as the operations concerning bonus shares, subscription, renunciation and conversion;
4. to assure equal treatment to all the shareholders subject to identical conditions;
5. to inform the shareholders of the date of general meetings and to enable them to exercise their rights;
6. to submit to the Luxembourg Stock Exchange all notices of general meetings held to deliberate on a projected amendment to the articles of association, at least at the time of their publication;
7. to provide facilities to security holders in Luxembourg for obtaining duplicates of securities which have become undeliverable or which are declared undeliverable by the stock exchange committee;
8. if need be, to make a further application for admission to listing on the Luxembourg Stock Exchange for all securities of the same category at least one year after their issue or at the time they become freely transferable;

9. to provide facilities to the public in Luxembourg for obtaining promptly the latest annual accounts and the latest management report.

Where the company concerned prepares both consolidated and non-consolidated annual accounts, it should make them available to the public. In this case, the Board may authorize the company to make available to the public either the consolidated accounts or the non-consolidated accounts, provided that the accounts not made available do not give any significant additional information.

If the annual accounts and the annual report do not comply with the legal provisions relating to the accounts of companies and if they do not give a true and fair view of the company's assets and liabilities, financial position and results, more detailed and additional information shall be provided.

*B. In the case of an application for admission to official stock exchange listing of debt securities:*

1. to provide for the financial service of the debt securities to be listed, through a credit institution located in Luxembourg;
2. to assure equal treatment to all the holders of debt securities of the same issue, concerning the rights attached to these debt securities and to publish promptly in Luxembourg all announcements necessary to the holders of debt securities and more particularly the amendments to a condition of the issue;
3. to submit to the Luxembourg Stock Exchange, at the latest at the time of publication, all notices of general meetings to be held to deliberate on a planned amendment to the articles of association affecting the rights of the debt security holders;
4. to publish promptly in Luxembourg without delay all redemption and repayment notices together with a list of numbers of the debt securities drawn, and a full list of debt securities drawn but not presented for repayment, as well as the nominal amount of the issue still outstanding;
5. to provide facilities in Luxembourg to the holders for obtaining final debt securities against temporary certificates, for obtaining new debt securities, and if need be, full or partial payment for the debt securities and to enable the debt security holders to have effected all operations in respect of the same;
6. to enable the holders to obtain, in Luxembourg, duplicates of debt securities which have become undeliverable or which are declared undeliverable by a decision taken by the stock exchange committee;
7. to inform promptly the holders of convertible or exchangeable debt securities, or of debt securities with warrants attached, of any amendment to the rights attached to the different categories of shares concerned by these debt securities;
8. In the case of debt securities issued by a company:
  - to provide facilities to the public in Luxembourg for obtaining promptly the latest annual accounts and the latest annual report, of which publication is mandatory in accordance with the respective national law.

If the company concerned prepares both consolidated and non-consolidated annual accounts, it should make them available to the public. In that case, the Board may authorize the company to make available to

the public either the consolidated accounts or the non-consolidated accounts, provided that the accounts not made available do not supply any significant additional information.

In the event that the annual accounts and the annual report do not comply with the legal provisions relating to the accounts of companies, and that they do not give a true and fair view of the company's assets and liabilities, financial position and results, more detailed and additional information shall be provided.

The issuers of debt securities may, however, submit a collective letter of undertaking for all future issues for which application to official stock exchange listing would be sought. This undertaking remains valid as long as the debt securities of the same issuer are listed on the Luxembourg Stock Exchange. The Board may ask for any complement to the undertaking that it believes necessary in relation to the terms and conditions of the subsequent issues.

*(MO of 24.2.1999)*

**Article 7-1.** The issuer of warrants undertakes to appoint a Luxembourg-established agent to enable the holder for the performance of all the operations which the warrants might give rise to.

The issuer of warrants shall additionally comply with the same obligations as those laid down in Article 7B. sub 2., 3., 5., 6, 7 and 8, Article 9 B a), b) and d), and Article 10 of this Chapter. It shall also communicate to the Stock Exchange any information concerning the exercise of the warrants and to the number of warrants outstanding.

Where the warrants admitted to official stock exchange listing are in respect of underlying assets other than securities or of variable underlying assets, Article 9 B. d) shall not apply; the issuer shall supply the public with all and any appropriate information on the underlying assets.

*(MO of 24.2.1999)*

**Article 7-2.** The Board or the body which it has delegated shall decide on the listing applications drawn up in accordance with the provisions of this Chapter.

The admission of securities to official stock exchange listing does not contain any value judgment on the securities or their issuers.

**Article 8.** An issuer whose securities are admitted to official stock exchange listing shall provide the Board with all information which the latter deems appropriate in order to protect investors or to ensure the proper operation of the market. When so required by investor protection or the proper operation of the market, an issuer may be asked by the Board to publish such information in such form and within such delay as it considers appropriate. Should the issuer fail to comply with such requirement, the Board may itself publish such information after having heard the issuer and at the issuers expense.

**Article 9.** Each issuer whose securities are listed on the Luxembourg Stock Exchange shall inform the public of the facts and events listed below:

*A. The company issuing shares shall:*

- a) promptly publish information on any major new developments within its sphere of activity which are not of public knowledge and which may, by their impact on its assets, financial position or the general course of its business lead to substantial movements in the share price.

The Board may exempt a company from this requirement if the disclosure of particular information is such as to prejudice the legitimate interests of the company;

- b) promptly publicize any amendments to the rights attached to the different categories of shares;
- c) if the companies concerned are foreign companies governed by the legislation of a member state of the EC, publicize in Luxembourg any changes with regard to the structure of the major holdings within their capital which shall be publicized in the state of their governing legislation.

The foreign companies which are not governed by the legislation of a member state of the EC shall inform the public in Luxembourg within nine calendar days at the latest, whenever they are informed of the acquisition or disposal by a natural or legal person of a number of shares such that the holding of this person becomes higher or lower than 10 %, 20 %, one third, 50 % and two thirds of the voting rights.

*B. The company issuing debt securities shall:*

- a) promptly publish information on any major new developments within its sphere of activity which are not of public knowledge and which may, by their impact on its assets, financial position or the general course of its business, result in substantial movements of the price of its debt securities.

The Board may exempt the issuer from this requirement at the latter's request, if the disclosure of particular information is such that it may be detrimental to the issuers legitimate interest.

- b) promptly publicize any amendment to the rights of the debt security holders which might result in particular from a change in the terms and conditions of the issue or in the interest rates;
- c) inform the public of new debt security issues listed on a stock exchange other than the Luxembourg Stock Exchange and in particular of any guarantee or security in respect thereof;
- d) promptly publicize, in case of convertible or exchangeable debt securities or debt securities with warrants attached, any amendments to the rights attached to the different categories of shares to which they relate.

**Article 10.** Each issuer the securities of which are officially listed on one or several stock exchanges situated or operating in different EC member states, must ensure that information made available to the Luxembourg market is equivalent to that provided to the market of the other stock exchange(s).

The same applies to each issuer the securities of which are officially listed on one or several stock exchanges situated or operating in one or several non-member states of the EC.

In that case, the issuer only has to make available to the Luxembourg market the information which is equivalent to the one made available to the market of the state(s) concerned, if such information may be of importance for the evaluation of the securities in question.

**Article 11.** The information which issuers the securities of which are admitted to official stock exchange listing are required to make available to the public in accordance with the prescriptions of Art. 7, 8, 9 and 10 shall be published in one or several newspapers circulated throughout Luxembourg or widely therein. This information may also be made available to the public either in written form at places indicated by announcements to be published in one or several newspapers circulated throughout Luxembourg or widely therein or by other equivalent means approved by the Board.

The issuers shall send such information simultaneously to the Luxembourg Stock Exchange.

The information referred to in the preceding item shall be given in French, German or English.

**Article 12.** If the security issue is not fully offered for public subscription and if part of the issue is placed outside of the subscription, the prospectus shall state the partial amount placed outside of the public subscription and the conditions relating thereto.

Where a security is offered for subscription by tranches at several places, the prospectus published for the purpose of its admission to official stock exchange listing in Luxembourg should state this fact and should state the amounts offered for subscription at such places; if a security has already been admitted to one or several foreign exchanges, the prospectus published for the purpose of its admission to the Luxembourg Stock Exchange should state that fact.

**Article 13.** Concerning the debt securities issued by the Luxembourg State, other member states of the EC, and their regional and local authorities, and the shares and units issued by undertakings for collective investment other than those of a closed-end type, the Board may totally or partly exempt the application of the provisions of Articles 1 to 12 of this Chapter.

The debt securities of public international bodies and of non-member states of the EC have to comply only with the provisions of the articles listed below:

art. 1

art. 3 B.

art. 4

art. 6 1. 3. 5. 6.A.

art. 7

art. 8

art. 10

art. 11

art. 12

The debt securities issued by companies or legal entities of member states of the EC incorporated or governed by a special law or in pursuance of such law, and where such issues are granted a guarantee by a member state of the EC or by one of its federated states for repayment of the interests, shall comply only with the provisions of the articles listed below:

art. 1

art. 3 B.

art. 4

art. 6 1. 3. 5. 6.A.

art. 7

art. 8

art. 9 B. a) c)

art. 10

art. 11

art. 12

For the purpose of this Article:

- a) undertakings for collective investment other than the closed-end type shall mean collective investment funds and investment companies:
  - the object of which is the collective investment of capital provided by the public, and which operate on the principle of risk spreading, and
  - the units of which are, at the request of the holders, repurchased or redeemed, directly or indirectly, out of the assets of these funds. Action taken by these undertakings to ensure that the stock exchange price of its units does not significantly vary from their net asset value shall be regarded as equivalent to such repurchase or redemption;
- b) units: securities issued by undertakings for collective investment as representing the rights of participants in the assets of such funds.

**Article 14.** The Board fixes the day on which the security is admitted to official stock exchange listing; the decisions on the admission to official stock exchange listing are published in the official price list or in an appendix for at least three subsequent days of stock exchange trading.

**Article 15.** The admission and maintenance of transferable securities to official stock exchange listing may be subject to payment of fees to be determined by the Board.

**Article 16.** The Board may suspend the trading in a security in the event that the proper operation of the market is temporarily disturbed or may be disturbed, or when this is required for the purpose of investor protection.

The Board may delist a security when it deems that, because of particular circumstances, the normal and regular market in this security cannot be maintained.

The Board may further take the measures laid down by the two preceding paragraphs with regard to the securities admitted to official stock exchange listing, where the issuer of such securities does not meet the requirements prescribed by Articles 7, 8, 9 and 10 of this Chapter and by Article 2 of Chapter XI of these rules and regulations, or the requirements laid down pursuant to the first point of Article 4 of this Chapter.

*(...) (repealed by MO of 14.5.1997)*

*(MO of 24.2.1999)*

**Article 16-1.** To obtain the withdrawal of a security from official stock exchange listing, a reasoned request shall be made to the Board in accordance with the provisions of Article 1 of this Chapter.

In the event that a request is made to withdraw a security, the Board may take into account the interest of the stock exchange market, of the investors and, where applicable, of the issuer. The Board may require the publication of the request in accordance with the provisions of Article 11 in this Chapter. The Board may require that the announcement be made sufficiently early and that an appropriate time be given between the announcement and the day on which the withdrawal is finally carried out.

**Article 17.** In the event that the issuer of securities admitted to official stock exchange listing does not meet the requirements prescribed by Articles 7, 8, 9 and 10 of this Chapter and by Article 2 of Chapter XI, or the requirements laid down pursuant to the first point of Article 4 of this Chapter, the Board may, in addition to the measures laid down in paragraphs 1 and 2 of Article 16 of this Chapter, formally request the issuer to conform to the said requirements, such as and when prescribed by the Board.

*(...) (repealed by MO of 14.5.1997)*

The formal request to remedy the faulty situation in the prescribed time and the publication of the fact that an issuer does not conform to the requirements prescribed by the provisions referred to above shall apply and no appeal shall be possible.

**Article 18.** Any decision made in connection with the delisting or suspended trading shall be published in the official price list and displayed in the premises of the stock exchange for at least eight stock exchange days.

*(MO of 14.5.1997)*

**Article 19.** If the Board exercises its power of delegation with which it is vested pursuant to Article 1 of this Chapter, the decisions made by the constituency which it has appointed may be reported to the Board within fifteen days following their notification.

## Chapter VII – Trading and official price list

*(MO of 18.6.2001)*

**Article 1.** The right to quote and publish the prices is the sole property of the Luxembourg Stock Exchange, such as laid down in the provisions of the public administration regulation concerning the Luxembourg Stock Exchange. The copyrights of the Luxembourg Stock Exchange are reserved. No person may make a commercial use of the publication of the prices and any related information, in any form or manner whatsoever, unless prior consent has been given by the stock exchange committee which determines the terms and conditions of such use.

*(...) (repealed by MO of 18.6.2001)*

**Article 3.** The official price list is meant to include all information to be published in accordance with the terms and conditions laid down by the stock exchange committee, pursuant to guidelines to be passed by the Board.

The stock exchange information published by the Luxembourg Stock Exchange shall contain all the data required:

- to allow the member firms and the investors to identify clearly and accurately the listed securities and their method of trading;
- to enable investors to assess at any time the terms of a transaction they are considering and to verify afterwards the conditions in which it has been carried out.

For the trades concluded on the stock exchange in the securities traded on the trading system, the Luxembourg Stock Exchange shall publish information on the prices, the traded volumes and any other data which it deems useful to provide convenient information to the stock exchange's member firms and to the public. The stock exchange committee shall determine the particulars to be published for all the listed securities, and the form in which and the precise time within which the information is to be provided, as well as the means by which it is to be made available, having regard to the nature, size and needs of the market concerned and of the investors operating on that market.

The Luxembourg Stock Exchange may charge fees for the dissemination by third parties of price or market information.

**Article 4.** The stock exchange committee or any other constituency designated by the Board shall lay down the conditions to delay or suspend the publication of data where that proves to be justified by exceptional market conditions or, in the case of markets of a small size, to preserve the anonymity of firms and investors.

The stock exchange committee or that constituency may apply special provisions in the case of exceptional transactions that are very large in scale compared with average transactions in the security in question on that market and in the case of highly illiquid securities. In the latter case, the stock exchange committee shall lay down and make public the objective criteria used to define the highly illiquid securities.

The stock exchange committee or that constituency may apply more flexible provisions, particularly as regards publication deadlines, for transactions concerning bonds and other forms of securitized debt.

**Article 5.** The prices are established by the members duly authorized to trade on the stock exchange in accordance with the conditions laid down by the stock exchange committee.

*(...) repealed by MO of 18.6.2001)*

**Article 7.** To be entitled to a price, a transaction shall be at least of the minimum quantities such as specified by the stock exchange committee.

The trading shall be in francs or in any other currency. The prices shall be in percentage or by unit.

The stock exchange committee shall define for each listed security the maximum price ticks, the listing currency and method, and any other feature.

**Article 8.** The bid and offer prices entered by the members shall be binding for them at the time when they enter such prices onto the market.

*(MO of 18.6.2001)*

**Article 9.** Without prejudice to Article 3 of Chapter IX of these rules and regulations, no price which has been validly established may be cancelled or amended.

**Article 10.** The Luxembourg Stock Exchange shall keep the members informed of all stock exchange prices.

*(...) (repealed by MO of 18.6.2001)*

## Chapter VIII – Stock exchange transactions

**Article 1.** Only the securities admitted to official stock exchange listing in accordance with the requirements of these rules and regulations may be traded during the trading sessions.

**Article 2.** Without prejudice to the requirements of these rules and regulations, the transactions shall be made in accordance with the guidelines laid down by the stock exchange committee.

*(...) (repealed by MO of 18.6.2001)*

**Article 4.** After concluding a transaction, the parties hereto shall confirm the data by conforming to the guidelines laid down by the stock exchange committee. The confirmation shall be made at the latest within the stock exchange day concerned.

**Article 5.** The delivery of the sold securities shall be made against payment of the bid price.

**Article 6.** Without prejudice to Article 5 of this Chapter, the terms and conditions for the delivery of the sold securities shall be laid down by the stock exchange committee.

For all the securities traded on the stock exchange, the clearing shall be carried out through a clearing system recognized by the Luxembourg Stock Exchange, or according to clearing methods defined by the stock exchange committee, unless otherwise agreed upon by the counterparties to deliver the securities by other ways and means at their convenience.

For fixed-income securities, the accruing interest to be credited to the seller shall be calculated in accordance with the measures laid down by the stock exchange committee.

**Article 7.** No member shall be compelled to accept the delivery from a third party unless it has given its consent hereto.

**Article 8.** Where the securities are traded in various denominations, the buyer willing to acquire specific denominations shall specify this prior to concluding the transaction.

**Article 9.** All the matured coupons, which are still outstanding on the issuers account, shall remain attached to the securities and shall be included in the bid price.

**Article 10.** The securities subject to a renewal of coupons may be delivered without the new coupon sheets until a sufficient number of securities with new coupon sheets is outstanding. In case a conflict arises, the stock exchange committee shall determine the date from which the securities are deliverable only with the new coupon sheets.

**Article 11.** The seller has the obligation to check the drawings. A security drawn by lot drawing ceases to be deliverable.

The seller delivering a drawn security shall have to deliver a regular security against the delivered security. The responsibility of the seller having delivered the drawn security shall lapse six months after the delivery.

**Article 12.** A security for which, prior to delivery, a stop has been placed, or which, for any reason (other than that specified in Article 11 of this Chapter) has not the same value as that of the other securities of the same type, shall not be of good delivery; the seller shall have to replace the delivered security.

Where the buyer is unable to give back the security, he shall substitute for the seller in the rights which he holds against his own buyer.

**Article 13.** The bid price for registered shares shall be due against delivery of a document established by the issuer and stating that the seller has made the deposit of the securities and that he has executed all the procedures required for the transfer. If the company rejects the approval, the purchaser may not cancel the sale and shall be forced to find a holder at the company's convenience.

*(...) (repealed by MO of 18.6.2001)*

**Article 15.** Where a transaction made on the stock exchange is not settled such as specified by Articles 6 and 7 of this Chapter of the rules and regulations, for the reasons set out below:

- default of delivery of the securities traded or default of payment for the securities in question;
- missing instructions from the purchaser or seller;
- deviation in the description of the securities, in the trading conditions or in the delivery conditions; the buy-in or sell-out procedures shall apply such as determined by the stock exchange committee.

## **Auctions**

**Article 16.** On every first Thursday in every month, at 12:00 am, at the Luxembourg Stock Exchange, there may be held an auction of unlisted securities by a public officer (ordinary auction).

Applications for such auctions shall be delivered to the stock exchange committee fifteen stock exchange days before the auction. The securities, together with a form indicating the number and nature of the securities, and any other useful particulars, shall be delivered at the latest on the sixth stock exchange day preceding the auction.

Any expense in connection with the auction, such as fixed by the stock exchange committee, shall be supported by the seller.

The securities withdrawn from the auction or not awarded shall pay 50 % of the expenses.

The stock exchange committee may refuse to admit to an auction any securities which it is not willing to admit; it is under no obligation to give the reasons for such a refusal.

**Article 17.** By way of derogation from paragraphs 1 and 2 of Article 16 of this Chapter, the stock exchange committee may, in the event of an increase in capital of a company, organize an auction of subscription rights not exercised in the specified time (extraordinary auction).

The number of rights offered for sale shall be notified to the stock exchange committee at the latest on the third stock exchange day preceding the auction.

**Article 18.** The publication of the list of lots shall be made by the stock exchange committee in the official price list and in any other manner deemed useful. In the event that there are several lots of a security offered for sale, they may be merged into a single lot. A lot may also be split into several lots.

**Article 19.** The stock exchange committee shall assume no liability in connection with the auction. The securities shall be sold in their existing state. A prior inspection of the securities may be performed.

**Article 20.** The transactions shall be made in cash; they shall be conducted in the form of bid auctions, unless otherwise specified. The pricing shall be in francs or in any other currency. The prices shall be in percentages or in units, such as stipulated by the stock exchange committee.

The securities which are not fully paid up shall be sold on the basis of their nominal value; the actual amount shall be established by deducting the unpaid fraction.

**Article 21.** All shares are sold, unless otherwise stipulated, with the coupons of the unpaid dividends attached to the shares.

For fixed-income securities, current interest shall be paid by the purchasers on top of the bid price, except the interest for which the coupons are outstanding.

**Article 22.** The sale of a security drawn by lot or redeemable on the day of the auction shall be null, but this shall give rise to no compensation to the buyer by the seller.

The sale of a security whose transfer to the buyer is refused shall also be void and null; the cancellation shall give rise to no action against either party, if the party in question has carried out in due time the procedures required for obtaining the transfer.

**Article 23.** Only the members are entitled to sell or buy during auctions.

The trading fees applicable to the auctions shall be similar to those applied for stock exchange transactions.

The securities withdrawn before the auction or not awarded shall be charged half of the fees.

**Article 24.** On the day following the auction, the stock exchange committee shall publicize the outcome of the auction in the official price list and shall deliver to the parties hereto a certificate specifying the names of the buyer and of the seller, the number of awarded securities, the bidding price and any particulars concerning the transactions.

The clearing of and payment for the awarded securities shall be made in accordance with the provisions laid down for the clearing of the transactions.

### **Public auctions by court order**

**Article 25.** The public auctions of securities made by court order may be organized on the premises of the stock exchange only:

- through a member if the securities concerned are listed securities;
- through a public officer if the securities concerned are unlisted securities.

The auctions shall be announced in the official price list and in any other manner deemed useful, at the sellers expense.

Any member which shall effect a public auction by court order shall agree with the stock exchange committee on the day and time of the auction.

The stock exchange committee shall give its prior consent and announce the auction at least three stock exchange days before the auction at the stock exchange.

The proceeds of the auction shall be publicized in the official price list and a certificate specifying all the particulars of the transaction shall be delivered to the parties concerned.

*(MO of 24.2.1999)*

**Article 25-1.** The public auctions referred to in Articles 16 to 25 of this Chapter are carried out by means of the open outcry method.

### **Trading fees**

**Article 26.** The Luxembourg Stock Exchange may charge a fee on each bid and offer operation made by the members. The fee shall be determined by the Board of Directors.

**Article 27.** The members may charge a fee on each bid and offer operation which they carry out on behalf of a client.

*(MO of 14.9.1999)*

*(MO of 18.6.2001)*

### **Rules of conduct**

**Article 28.** To execute transactions in the market in conformity to Article 2 of Chapter IV of these Rules and Regulations, the member firms and the persons for whom they are accountable shall, under the rules of conduct:

- act honestly and fairly in conducting their business activities in the best integrity of the market,
- act with due skill, care and diligence, in the best integrity of the market,
- comply with all regulatory requirements applicable to the conduct of their business activities so as to promote the integrity of the market.

The Stock Exchange Committee will be responsible for defining the implementation of these rules of conduct.

(MO of 18.6.2001)

## **Chapter IX – Supervision of the market**

**Article 1.** The Luxembourg Stock Exchange shall ensure that the member firms and the persons for whom they are accountable comply with the market rules and legal and regulatory provisions applicable to stock exchange transactions.

For this purpose, the Luxembourg Stock Exchange shall establish a supervisory body responsible for the enforcement of the supervisory functions towards the member firms.

Pursuant to the grand-ducal regulation having granted a concession to the Luxembourg Stock Exchange, the Board of Directors may delegate all or part of the powers with which it is vested by Articles 12 and 18 of this grand-ducal regulation to managers of the stock exchange, in accordance with the terms and conditions as defined by it.

The supervisory body informs the public supervisory authority and any other body of the stock exchange, as designated by the Board, of any suspected infringement of the law.

**Article 2.** The quotation and trading of securities are performed on the trading system, unless otherwise and exceptionally specified, in accordance with the grand-ducal regulation under which the concession has been granted to the Luxembourg Stock Exchange.

**Article 3.** The supervisory body may at any time cancel or amend a price which had not been validly established.

The orders executed at the cancelled or amended price are either cancelled, or, if so done, executed at the amended price.

Any cancellation or amendment must be made at the latest before the opening of the subsequent trading session.

The decisions made in respect of this Article are brought to the information of the member firms in the quickest possible manner as determined by the stock exchange committee.

When and if so required by the market, the supervisory body may display indicative prices for a specific security on the computerized trading system.

**Article 4.** The member firms shall promptly inform the supervisory body of any event preventing them from accessing the trading system. In these circumstances, the member firms have to promptly use the backup systems which the Luxembourg Stock Exchange must make available to them.

In the event that access to the trading system is not feasible, the supervisory body shall take the necessary precautionary measures, as set out by the Stock Exchange Committee and which apply when one or several member firms cannot access the market.

The member firms must immediately inform the supervisory body when the situation is back to normal.

- Article 5.** For the purpose of trading, the member firms shall make available to the market the required information in accordance with the conditions defined by the stock exchange committee
- When and if requested by the supervisory body, the member firms must be able to give a justification of the information supplied.
- Article 6.** All the transactions concluded by a member firm on the trading system are recorded on a support of the system, as laid down by the stock exchange committee. When and if so requested by the supervisory body, the member firms must be able to justify any transaction which they have concluded.
- Article 7.** Any claim relating to the trading or to transactions which have been concluded on the stock exchange must be notified to the supervisory body which may, by all means of proof, verify the validity of the supplied information and conduct the required investigations and checks.
- Article 8.** The decisions made by the supervisory body under Articles 3, 4 and 7 of this Chapter are notified to the member firms at the latest before the opening of the subsequent trading session.
- Article 9.** All the member firms and their certified traders have to provide to the supervisory and, if need be, to the Board, all the information and indications which they would be requested to give for the purpose of investigating an infringement of these rules and regulations.
- Any refusal to follow such request may be punished by a fine, suspension or dismissal.
- Article 10.** If the Board decides to use the power of delegation with which it is vested under Article 1 of this Chapter, the decisions of the body which it has delegated may be reported to the Board within fifteen days following their notification.
- Article 11.** The Luxembourg Stock Exchange may at any time request from the member firms that they assign their internal audit body or external audit body to review all or part of their procedures or transactions in connection with their activity on the Luxembourg Stock Exchange, and that they submit a detailed report, subject to the provisions governing professional secrecy. The audit is conducted in respect of the compliance of the procedures and transactions referred to above with the provisions of these rules and regulations, measures and decisions taken to enforce these provisions and any subsequent amendment thereto.

(MO of 18.6.2001)

**Chapter X – Disciplinary measures and appeals**

**Article 1.** The disciplinary measures are as follows:

- the warning;
- the reprimand;
- the suspension;
- the dismissal.

**Article 2.** Without prejudice to the application of Article 29 of the Criminal Proceedings Code and of the obligations imposed on them when they are heard in court as witnesses, the members of the Board, the members of the stock exchange committee, and the employees of the Luxembourg Stock Exchange, and any other person exercising or having exercised an activity with the Luxembourg Stock Exchange, shall keep secret the confidential information received in this connection.

The first paragraph shall not apply to the communications made to the national authorities or to the authorities of the other member states of the EC responsible for the admission to official stock exchange listing, suspension and cancellation of listing of securities, and with respect to the supervision of information to be disseminated in this connection, within the limits laid down by the relevant legal and regulatory provisions.

Any violation of the secrecy provisions contained in the first paragraph shall be subject to the sanctions stipulated in Article 1 of this Chapter.

**Article 3.** The actions or omissions listed below and made by a person admitted to the stock exchange may be punished by the sanctions stipulated in Article 1 of this Chapter:

1. infringement of the public order provisions or measures laid down by the stock exchange committee or one of its members, by the supervising committee member or by the staff responsible for such public order;
2. insulting a member of one of the stock exchange constituencies, or a member of the stock exchange personnel;
3. disturbance of order, or infringement of any measure or provision with regard to the conduct of business;
4. violation of, or failure to comply with, the commitments taken towards the Luxembourg Stock Exchange or the members;
5. any behaviour which may be a cause for disturbance of order or disorder;
6. any refusal to declare the prices such as stipulated under these rules and regulations;
7. recording, cooperation or involuntary assistance to the recording of a wrong price, a price of a fictitious trade, or more generally a price which does not conform to the rules and regulations;
8. falsely alleging a price at which a trade would have been executed;
9. failure to conform to the resolutions of the Board and the stock exchange committee;

10. violation of the rules and regulations of the Luxembourg Stock Exchange;
11. misuse or attempted misuse of the hardware and software of the trading system of the Luxembourg Stock Exchange;
12. unauthorized use or delivery to other parties of the software of the Luxembourg Stock Exchange;
13. unauthorized use or delivery to other parties, to commercial ends, of information originating from the trading system of the Luxembourg Stock Exchange;
14. hindering the activity of the duly appointed auditor;
15. any other action or omission which, in the view of the stock exchange committee, may harm the integrity of the trades in the securities admitted to official stock exchange listing in Luxembourg.

*(MO of 18.6.2001)*

**Article 4.** When deciding on the sanctions referred to in Article 1 of this Chapter, the Board or the body delegated by the Board shall pay due attention to the seriousness of the infringement and to the degree of guilt.

If a conflict of interest arises, the Board member concerned refrains from taking part in the decision-making process.

*(MO of 18.6.2001)*

**Article 5.** The warning and the reprimand with display thereof shall be applied by the Board without any possibility of appeal, after having heard the person concerned or at least summoned that person by registered letter mailed at least 48 hours before the hearing during which the decision shall be made.

**Article 6.** The stock exchange committee shall be entitled to suspend the right of access to the trading system of a person authorized on the market. The suspended member or trader may not exercise the rights conferred to the members or traders. The suspension of an authorized person may be lifted by the stock exchange committee provided such person has remedied the infringement.

The dismissal shall be decided upon by the Board on the basis of the report made by the stock exchange committee.

The Board or the stock exchange committee may decide thereupon only after having heard the person concerned or at least after having summoned that person by registered letter mailed at least 24 hours before the hearing.

The said person may appeal to the Board against the decision of the stock exchange committee. The appeal shall be made by registered letter within five days following the notification of the decision by the stock exchange committee to the person in question.

**Article 7.** In the event that a member is suspended or dismissed, the stock exchange committee may take all the measures necessary to provide for the execution of the orders pending and for the settlement of the operations pending of the member concerned.

(MO of 18.6.2001)

**Article 8.** The Board shall record the infringements referred to in Article 3 of this Chapter.

The body delegated by the Board either decides on a disciplinary measure, or recommends the Board to decide on the dismissal.

**Article 9.** The Luxembourg Stock Exchange shall be entitled to inform the members and/or the public of any disciplinary measure taken against a member or a trader, as well as of the grounds for such measure.

**Article 10.** Any member or trader infringing the copyrights of the Luxembourg Stock Exchange may be charged a fine of 1,000 to 100,000 francs, and may also be suspended or dismissed.

The publication of a price for a transaction made on the Luxembourg Stock Exchange either in a security admitted to official stock exchange listing or in an unlisted security, is subject to the prior consent of the supervising committee member, on penalty of a fine of 1,000 to 100,000 francs. Repeating such action may be punished by suspension or dismissal.

**Article 11.** Opposition against the resolutions of the Board on:

- a) the conditions for the approval of members;
- b) the members' approval itself;
- c) the conditions for the admission of securities to official stock exchange listing;
- d) the admission, refusal to admit securities to official stock exchange listing, and the cancellation of the listing of the same;
- e) the dismissal of members and persons authorized to deal on the stock exchange;

may be made within eight days following the resolution by the Government Commissioner.

In such a case, the Government Commissioner may, within 15 days following the opposition, invite the Board to put the matter on its agenda again.

To be valid, the second final resolution shall be made by the Board, together with the auditors and thus forming the General Council.

Where the government does not make any action within the period of fifteen days referred to above and does not transmit to the Board the said invitation, the first resolution shall be applicable.

Appeal against the resolutions of the Board on any of the matters referred to under a), b), c), d) and e) may also be made by the party concerned. Such appeal, within fifteen days as of the day of notification of the opposed resolution, shall be made by registered letter to the Board. The Board, together with the auditors and forming the General Council, shall decide on such appeal within one month.

Any resolution against which appeal is made in respect of item e) referred to above shall be enforceable notwithstanding any appeal, until the General Council has made its decision.

Any resolution dealing with item d) referred to above shall be notified to the applicant within a maximum period of 6 months following the receipt of the request or, if the Board requires additional information in the meantime, within a maximum period of 6 months following the transmission of such information by the applicant.

Failing a decision within the periods referred to in the preceding paragraph, this shall mean that the request is implicitly rejected.

**Article 12.** The members shall undertake by their signature to be affixed onto a special register to comply with the requirements of these rules and regulations, any measure or decision implemented hereunder, and any further amendment thereto.

(MO of 18.6.2001)

**Chapter XI – Periodic information to be published by companies the shares of which have been admitted to official stock exchange listing**

**Article 1.** The provisions of this chapter apply to companies the shares of which are admitted to official listing, whether the admission is of the shares themselves or of certificates representing them and whether such admission precedes or follows the date on which these regulations become effective.

The provisions shall not, however, apply to investment companies other than of the closed-end type, as defined under Article 13 of Chapter VI of these regulations.

**Article 2.** Companies referred to in Article 1 of this Chapter shall publish a half-yearly report of their activities and profits and losses for the first six months of each financial year.

The companies referred to in Article 2 A.3. of Chapter VI of these rules and regulations shall furthermore publish during the period for which a derogation is granted an interim report covering the first and the three quarters of the current financial year. The interim reports shall be made available to the public, in Luxembourg, within three months following the period in question. The same time limit shall apply to the half-yearly report to be published by those companies during the period for which a derogation is granted.

**Article 3.** The stock exchange committee may make the companies subject to obligations more stringent than those defined below or to additional obligations, provided that they apply generally to all the companies or by category of companies.

**Article 4.** The half-yearly report is published within four months following the relevant first half-year.

In exceptional, duly substantiated cases, the stock exchange committee may extend the time limit for publication.

**Article 5.** The half-yearly report includes figures and an explanatory statement relating to the activity and profits and losses of the company during the relevant half-year.

The figures, presented in table form, shall indicate at least:

- the net turnover amount,
- the profit or loss before or after tax deduction.

These terms shall have the same meanings as in the relevant legal provisions.

The stock exchange committee may authorize companies, on a case-by-case basis and exceptionally, to file estimates for profits and losses, provided that the shares of such companies are listed only on the Luxembourg Stock Exchange. The use of this procedure shall be indicated by the company in its report and must not mislead investors.

Where the company has paid or proposes to pay an interim dividend, the figures must indicate the profit or loss after the relevant half-year and the interim dividend paid or proposed.

The figure for the corresponding period in the preceding financial year shall be shown against each figure.

The explanatory statement shall include any significant information enabling investors to make an informed assessment on the trend of the company's activities and profits or losses together with an indication on any special factor which has influenced those activities and those profits or losses during the relevant period, and enable a comparison to be made with the corresponding period of the preceding financial year.

It must also, as far as possible, refer to the company's likely future development in the current financial year.

Where the figures specified under paragraph 2 are not appropriate for the company's activities, the stock exchange committee shall ensure that the adequate adjustments are effected.

**Article 6.** Where a company publishes consolidated accounts, it may publish its half-yearly report in either consolidated or non-consolidated form. The stock exchange committee may however require, when it considers that the form not adopted would have contained additional material information, to publish such information.

**Article 7.** The half-yearly report shall be published in one or several newspapers throughout Luxembourg or widely circulated therein, or shall be made available to the public either in written form at places indicated by announcements to be published in one or several newspapers distributed throughout Luxembourg or widely circulated therein or by other equivalent means approved by the stock exchange committee.

The half-yearly report shall be drawn up in French, German or English. The company shall send a copy of its half-yearly report simultaneously to the Luxembourg Stock Exchange and to the competent authorities of each member state in which its shares are admitted to official stock exchange listing. It shall do so at the latest when the half-yearly report is published for the first time in Luxembourg.

**Article 8.** Where the accounting information has been audited by the official auditor of the company's accounts, that auditor's report and any qualifications he may have, shall be reproduced in full.

**Article 9.** Where particular requirements of this chapter are unsuited to the company's activities or circumstances, the stock exchange committee may assure that suitable adjustments are made to such requirements.

**Article 10.** The stock exchange committee may authorize the omission from the half-yearly report of certain information provided for in this Chapter if, in its opinion, the disclosure of such information would be contrary to the public interest or seriously detrimental to the company, provided that, in the latter case, such omission would not be likely to mislead the public with regard to facts and circumstances knowledge of which is essential for the assessment of the shares in question.

The company or its representatives shall be responsible for the correctness and relevance of the facts on which any application for such exemption is based.

**Article 11.** Articles 9 and 10 of this Chapter shall also apply to the more stringent and additional obligations imposed pursuant to Article 3 of this Chapter.

**Article 12.** Where a company governed by the law of a non-member state of the EC publishes a half-yearly report in such a country, the stock exchange committee may authorize it to publish that report instead of the half-yearly report provided for in this Chapter provided that the information given is equivalent to that which would result from the application of this Chapter.

**Article 13.** The stock exchange committee together with the competent authorities of the other member states of the EC shall cooperate whenever necessary for the purpose of carrying out their duties and shall exchange any information required for that purpose.

**Article 14.** Where a half-yearly report must also be published in one or several other member states of the EC, the contents of this report meeting the requirements of one of these states, are accepted by the stock exchange committee.

The stock exchange committee may ask for explanations relating to the exemptions granted by the competent authority of such a state.

The stock exchange committee may refuse the application of the exemption granted in another member state of the EC if, in its opinion, the information not published following such exemption is of major interest for the Luxembourg Stock Exchange.



*(MO of 18.6.2001)*

**Chapter XII – Temporary listing**

- Article 1.** While an application for admission to official stock exchange listing is scrutinized, the stock exchange committee may, on request, allow to admit temporarily a security to official stock exchange listing.
- Article 2.** The prices of the temporarily admitted securities are published under a special heading.
- Article 3.** The decision granting or refusing the final admission of a security to official stock exchange listing terminates the temporary admission. The decision shall be made within one year.
- Article 4.** The stock exchange committee may rescind the temporary admission.

(In case of divergence between the French and the English texts, the French text shall prevail)





