



THE RULES OF THE MULTILATERAL TRADING FACILITY

BRATISLAVA STOCK EXCHANGE

THE RULES OF MTF

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Article 1

Introductory Provisions

- 1.1 The Rules of the Multilateral Trading Facility ('the Rules' or 'the Rules of MTF' hereinafter) are issued by the Bratislava Stock Exchange ('the Stock Exchange' hereinafter) in compliance with §18a) of the Act No 429/2002 (Coll.) on the Stock Exchange as amended by later legislation ('the Stock Exchange Act' hereinafter). The Rules primarily stipulate the Stock Exchange's procedure for registration of MTF participants, inclusion of financial instruments into the MTF list, the manner of trading of financial instruments included in the MTF list and clearing and settlement of transactions concluded in the MTF, as well as the procedures used during the inspection of MTF participants and transactions concluded in the MTF.
- 1.2 If the below-mentioned terms are used in further provisions of these Rules, they shall have the following meaning:
- a) 'stockbroker' – a natural person that meets the conditions pursuant to the Stock Exchange Rules and is authorised to conclude transactions in the MTF on an MTF participant's behalf;
 - b) 'issuer' – a company whose securities are to be included or, respectively, have been included into the MTF list;
 - c) 'applicant' – an issuer, a Stock Exchange member or an MTF participant who has applied for inclusion of financial instruments into the MTF list;
 - d) 'depository' – the Central Securities Depository of the Slovak Republic or, respectively, any legal entity authorised to register financial instruments, changes of their owners and other information related to them;
 - e) 'the Stock Exchange Act' – Act No 429/2002 (Coll.) on the Stock Exchange as amended by later legislation;
 - f) 'the Securities Act' – Act No 566/2001 (Coll.) on Securities and Investment Services and on Amendments and Supplements to Related Laws, as amended by later legislation.

Article 2

MTF Participants

- 2.1 A participant of the MTF can be:
- a) a Stock Exchange member;
 - b) the National Bank of Slovakia ('the NBS' hereinafter).
- 2.2 The application for registration is submitted by a Stock Exchange member or, respectively, an applicant for Stock Exchange membership in written form ('the applicant' hereinafter). If the application is being submitted by an applicant for Stock Exchange membership¹, the application can be enclosed with the application for Stock Exchange membership. In the application for registration, the applicant shall specify the commercial name, registered office and identification number (if assigned). The application for registration must be signed by the statutory body of the applicant, or by other person authorised to act on behalf of the applicant.

¹ Article 7 Section 7.1 of the Stock Exchange Rules, Chapter II - The Rules of Membership

- 2.3 The Stock Exchange shall decide on an application for registration within 60 days from its delivery. The Stock Exchange is entitled to decline registration to an applicant if it is aware of facts that, should the registration be granted, might damage investors or seriously imperil their interests or imperil important interests. The Stock Exchange shall notify the applicant, in writing, of its decision concerning the application for registration. An appeal against the Stock Exchange's decision is not admissible. The provisions of a separate regulation² do not apply to the Stock Exchange's procedure concerning an application for registration.
- 2.4 The Stock Exchange's decision concerning a registration shall come into effect on the day following the day of delivery of the notice pursuant to Section 2.3 of this Article.

Rights and Obligations of MTF Participants

- 2.5 An MTF participant has the right to use the Stock Exchange system to conclude transactions in the MTF in compliance with the generally binding legal regulations and these Rules, whereby all MTF participants have the right for information about facts important for the conclusion of transactions in the MTF.
- 2.6 An MTF participant is obligated to abide by these Rules, and to only conclude transactions in the MTF via a stockbroker.
- 2.7 An MTF participant is obligated to meet the obligations resulting from transactions concluded in the MTF, and to assent to the manner of clearing and settlement of transactions stipulated by these Rules.
- 2.8 The provisions of Articles 14 through 19 of the Stock Exchange Rules, Chapter II – The Rules of Membership appropriately apply to the MTF participants.

Termination of Registration of MTF Participant

- 2.9 The registration of an MTF participant terminates:
- a) based on the MTF participant's written request;
 - b) upon termination of Stock Exchange membership of the MTF participant;
 - c) if the MTF participant has ceased to exist as a legal entity;
 - d) through the Stock Exchange's decision pursuant to Article 7 Section 7.1 Subsection f) of the Rules.
- 2.10 In the case of an MTF participant's request for termination of registration, the registration shall terminate on the day following the day of delivery of such request to the Stock Exchange. Upon the MTF participant's request, the Stock Exchange may specify a different day of termination of registration of the MTF participant.
- 2.11 Termination of registration of an MTF participant shall not affect the its Stock Exchange membership, unless the Stock Exchange Rules stipulate otherwise.

Article 3

Inclusion of Financial Instrument into the MTF List

Conditions for Inclusion of Financial Instruments into the MTF List

- 3.1 Financial instruments can only be included into the MTF list if:

² Act No 747/2004 (Coll.) on Financial Market Supervision and on Amendments and Supplements to Related Laws, as amended by later legislation

- a) they are financial instruments pursuant to §5 of the Securities Act;
- b) they are mutually fungible;
- c) their transferability is not limited;
- d) they are issued in compliance with the law of the country of their issue, and their issuer meets the conditions for issuance of financial instruments according to the law of the country where the issuer's registered office is located;
- e) the Stock Exchange is not aware of any facts that, should the financial instrument be included into the MTF list, might cause damage to investors or seriously imperil their interests or imperil an important public interest.

Application for Inclusion of Financial Instruments into the MTF List

- 3.2 The application for inclusion of financial instruments into the MTF list is submitted by the issuer, a Stock Exchange member or an MTF participant. The Stock Exchange is entitled to include financial instruments into the MTF list without an application.
- 3.3 The application for inclusion of financial instruments into the MTF list contains primarily the following information:
 - a) Information on the issuer:
 - i) Commercial name, registered office and identification number of the issuer; if the applicant is not the issuer, the applicant's commercial name and registered office must be specified;
 - ii) Date of founding and legal form of the issuer;
 - iii) Amount of registered capital of the issuer.
 - b) Information on financial instruments:
 - i) Type, form and appearance of financial instruments, if such information is known as of the day of submission of the application;
 - ii) Total volume of issued financial instruments, their number and nominal value, if such information is known as of the day of submission of the application;
 - iii) ISIN and series number; if an ISIN has not been assigned, other identification of financial instruments must be specified;
 - iv) Date of issue of financial instruments;
 - v) Currency in which the financial instruments are denominated;
 - vi) Date and place of registration of financial instruments;
 - vii) Name of a Stock Exchange or a foreign Stock Exchange, to the market of which the financial instruments were admitted prior to submission of the application for inclusion into the MTF list.
 - c) In the case of bonds, the application contains the following additional information:
 - i) Date of maturity and manner of computation of interest yields, including the concrete standard of computation of aliquot interest return;
 - ii) In the case of a floating yield: the concrete level of yield for a period until the nearest payment of yield, if such information is known as of the day of submission of the application;
 - iii) Day on which the bondholder is entitled to claim the payment of yields and of the nominal value, or its proportional part.

- 3.4 If some of the information specified under Subsections a) through c) of the previous Section of this Article does not exist, this fact, together with reasons, must be stated in the application.

Decision on Inclusion of Financial Instruments into the MTF List

- 3.5 The Stock Exchange shall decide on inclusion of financial instruments into the MTF list within 45 days from the delivery or supplementation of the application.
- 3.6 The Stock Exchange can decide on an application prior to the issue of financial instruments. In such a case, the decision will include postponement conditions.
- 3.7 Immediately after deciding on an application, the Stock Exchange informs the applicant, in writing, and announces the inclusion of financial instruments into the MTF list in the nationwide press publishing stock exchange news ('the press' hereinafter). In the announcement, the Stock Exchange shall include at least the following information: identification/name of the financial instrument, the issuer's commercial name, the day of inclusion of the financial instrument into the MTF list, and the day of the start of trading.
- 3.8 Trading of financial instruments shall not start sooner than one day after the announcement of inclusion (of financial instruments into the MTF list) is published in the press.

Information Duties of the Issuer

- 3.9 Inclusion of financial instruments into the MTF list without the issuer's consent shall not result in information duties for the issuer.
- 3.10 If bonds have been included into the MTF list without the issuer's consent, the applicant is obligated to inform the Stock Exchange of the following:
- a) the issuer's decision concerning the exercise of the right for premature redemption of a part or the entire volume of bonds, including further details for investors;
 - b) in the case of a floating interest rate: the exact level of yield for a period until the next payment of the yield, not later than on the day of payment of the previous yield;
 - c) in the case of convertible bonds: information about any changes in the rights associated with them.
- 3.11 If the applicant applies for inclusion of financial instruments into the MTF list or if the Stock Exchange includes a financial instrument into the MTF list with the issuer's consent, the provisions of the Stock Exchange Act appropriately apply to the obligations of the issuer.

Suspension and End of Trading of Financial Instruments

- 3.12 If the Stock Exchange does not have access to information about the financial instruments needed to ensure proper trading, or the clearing and settlement of relevant transactions, the Stock Exchange is entitled to suspend or end the trading of financial instruments.
- 3.13 Based on the applicant's request, the Stock Exchange will suspend the trading of bonds and share certificates due to the payment of yields or principal, or due to premature redemption of a part/the entire volume of bonds.
- 3.14 The Stock Exchange shall end the trading of bonds:

- a) on the last day before the maturity date of the nominal value of bonds, or on the day specified by the applicant;
 - b) if the Stock Exchange learns about the acquisition of bonds by the issuer.
- 3.15 The Stock Exchange is entitled to suspend the trading of financial instruments, if an order has been placed to register the suspension of the right for disposal of financial instruments.
- 3.16 The Stock Exchange is entitled to suspend or end the trading of financial instruments, if it deems it to be in the interest of protection of investors/the capital market.
- 3.17 The Stock Exchange shall publish the announcement of suspension/end of trading of financial instruments in the press without delay.

Article 4

Procedure for Trading in MTF

- 4.1 The provisions of the Stock Exchange Rules, Chapter V – The Rules of Trading and pertaining Executory Decrees appropriately apply to trading in the MTF.
- 4.2 If the provisions of the Stock Exchange Rules, Chapter V – The Rules of Trading and pertaining Executory Decrees stipulate certain conditions separately for the market of listed securities and separately for the regulated free market, the conditions stipulated for the regulated free market shall apply to the MTF.

Article 5

Procedure for Clearing and Settlement of Transactions Concluded in MTF

- 5.1 The provisions of the Stock Exchange Rules, Chapter VI – The Rules of Participation of the Stock Exchange and Its Members in the Provision of Clearing and Settlement and pertaining Executory Decrees appropriately apply to the clearing and settlement of transactions concluded in the MTF.
- 5.2 If the provisions of the Stock Exchange Rules, Chapter VI – The Rules of Participation of the Stock Exchange and Its Members in the Provision of Clearing and Settlement and pertaining Executory Decrees stipulate certain conditions separately for the market of listed securities and separately for the regulated free market, the conditions stipulated for the regulated free market shall apply to the MTF.
- 5.3 The obligations of MTF participants resulting from transactions concluded in the MTF are not covered by the resources of the Stock Exchange Guarantee Fund. The provisions of the Stock Exchange Rules, Chapter VII – the Rules of the Guarantee Fund and pertaining Executory Decrees do not apply to the clearing and settlement of transactions concluded in the MTF.

Article 6

Supervision of Trading in MTF

- 6.1 The supervision of trading in the MTF is performed in compliance with §13 of the Stock Exchange Act by the Stock Exchange Deals Inspection Department, in collaboration with other Stock Exchange divisions.
- 6.2 The MTF participants are subject to supervision.
- 6.3 The Stock Exchange inspection focuses on:
 - a) monitoring, recording, evaluation and inspection of transactions concluded in the MTF;
 - b) inspection of observance of obligations resulting to the MTF participants from these Rules and from separate regulations pertaining to the activity of the MTF participants;
 - c) protection of financial market participants against the laundering of proceeds from criminal activity pursuant to a separate regulation³, and against any action of financial market participants that may cause damage to other participants.
- 6.4 The inspection in the MTF comprises continuous inspection, inspection upon instigation and random inspection.
- 6.5 The provisions of Articles 4 through 13 of the Stock Exchange Rules, Chapter III – the Rules of Inspection appropriately apply to the character of inspection, the manner how it is performed as well as to the rights and obligations of the MTF participants and the Stock Exchange during the performance of inspection.

Article 7

Measures and Sanctions

- 7.1 If the Stock Exchange finds a violation of the generally binding legal regulations or these Rules in trading in the MTF, the Stock Exchange is entitled - depending on the type and gravity of such violation - to take the following measures against or, respectively, impose sanctions on an MTF participant:
 - a) to issue a warning of violation of the generally binding legal regulations or these Rules;
 - b) to impose a measure to remedy and remove found deficiencies;
 - c) to reprimand;
 - d) to delete a stockbroker from the list of persons authorised to stock exchange trading;
 - e) to suspend registration;
 - f) to cancel registration.
- 7.2 The deletion of a stockbroker from the list of persons authorised to stock exchange trading terminates the stockbroker's authorisation to conclude transactions in the MTF.
- 7.3 The provisions of Article 20 Sections 20.3 through 20.14 of the Stock Exchange Rules, Chapter III – The Rules of Membership appropriately apply to the imposition of measures or sanctions.

³ Act No 367/2000 (Coll.) on Protection Against Laundering of Proceeds from Criminal Activity and on Amendments and Supplements to Related Laws, as amended by later legislation.

Article 8

Personal Transactions

- 8.1 Persons who, due to the performance of their activity on the Stock Exchange which may lead to a conflict of interests, or who have access to confidential information pursuant to §132 or to other information due to the activity these persons perform on the Stock Exchange's behalf are the following: the members of the Stock Exchange Executive Board, the members of the Stock Exchange Supervisory Board, the Stock Exchange Director General and other Stock Exchange employees except for those whose work duties are not related to the Stock Exchange's object of activity ('authorised person' hereinafter).
- 8.2 An authorised person must not:
- a) conclude personal transactions⁴ if
 - i) he/she is forbidden to do so pursuant to §132 of the Securities Act;
 - ii) the transaction poses a misuse or illegitimate disclosure of confidential information, or
 - iii) the transaction is, or can be, in contradiction with the Stock Exchange's obligations pursuant to the Stock Exchange Act and the Securities Act;
 - b) recommend to another person or encourage another person, thereby acting beyond the scope of rights and obligations resulting from the performance of his/her function or employment, to conclude a transaction in financial instruments to which (the transaction) the Subsection a) of this Section would apply;
 - c) make accessible, in a way other than during the performance of his/her employment or function, to another person any information or opinions, if such authorised person knows or should know that, due to his/her making accessible of the information or opinions, another person could:
 - i) conclude a transaction in financial instruments, if it is a personal transaction of the authorised person to whom the Subsection a) of this Section would apply, or
 - ii) recommend to another person, or encourage another person, to conclude such transaction.
- 8.3 An authorised person is obligated to inform the Stock Exchange without delay, in writing, of every personal transaction that he/she has concluded.
- 8.4 If the Stock Exchange finds out that an authorised person:
- a) has not submitted the information on the conclusion of a personal transaction, or
 - b) has violated some of the provisions of Section 8.2 of this Article,
- the Stock Exchange shall decide on further procedure against this authorised person in compliance with the Stock Exchange bylaws.

Article 9

Separate Provisions

- 9.1 Stock Exchange members that are Stock Exchange members on the day of coming into effect of these Rules, as well as the NBS, are deemed, from the day of coming into effect of these Rules, as the MTF participants pursuant to these Rules.

⁴ §71f) Section 3 of the Act No 566/2001 (Coll.) on Securities and Investment Services and on Amendments and Supplements to Related Laws, as amended by later legislation.

Article 10
Final Provisions

- 10.1 In the event of disputes due to differing interpretations of these Rules, the Stock Exchange's interpretation prevails.
- 10.2 These Rules were approved by the Executive Board on 25 October 2007 and come into effect on 1 January 2008, provided that the NBS's decision concerning a change of licence to establish and operate the Stock Exchange, which adds the operation of a multilateral trading facility to the object of business, comes into effect before that day; otherwise these Rules will come into effect on the day following the day of coming into effect of said decision of the NBS (27 March 2008).

Note: Only the Slovak version of this document is legally binding.