



IMPLEMENTING REGULATION NO 2 OF THE RULES OF PARTICIPATION OF THE STOCK EXCHANGE AND ITS MEMBERS IN THE PROVISION OF CLEARING AND SETTLEMENT

(PUBLIC OFFER TO TAKE OVER AND OBLIGATORY PUBLIC OFFER TO TAKE OVER)

BRATISLAVA STOCK EXCHANGE

Article 1

Introductory Provisions

- 1.1 This Implementing Regulation, issued in compliance with Article 2 Section 2.1 of Chapter VI of the Stock Exchange Rules, stipulates conditions for the Stock Exchange and its members' procedure in the execution of a public offer to take over, an obligatory public offer to take over and a competitive offer to take over pursuant to §114 and the following paragraphs and pursuant to §170 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 ("the Securities Act" hereinafter).

Article 2

Settlement of Transactions Resulting from the Public Offer to Take Over, Competitive Offer and the Obligatory Public Offer to Take Over

- 2.1 In this and following Articles, the term "offer" means a public offer to take over, an obligatory public offer to take over and a competitive offer, unless explicitly stated what type of offer is being referred to.
- 2.2 The pertinent provisions of the Rules of Participation of the Stock Exchange and Its Members in the Provision of Clearing and Settlement ("the Rules" hereinafter) appropriately apply to the clearing and settlement of valid and effective transactions within the framework of an offer ("VP-transaction" hereinafter), with details pursuant to this and other Implementing Regulations.
- 2.3 The Stock Exchange shall perform all necessary actions in order for valid and effective VP-transactions to be settled within a stipulated term. The stipulated date of settlement according to the first sentence is part of a command to register a transfer.
- 2.4 The settlement date for VP-transactions concluded, or reported, by placing a command in the Stock Exchange's trading system is stipulated as the 5th stock exchange day following the day of expiry of the validity period of the offer, unless the Stock Exchange decides otherwise after agreeing on it with the applicant or the procuring member, respectively.
- 2.5 If the seller itself has not placed a command to register PPN in compliance with §28 Section 3 Subsection b) of the Securities Act, the seller may request the Stock Exchange to place the command to register PPN pursuant to §28 Section 3 Subsection c) of the Securities Act. In such a case, the Stock Exchange places the commands to register PPN for securities sold during the validity period of the offer on the transferors' capital accounts at the DCD on the T day.
- 2.6 On the last stock exchange day of the validity period of the offer, the Stock Exchange informs the procuring member in writing about the amount of securities realised in the Stock Exchange's trading system within the framework of all legitimately concluded, or reported, by sending a VP-transaction command.
- 2.7 Not later than one working day after expiry of the validity period of the offer, the procuring member informs the Stock Exchange, in writing, about the results of the offer and whether it has been successfully accepted. The delivery of this information in written form is a precondition for the evaluation of successful execution of the offer and for subsequent sending of valid and effective VP-transactions to the DCD for settlement. If the applicant or the procuring member fails to fulfil the obligation pursuant to this

Section, the Stock Exchange may, if necessary, stipulate a day of settlement different from the one according to Section 2.4 of this Article.

- 2.8 Continuous settlement of VP-transactions is not possible. It means that after evaluating the success of the offer, the Stock Exchange sends to the DCD for settlement all transactions concluded, or reported, by sending a command, within one and the same offer “en bloc”.
- 2.9 All VP-transactions are automatically cleared by the gross method (the amount of a member’s liability and claim is determined separately for each transaction).
- 2.10 If the offer is evaluated as successfully executed, the Stock Exchange shall send all commands for settlement resulting from valid and effective VP-transactions in favour of the applicant’s capital account to the DCD on the stipulated SD, in compliance with the schedule of the DCD’s Rules of Operation.
- 2.11 If the offer is not successfully executed, on the first stock exchange day following the day of expiry of validity of the offer, the Stock Exchange shall place to the DCD the commands to cancel the registration of PPN with securities in the transferors’ capital accounts, in which the PPN registration has been performed by the Stock Exchange according to Section 2.5 of this Article.
- 2.12 For the clearing and settlement of the offer, binding shall be the price that is valid on the last day of the validity period of the offer. It means that the commands for settlement resulting from valid and effective VP-transactions, which (the commands) the Stock Exchange sends to the DCD, shall always contain the price according to the first sentence of this Section under the “price” entry, and that the clearing of final financial positions shall be performed at that price.

Article 3

Certain Conditions of Successful Transfer

- 3.1 To the transferors’ capital accounts where the registration of PPN has been performed by the Stock Exchange pursuant to Section 2.5 of Article 2, the command for settlement shall be sent as a compound service together with the command to cancel the registration of PPN. If the seller itself has placed the command to register PPN in compliance with §28 Section 3 Subsection b) of the Securities Act, the seller must either ensure the cancellation of registration of such PPN in time and in such a manner that the success of the transfer at the DCD on the stipulated SD is not imperilled, or deliver to the Stock Exchange the necessary identification data of the given PPN in time and in a manner allowing the Stock Exchange to send the command for settlement as a compound service.
- 3.2 After receiving the overview of liabilities and claims for a given stock exchange day T, the members are required, on the very same stock exchange day T and within a time stipulated by the Stock Exchange, to add or confirm, to every serial number of VP-transaction, the identification data of the transferor or transferee, respectively, for whom they have intermediated a purchase or sale of securities. The last due date to add or change the sent data is on SD-1 by 12:00 AM. In extraordinary cases it is possible, after agreeing on it with the Stock Exchange, to make additions or changes to the sent data on the SD-1 day by 04:30 PM, but always in a manner not endangering the clearing and settlement of all transactions resulting from the offer.

Article 4

Final Provisions

- 4.1 In cases where, according to the terms of an offer approved by the NBS pursuant to §116 Section 2 Subsection 1) of the Securities Act, it is not possible to proceed in compliance with the Rules and/or this Implementing Regulation, the Stock Exchange is entitled, after agreeing on it with the procuring member, to stipulate a different procedure for execution of the terms of the offer.
- 4.2 The Stock Exchange does not answer for damages that have resulted from the applicant's or the procuring member's failure to fulfil obligations pursuant to the generally binding legal regulations, the Stock Exchange Rules and Implementing Regulations.
- 4.3 The applicant or the procuring member, respectively, answers for the execution of the offer in compliance with the generally binding legal regulations, the Stock Exchange Rules and their Implementing Regulations.
- 4.4 This Implementing Regulation of the Rules of Participation of the Stock Exchange and Its Members in the Provision of Clearing and Settlement was approved by the Board of Directors on 22 December 2011 and came into effect on 1 January 2012.

Amendments and supplements to this Implementing Regulation were approved by the Board of Directors on 27 September 2012 and came into effect on 28 September 2012. Amendments and supplements of this Implementing Regulation were approved by the Board of Directors on 6 September 2016 and come into effect on 3 October 2016; however, not later than on the day following the day of coming into effect of the NBS's decision approving the amendments to the Stock Exchange Rules of the BSSE.

Amendments and supplements to this Implementing Regulation were approved by the Board of Directors on 27 January 2017 and come into effect on the day following the day of successful migration of the Central Securities Depository of the Slovak Republic ("CDCP SR") into the unified technical platform of the Eurosystem (T2S), however, not before the day following the day of coming into effect of the NBS's decision approving the relevant amendments to the Stock Exchange Rules.

Amendments and supplements to this Implementing Regulation were approved by the Board of Directors on 20 December 2017 and came into effect on 3 January 2018.

Amendments and supplements to this Implementing Regulation were approved by the Board of Directors on 26 September 2019 and came into effect on 1 October 2019.

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