Rulebook of the Bucharest Stock Exchange

MARKET OPERATOR

UPDATED EDITION
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Enters into force according to common decision of Bucharest Stock Exchange and Central Depository, with the approval of Financial Supervisory Authority

The Romanian version of the Rulebook is the official document.
The BSE Rulebook, with further amendments, approved by the National Securities Commission/Financial Supervisory Authority through:

- Decision no. 2602/14 September 2006 regarding Book I-The Regulated Spot Market;
- Decision no. 3390/13 November 2006 regarding modifications to Title III of Book I-The Regulated Spot Market;
- Decision no. 720/17 May 2007 regarding modifications to Title III of Book I-The Regulated Spot Market;
- Decision no. 926/14 June 2007 regarding Book II-The Derivatives Market;
- Decision no. 1171/12 July 2007 regarding modifications to Titles I, V and VI of Book I-The Regulated Spot Market;
- Decision no. 1219/17 July 2007 regarding modifications to Chapter XIII, Title III of Book I – The Regulated Spot Market;
- Decision no. 2098/31.10.2007 regarding modifications to Preliminary Title, Title II – Chapter II, Title III – Chapter IV and Chapter IX of Book I – The Regulated Spot Market;
- Decision no. 2606/17.12.2007 regarding modifications to Title II and Title III - Book I – The Regulated Spot Market;
- Decision no. 168/31.01.2008 regarding modifications to General Provisions, Preliminary Title, Title I, Title III – Book I – The Regulated Spot Market;
- Decision no. 496/12.03.2008 regarding modifications to Book II – Regulated Derivatives Market, Preliminary title, Title II, Title VI and Title VIII;
- Decision no. 505/13.03.2008 regarding modifications to Book I – The Regulated Spot Market;
- Decision no. 1508/23.07.2008 regarding modifications to Book I – Regulated Spot Market, Preliminary title, Title I, II, III and Appendix 9 (modifications on the provisions related to treasury bonds);
- Decision no. 2129/04.11.2008 regarding modifications to Book I – Regulated Spot Market, Title I, II, III;
- Decision no. 605/13.04.2009 regarding modifications to Book I – Regulated Spot Market, Title III;
- Decision no. 1013/24.06.2009 regarding modifications to Book II – Regulated Derivatives Market, Title II, V, VII and VIII;
- Decision no. 1259/13.08.2009 regarding modifications to Book I – Regulated Spot Market, Title I, II, III, Appendix 7;
- Decision no. 555/26.04.2010 regarding modifications to Book I – Regulated Spot Market, Preliminary title, Title II, Title VI;
- Decision no. 650/19.05.2010 regarding modifications to Book I – Regulated Spot Market, Preliminary title, Title I, Title II, Title III;
- Decision no. 651/19.05.2010 regarding modifications to Book II – Regulated Derivatives Market, Title V;
- Decision no. 878/07.07.2010 regarding modifications to Book I – Regulated Spot Market, Title III;
- Decision no. 1543/25.11.2010 regarding modifications to Book I – Regulated Spot Market, Preliminary title, Title I, Title II, Title III, Appendix 5;
- Decision no. 1544/25.11.2010 regarding modifications to Book II – Regulated Derivatives Market, Title II and III;
- Decision no. 1583/07.12.2010 regarding modifications to Book I – Regulated Spot Market, Preliminary title, Title I, III, IV, VI and Appendix 5, 6, 7, and 8;
- Decision no. 1629/14.12.2010 regarding modifications to Book I – Regulated Spot Market, Appendix no. 4;
- Decision no. 186/24.02.2011 regarding modifications to Book I – Regulated Spot Market, Title II;
- Decision no. 516/01.06.2011 regarding modifications to Book I – Regulated Spot Market, Preliminary title, Title III, Appendix no. 7, Appendix no. 8, Appendix no. 9;
- Decision no. 710/26.07.2011 regarding modifications to Book I – Regulated Spot Market, Preliminary title, Title I, Title II, Title III;
- Decision no. 997/06.10.2011 regarding modifications to Book II – Regulated Derivatives Market, Preliminary Title, Title V, VI, VIII and introducing Title VI1 (Note: The provisions of Title VI1 OPTIONS MARKET of the BSE Rulebook, Book II – Derivatives Regulated Market shall come into force together with the corresponding changes brought to the regulations of Bucharest Clearing House - S.C. Casa de Compensare Bucuresti S.A.);
- Decision no. 1147/03.11.2011 regarding modification on Book I – Spot regulated market, Title I, Title III;
- Decision no. 407/02.05.2012 regarding modifications to Book I – Spot Regulated Market, Preliminary, Title I, Title II and Title III;
- Decision no.630/17.07.2012 regarding modifications to Book I, Spot Regulated Market, Title II;
- Decision no.766/07.09.2012 regarding modifications to Book I, Spot Regulated Market, Title III;
- Decision no.425/09.05.2012 regarding modifications to Book I – Spot Regulated Market, Preliminary Title, Title III, Title IV, Appendix no. 7 and Appendix no. 8;
- Decision no.905/10.10.2012 regarding modifications to Book I – Spot Regulated Market, Title III and Appendix no.5;
- Decision no.495/12.06.2012 regarding modifications to Book I – Spot Regulated market, Preliminary Title, Title I, III;
- Decision no. 26/17.01.2013 regarding modifications to Book I – Spot Regulated market, Title I;
- Decision no. 699/11.09.2013 regarding modifications to Book I - Spot Regulated Market, Title III;
- Decision no 123/11.04.2014 regarding modifications to Book I – Spot Regulated Market, Title III and Annex nr. 7.
- Decision no 156/30.04.2010 regarding modifications to Book I – Spot Regulated Market, Title III.
- Decision no 205/26.05.2014 regarding modifications to Book I – Spot Regulated Market, Title II.
- Decision no. 1000/12.08.2014 regarding modification of Book I – Spot Regulated Market, Preliminary Title, Titles I, III, V and Annexes no. 5 and 6.
# TABLE OF CONTENTS

I. GENERAL PROVISIONS

II. BOOK I – THE REGULATED SPOT MARKET

III. BOOK II – THE DERIVATIVES MARKET
I. GENERAL PROVISIONS

Art.1 (1) The BSE regulated markets are:
   a. the regulated spot market;
   b. the regulated derivatives market.
(2) The Rulebook regulates, in 2 distinct Books (Book I and Book II), the regulated markets stipulated in para.1.

Art.2 (1) When reference is being made to a precise Title within the content of a Book of this Rulebook, that reference will be considered to be made to a Title having the respective number, which can be found in the Book from the Rulebook that the Title containing the reference is also a part of, unless the content otherwise specifies.
(2) When, within the content of a Title from this Rulebook, reference is being made to a precise Article or Chapter that reference will be considered to be made to the article or chapter having the respective number, which can be found in the content of the Title from the Rulebook that the article containing the reference is also a part of, unless the content otherwise specifies.
(3) In this Rulebook:
   a) the singular also applies to the plural and vice versa;
   b) the masculine also applies to the feminine, and vice versa;
   c) the names include both the natural person, as well as the legal person, unless expressly referred otherwise.

Art.3 This Rulebook will be supplemented by the provisions of the Law 297/2004, of the RNSC applicable regulations, with the BSE specific documentation (as well as the BSE Operation Manual, other materials representing the BSE trading system documentation), as well as the Technical specifications.

Art.4 (1) This Rulebook is generally mandatory and shall apply, without being limited to:
   a. the participants to the BSE trading system;
   b. any subsidiaries or subsidiaries of a participant;
   c. any employee of a Participant, irrespective of the legal nature of the relationship between the employee and the Participant (individual labor contract, services agreement, contract of mandate, etc.);
   d. the Issuers;
   e. the holders of financial instruments as well as any other investor;
   f. The Central Depository;
   g. All other regulated entities in accordance with Law 297/2004;
   h. BSE.
(2) The Participants to the BSE trading system carry out market operations using financial instruments on the spot and derivative markets administered by the BSE, in accordance with the provisions of the two Books in this Rulebook.

Art. 5 Compensation will not be awarded, provided BSE acted in accordance with the provisions of Law 297/2004, of this Rulebook or other own regulations, issued in accordance with the law in force.

Art. 6 This Rulebook may be amended by the BG or at BSE AGMs, as necessary, in accordance with the existing rules established by the bylaws of BSE and the law.

Art. 7 Book I establishes the rules for market operations involving financial instruments, other than derivatives, which are traded on the BSE administered Spot Market, in accordance with the provisions of Law no. 297/2004 regarding the capital market, including further addends, and the applying regulations of the Romanian National Securities Commission and the BSE.

Art. 8 (1) Book II establishes the rules for market operations with derivative financial instruments which are traded on the derivatives market administered by BSE, referred to from now on as the Derivatives Market, in accordance with the provisions of Law no. 297/2004 regarding the capital market, including further addenda, and in accordance with the regulations of the Romanian National Securities Commission and BSE.
(2) The provisions of Book II are appropriately completed by the IFD specifications approved by the BSE Board.
(3) In circumstances when the contents of Book II make references to the provisions of Book I, these shall apply correspondingly to the Derivatives Market. If there are any exceptions or differences, the provisions of Book II will prevail.

Art. 9 This Rulebook will be uploaded on the BSE website.
PRELIMINARY TITLE

Art. 1 (1) In this Rulebook Book I, the terms, expressions and concepts defined below shall have the following meaning:

1. Common shares – the difference between the total number of shares issues and circulating of an Issuer and the number of shares held either by a central or local public authority, by a natural or legal person who acquired the shares held by the central and local public authorities, whose right to trade is restricted by the effect of law or by contractual obligations, as well as treasury shares of the respective Issuer.

1\(^1\). Underlying asset - a financial instrument, a stock exchange or currency index, interest rate, commodity, baskets or combinations of these instruments or values, as well as any other assets, instrument, indicator or unit of measurement whose yield, value or size represents the basis of the value of a structured product.

2. A.G.M. - abbreviation of the Annual General Meeting of shareholders, a legal institution regulated by Law 31/1990. It may be ordinary, the abbreviation being O.A.G.M., or extraordinary, the abbreviation being E.A.G.M.

2\(^1\). Custodian agent – the intermediary registered with RNSC Registry, intermediaries section, who is responsible, as object of his activity, for the service set out in art. 7 (1) point 6, letter Ba) of the Government Emergency Ordinance No 99/2006, approved by Law No 227/2007, who carries out financial instrument custody and administration services for his/her clients whose authorized representative he/she is and who concluded a contract with the Central Depository, based on the specific custody-related regulations issued by the Central Depository

3. Exchange Tied Agent – employee/representative of a Participant, certified by the BSE, under the provisions of Title I, Book I, to carry out his/her activity on the regulated markets and/or on the alternative trading system administered by BSE, on behalf of the Participant concerned.

3\(^1\). Arena Fix is an interface allowing the access to the BSE system, using the FIX Protocol messaging standard, which represents a set of specifications for the electronic communication based on messages of the transactions on the regulated spot market administered by BSE. Arena Fix's role is to undertake, through a standardized architecture and a generalized language, the management instructions for the orders and transactions in the Participants’ order management systems and to enter them in the BSE system for the execution. After the execution, the confirmations are sent through the same component to the Participants's systems.

3\(^2\). Arena Gateway is an application offered by BSE acting as messages intermediary between the Participants’ systems and the BSE system, through which the Participant’s specialized applications connect to the BSE system.

3\(^3\). Arena Terminal is the client-application which connects to the BSE system and is provided by BSE to a Participant.

3\(^4\). A.S.F. – abbreviation of the Financial Supervisory Authority.
4. **Trading bloc or Standard Lot** - the number of financial instruments that form a standard trading unit. The size of the trading block applicable to each market is set out in Annexes No 7-9.


7. **Financial calendar** - the financial communication calendar of an Issuer, for the execution of the periodical information obligations, according to Title II, Book I.

8. **Client** – any natural or legal person that opens a trading account within a Participant delivering, under a contract, main investment services and activities and/or related services.

9. **RNSC** – abbreviation of the Romanian National Securities Commission, an independent administrative authority that acts as a legal entity in charge of regulating and supervising the capital market, as well as the institutions and their specific operations.

10. **Commission for Admission to Trade** – a BSE consulting body in charge with the admission, upgrading, downgrading and withdrawal of financial instrument trading on regulated markets, organized and functioning in accordance with the provisions set out in the Regulations on the Organisation and Functioning of BSE.

11. **Appeal Commission** – a BSE consulting body in charge with the solving the claims submitted by to the Participants and exchange tied agents against the penalty decisions, organized and functioning in accordance with the provisions set out in the Regulations on the Organisation and Functioning of BSE.

12. **Board of Governors** – BSE’s BG.

13. **Trading account** - account opened within the BSE system, used by the Participants only for the trading activity (introduction and management of stock exchange orders, transactions). The term "account" shall be replaced with "trading account" in the entire Rulebook.

The rules applicable to the Trading account used in the BSE system are included in Title III, Chapter IV, Section 7, Book I.

14. **Individual account** – trading account opened by a Participant within the BSE system, to trade financial instruments on behalf of a client.

14¹. **Global account** - trading account opened by a Participant within the BSE system to trade financial instruments on behalf of his/her clients whom the Participant represents. The rules applicable to the Global account used in the BSE system are included in Title III, Book I.

15. - repealed

16. – repealed.

17. – repealed.

18. – repealed.

19. **Own Participant or House Account** - trading account opened on his/her own behalf by a Participant for his/her own trading.

20. **Firm quotation of the bid-ask price** or **firm quotation** - the set of firm sell offer and firm buy offer introduces for a series of treasury bonds on the main market, by a Market Maker of the regulated spot market, registered for the series concerned.
21. **Informative quotation** - the intention, not also the obligation, to buy or sell a number of financial instruments at a certain price.

22. **Coupon** - the amount of money corresponding to the interest calculated for its coupon period, owed periodically by the Issuer (the Ministry of Economy and Finances, in the case of treasury bonds) to the bond holders and to the payment of which they committed through the issue document or prospectus.

23. **Current coupon** - the coupon whose coupon period did not end on the transaction settlement date, having a payment due at the nearest coupon date, as specified in the issue document or prospectus.

24. **Previous coupon** - the last coupon paid, prior to the transaction settlement date.

25. **Data coupon** - the calendar day when the Issuer must pay a coupon and/or a quota of the principal (or the nominal value, in case of treasury bonds), to the bond holders or to the treasury bonds holders, at the reference date (corresponding to a bond or a treasury bond) established for the respective bond.

26. **Issue date** - the date at which the interest begins to accrue, corresponding to the first coupon payment of a bond or treasury bond (the date at which the treasury bond was issued).

27. **Reference date** (for bonds) - the date used to identify the bond holders having the right to receive the current coupon and/or a quota of the principal or the full or remaining value of the principal, in accordance with the issue document, or other rights stipulated by the law. Reference dates are set individually for each coupon period.

27.1. **Ex date** - the transaction day within BSE, the date as of when the buyers of a share no longer benefit from the rights associated with it and the effects of the Annual General Meeting’s decisions have no longer an impact on them.

28. **Ex-coupon date (for bonds)** - the settlement date of the transactions concluded through the BSE system; starting with the date the buyers of a bond no longer benefit from the payment of the current coupon and/or a quota of the principal. The ex-coupon date is the working date immediately following the reference date and marks the beginning of the ex-coupon period. Ex-coupon dates are set for each coupon period, except for the period of the last coupon.

29. **Reference date for treasury bonds (current registration date)** - the date that serves to the identification of the treasury bonds holders entitled to receive the nominal value upon the expiration date, in the case of a zero coupon treasury bond or are entitled to receive the current coupon and/or a share of the nominal value or the integral or remaining value of the nominal value, in the case of a treasury bond with interest, in accordance with the issue prospectus. Reference dates are set individually for each coupon period.

29.1. **Maturity date** – for the allotment rights, it represents the date upon which the rights no longer exist, by the registration of the new shares with the Central Depository.

30. **Expiration date** - for bonds, it represents the last coupon date of a bond. Upon this date, the payment of the last coupon and/or the integral value or the remaining value of the principal becomes due.

31. **Expiration date** - for treasury bonds, it represents the date upon which becomes due the payment obligation for the nominal value of a zero coupon treasury bond or it represents the last coupon date of a treasury bond with interest when the payment of the last coupon and of the nominal value becomes due.

32. - **repealed**
33. **Central Depository** - entity established and authorized by RNSC under the provisions of Law No 297/2004 and RNSC Regulation No 13/2005 on the authorization and functioning of the Central Depository, the clearing houses and the central counterparties, as amended and further completed, that BSE has a contractual relationship with.

34. **Dispersion of the publicly distributed shares or free float** – the percentage representing the public distribution of shares, which is calculated as ratio between the number of publicly distributed shares and the total number of shares issued and which are freely available, belonging to a certain Issuer.

35. **Accrued interest** - quota of the current coupon value corresponding to the days elapsed since the current coupon period, starting with the issue date or the date of the previous coupon, included, up to the transaction settlement date (excluded). The accrued interest is expressed as a percentage of the current value of the bond’s principal/the nominal value of the treasury bond. For bonds, the accrued interest may be positive or negative.

36. **Negative accrued interest** - the accrued interest corresponding to the remaining days of the current coupon, as of the transaction settlement date (included), up to the coupon payment date (excluded).

37. **Positive accrued interest** - the accrued interest corresponding to the number of days elapsed since of the issue for the first coupon date or the previous coupon date (included) up to the settlement date (excluded).

38. **Issuer** – entity with/without legal status, that issued or intends to issue financial instruments similar to those defining the sectors and sections of the regulated spot market administered by the BSE, mentioned in Title II, Book I.

381. **Individual issue of structured products** - part of the structured products uniquely identified through the ISIN code, issued in accordance with the basis prospectus of the Issuer and the completing documents of the respective prospectus.

381(1) **Responsible entity** – the entity designated by the Issuer of a tradable ETF, International Tier having the role to perform specific reporting to BSE. This entity may be one of the following:

a) investment management company;

b) the liquidity provider registered for the respective issue, according to the provisions of the contract concluded with the Issuer, respectively the Market Maker on the initial market.

382. **Liquidity provider** - a Participant who undertakes to maintain the market liquidity for financial instruments similar to the structured products or participation titles to tradable ETFs, International Tier. During the period of time for which he acts in this capacity, the Participant introduces and maintains firm bid and ask offers and may conclude transactions based on these offers in accordance with the conditions established by BSE, as follows:

a) on his own behalf or in the account indicated by the respective Participant, opened in the name of the Issuer, according to the contract concluded between the Participant and the Issuer, in the case of structured products;

b) in the case of participation titles to tradable ETFs, International Tier, as follows:
i) on his own behalf, in case the Liquidity provider is designated by the Issuer, and whether the Provider identifies himself/herself or not with the Market Maker on the initial market for the respective securities;

ii) in the account indicated by the respective Participant, opened in the name of the Market Maker on the initial market, in case the Liquidity provider is designated by the Market Maker on the initial market of the respective securities, according to the contract concluded with the Participant. The contract between the Participant and the Market Maker will be concluded based on the existence of a contractual relationship between the Market Maker and the Issuer, based on which the Issuer grants him/her the right to establish contractual relationships with other Participants for trading the respective bonds.

39. Market Maker on the Regulated Spot Market - a Participant who undertakes to maintain the market liquidity for a financial instrument traded on the Regulated Spot Market, using his own capital, introducing and maintaining firm bid and ask offers on his/her own behalf, and who may conclude transactions based on them during the period of time when the respective Participant holds this status.

40. Investment company - any legal person who provides one or several financial investment services to third parties and/or carries out one or several professional investment activities, in accordance with the legal regulations in force.

41. Financial instruments – term having the meaning defined in art. 7 (1) point 14 of the Government Emergency Ordinance No 99/2006 on the credit institution and capital adequacy, approved with further modifications by Law No 227/2007.

41. Access interfaces modalities of accessing the BSE system in order to manage the orders and transactions carried out in the BSE system. The access interfaces are the following: Arena Gateway, Arena Terminal, Order Collector and Arena FIX.

42. Law No 297/2004 – Law No 297/2004 on the capital market, as amended and further completed.

43. Law No 31/1990 - Law No 31/1990 on the trading companies, republished, as amended and further completed.

44. Monitoring List or List of Issuers that temporarily do not observe the maintenance to trading requirements – list prepared by BSE, according to Title II, Book I.

45. Monitoring – permanent supervision performed by expert staff regarding the compliance with the legal provisions applying to the financial instruments trading on the regulated markets.

46. Coupon bond - a bond with an interest by which the Issuer agrees to pay an amount of money to the holder, at certain intervals of time, as well as to payback at the maturity date of the full value or of the remaining value of the principal.

47. Municipal bonds – bonds issued by the local administrative authorities, i.e. counties, municipalities, towns and villages.

47. Tradable ETF (Exchange Traded Fund) - collective investment in securities authorized according to the Community regulations in force, which is already admitted to trading on a regulated market, for the ones within the International Tier or which are to be admitted to trading on a regulated market administrated by BSE, local ETF tier, which has an investment policy (established within the issuer prospectus, functioning rules and other relevant documents) that aims to follow or return the performance of a
known shares or bond securities index called "reference index". In case of tradable ETF, local tier, the reference index is exclusively a share index.

The participation titles to tradable ETFs are the following:
1) fund units issued by open investment funds administrated by investment company, as well as the fund units issued by a sub-fund of an umbrella fund built of sub-funds, administrated the same way;
2) shares issued by the investment companies.

48. **NTRO** – the competent National Trade Registry Office.

48¹. **Order Collector** a facility of the Arena Terminal application, offering a way to introduce/cancel orders in/from the BSE system, with minimum intervention from the exchange tied agents.

48² **Order**- the instruction expression a firm offer to buy or sell financial instruments and which is not fulfilling the specific requirements mentioned in informative quotations, firm quotations or deals, as detailed in Title III, Chapter IV, Book I.

49. **Exchange order** - the instruction representing the firm offer to buy or sell financial instruments. The term is used generally to refer to orders, informative quotations, firm quotations or deals, as detailed in Title III, Chapter IV, Book I.

49¹. **Deal order** - the firm offer to buy or sell a specified number of financial instruments, which is directly transmitted by an exchange tied agent, referred to as initiator, towards another exchange tied agent, referred to as counterparty. The order and identity of the two exchange tied agents are not known by the other Participants.

50. **Participant to the BSE trading system or Participant** – the intermediaries/investment companies registered with the RNSC Public Registry, admitted to trading on the regulated spot market, administered by the BSE, under the conditions set out in Title I, Book I and registered with the Participant Registry.

50¹. **Entity with a technical-operational role allocated to the Central Depository** – entity defined in the BSE system with the purpose to reflect the registration of a special sell-out or buy-in transaction, based on the instruction of the Central Depository, in accordance with Article 151 (1) (c) of Title III and based on the contract concluded between BSE and Central Depository.

The respective entity is similar to a certain participant type, yet it does not have the right to carry out operations within the BSE system, nor the right to access or view the BSE system. BSE will perform operations within the BSE system on its behalf and on the custodian agent-related account.

51. **Price tick** - the value of the minimum price variation of a system, established on price intervals, in accordance with Annex No 5. The size of price tricks applicable to each financial instrument type is presented in Annexes No 5 and 8 and in Title III, Book I.

52. **Cum-coupon period** - time interval expressed in days, between the date of issue date or the date of the previous coupon (including) and the reference date (including).

53. **Coupon period** - time interval expressed in days, between the date of issue date and the date of the first coupon or the time interval between the date of the previous coupon and the date of the current coupon. According to the coupon period, the coupon may be normal, short or long, as explained in Annex No 8 and in Title III, Chapter X, Section I, Book I.

54. **Ex-coupon period** - represents the time interval, expressed in days, between the ex-coupon date (including) and the date of the current coupon (excluding).
55. **Exchange Market or the Stock Exchange** - unitary system consisting of several markets, independently administrated, where interdependence relationships may exist.

56. **Offers and special operations market** - "order-driven" types of markets where the financial instruments that are subject to the public offers performed through BSE or to other financial instrument selling methods, as provided by special law, such as the law on privatization, are being traded.

56. **Initial market** – a regulated market on which a financial instrument is admitted to trading, prior to its admission to trading within BSE.

57. **Main market** - the market designated by BSE as the reference market for each symbol traded within BSE.

57. **Technical specifications** - documents issued by BSE with regard to the clarification or interpretation of certain technical aspects regarding this Rulebook, as well as the BSE system.

58. **Price** - of a zero treasury bond issued with a 365-day maturity term, represents the buying/selling price expressed as a percentage of the nominal value. It is automatically calculated based on the yield introduced in a firm or informative quotation, a deal or an order.

59. **Gross price** - of a bond or of a treasury bond with interest, issued with a minimum 365-day maturity term, represents the price that includes the accrued interest mentioned in a firm or informative quotation, deal or order, placed in the BSE system. It is expressed as percentage of the value of the principal of a bond or of the nominal value of a treasury bond.

60. **Opening price** - the price at which occurs the first transaction for a symbol, on a certain Market, during one trading session.

61. **Closing price** - the price at which occurs the last transaction for a symbol, on a certain Market, during one trading session.

62. **Reference price** - of the symbol during a trading session represents the price based on which the symbol’s price variation is calculated during one trading session, valid for all Markets where the respective symbol is traded.

(1) The reference price for the financial instruments traded on regulated Spot Market, with the exceptions stipulated in para. (2), may be one of the following prices:

a) the closing price recorded on the Main Market of the symbol in the previous trading session. In case the last transaction is a cross transaction, it will be expressly mentioned the fact that the reference price is the price resulted from a cross transaction.

b) an adjusted value of the price mentioned in letter a), calculated and publicly disseminated by BSE, in case of corporate events having an impact on the price, namely:  

1. operations for the modification of the number of financial instruments which does not involve also the modification of the share capital (split, consolidation);
2. operations involving share capital increase/decrease by modifying the number of financial instruments (granting free shares, granting preferential shares, etc., except for granting dividends and mergers).

The reference price for a treasury bond financial instrument may be established in compliance with the decision of the BSE General Manager using other methods, after prior consultation with the Issuer and after the modification of the provisions of this Rulebook;
(2) The reference price for an individual issue of structured products or participation titles to tradable ETFs, for a trading session, may be one of the following prices:

a) the arithmetic mean, calculated based on the best buy quotations and on the best sell quotations introduced/managed by the Liquidity provider/providers or the Market Maker(s), according to the case, existing on the market upon the closing of the current trading session under the circumstance there were quotations of the Liquidity provider(s) and or of the Market Maker(s) upon the closure of the respective trade session and the symbol was available for trading.

The respective value is rounded to the nearest price trick corresponding to the respective symbol.

b) the closing price recorded on the Main Market of the symbol during the current trading session when it was available for trading, when there were no quotations of the Liquidity provider(s) and or of the Market Maker(s), according to letter a) and there were recorded transactions during the respective trading session;

c) the most recent reference price of the symbol (the reference price remains unmodified), when the following conditions are cumulatively complied with:

1. no transactions were recorded during the most recent trading session during which the respective symbol was available for trading;
2. there were no quotations of the Liquidity provider(s) or the Market Maker(s) upon the closure, as the case may be, of the most recent trading session during which the respective symbol was available for trading.

62. "Knock-out" price – a certain value of an underlying asset, defined in accordance with point 11, which represents the reporting basis for the identification of the situations that could lead to early closure of the transaction of an individual issue of structured products, in the conditions stipulated in the basic prospectus and in its completing documents.

63. Average price - the price representing the weighted average of prices with all transactions concluded on a specific market during as trading session, rounded to the nearest price trick.

64. Net price - of a bond or of a treasury bond with interest, issued with a minimum 365-day maturity term, represents the price that includes the accrued interest mentioned in a firm or informative quotation, deal or order, placed in the BSE system. It is expressed as percentage of the value of the principal of a bond or of the nominal value of a treasury bond.

65. Best price - the price of the stock exchange order having the maximum execution priority, i.e. the highest buying price or/and the lowest selling price of a symbol in a specific Market.

66. Principal - value corresponding to a bond loan, excluding the interest due, which the Issuer undertakes to repay at the maturity term. The Principal may have a single value when there is only one repayment or a current value, in case of advanced payments. The coupon rate is applied to the current value of the principal.

661. Structured products - financial instruments such as securities based on an underlying asset, issued in compliance with the basic prospectus, as well as with the completing documents afferent to the respective prospectus, and may be admitted for trading on the regulated Spot Market administered by BSE. The Issuers of structured products may be credit institutions, investment companies, as well as other financial institutions authorized by and functioning in accordance with the regulations of the competent authorities in the Member States and in the Non-Member States. The
structured products may be: certificates, warrants, as well as other types of structures products.

67. **Prospectus for admission to trading** – the prospectus prepared in accordance with RNSC Regulation No 1/2006 to admit financial instruments of the regulated spot market administered by BSE.

671. **Basic prospectus** - the issue prospectus approved either by RNSC, either by a competent authority from another Member State and notified to RNSC based on which an Issuer may request the admission to trading of structured products on the regulated spot market administered by BSE.

672. **Offering framework-programme** – a plan which would allow the issuance of non-equity securities, others than the equity instruments, in a continuous or repeated manner, during a specified issuing period.

68. **Coupon rate** - the annual interest rate expressed as percentage of the current value of a bond principal or the nominal value of a treasury bond coupon with interest. It is used to determine the coupon value.

69. **RNSC Regulation No 32/2006** - RNSC Regulation No 32/2006 on the financial investment services, as amended and further completed.

70. **RNSC Regulation No 1/2006** - RNSC Regulation No 1/2006 regarding the Issuers and the securities operations, as amended and further completed.

71. **RNSC Regulation No 2/2006** - RNSC Regulation No 2/2006 on the regulated markets and the alternative trading systems, as amended and further completed.

72. **Market** - the Stock Exchange component, where one or more symbols may be traded and which functions independently, according to specific rules.

73. **Main liquidity indicators used by BSE** are the following:

1. Annual rate of transaction days – expressed as percentage [%] and represents the ratio between the number of transaction days during one calendar year for the securities of an Issuer and the number of tradable days of the same calendar year, during which the Issuer's securities have been available for trading, even if there have been transactions or not.

2. The average daily number of transactions – is expressed in [transactions/day] and represents the ratio between the number of transactions performed during one calendar year with the securities of an Issuer and the number of transaction days of one calendar year, during which there have been transactions carried out for the securities of the respective Issuer.

3. The average daily value of transactions – is expressed in [RON/day] and represents the ratio between the total value of transactions with securities of an Issuer during one calendar year and the number of transaction days of one calendar year, during which there have been transactions carried out for the securities of the respective Issuer.

4. Annual rate of shares traded according to the Free Float – is expressed in [%] and represents the ratio between the number of shares of an Issuer traded during one calendar year and the number of shares corresponding to the dispersion percentage (Free Float) existing at the end of the same calendar year.

74. **Issue series** - an unique alphanumeric code used to identify a set of bonds of an Issuer or an issue of Treasury bond.

75. **SFTP** - the BSE internal IT system for the electronic transmission of data.

76. **Symbol** - financial instrument traded in BSE.
77. Symbol-Market - the association of a Symbol with a Market where the symbol in traded, within BSE, forming a logic unit operated independently.

78. BSE trading system for the regulated spot market or BSE electronic system or BSE system. - the electronic system ensuring the ordered and transparent performance of financial instruments transactions on the regulated spot market. The access to the BSE trading system is done through an access interface. The access interfaces are connected to BSE through a remote communication system. The remote communication system between the Participants and BSE is ensured by communication companies agreed by BSE.

79. Interoperable clearing system – the system administered by the Central Depository or by another authorized company to administrate such a system.

80. Sponsoring Intermediary – Participant ensuring the necessary support to Issuers for the admission and promotion to trading, under the conditions set out in Title II, Book I.

81. Home State Member - the State Member where the registered office of the investment company is located; if, according to the national legislation, the company does not have a registered office, the Home State Member is the state where the registered office is located;

82. Workstation - the system consisting of the access interface and the computer of a Participant on which it is installed.

83. Validity term of stock orders - the maximum term until when a stock order can be valid in the BSE system.

84. Symbol type - type of financial instrument unique in terms of the currency of trade and settlement.

85. Transaction or Trade - the financial instruments sale and purchase contract, registered within the BSE trading system, according to the provisions of Title III, Book I.

851. Deal: transaction concluded between parties, through exchange tied agents, carried out through BSE trading system by the exchange tied agents, on the Deal Market, through Deal orders, under the conditions set out in Title III, Book I.

86. Cum-Coupon Transaction - a transaction whose settlement takes place during the cum-coupon period.

87. Ex-coupon transaction - a transaction whose settlement takes place during the ex-coupon period.

871. Net asset value (NAV) - the net asset value of a tradable ETF published by the BSE, based on the information provided by the Issuer or by another responsible entity.

872 Indicative net asset value (iNAV) – in the sense of the present Book, is the unit value estimated of the net asset of a tradable ETF, local tier, calculated and updated by the company in charge with the tradable ETF administration and sent to BSE, on a permanent basis, at least once every 60 seconds, throughout the trading day. The value of the indicative net asset is published by BSE upon its reception.

In case of tradable ETFs following the reference indexes held by BSE, BSE may calculate and publish the iNAV.

88. Transferable securities - term having the meaning defined in Article 2 (2) point (33) of Law No 297/2004, by reporting to the sectors and sections of the regulated spot market administered by BSE, mentioned in Title II, Book I.

89. Maximum price variation of an order - the maximum percentage variation of the price of stock orders compared to the price of reference of the respective symbol. The maximum price variation of orders applicable to each market is presented in Annexes.
No 7 and 8.

90. **Special selling** - a selling method specific to the capital market, which is realized on the BSE, consisting of a firm offer formulated by a natural or legal person, including by public institutions involved in the process of privatizing and named called **Issuer**, for selling the securities it holds, through the technical BSE system.

91. **Minimum Order Volume** - the minimum quantity of financial instruments admitted when introducing a stock order in BSE trading system.

(2) All other terms used in the BSE Rulebook, Book I, that are not enlisted in the present Preliminary Title, have the meaning resulting from Law No 297/2004, from the RNSC regulations and from the BSE regulations.
BOOK I

THE REGULATED SPOT MARKET
TABLE OF CONTENTS

PRELIMINARY TITLE

TITLE I PARTICIPANTS

CHAPTER I GENERAL PROVISIONS

CHAPTER II PROCEDURE FOR ADMISSION AS PARTICIPANT AND GRANTING ACCESS TO THE BSE TRADING SYSTEM

Section 1 Investment firms
Section 2 Credit institutions
Section 3 Participants’ Access to the BSE trading system from RNSC secondary authorized headquarters (subsidiaries)
Section 4 Investment companies from other member states and their subsidiaries
Section 5 Intermediary companies from non-member states

CHAPTER III CESSATION OF PARTICIPANT STATUS AND WITHDRAWAL OF ACCESS TO THE BSE TRADING SYSTEM

Section 1 Cessation of Participant status and withdrawal of Access to the BSE Trading System-On Request
Section 2 Cessation of Participant status - as a result of a RNSC/the relevant authority in the country of origin or BSE sanction
Section 3 Rightful cessation of the Participant status as a result of winding-up of the company

CHAPTER III MARKET MAKERS ON THE SPOT MARKET

Section 1 General provisions
Section 2 Granting the Market Maker status on the Spot Market. Registering as a Market Maker for a financial instrument
Section 3 Renouncing the registration as Market Maker for a financial instrument. Giving up the Market Maker status
Section 4 Suspending/Ceasing the registration as Market Maker. Withdrawing the Market Maker status on the Spot Market.
Section 5 Resuming registration as a Market Maker. Regaining the status of Market Maker on the Spot Market
Section 6 Market operations undertaken by Market Makers
Section 7 Evaluating the activity of Market Makers
CHAPTER III  LIQUIDITY PROVIDERS
Section 1  General provisions
Section 2  Registration of a Participant as Liquidity provider
Section 3  Suspension or termination of registration of a Participant as Liquidity provider
Section 4  Market operations performed by Liquidity providers

Chapter IV  PARTICIPANT OBLIGATIONS
Section 1  Obligations Concerning Exchange Tied Agents
Section 2  Obligations Concerning the Participants’ Activity
Section 3  Obligations Concerning Notifications to the BSE
Section 4  Obligations Regarding Participant Fees and Commissions

Chapter IV1  Participants to the securities market

Chapter V  SANCTIONS FOR ILLEGAL ACTS COMMITTED TO THE BSE LEGAL SCHEME BY THE PARTICIPANTS TO THE BSE TRADING SYSTEM AND BY THE EXCHANGE TIED AGENTS
Section 1  General Considerations
Section 2  Illegal acts against the BSE Legal Scheme
Section 3  Sanctions
§1  General Provisions
§2  Administrative-Disciplinary Sanctions
§3  Patrimonial Sanctions
§1  Identifying and Registering Illegal Acts
§2  The procedure regarding investigating Illegal Acts
§3  Time interval for issuing a sanction
§4  Notifying the competent authorities
§5  Appropriation of the BSE Sanction
§6  Enforcing Sanctions
§7  Contesting the Sanctioning Decision
Section 5  Implementing sanctions
§1  The Sanctioning Procedure
§2  Time Interval for Implementing a Sanction
§3  Notifying the RNSC
§4  Publishing the Sanction Decision
Section 6  The BSE Registry Certificates
Section 7  Rehabilitation
Section 8  Preventive Measures
TITLE II  ISSUERS AND FINANCIAL INSTRUMENTS

CHAPTER I  GENERAL PROVISIONS

CHAPTER II  ADMISSION TO TRADE

Section 1  Admission to the Equity Sector
§1  Tier 1 Shares Admission Requirements
§2  Tier 1 Rights Admission Requirements
§3  Documents Required for the Tier 1 Shares Admission
§4  Documents Required for the Tier 1 Rights Admission
§5  Tier 2 Shares Admission Requirements
§6  Tier 2 Rights Admission Requirements
§7  Documents Required for the Tier 2 Shares Admission
§8  Documents Required for the Tier 2 Rights Admission
§9  Tier 3 Shares Admission Requirements
§10  Tier 3 Rights Admission Requirements
§11  Documents Required for the Tier 3 Shares Admission
§12  Documents Required for the Tier 3 Rights Admission
§13  International Shares Tier Admission Requirements
§14  International Rights Tier Admission Requirements
§15  Documents Required for the International Shares Tier Admission
§16  Documents Required for the International Rights Tier Admission

Section 2  Admission to the Debt Sector
§1  Tier 1 Corporate Bonds Admission Requirements
§2  Documents Required for the Tier 1 Corporate Bonds Admission
§3  Tier 2 Corporate Bonds Admission Requirements
§4  Documents Required for the Tier 2 Corporate Bonds Admission
§5  Tier 3 Corporate Bonds Admission Requirements
§6  Documents Required for the Tier 3 Corporate Bonds Admission
§7  Municipal Bonds Tier Admission Requirements
§8  Documents Required for the Municipal Bonds Tier Admission
§9  Treasury Bonds Tier Admission Requirements
§10  Documents Required for the Treasury Bonds Tier Admission
§11  International Bonds Tier Admission Requirements
§12  Documents Required for the International Bonds Tier Admission
§13  Other Credit Securities Tier Admission Requirements
§14 Documents Required for Other Credit Securities Tier Admission

Section 3
Admission to the Collective Investment Undertakings Sector
§1 Shares Tier Admission Requirements
§2 Fund Units Tier Admission Requirements
§2¹ Requirements for Collective Investment Undertakings International Tier Admission
§2² Requirements for Collective Investment Undertakings Local Tier Admission
§3 Documents Required for the Shares Tier Admission
§4 Documents Required for the Fund Units Tier Admission
§5 Documents Required for Collective Investment Undertakings International Tier Admission
§6 Documents Required for Collective Investment Undertakings Local Tier Admission

Section 3¹
Admission to Structured products Sector
§1 General provisions
§2 Requirements for Admission to trade of structured products
§2¹ Requirements for Collective Investment Undertakings Tier Admission
§3 Documents required for Admission to trade of structured products
§4 Documents required for Admission to trade of an individual issue of structured products

Section 3²
Admission in the international financial instruments sector
§1 Requirements for admission to Tier A
§2 Documents required for admission to Tier A
§3 Requirements for admission to Tier B
§4 Documents required for admission to Tier B

Section 4
Procedure regarding Admission to Trade
§1 Procedure regarding Rights and Securities Admission
§2 Procedure regarding Financial Instruments Admission
§3 Procedure regarding Admission to Trade of an individual issue of structured products

Chapter III
UPGRADING AND DOWNGRADING
Section 1 Upgrading Requirements
Section 2 Upgrading Documents
Section 3 Upgrading Procedure
Section 4 Downgrading Requirements
Section 5 Downgrading Procedure
Chapter IV  MAINTENANCE TO TRADE
Section 1  Maintenance within the Equity Sector
§1  Maintenance to the Tier 1 Shares
§2  Maintenance to the Tier 2 Shares
§3  Maintenance to the Tier 3 Shares
§4  Maintenance to the International Shares Tier

Section 2  Maintenance within the Debt Sector
§1  Maintenance to the Tier 1 Corporate Bonds
§2  Maintenance to the Tier 2 Corporate Bonds
§3  Maintenance to the Tier 3 Corporate Bonds
§4  Maintenance to the Municipal Bonds Tier
§5  Maintenance to the Treasury Bonds Tier
§6  Maintenance to the International Bonds Tier
§7  Maintenance to Other Debt Securities Tier

Section 3  Maintenance to the Collective Investment Undertakings Sector
§1  Maintenance to the Shares Tier
§2  Maintenance to the Fund Units Tier
§3  Maintenance to the Collective Investment Undertakings International Tier
§4  Maintenance to Collective Investment Undertakings Local Tier

Section 31  Maintenance to the Structured products Sector

Section 4  Maintenance to Trade Procedure

CHAPTER V  WITHDRAWAL FROM TRADE
Section 1  General Provisions
Section 2  Specific Provisions
Section 3  Procedure regarding withdrawal from trade

CHAPTER VI  SUPPLYING INFORMATION
Section 1  Issuers’ General Obligations
Section 2  Periodical supply of information
Section 3  Continuous supply of information
Section 4  Other Reporting Obligations
Section 5  Supply of information to BSE and Dissemination
Section 6  Temporary Trading Suspension of financial instruments
CHAPTER VII  TARIFFS

TITLE III  TRADING AND MONITORING

CHAPTER I  GENERAL PROVISIONS

CHAPTER II  THE TRADING SESSIONS. SUSPENDING THE TRADING SESSION

CHAPTER III  THE BSE TRADING SYSTEM

Section 1  Conditions to access the BSE trading system
Section 2  The use of the BSE trading system
Section 3  Assistance offered by the BSE to exchange tied agents in case of technical difficulties
Section 4  BSE responsibility regarding the trading activity
Section 5  The components of the BSE trading systems and their states
Section 6  Operations of administering Symbol-Entities
§1  Special operations on a symbol’s first trading day
§2  Suspending and reintroducing price variation
§3  Monitoring parameters of the trading activity

CHAPTER IV  ORDERS

Section 1  The minimum content and requirements for receiving and executing orders
Section 2  The validity of orders
Section 3  Management operations of orders
§1  Introducing orders
§2  Modifying and withdrawing orders
§3  Suspending orders
§4  Resuming orders

Section 4  Priorities in listing and executing orders

Section 5  Trading methods and states of an order market
§1  The Pre-opening status
§2  The Opening status
§3  The Open status
§4  The Pre-closed status
§4¹  The Closed status
§5  The Closed status

Section 6  Types of orders
§1  General aspects
§2  Limit Order
§3  Market Order (MKT)
§4  Unpriced Order
§5 Hidden Order  
§6 Contingent Order  

Section 7 Trading account  
Section 7’ Global Account  
Section 8 Informative quotes  
Section 9 Firm quotes  
Section 10 Deals  
Section 11 The maximum allowed price variation for a trading session  
Section 12 Pricing steps and pricing protection  

CHAPTER V MARKET TRANSACTIONS  
Section 1 General aspects  
Section 2 Cross transactions  
Section 3 Excepted transactions - repealed  
Section 4 Buying on margin Trades  
Section 5 Short selling Trades  

CHAPTER VI OTHER OPERATIONS CARRIED OUT WITHIN BSE  
Section 1 Common aspects of correcting trade - repealed  
Section 2 Recording of settlement solving operations via special buy in/ sell out and via buy in/sell out transactions  
Section 3 Other provisions regarding error correction - repealed  

CHAPTER VII INVALIDATING / UNCONFIRMING TRANSACTIONS COMPLETED IN BSE  

CHAPTER VIII TRADING SHARES  
Section 1 Markets used for trading shares  
Section 2 General functioning parameters of markets used for trading shares  
Section 3 Characteristics of markets used for trading shares  
§1 Regular market  
§2 Odd lot market  
§3 Buy in market  
§4 Sell out market  
§5 Deal market  

CHAPTER IX TRADING PREEMPTIVE RIGHTS  

CHAPTER X TRADING BONDS  
Section 1 Elements specific to bonds  
§1 The reference and ex-coupon date  
§2 Types of coupons  
§3 Conventions and calculation formulas regarding bonds
§4 Bonds transaction value

Section 2 Bond trading framework
§1 Bond markets
§2 General functioning parameters of bond markets
§3 Characteristics of bonds markets
§4 Defining elements of the bond-type symbol

CHAPTER XI TRADING TREASURY BONDS
Section 1 Elements specific to treasury bonds
§1 Conventions regarding trading treasury bonds
§2 Calculation conventions for treasury bonds bearing interest
§3 Transaction value

Section 2 Treasury bonds trading framework
§1 Treasury bonds market
§2 General parameters of treasury bonds market
§3 Characteristics of the treasury bonds market
§4 Operations carried out by Market Makers for the treasury bonds series

CHAPTER XII TRADING UNITS (OF COLLECTIVE INVESTMENT UNDERTAKINGS)
Section 1 General provisions
Section 2 Trading Collective Investment Undertakings from International Tier
Section 3 Trading Collective Investment Undertakings from Local Tier

CHAPTER XII1 TRADING STRUCTURED PRODUCTS
Section 1 General Aspects
Section 2 Operations for early closing of trade of an individual issue of structured products

CHAPTER XIII PUBLIC OFFERINGS AND SPECIAL OPERATIONS
Section 1 General Aspects
Section 2 Procedure regarding the BSE sale of securities through Special Selling
Section 3 Procedure for the public sell out/buy in offers through the BSE system

CHAPTER XIV REGULATED SPOT MARKET SURVEILLANCE
Section 1 General Provisions
Section 2 Market abuse
Section 3 Principles of Executing Client Orders.
TITLE IV  PUBLIC INFORMATION MANAGEMENT AND DISSEMINATION BY THE BSE, WITH RESPECT TO ISSUERS, TYPES OF FINANCIAL INSTRUMENTS TRADED AND PARTICIPANTS’ ACCESS

CHAPTER I  GENERAL DISPOSITIONS

CHAPTER II  TYPES OF INFORMATION REGARDING BSE, ISSUERS AND FINANCIAL INSTRUMENTS DISSEMINATED BY THE BSE

CHAPTER III  MEANS OF COMMUNICATING INFORMATION TO THE PUBLIC AND PARTICIPANTS’ ACCESS FACILITIES

CHAPTER IV  TARIFFS FOR ACQUIRING INFORMATION

CHAPTER V  SANCTIONS

TITLE V  BSE RELATION WITH COMPANIES MANAGING A REGISTER AND CLEARING-SETTLEMENT SYSTEM

TITLE VI  TRANSITION AND FINAL DISPOSITIONS

APPENDIX LIST
Appendix 1  The Participant Admission/Maintenance Application Form and the Registration/Maintenance in the Participants’ Registry;
Appendix 2  Personal Data Form;
Appendix 3  Specimens of Signatures;
Appendix 4  Price Ticks;
Appendix 5  Error Rectification Request - repealed
Appendix 6  Special Buy-In Notification Form;
Appendix 7  Share Markets’ Parameters and Characteristics;
Appendix 8  Bonds Trading;
Appendix 9  Treasury Bonds Trading.
TITLE I
PARTICIPANTS

CHAPTER I
GENERAL PROVISIONS

Art.1 (1) Participants of the BSE trading system, in accordance with the Title under review, are considered those intermediaries undertaking financial investment services in Romania, registered with the RNSC and enlisted in the BSE Participants’ Registry. (2) The Participant status is acquired upon the approval by the BSE BG and shall take effect on the date of registration in the BSE Participants’ Registry. The registration will be performed by BSE’s specialized department, after the BSE General Manager issues the decision described in art.6 para.2 of this Title. (3) Participants have equal rights, irrespective of their establishment date, in accordance with RNSC legislation. (4) Participants will comply with the provisions of Law 297/2004, RNSC and BSE regulations. (5) The Participant status is strictly personal and cannot be transferred to a third party. (6) According to the law, BSE will publish on its own webpage information regarding the Participants registered with the BSE Registry and their agents, including delegates.

Art.2 The Participants to the BSE trading system shall attach an electronic signature to all their correspondence and reports to the BSE or, alternatively, a handwritten signature, as specified by the law in force.

Art. 2¹ (1) BSE will be able to perform operations on the territory of other Member States in order to allow access to trades and remote connection to the regulated market of investment companies from the respective Member States, according to the provisions of the RNSC regulations in force; (2) BSE will perform operations on the territory of other Member States only after dispatching a notice to RNSC with the following contents: a) BSE’s letter expressing its intent to perform operations on the territory of the Member States; b) The Member States on whose territory BSE intends to perform cross-border operations; c) a description of the methods for granting access and remote connection to the regulated market under the administration of BSE of investment companies in the respective Member States. (3) BSE will be able to initiate procedures, in compliance with the information specified in the notification, to grand access to trades and perform a remote connection of intermediaries in the Member States after having received from the RNSC a conformation that the respective notification is delivered to the designated Member State.
CHAPTER II
PROCEDURE FOR ADMISSION AS PARTICIPANT
AND GRANTING ACCESS TO THE BSE TRADING SYSTEM

Section 1
Investment Firms

Art.3 In order to be granted the Participant status and to be registered in the BSE Participants’ Registry, investment firms must fill in an Admission application form, according to Appendix 1, accompanied by the following documents:

a. The individual authorization document(s) issued by the RNSC, granting the investment firm status and a copy of the RNSC registration;

b. The Articles of Association, certified by the NTRO, together with all AGM decisions, addenda to the Articles of Association and papers issued by an NTRO delegated judge (copies);

c. The individual authorization and registration documents issued by the RNSC for the employees authorized by the RNSC (financial investment agents, delegated agents, representatives of the Compliance Department, etc.) (copies);

d. An Appendix 2 form filled in by the BG, exchange tied agents, representatives of the Compliance Department, etc.;

e. Specimens of signature from all the persons who will sign the correspondence with the BSE, specifying each member’s area of responsibility, as stipulated in Appendix 3;

f. The literature for the customers mentioning the firm’s operating principles (copy);


Art.4 (1) In order to be permitted to trade on the BSE, the financial investment services companies must fulfill the following conditions:

a. to fulfill the conditions regarding the technical equipment (minimum hardware and software configuration pre-requisite) respectively the minimum technical requirements for the use of the Arena Terminal access
interface, to trade on the BSE system, stipulated in the BSE Operation Manual;

b. The company must have at least 2 agents authorized for financial investment services complying with the requirements on the authorization as exchange tied agents trading on the BSE, as stipulated in art.17, para.3;

c. The company must pay a participant fee (non-transferable license to trade), listed in the BSE List of Fees or to have a Transferable license to trade;

d. The company must prove having the status of member / direct or indirect participant to a clearing-settlement system and/or registry agreed by RNSC and BSE;

e. The company must fill in and sign a set of standardizes documents, made available by the BSE: a contract of non-exclusive soft license transfer and access to the BSE System through the Arena Terminal access interface and a declaration assuming the responsibility for the firm’s trading activity;

f. The company must obtain / hold the status of member of the investors’ Clearing Fund, as stipulated by the RNSC regulations.

(2) In order to use Arena Fix, Arena Gateway and/or Order Collector, a Participant will comply with the technical and operational requirements made available to the Participants through the technical specifications for each interface.

(3) BSE reserves the right to deny a Participant’s possibility to use the access interfaces, unless it complies with BSE’s requirements or if, according to BSE, it is deemed that such a use results in risks to the market’s orderly operation.

**Art.5** Once all documents are received and the conditions in art.3 and 4 are met, based on the Recommendation Note elaborated by BSE’s specialized department and approved by the General Manager, the Board of Governors can decide on granting the company the Participant status and may allow its registration in the Participants’ Registry. The legal representative of the investment firm is allowed to take part to the BG meeting regarding the admission to trade.

**Art.6 (1)** BSE will upload on its website and will inform the participants, the Central Depository as well as the BSE in relation to the decision with regard to the investment firm’s participant status awarded within 3 trading days after the registration in the Participants’ Registry.

(2) The BSE General Manager will establish the date on which the new participant may start trading on the BSE regulated markets and will issue decisions concerning the authorization of the exchange tied agents, for the respective participant.

(3) Following the participant’s registration in the Participants Registry, BSE will issue a document stating the above.

**Section 2**

**Credit Institutions**

**Art.7 (1)** The credit institutions wishing to be granted the participant status and to be registered in the Participants’ Registry will submit to BSE an Admissions Application form, in compliance with Appendix 1, accompanied by the following documents:
a. The proof of registration in the RNSC Registry (copy);
b. The individual authorization and registration documents issued by the RNSC for the employees authorized by the RNSC (financial investment agents, delegated agents, representatives of the Compliance Department, etc.) (copies);
c. An Appendix 2 form filled in by the director of the organizational structure for operations of the capital market, the tied agents, the exchange tied agents and representatives of the Compliance Department;
d. The organization chart of the institution, regarding operations on the capital market;
e. Specimens of signature from all the persons who will sign the correspondence with the BSE, specifying each member’s area of responsibility, as stipulated in Appendix 3;
f. The literature for the customers mentioning the firm’s operating principles (copy);
g. Other documents considered necessary by BSE;

(2) The procedure regarding the admission of credit institutions is detailed in art.5 and 6, enforced accordingly;
(3) In order to be permitted to trade on the BSE, credit institutions must meet the conditions stipulated in art.4.

Section 3
Participants’ Access to the BSE trading system from secondary headquarters (subsidiaries)

Art.8 Participants wishing to trade while located at a RNSC authorized participant subsidiary will have to file a request in this respect to the BSE, while meeting the following conditions:

a. to have the adequate technical equipment and qualified personnel to trade on the BSE system and to access the BSE trade system (at least 1 authorized tied agent and 1 representative of the ICD);

b. to provide proof of the respective subsidiary’s RNSC authorizing decision (copy);

c. to have at least 1 terminal from which to access the BSE trading system.

Section 4
Investment companies from other member states and their subsidiaries

Art.8 Investment companies authorized and supervised by the competent authorities within another member state may perform financial investment services and activities in Romania, within the limits of the authorization granted by the member state of origin, on the basis of the free circulation of services either directly or through subsidiaries, in compliance with the provisions of Law no. 297/2004 and of the RNSC Regulations no. 32/2006.
Art. 82 (1) In order to be admitted as Participant to BSE’s trading system and to be registered with the Participant Registry, all investment companies authorized in other Member States or their subsidiaries will send BSE an admission request, drafted according to Appendix no. 1, together with the following documents:

a) individual documents released by RNSC regarding registration with the RNSC Registry (copy);

b) supporting documents certifying that the individuals granted access into the BSE system carry out trades for and on behalf of the investment company;

c) Appendix no. 2 filled in for the members of the Board of Governors, managers, exchange tied agents and representatives of the Compliance Department;

d) Specimens of signatures for all individuals who will sign BSE correspondence, specifying the area of responsibility for each such individual according to Appendix no. 3;

e) informative materials for customers, stating the principles on the basis of the company’s activities (copy)

f) annual report certified by the financial auditor, together with the Administrators’ Report and the Financial Auditor’s Report – for the previous year, where applicable;

g) the biannual report, which will include the biannual financial information for the current year, where applicable;

h) the authorization contract concluded with another Participant, as the case may be (copy);

i) other documents BSE deems necessary.

(2) In order to commence trades with BSE, the investment company or its subsidiary must meet the following requirements:

a) meet the technical equipment requirements (minimum hardware and software configuration), namely the minimum technical requirements for the use of the Arena Terminal access interface, specified in the BSE System User Manual;

b) the company must have at least 2 individuals who meet the requirements regarding their authorization as exchange tied agents, according to art. 17 para. 3;

c) to pay the Participant admission fee (price for the purchase of one non-assignable trading license) specified in the Price List and all fees required by BSE or to have an assignable trading license;

d) to provide evidence of its status of member/direct or indirect participant to a clearing and settlement system and/or registry agreed by RNSC and BSE;

e) to fill in and sign a set of standard documents provided by BSE, which includes:

   a contract regarding non-exclusive software license assignment and BSE system access through the Arena-Terminal access interface and a Contractual Statement regarding the company’s trading activities;

f) to provide evidence of its status as member of an investor’s settlement scheme together with all its identification data and the specific procedures applicable for the settlement of investments carried out on Romanian territory.

(21) The provisions of Art. 4 para. (2) and (3) of Title I also apply to any investment company or subsidiary.
(3) The admission procedure for investment companies or subsidiaries authorized in other Member States on the regulated market is as mentioned in art. 5 and 6 of this Title, adequately applied.

(4) Official translations must also be submitted for all documents not written in Romanian.

Section 5

Intermediary companies from non-member states

Art. 8 Intermediaries from non-member states may establish subsidiaries on Romanian territory, according to art. 43 of Law 297/2004 and of art. 60 of RNSC Regulations no. 32/2006.

Art. 8 (1) In order to be admitted as Participant to the BSE trading system and to be registered with the Participant Registry, intermediaries from non-member states will submit BSE an admission request, drafted according to Appendix no. 1, together with the following documents:

a) the authorization issued by the competent authority in their state of origin;
b) the individual documents released by RNSC for the authorization of their respective subsidiary and for its registration with the RNSC Registry (copy);
c) the articles of incorporation, the Trade Registry certificate (copies);
d) the individual documents released by RNSC for the authorization and registration with the RNSC Registry for all personnel authorized by RNSC (agents for financial investments services, delegate agents, representatives of the Compliance Department etc.) (copies);
e) Appendix no. 2 filled in for the members of the Board of Governors, managers, exchange tied agents and representatives of the Compliance Department;
f) signature specimens for all individuals who will sign BSE correspondence, specifying the area of responsibility for each such individual according to Appendix no. 3;
g) informative materials for customers, stating the principles on the basis of the company’s activities (copy);
h) annual report certified by the financial auditor, together with the Administrators’ Report and the Financial Auditor’s Report – for the previous year, where applicable;
i) the biannual report, which will include the biannual financial information for the current year, where applicable;
j) the authorization contract concluded with another Participant, as the case may be (copy);
k) other documents BSE deems necessary.

(2) In order to commence trading with BSE, the subsidiaries of intermediaries from non-member states must meet the following requirements:

a) meet the technical equipment requirements (minimum hardware and software configuration), namely the minimum technical requirements for the use of the Arena Terminal access interface, specified in the BSE System User Manual;
b) the company must have at least 2 financial investment service agents meet the requirements regarding their authorization as exchange tied agents, according to art. 17 para. 3;

c) to pay the Participant admission fee (price for the purchase of one non-assignable trading license) specified in the Price List and all fees required by BSE or to have an assignable trading license;

d) to provide evidence of its status of member/direct or indirect participant to a clearing and settlement system and/or registry agreed by RNSC and BSE;

e) to fill in and sign a set of standard documents provided by BSE, which includes: a contract regarding non-exclusive software license assignment and BSE system access through the Arena-Terminal access interface and a Contractual Statement regarding the company’s trading activities;

f) to obtain the status of/be a member of an investor’s settlement scheme for investors who open accounts with the respective subsidiary, according to the provisions of art. 61 of the RNSC Regulations no. 32/2006.

(21) The provisions of Art. 4 para. (2) and (3) of Title I also apply to any intermediary from non-member states.

(3) The admission procedure as Participants for the subsidiaries of intermediaries from non-member states is as mentioned in art. 5 and 6 of this Title, adequately applied.

(4) Official translations must also be submitted for all documents not written in Romanian.
CHAPTER III
CESSATION OF PARTICIPANT STATUS AND WITHDRAWAL OF ACCESS TO THE BSE TRADING SYSTEM

Art.9 The cessation of the Participant status and the withdrawal of access to the BSE trading system occur within the following situations:
   a. upon the participant’s request (whether as a result of the RNSC / the competent authority withdrawing, upon request, the intermediary authorization or otherwise);
   b. As a result of a BSE sanction, for having committed an illegal act;
   c. As a result of an RNSC sanction regarding authorization withdrawal.
   d. should BSE/RNSC find or should RNSC notify BSE that other requirements are met which result in the termination of the Participant status and the withdrawal of access to the trading system.

Art.10 (1) Once all documents are received and the withdrawal conditions in sections 1-3 are met, based on the Recommendation Note elaborated by the BSE specialized department and, approved by the General Manager, the Board of Governors, respectively the BSE General Manager for the situation mentioned in art. 15, will decide the withdrawal of participant status and will rule to erase the investment firm from the Participants Register.
   (2) The exclusion from the Participants’ Registry is done by the BSE specialized department within 3 trading days from the BG decision to withdraw the firm from the BSE trading system or the BSE General Manager’s sanction issue date.
   (3) The participant status will cease upon the date the BG decides the withdrawal and shall take effect upon firm exclusion from the Participants’ Registry, respectively upon the date the BSE General Manager’s sanctioning decision becomes final.
   (4) BSE will notify the RNSC and all other participants with regard to the respective withdrawals and will update the information on the BSE website.

Art.11 If a participant has not paid all its dues to the BSE, the market operator is entitled to seek repayment via direct reconciliation or legal pursuit, as applicable.

Section 1
Termination of Participant status and withdrawal of Access to the BSE Trading System - On Request

Art.12 (1) In the case of withdrawal on request, the participant will fill in an application form to the BSE, clearly stating the motivation behind the decision, accompanied by the following documents:
   a. The documents in proof requested, specific to each case;
   b. The notice regarding the BSE contractual relation termination;
   c. The proof of settlement of all debts with
   d. respect to BSE, including the full payment of the annual Participant fee for the withdrawal year;
e. The firm’s application for withdrawal of access as well as the applications from all tied agents employed by the investment firm and deactivation of access codes and passwords.

(2) Once a participant meets the conditions in para.1, BSE will undergo the procedure described in art.13, point a. and art.10

(3) In the case of a participant specifically requesting RNSC the withdrawal of the authorization to intermediate in accordance with art.9 and 10 from the RNSC regulation no. 31/2006, BSE will issue a receipt as specified in art.13, point b from this Title.

Art.13 BSE will perform the follow operations:

a. The participant’s access to the BSE system will be withdrawn;
b. A receipt will be issued in accordance with art.11, para.1, pt. b. or art.16, para.1, pt. a., sub point 1 of the RNSC regulation no. 32/2006.

Section 2
Cessation of Participant status due to sanctioning by RNSC / competent authority from state of origin or by BSE

Art.14 BSE, upon receiving an individual document issued by the RNSC / the country of origin regarding the sanctioning and withdrawal of a participant’s intermediary authorization, will automatically withdraw the participant’s access to the BSE system and of his exchange tied agents and will request the immediate observance of the obligations detailed in art.12, para.1. Once these obligations are observed, BSE will enforce the provisions of art.10 and art.13, pt. b, if necessary.

Art.15 If the BSE General Manager issues a sanction for withdrawal to the participant, BSE will immediately withdraw the participant’s access to the trading system as well as the access of his exchange tied agents from the electronic services and will request immediate observation of the provisions stipulated in art.12, para.1. Once the sanction decision is final, BSE undertakes the responsibility to implement procedures described in art. 10, para. 2-4.

Section 3
Rightful cessation of the Participant status as a result of the winding-up of the company

Art.16 (1) A participant may cease to exist as a result of a merger or dissolution or division, in compliance with art.16 of the RNSC regulation no. 32/2006.

(2) The new firm(s) shall operate in accordance with art.28.
CHAPTER III
MARKET MAKERS ON THE SPOT MARKET

Section 1
General provisions

Art. 161 (1) This chapter defined the normative background required for the Participants to carry out their Market Maker activities for the following financial instruments traded on the Regulated Spot Market:

a) financial instruments traded on the Regulated Spot Market which are also traded on regulated markets of other Member States of the European Union, if they are not admitted for the first time on a regulated market in Romania;
b) treasury bonds;
b') units on tradable on Collective Investment Undertakings local tier
c) financial instruments listed by decision of the BSE Board of Governors.

(2) The Market Makers must maintain market liquidity in compliance with the provisions of this chapter.

(3) The BSE Board of Governors decides on specific parameters and additional requirements regarding the market operations performed by the Participants acting as Market Makers on the Regulated Spot Market, for each individual financial instrument.

(4) The BSE Board of Governors is fully liable for the supervision of the manner in which the Participants who act as Market Makers on the Regulated Spot Market respect their Market Maker obligations.

(5) BSE maintains and publishes, at least on its own website, a list of Participants acting as Market Makers on the Regulated Spot Market, hereinafter called the “Market Makers Registry on the Regulated Spot Market”, as well as a list of all financial instruments for which this status is held.

(6) repealed

Art. 162 (1) BSE may request a fee for granting the Market Maker status, in compliance with the “List of Fees charged by the BSE”.

(2) BSE may set preferential prices and/or fees for the trading activities carried out as Market Maker on the Regulated Spot Market.

Section 2
Granting the Market Maker status on the Regulated Spot Market.
Registration as Market Maker for a financial instrument

Art. 163(1) Granting the Market Maker status on the Regulated Spot Market falls under the competence of the BSE Board of Governors. The BSE Board of Governors must decide on the granting of this status within no more than 30 days from the submittal of the respective documents certifying that the requirements specified under art. 164 are met.

(2) Registration as Market Maker for a specific financial instrument falls under the competence of the BSE General Manager. The General Manager decides on registration
as a Market Maker for a specific financial instrument within no more than 15 days from request of the respective Market Maker.

(3) Start of trading activities as Market Maker is conditioned by the signature of the BSE contract referring to the enforcement of the provisions of art. 16\textsuperscript{18}.

**Art. 16\textsuperscript{4}(1)** In order to acquire the Market Maker status on the Regulated Spot Market, a participant must meet all of the following requirements:

- **a)** to hold the right to trade financial instruments on its own account, in compliance with its scope of activity specified in the articles of incorporation with the A.S.F. Registry, Section Intermediaries;
- **b)** to have a House account in the electronic trading system, without any legal or technical restrictions;
- **c)** to request the granting of the Market Maker status on the Regulated Spot Market through a written request, according to standard model specified by the BSE;
- **d)** to request registration as a Market Maker for at least one financial instrument through the standard form specified by the BSE;
- **e)** to have no overdue debit regarding the meeting of its financial and other obligations towards BSE;
- **f)** to produce proof of paying in the BSE account of the fee for registration with the Market Makers Registry on the Regulated Spot Market, if such a fee has been approved;
- **g)** to designate at least one exchange tied agent as intermediary for staying in contact with BSE throughout the period in which the Market Maker status is held;
- **h)** to meet any other requirements the BSE deems necessary.

**i)** The participant requiring to become Market Maker for Collective Investment Undertakings local tier, additional to the requirements included in paragraph (1) have to hand in the proof of signing a contract with the asset management company of the tradable Collective Investment Undertakings which issues the respective units.

(2) Should any modifications occur related to the intermediary specified under para. (1) letter g), the Market Maker must notify BSE thereof as soon as possible.

(3) BSE will issue public notifications regarding the granting of the Market Maker status on the Regulated Spot Market for a Participant and will adequately update the “Market Makers Registry on the Regulated Spot Market”.

**Art. 16\textsuperscript{5}(1)** After the BSE Board of Governors grants the Market Maker status, the BSE General Manager will issue a decision, within no more than 15 days, on the basis of the information submitted by the Participant through the standard form decided by BSE, the following elements, including but not limited to:

- **a)** registration as a Market Maker of the respective Participant for a financial instrument specified under art. 16\textsuperscript{4} para. (1) letter d);
- **b)** the date on which the respective Participant can begin trading as a Market Maker for the financial instrument for which it requested registration as a Market Maker.

(2) After acquiring the Market Maker status, the respective Participant may request its registration as a Market Maker for other financial instruments traded by the BSE, in
which case the provisions of para. (1) apply, and which also implies the signature of an addendum to the contract specified under art. 16³ para. (3).

(3) For Market Makers registered for the treasury bonds series:
   a) the provisions of Art. 16⁸ para. (1) letter a) and, correspondingly, Art. 16⁸ para. (3) and Art. 16⁹ para. (1) do not apply;
   b) in compliance with the provisions of Art 16⁹ para. (3), the deadline specified under Art 16⁹ para. (2) regarding registration as a Market Maker for a treasury bonds series becomes effective on the trading session on the stock exchange day following the date on which the BSE received the respective notification.

Art. 16⁶ BSE will issue public notifications regarding the financial instruments for which Participants are registered as Market Makers on the Regulated Spot Market, as well as any subsequent modifications thereto.

Art. 16⁷ The BSE Board of Governors may reject a Participant’s request for Market Maker status on the Regulated Spot Market, in the following cases:
   a) failure to meet one or several requirements specified under art. 16⁴;
   b) market integrity is deemed endangered;
   c) the respective Participant frequently breached the commitments resulting from its Market Maker status on the Regulated Spot Market, if it held this status previously;
   d) from any other reasons the BSE deems founded.

Section 3
Renouncing the registration as Market Maker for a financial instrument.
Giving up the Market Maker status

Art. 16⁸ (1) A Participant can give up its registration as a Market Maker for a specific financial instrument, by:
   a) submitting the BSE a withdrawal notification regarding its registration as a Market Maker to become effective at the end of the calendar month during which the Participant made the respective request;
   b) submitting the BSE a withdrawal notification regarding its registration as a Market Maker to become effective immediately.

(2) A Participant may give up its Market Maker status on the Regulated Spot Market by:
   a) submitting the BSE a withdrawal notification regarding its registration as a Market Maker on the Regulated Spot Market to become effective at the end of the calendar month during which the Participant made the respective request;
   b) submitting the BSE a withdrawal notification regarding its registration as a Market Maker on the Regulated Spot Market to become effective immediately.

(3) In the case specified under para. (1) letter a) and para. (2) letter a), the respective Participant must issue a notification at least 10 working days prior to the end of the calendar month during which it made the respective request.

(4) In the case specified under para. (2) letter b), the giving up of the Market Maker status becomes effective starting on the trading session following the date on which the BSE received the respective notification.
Giving up a Market Maker’s registration for all financial instruments results in its giving up on the Market Maker status on the Regulated Spot Market, in which case the provisions of para. (2) apply.

Giving up a Participant’s Market Maker status on the Regulated Spot Market results in its giving up its Market Maker registration for all financial instruments.

**Art. 16**

(1) If a Participant gave up its Market Maker registration on the Regulated Spot Market for a financial instrument in compliance with the provisions of art. 16 para. (1) letter a) or its Market Maker status in compliance with the provisions of art. 16 para. (2) letter a), its Market Maker registration for the respective financial instrument, namely its Market Maker status can be re-acquired only after a period of time decided by the BSE Board of Governors, but not lower than 10 calendar days.

(2) If a Participant gave up its Market Maker registration for a financial instrument traded on the Regulated Spot Market in compliance with the provisions of art. 16 para. (1) letter b) or its Market Maker status in compliance with the provisions of art. 16 para. (2) letter b), its Market Maker registration for the respective financial instrument, namely its Market Maker status can be re-acquired only after a period of time decided by the BSE Board of Governors, but not lower than 30 calendar days.

(3) If it is deemed necessary, the BSE Board of Governors can change, by amending this Rulebook, the deadlines specified under para. (1) and (2).

(4) All benefits and facilities granted to the Participant by the BSE (preferential tariffs and fees etc.), apply only for those financial instruments the entity is registered as a Market Maker for, and are lost by giving up the Market Maker status or registration.

**Section 4**

Suspension / Ceasing of Market Maker registration. Withdrawal of Market Maker status on the Spot Regulated Market

**Art. 16**

(1) BSE’s General Manager can decide on suspending a Market Maker registration for one or several financial instruments, taking into consideration the following situations, including, but not limited to:

a) suspending the Participant’s access to the trading system;

b) justified request by the RNSC or a similar institution;

c) framing it in the provisions of 1626 align. (5), considering the gravity and the implications of the Market Maker activity for a financial instrument;

d) if the BSE deems it necessary, in cases such as: force majeure events, maintaining the market integrity and safety etc.;

e) suspending the participant from the clearing-settlement and registry system.

(2) The decision to suspend the registration of Market Maker for one or several financial instruments is notified to the respective Participant, together with the causes thereof and, if applicable, the period of time in which the situation which led to the suspension decision must be remedied.

**Art. 16**

(1) BSE’s General Manager can decide on the granting of the applicable benefits/facilities in case of force majeure, when a Participant is unable to perform the obligations resulting its Market Maker status for reasons beyond its control.
(2) The Participants unable to perform the obligations resulting from their Market Maker status in force majeure cases will submit to the BSE a written notification regarding the respective situation, together with the applicable supporting documents.

Art. 1612 (1) BSE’s General Manager may decide on termination of the registration of a Market Maker for one or several financial instruments, taking into consideration the following situations, without limitation:
   a) withdrawal from trade of a financial instrument;
   b) withdrawal of the participant status;
   c) in cases when the causes from art. 1610 para. (1) that led to the suspension of the registration as Market Maker have not been remedied.

(2) In case of Participants in the situation mentioned in para. (1) letter a), the following provisions apply:
   a) termination of registration as Market Maker for the financial instrument that was the reason for withdrawal from trade;
   b) withdrawal of the Market Maker status, if the following cumulative conditions are met:
      1. by withdrawal from trade of the financial instrument the condition to be registered for at least one financial instrument is no longer met;
      2. the Participant in the situation described in pt. 1 does not request the registration for another financial instrument, within 10 working days as of the termination of registration as Market Maker in the situation mentioned in letter a).

(3) In the case of provisions from para. (1) letter c), BSE General Manager may decide on the date on which the termination of registration as Market Maker becomes effective if the causes that led to the suspension of the registration are not remedied for a period of time longer than 30 calendar days.

Art. 1613 BSE’s Board of Governors decides on the withdrawal of the Market Maker status at the Regulated Spot Market, taking into consideration the following situations, without limitation:
   a) if it is determined that the Market Maker status was obtained based on information that were false, erroneous or incomplete, as well as in other cases when it is determined subsequently that upon the date of granting the Market Maker status the necessary conditions had not been met;
   b) termination of registration as Market Maker for all the financial instruments;
   c) noncompliance with the conditions based on which the Market Maker status was granted;
   d) repeated noncompliance with the obligations undertaken as Market Maker.

Art. 1614 (1) BSE will notify both the Participant, as well as the public regarding the suspension / termination of a Market Maker registration, respectively the withdrawal of the Market Maker status and will update the “Market Makers Registry on the Regulated Spot Market” accordingly.

(2) As of the effective date of the measures regarding the suspension / termination of a Market Maker registration, respectively the withdrawal of the Market Maker status, a Participant may perform transactions with financial instruments, without benefiting
from the facilities granted to Market Makers by the BSE, on condition that the activity of the respective participant is not suspended / his right to trade has not been withdrawn.

Section 5

Resuming registration as Market Maker.

Regaining the Market Maker status on the Regulated Spot Market

Art. 16\textsuperscript{15} (1) Resuming the registration as Market Maker will be done by the BSE General Manager

(2) The BSE General Manager may decide regarding on resuming the registration as Market Maker for a financial instrument, in one of the following situations, as applicable, without limitation:

a) the causes for the suspension of the registration have been eliminated;

b) the Market Maker gave up the registration for the respective financial instrument – without this leading to the withdrawal of the Market Maker status - and subsequently has requested to resume the registration, in observance of the minimum period of time stipulated in art. 16\textsuperscript{9} para. (1), respectively para. (2) and the conclusion of an addendum to the contract stipulated in art. 16\textsuperscript{3} para. (3).

Art. 16\textsuperscript{16} (1) Given the case that Participants gave up the Market Maker status, regaining the Market Maker status will be decided by the BSE Board and will be done with respect to the minimum period of time stipulated in art. 16\textsuperscript{9} para. (1), respectively para. (2), as well as in compliance with provisions from art. 16\textsuperscript{3} para. (3), 16\textsuperscript{4} and 16\textsuperscript{18}.

(2) Given the case that Participants were withdrawn the Market Maker status in compliance with the provisions of art. 16\textsuperscript{13}, regaining of the Market Maker status will be decided by the BSE Board and by observing the conditions stipulated in art. 16\textsuperscript{3} para. (3), 16\textsuperscript{4} and 16\textsuperscript{18}.

Section 6

Market operations performed by the Market Makers

Art. 16\textsuperscript{17} (1) The Market Maker status supposes maintaining liquidities during the trade session on the Spot regulated Market by providing bid and ask offers, as well as concluding transactions based on them.

(2) Bid and ask offers can be provided by introducing on its own account buy and sell limit orders.

(3) In reasonable situations (technical reasons, special volatility on the market, etc.), BSE may allow Market Makers, upon request, not to display bid and ask offers for a maximum number of trading sessions during one calendar month, according to the parameters established by the BSE Board, in compliance with the contract concluded between them and BSE.

Art. 16\textsuperscript{18} (1) BSE Board imposes specific parameters and additional requirements and/or changing those already existent regarding Market Makers, in relation to the following aspects, but without limitation to the following:
a) minimum volume corresponding to the bid and ask offer;
b) maximum spread between the bid and ask prices displayed by the Market Maker;
c) minimum period of time for maintaining the bid and ask offer during one trading session or certain periods of time (for example: one month);
d) maxima period of time until updating the bid and ask offer;
e) minimum or maximum number of financial instruments for which one Participant may register as Market Maker;
f) minimum period of time for which a Market Maker must have this status;
g) maximum number of trade sessions during one calendar month during which a Market Maker cannot display bid and ask offers.

(2) The Participants registered as Market Maker for a certain financial instrument may conclude transactions for the respective instrument on their own behalf, both on the House account as well as on the other accounts opened by it.

(3) BSE may decide regarding the use of a special account for showing the market operations performed by the Participants as Market Maker on the Regulated Spot Market (“Market Maker account”).

(4) The specific parameters and the additional requirements stipulated in para. (1) are identical for all the Participants having the Market Maker status for a certain financial instrument and they are contained in the contract concluded between them and BSE.

(5) The modification of the specific parameters and of the additional requirements is done by concluding addenda to the contracts mentioned in para. (4).

Art. 16\textsuperscript{19}(1) The identity of the Market Maker providing the bid and ask offers is not visible for the other Participants, but only for the BSE specialized department.

(2) BSE may decide regarding the possibility to display the identity of the Market Makers in the trading system, respectively the other Participants being able to see them, based on the characteristics of the electronic system used by BSE.

Art. 16\textsuperscript{20}(1) The bid and ask offer is entered on the “House” account, through limited bid and ask orders for the financial instrument for which the respective Participant is registered as Market Maker.

(2) In the case of hidden limit orders, the Market Makers have the obligation to enter and maintain a visible volume at least equal to the minimum volume established by the BSE Board in compliance with the provisions of art. 16\textsuperscript{18} para. (1) letter a) and para. (4).

Art. 16\textsuperscript{21}(1) It is considered that a Market Maker has a firm buy and sell offer for a financial instrument, if there is at least one buy order or at least one sell order entered by the Market Maker on the House account which respects all the requirements established for each financial instrument by the Board of Governors, with respect to the provisions of art. 16\textsuperscript{18} paragraph (1).

(2) In case a Market Maker is not complying with the requirements stipulated in para. (1), the Participant has the obligation to change those requirements within the deadline established by the BSE Board.

(3) The requirements stipulated in para. (1) and (2) are notified to the public and apply to all Participants registered as Market Makers for the respective financial instrument.
(4) The obligations of a Market Maker regarding entering and maintaining bid and ask offers are fulfilled by using the access interfaces to the BSE system.

**Art. 16**22 (1) In the orders register from the electronic trading system corresponding to a financial instrument, one must enter:

a) bid and ask offers entered and administrated by the Participants with the purpose of fulfilling the obligations undertaken as Market Makers on the Regulated Spot Market;

b) the orders entered in the “House” account by the Participants care having Market Maker status on the Regulated Spot Market, but do not meet the requirements established for the bid and ask offers;

c) the orders entered in the individual accounts, respectively in the global accounts afferent to own clients by the Participants having the Market Maker status on the Regulated Spot Market, according to the account system used by them;

d) the orders entered by the other Participants not having the Market Maker status on the Regulated Spot Market.

(2) Transactions are closed by automatic execution of the orders mentioned in para. (1), in compliance with the orders execution principles applicable to the respective market.

(3) The obligations/facilities of a Participant as Market Maker on the Regulated Spot Market are considered to have been fulfilled / complied with by taking into consideration only the activity undertaken by the Participant on the “House” account.

**Art. 16**23 (1) In the situations stipulated in art. 1610, BSE may perform the following operations, as applicable:

a) the total or partial suspension of the Participant’s access to the trading system (e.g.: access suspension for one or several markets, etc.);

b) the suspension or withdrawal of the orders entered on the market by the respective Market Maker.

(2) The Market Makers dealing with the situations mentioned in para. (1) will immediately inform BSE regarding the remedy of the respective situation.

(3) BSE decides regarding resuming access to the trading system after the elimination of the causes that lead to the suspension of the registration as Market Maker, unless there are other legal or technical-operational restriction.

**Art. 16**24 (1) In the situations when there is high market volatility, force majeure events of in similar situations, BSE may decide to modify or suspend the obligations imposed to the Market Makers registered for one or several financial instruments.

(2) BSE will notify the publicly regarding the cases mentioned in para. (1).

**Art. 16**24(0) (1) The obligations of a Market Maker registered for a certain unit within Collective Investment Undertakings Tier stop or are rightfully suspended if the respective title is withdraw/ suspended from trading, under the following situations, but without limiting to them:

a) in the circumstances described within the issuing prospectus.

b) in other circumstances described in Art. 692 align. (1) from Title II.

(2) Obligations of a Market Maker registered for a certain unit from Collective Investment Undertakings Local Tier can be temporally suspended due to the issuer’s demand, under the following circumstances:
a) the interruption / impossibility of calculation / determination of the reference index, and also suspension of publishing the reference index;
b) at least a component of the reference index is suspended from trading and the component/ components under this circumstance has/ have an individual percentage/ significant cumulative, according to the information communicated by the issuer, in the respective index with the condition that the issuing prospectus or other additional papers would not foresee otherwise;
c) from reasons independent from the Issuer, the unit value of the net asset used in calculation can be determined and/ or transmitted to BVB. In this case, the Issuer’s demand will include a grounded justification.

(3) In the situations provided in paragraph (2) The issuer can transmit to B.V.B. directly, or through the Market Maker registered for that certain unit within the Collective Investment Undertaking Tier, the suspension from trading of the respective units.

(4) In the situation when a Market Maker registered for a certain unit within Collective Investment Undertakings registers technical malfunctions (such as the quotation electronic system malfunctions), it is obligated to inform BVB immediately and its obligations are suspended.

(5) A Market Maker which is under of the situations mentioned above at paragraph (4) will inform B.V.B. immediately regarding the remediation of the respective situation and the resumption of its obligations will be made in accordance with the engagement it was assumed.

(6) B.V.B. will publically notify the situations mentioned in paragraph. (1) - (5).

Art. 1624(1) (1) The issuer of the units from Collective Investment Undertakings is obligated to design a new Market Maker, in 10 working days in case of the termination of the registration of the initial participant as Market Maker, in order to ensure the continuity of trading the respective financial instrument.

(2) In case the issuer of the units from the Collective Investment Undertakings can’t comply with the provisions from paragraph (1), it will notify B.V.B. on the occurrence of the situation and will inform B.V.B. on the post-trading conditions of the respective financial instrument, which may include the Issuer request of its suspension or withdrawal from trading in accordance with the provisions of the issuing prospectus and additional papers and incident legal provisions.

(3) B.V.B. will publically notify with regard on the situations mentioned on paragraph (1) and (2).

Section 7
Assessment of the activity carried out by the Market Makers

Art. 1625 (1) BSE will assess the activity carried out by a Participant having the Market Maker status on the Regulated Spot Market in order to:

a) verify the compliance with the obligations undertaken pursuant to having the Market Maker status;
b) grant the benefits /facilities arisen from having the Market Maker status.

(2) Upon the assessment of a Market Market’s activity, BSE will take into consideration the following elements, but without limitation:
a) the financial instruments for which the respective Participant has the obligation to maintain the bid and ask offers;
b) the date as of which the respective Participant has been registered as Market Maker for the respective financial instrument;
c) the obligations that the respective Market Maker must fulfill.

(3) In the process of assessing the Market Maker’s activity, the respective Participant has the obligation to immediately and adequately submit to BSE any document or explanatory note regarding the activity carried out as Market Maker.

Art. 16²⁶ (1) Monthly, during the first 10 days of each month, BSE will publish on its own website, a report on the previous month on the performance of the Market Makers for the financial instruments admitted to trading on the Spot Regulated Market for which they are recorded, according to the specific methodology.
(2) In exceptional conditions, deeply justified (high liquidity, technical issues, frequency of the transactions etc., the term provided by align (1) the term can be extended with maximum 5 working days.
(3) If a Market Maker registered on a financial instrument admitted to trading on the Spot Regulated Market doesn’t comply with its obligations on the Market Making activity for the respective instrument, it doesn’t benefit on the special commissions provided by BSE for that category of Market Makers, according to the procedure applicable to the respective category of Market Makers.
(4) In the situation mentioned in align (3), BSE can settle specific procedures applicable to a certain category of Market Makers on the Spot Regulated Market depending on the type of financial instrument (share, state bond from the Trading Collective Investment Undertakings Local Tier etc.) they are registered on and also the trading features of the respective financial instrument.
(5) In case that, following the assessment of the activity of a Participant as market Maker for the financial instrument admitted to trading on the Spot Regulated Market where it is registered, it recorded failure to comply with applicable provisions at least once a month for 3 consecutive calendar months, BSE can gradually take the following measures:
   a) suspension of registration as Market Maker for the respective financial instrument;
   b) ceasing the registration as Market Maker for the respective financial instrument;
   c) application of the provisions of art. 42 and art. 44 letter a).
(6) In justified circumstances, the measures provided in align (5) can also be applicable in the situation when, for a period shorter than the one provided in the same alignment, a Market Maker doesn’t comply with previously assumed engagements.
(7) In justified situations, determined by the specific type of financial instrument for which the Market Makers are registered, the high volatility of the market and other relevant market reasons, BSE, through the General Manager decision, can change the methodology and the term mentioned in align (5) which will be publically disseminated.
CHAPTER III
LIQUIDITY PROVIDERS

Section 1
General provisions

Art. 16(0) The financial instruments for which liquidity conditions are ensured through the Liquidity providers are the financial instruments included in one of the following sector:
   a) Structured products Sector;
   b) Collective Investment Undertakings Sector, Collective Investment Undertakings International Tier.

Art. 16(1) In order to trade the financial instruments mentioned in art. 16(0) the following provisions apply:
   a) in the case of structured products issued or to be issued based on a framework offer program, the Issuer undertakes the responsibility to assure the market, directly as Liquidity provider, when he is also a Participant, or through a Participant designated to act on his behalf as Liquidity provider, in compliance with the provisions of this Rulebook;
   b) in the case of securities included in the Collective Investment Undertakings International Tier, liquidity on the regulated market administered by BSE, in compliance with the provisions of this Book, is undertaken by the Liquidity provider, which could be one of the following entities:
      1. the Market Maker for the securities on the initial market and who has the Participant status;
      2. The Participant designated by the Market Maker for the securities on the initial market if he does not have the Participant status, in case there is a contractual relation between the Market Maker and the Issuer, under which the Issuer grants him the right to establish contractual relations with other Participants for the trade or the respective securities, as well as contractual relation between BSE and the Market Maker, based on which the Market Maker takes responsibility for maintaining the liquidity;
      3. The Participant designated by the Issuer.

(2) BSE may decide to grant the Liquidity provider status to Participants, other than the one initially designated, for:
   a) a certain individual issue of structured products, in compliance with the request of the structured products Issuer, or, as applicable;
   b) a certain issue of securities, in compliance with the Issuer’s request or, as applicable, of the Market Maker’s mentioned in para. (1), in the case of Collective Investment Undertakings International Tier.

(3) BSE may register the same Participant as Liquidity provider for:
   a) several individual issues afferent to one or several structured products Issuers;
   b) several issues afferent to one or several Issuers whose securities are allowed in the Collective Investment Undertakings International Tier.
(4) BSE maintains and publishes, at least on its own website, the list of Participants acting as Liquidity providers, hereinafter referred to as “Liquidity providers Registry”, as well as the structured products/the securities issues allowed in the Collective Investment Undertakings International Tier for which they are registered.
(5) The provisions of section 7 from Chapter III also apply to Liquidity providers.

Art. 16 28 (1) The Liquidity provider is the Participant who, based on the General Manager’s decision, has obtained the right to act as such for the structured products issued/to be issued based on the basic prospectus and the documents completing the respective prospectus or, as applicable, for the securities allowed in the Collective Investment Undertakings International Tier.
(2) A Participant will carry out the activities corresponding to a Liquidity provider for an individual issue of structured products, issued based on the basic prospectus and the completing documents, respectively for the Collective Investment Undertakings International Tier securities, based on the commitment to maintain market liquidity taken under the contract concluded with BSE and in compliance with the specific parameters established by the BSE for the respective issue, as follows:
a) in the case of structured products:
i) if he is an Issuer, he will use the “House” account;
ii) if he is not an Issuer, he will use an account opened in the name of the Issuer, according to the contract concluded between the Participant and the Issuer.
b) in the case of securities on the Collective Investment Undertakings International Tier:
i) if the Market Maker on the initial market is acting as Participant, he will use the “House” account;
ii) if he is a Participant, other than the Market Maker on the securities initial market, and he is designated by the Issuer, the respective Participant will act as Liquidity provider on the “House” account;
iii) if the Market Maker on the securities initial market is not a Participant, he will use the account corresponding to the Market Maker on the securities initial market, in compliance with the contract concluded between the Participant BSE and the respective Market Maker.
(3) The trade of an individual issue of structured products or securities allowed in the Collective Investment Undertakings International Tier, as applicable, is conditioned by the existence of the contract concluded between the Liquidity provider and BSE, as well as of other documents necessary for maintaining market liquidity for the respective financial instrument.
(31) the structured products Issuer or, as applicable, the Issuer/ the Market Maker on the securities initial market for Collective Investment Undertakings International Tier, takes the responsibility for maintaining liquidity on the regulated market administered by BSE as follows:
a) in the case of structured products, through at least one Liquidity provider, respectively the Issuer – Participant or the Participant designated by him;
b) in the case of securities on Collective Investment Undertakings International Tier, through the designated Liquidity provider.
(4) In order to ensure the trading conditions for financial instruments stipulated in art. 16 27(0), the Issuer, or, as applicable, the Market Maker mentioned in para. (2) letter b)
pt. iii) may delegate to the Liquidity provider activities specific to him, based on the contract concluded with the Liquidity provider.

(5) When, for the structured products to be issued based on a framework offer program, the Issuer also acts as Liquidity provider, the provisions of this section will apply accordingly.

Art. 1629 (1) BSE may establish tariffs and/or commissions for the trade activity carried out by the Participant as Liquidity provider.

(2) The obligations/facilities of a Participant as Liquidity provider for a certain issue of structured products/securities allowed in the Collective Investment Undertakings International Tier will be considered to be met/complied with by taking into consideration the activity carried out by him for the respective issue, in the “House” account or in the account indicated by the Participant, according to Art. 1628 para. (2).

Section 2
The registration of a Participant as Liquidity provider

Art. 1630 (1) In order to perform the operations as Liquidity provider, for the structured products to be issued based on a framework offer program, respectively for the securities from a Collective Investment Undertakings International Tier, a Participant must comply with the following conditions:

a) to conclude a contract with the BSE for maintaining market liquidity for the structured products/ the respective securities;

b) to indicate the account used for carrying out the Liquidity provider activity, on which there are no legal or technical restrictions;

c) to designate at least two exchange tied agents as liaison for maintaining the contract with BSE during having the Liquidity provider status;

d) to comply with other conditions that BSE considers necessary.

(2) the Participant holding the Liquidity provider status has the obligation to notify the BSE in writing, as soon as possible, regarding any modification to the data specified in para. (1), as applicable.

(3) BSE will publish on its own website information related to each issue of structured products/securities on the Collective Investment Undertakings, International Tier, for which Participants are registered as Liquidity providers, as well as further modifications hereof.

Art. 1631 BSE General Manager may deny the request of a Participant regarding the registration as Liquidity provider, in the following situations:

a) noncompliance with one or several of the conditions stipulated in art. 1630, para. (1);

b) it is considered that the market integrity, continuity, stability and liquidity cannot be maintained;

c) The respective Participant has frequently breached the commitments undertaken towards BSE;

d) For other reasons that BSE considers to be well-founded.
Section 3
Suspension or termination of registration of a Participant as Liquidity provider

Art. 16\(^{32}\) (1) BSE’s General Manager may decide to suspend the registration of a Participant as Liquidity provider in the situations stipulated in art. 16\(^{31}\).

(2) The provisions of art. 16\(^{10}\) para. (1) and those of art. 16\(^{11}\) para. (3) shall also apply for Liquidity providers.

Art. 16\(^{33}\) (1) The obligations of a Participant as Liquidity provider for an individual issue of structured products / securities to a Collective Investment Undertakings in the International Tier cease or are rightfully suspended when the issue is withdrawn/suspended from trade in the following situations, without limitation:

a) in the case of structured products:
   i) the issue has reached maturity or a certain event occurred which determines the early closure or the trade (e.g.: the value of the underlying asset has reached a certain level, named „knock-out price”), in the conditions stipulated in the basic prospectus and in its completing documents;
   ii) other situations stipulated by the basic prospectus and notified to the BSE by the Issuer.

b) in the case of securities, in the situations described in the issue prospectus or other circumstances described in art. 69\(^{1}\) para. (1) from Title II.

(2) The BSE General Manager may decide to terminate the registration of a Participant as Liquidity provider for all the structured products or for one / several / all the individual issues of structured products traded on the regulated market administered by BSE, in situations such as:

a) the framework offer program ended, in compliance with the provisions of the basic prospectus;

b) withdrawal of the Participant status of the respective Liquidity provider;

c) in the situations when the causes mentioned in art. 16\(^{31}\), which led to the suspension registration as Liquidity provider have not been remedied;

d) other reasonable situations which require the enforcement of this measure.

(2\(^{1}\)) BSE’s General Manager may decide to terminate the registration of a Participant as Liquidity provider for the securities of a Collective Investment Undertakings in the International Tier in situations such as:

a) termination of the contract concluded between the Issuer or, as applicable, the Market Maker on the initial market and the Liquidity provider;

b) in the situations when the causes mentioned in art. 16\(^{31}\), which led to the suspension registration as Liquidity provider have not been remedied;

c) withdrawal of the Participant status of the respective Liquidity provider;

d) the situations described in the issue prospectus which make it impossible for the Liquidity provider to fulfill his obligations in this capacity;

e) other reasonable situations which require the enforcement of this measure.

(3) The structured products Issuer has the obligation to designate a new Liquidity provider, within 10 working days, when the registration of the initial Participant as Liquidity provider terminates, with the purpose of assuring the continuity of the respective financial instrument trade.
(4) When the structured products Issuer cannot comply with the provisions of para. (3), he will notify the BSE regarding the situation and will inform BSE with regards to subsequent trade conditions for the respective financial instrument, which can also include the Issuer’s request for his suspension or withdrawal from trade, in compliance with the provisions of the basic prospectus and of the afferent completing documents, as well as with the incidental legal provisions.

(4) The provisions of para. (3) and (4) shall apply, consequently, also to the securities Issuer for the Collective Investment Undertakings International Tier or, as applicable, to the Market Maker on the initial market.

(5) BSE will make public the Issuer’s notifications regarding the situations stipulated in this article.

Section 4
Market operations performed by Liquidity providers

Art. 163⁴ (1) The obligations corresponding to a Liquidity provider refer to maintenance during the trade session, as Open market, for bid and ask offers, as well as closing transactions based on them.

(2) The provision of bid and ask offers according to the obligations undertaken takes place by entering bid and ask limit orders on the account indicated by the Liquidity provider.

(3) The specific parameters established by BSE regarding the obligations of a Liquidity provider shall be, without limitation, the following:
   a) minimum volume corresponding to the bid and ask offer;
   b) maximum spread between the bid and ask prices displayed by the Liquidity provider;
   c) maximum period of time until updating the bid and ask offer.

(4) The specific parameters for Liquidity providers are established by the decision of the General Manager, based on the type of financial instrument. Additionally, for structured products, the parameters are established and based on the nature of the underlying asset and on their characteristics, stipulated in the basic prospectus and in the completing documents.

(5) The specific parameters established for an issue of structured products, identified by symbol, are identical and mandatory for all the Liquidity providers registered for the respective issue.

(6) In reasonable situations, BSE may modify one or several specific parameters applicable to an individual issue of structured products, identified by symbol, and the Liquidity provider will update consequently the provisions of the initial commitment.

(7) BSE publishes through its own website the parameters specific to Liquidity providers corresponding to each individual issue of structured products/ issue of securities benefiting from the services of this category of Participants.

Art. 163⁵ (1) The identity of the Liquidity providers entering and managing bid and ask offers is not visible for the other market Participants.

(2) A Liquidity provider is considered to have a bid and ask offer for an individual issue of structured products / securities allowed in the Collective Investment Undertakings
International Tier, if there is at least one purchase order and at least one sale order entered by him in the indicated account complying with all the requirements established for the respective issue, in compliance with the commitment undertaken.

(3) Transactions are concluded by automatic execution of the orders, in compliance with the orders execution principles applicable to the respective market.

Art. 1636 (1) In exceptional situations, when there is high market volatility, force majeure events or in similar situations, BSE may decide to modify or suspend the obligations imposed to Liquidity providers.

(2) The Liquidity provider submits to BSE the request regarding the suspension of securities to Collective Investment Undertakings in the International Tier, respectively of the individual issue/ issues of structured products, and BSE may suspend temporarily his obligations to provide offers or may modify temporarily his obligations, in reasonable situations, such as:
   a) interrupting the underlying asset trade (e.g., in case the underlying asset market is not available for trade) or impossibility to determine / disseminate the price / level of the underlying asset’s issue / issues, for structured products;
   b) interrupting the determination / dissemination of the reference index or the case when the issue is not available for trade on the initial market, in the case of securities allowed in the Collective Investment Undertakings International Tier.

(3) BSE may suspend the Liquidity provider’s obligations in one of the following situations:
   a) the initial market for structured products / the securities of the Collective Investment Undertakings, International Tier, is not available for trade, according to the Liquidity provider’s notification;
   b) the underlying asset for structured products is traded on one of the markets administered by BSE, and he is suspended from trade.

(4) BSE will notify the public regarding the cases mentioned in para. (1), (2) and (3).

Art. 1637 (1) When a Liquidity provider experiences technical malfunctions (malfunctions of the electronic system used by it, etc.), and he can’t provide quotations:
   a) it has the obligation to inform BSE immediately regarding the occurrence of such a situation, specifying the time and the moment of time when such a situation occurred and also the justification for the occurrence of the respective situation and its obligations are suspended.
   b) The notification mentioned at letter a) will include the following information:
      1. the contact persons from the Liquidity Provider (telephone, e-mail);
      2. if the Participants could address to the Liquidity Provider to request its sell/ buy offers for the respective structured products, in order to close transactions, in the conditions that the Liquidity Provider has access to the BVB system,
   c) To ask the Liquidity provider for buy/ sell offer, a Participant could also address it by using the options available in the BSE system, namely:
      1. messaging module from the BSE system;
      2. usage of the deal market options available for structured products trading.
   d) While the designated Liquidity Provider is in the impossibility of providing
quotations due to the occurrence of technical malfunctions, but is able to send/answer buy/sell offer of the Participants, it has the obligation to have at least one stock agent connected to the BSE system.

e) In special situations, when the Liquidity provider can’t provide quotations and send/answer the Participants’ sell/buy offer, it will inform BSE on the occurrence of the respective situation and on the reason of the respective situation occurrence.

f) In the situations mentioned at letter e), the Liquidity Provider may ask for, according to the justification of the current situation, suspension from trading of the envisaged structured products.

g) A Liquidity provider which can’t provide quotations, according to the situation mentioned at letter e), it will immediately notify BSE, in case it can send/answer the Participants’ buy/sell offers, including the moment of time when work is resumed.

(2) A Liquidity provider experiencing the impossibility of providing quotations, according to align (1) will immediately notify BSE in writing on the remedy of the respective situation specifying the moment of time when it will provide quotations on the market.

(3) Resuming the obligations the Liquidity provider, based on para. (2), will be done in compliance with the commitment undertaken for each issue of structured products/securities on the Collective Investment Undertakings, International Tier.
CHAPTER IV
PARTICIPANT’S OBLIGATIONS

Section 1
Obligations Concerning Exchange Tied Agents

Art.17 (1) The Participants administer orders and conclude transactions through the access interfaces of the BSE system, as follows:

a) manually, through exchange tied agents, using Arena Terminal and Order Collector;
b) automatically, through access codes allotted to the Participant, when using Arena Gateway and Arena Fix.

(2) Participants performing operations with financial instruments through the BSE trading system must have at least 2 exchange tied agents.

(3) The exchange tied agent status is acquired based on an application submitted by the participant, while fulfilling the requirements below:

a. holding an authorization for financial investment agent issued by RNSC, for the financial investment companies and for the intermediaries subsidiaries from non-member states;
b. attending courses organized or certified by BSE, paying the tariff for the exchange tied agents exam (according to the List of fees charged by the BSE) as well as passing the tests and the professional exams, including those for re-certification /re-authorization /verification, for obtaining the exchange tied agent status;
c. submitting Appendix no. 2 with personal data.
d. employing under individual work contract within the respective company, or in the case of the investment companies from member states or their subsidiaries, the existence of a contractual relation with the respective company.

(4) BSE is in charge of organizing and conducting all examinations and tests in relation to granting the exchange tied agent status. When new financial products are introduced on the market and/or the BSE trading system undertakes significant adjustments, BSE is entitled to ask for the reassessment / recertification of previously authorized exchange tied agents.

(5) An exchange tied agent authorization can only be issued by BSE’s General Manager.

(6) Retaining the exchange tied agent status depends on continuously respecting the conditions stipulated in para.3

(7) The discontinuity of the exchange tied agent status and the withdrawal of access to the BSE trading system may be the consequence of:

a. Upon the participant’s request (following or not the withdrawal by the RNSC /the competent authority in the country of origin, upon request, of the financial investment agent authorization / authorization similar to the one for financial investment agent, for the respective exchange tied agent);
b. Upon the exchange tied agent’s request, following the termination of the work contract with the employing participant;

c. Following a BSE sanction for an illegal act;

d. Following an RNSC / competent authority in the country of origin sanction for withdrawing the authorization.

(8) An exchange tied agent can be employed by a single participant only who has applied for his/her exchange tied agent authorization.

(9) BSE keeps record of all exchange tied agents authorized to trade within BSE.

(10) Participants are responsible for any illegal act committed by one of the exchange tied agents it employs, as well as for the illegal acts resulted from accessing BSE system through the access interfaces used by the Participants. The Participants can take actions against clients for the illegal acts resulted after accessing the interfaces.

(11) In order to use an access interface mentioned in para. (1) letter b), a Participant will notify BSE, the persons liaising with BSE, regarding the use of the respective interface, who are designated among the exchange tied agents of the respective Participant, having the right to trade in the BSE system.

(12) The respective Participant will notify BSE at least one working day prior to any update of:

a) the content of the list of persons mentioned in para. (11);

b) the right to trade on the BSE system of an exchange tied agent who is designated according to para. (11).

(13) Noncompliance with the provisions of para. (12) leads to the suspension of the Participant’s access to the respective interface, until he observe the BSE requirements.

Section 2
Obligations Concerning the Participants’ Activity

Art.18 (1) Participants must comply with the requirements detailed in art.4, para. 1, pt. a, b and d-f and, as applicable, para. 2, throughout their existence.

(2) The Client-Participant relationship regarding the trade on the BSE will be based on the documents stipulated by RNSC and/or the competent authority in the country of origin, as applicable, with the minimum of required content.

(3) The Participants will provide true, accurate and sufficient information to their clients regarding the market as well as any transaction that is carried out on the client’s behalf on the BSE.

(4) Participants shall ensure the compliance of the activity they carry out with the provisions of RNSC regulations and/or of the competent authority in the country of origin, if applicable.

(5) All personnel employed by a participant will comply with the prudential requirements and code of conduct regarding the financial investment services activity, established by the RNSC regulations and/or of the competent authority in the country of origin, as applicable and of BSE.

(6) At least one of the persons liaising with the BSE, delegated by each participant in compliance with Appendix no. 1, must be an authorized exchange tied agent authorized by the RNSC / the competent authority in the country of origin.

(7) BSE BG members, managing directors and exchange tied agents will observe the professional standards and requirements stipulated by the RNSC / the competent authority in the country of origin and BSE.
Art. 18 The Participants using the access interfaces Arena Gateway, Arena Fix and/or Order Collector must comply with the following provisions:

a) a Participant can use the access interfaces based on a submitted request to BSE, in compliance with the terms and technical, procedural, operational and security conditions stipulated by BSE;

b) the Participants will enter and manage orders through the access interfaces according to the regulations of BSE, approved by RNSC and of the regulations issued by RNSC;

c) in order to access the BSE system through the access interfaces, a Participant must comply with the provisions of para. a) and b), at all times;

d) to have the mechanisms for the control, filtration and authorization of the operations sent to the BSE system, as well as methods for storing the details of these operations;

e) the Participants have the obligation to submit to BSE, upon request, additional information regarding any operation submitted through the access interfaces (orders, administrative operation).

Art. 19 (1) The Participants are liable for their personnel maintaining the confidentiality of the information.

(2) The Participants and their staff are forbidden to exploit the clients’ confidential information and to make them public or to facilitate their supply in own advantage to third parties.

Art. 20 (1) The Participants will elaborate and make available to the clients the information with respect to the methodology employed and the principles based on which they operate.

(2) The Participants will take all necessary measures to prevent staff as well as other participants from disparaging the BSE and the other participants.

Art. 21 (1) Any promotion activity undertaken by a participant must be in accordance with the Law 279/2004 and the regulations of RNSC / the competent authority in the country of origin, as applicable.

(2) BSE is entitled to forbid the use of any promotion material and may request their modification if they do not correspond to the activity carried on by a Participant or if is against the interests of the BSE, other participants, investors or the capital market in general.

Art. 22 The representative /representatives of the ICD will comply with the provisions of Law 297/2004, of the RNSC/ the competent authority in the country of origin and BSE regulations.

Section 3
Obligations Concerning Notifications to BSE

Art. 23 (1) The Participants will notify BSE within 2 working days with regard to:
a. any amendments to the information provided in the materials mentioned in art.3, art.4 and art.7, para.1 and 3, 8² and 8⁴;

b. any changes to the initial authorization conditions made by the RNSC / the competent authority in the country of origin, or the RNSC Registry registration;

c. any alterations to the organization and functioning authorized according to RNSC regulations, accompanied by the RNSC decision regarding authorizing the respective modification, the remarks on the registration certificate or new registration certificate with the NTRO;

d. any significant changes to the investment firm’s organization structure;

e. the opening up, closing down or freezing of the bank accounts used in the relation with the BSE;

f. The legal action taken by or against the participant, BG members, managing directors or employees, regarding their activity overall;

(2) Explanatory documents will be forwarded to the BSE as soon as they are issued and/or certified by the authorizing institutions (RNSC/ the competent authority in the country of origin, NTRO, etc.)

(3) Participants will notify to the BSE the aspects mentioned in para. One using the forms from Appendix 1-3 as applicable;

(4) Participants will provide BSE, on an annual basis (by 31st of January latest), with the following information:

  a. The Appendix 1 updated together with the explanatory documents for any amendments;

  b. A notification with regard to the reasons for the lack of any amendments to Appendix 1.

Art.24 The Participant will notify BSE with regard to the withdrawal of any delegated or exchange tied agent’s trading authorization and will request the proof of blocking/deactivation of all access codes and passwords for the BSE system only for the agents. BSE will submit this proof and will make the respective modification both on the BSE website and internal registries.

Art.25 Delegation contracts signed by participants with other participants or intermediaries in relation to financial investments services will be notified to the BSE.

Art.26 (1) The Participants who sign contracts and exchange information with their clients over the internet in accordance with Law 297/2004 and the RNSC regulations, will notify BSE in this respect and will observe the BSE requirements.

(2) The Participants will notify BSE in relation to the financial investments services and activities in other member states, based on the authorization issued by RNSC, in compliance with the provisions of art. 53 from RNSC Regulation 32/2006.

Art.27 (1) The financial investment companies registered in the Participants Register will submit to BSE the financial reports stipulated in art. 153 para. 1 letter d) and e) from RNSC Regulation 32/2006, in electronic format, within the terms stipulated by RNSC regulations.
(2) The Participants will forward, by electronic means, the annual and/or quarterly financial reports, according to the enforceable regulations.

**Art.28 (1)** A participant’s intention to merge with another participant/non-participant, as well as a participant’s intention of division into 2 or more companies will be notified to the BSE at least 10 days prior to the date of the EGM called for this purpose, having on the agenda the situation regarding having the company’s administrators assigned to elaborate the merger /division project.

(2) The new investment firm(s) will request BSE one of the following:
   a. The withdrawal of the participant status, in accordance with Ch. III, Section 3, as applicable;
   b. The acceptance of the participant status, in accordance with CH. II

(3) As of the merger through consolidation/ division /dissolution, the Participant status rightfully ceases for the company / Participant company /companies, due to this process.

(4) The discontinuity of the participant status following merger or division occurs in compliance with the conditions stipulated by art.12.

**Art.29 (1)** The Participants have the obligation to provide to the BSE, on request, all documents regarding the operations conducted as well as information with respect to BG members, managing directors, tied agents/ agents authorized by the competent authority in the country of origin, delegated agents, employees, clients, etc.

(2) BSE commits will assure the confidentiality of the information held hereunder, this being opposable even to the BSE BG members.

**Section 4**

**Obligations Regarding Participant Fees**

**Art.30 (1)** The type and amount of fees charged to the participants for trading on the BSE regulated market will be subject to the BSE AGM decision and will be in included in the RNSC authorized List of fees charged by the BSE.

(2) Delays in the payment of fees and fees owed to the BSE will be subject to a fine of 0.05 % of the total sum owed per day of delay. The incomplete payment of fees will have the same consequence.

(3) The participant’s obligation of payment is different from the RNSC charges established according to RNSC regulations.

**Art.31** The annual fee for participant status is due on the 31st of March.

**Art.32 (1)** The Participants are liable to pay BSE trading fees, according to the List of fees charged by the BSE, for any of the following operations:
   a. Transactions
   b. Invalidations, unconfirmations/ rightful operation of the trades;
   c. repealed;
   d. Other specific operations.
(2) The fees stipulated in para.1 are charged for both selling and buying financial instruments. Other specific operations fees must be paid by all parties of a contract, according to the List of fees charged by the BSE.

(3) The fees will be paid monthly by the Participants, due within 5 working days from the end of the non-paid operating month, based on the reports submitted by the BSE specialized departments, after the Participant confirms all the trade reports.
CHAPTER IV
PARTICIPANTS ON TREASURY BONDS MARKET

Art. 321 (1) The Participants of the BSE treasury bonds market are the Participants defined in the conditions of this Title, who want to perform transactions only on the BSE treasury bonds market.

(2) For admission as Participant on the BSE treasury bonds market, an intermediary:
a) will comply with the requirements included in the procedure for admission as Participant, stipulated in Chapter II, according to the respective category of Participant, except for the provisions referring to the tariffs charged;
b) will pay the tariffs charged for a Participant on the BSE treasury bonds market, stipulated in List of fees charged by the BSE.

(3) The provisions of this Rulebook referring to Participants shall also apply, consequently, for Participants on the BSE treasury bonds market.

Art. 322 (1) The Participants on the BSE treasury bonds market will manage orders and will close stock transactions according to Art. 17 para. (1).

(2) The exchange tied agents authorized for a Participant on the BSE treasury bonds market will perform operations through the BSE trading system only on the treasury bonds market.”
CHAPTER V
SANCTIONS FOR ILLEGAL ACTS COMMITTED TO THE BSE LEGAL SCHEME BY PARTICIPANTS TO THE BSE TRADING SYSTEM AND BY EXCHANGE TIED AGENTS

Section 1
General Considerations

Art.33 (1) This Chapter has as purpose establishing the sanctions specific to illegal acts and the procedure regarding notification, acknowledgment and investigation thereof, as well as enforcing sanctions in order to assure the compliance with the BSE regulations as well as for settling breaches, notifications and claims regarding the Participant’s and his agent’s activity.

(2) The provisions of this Title are completed with the provisions regarding the organization and functioning of the Appeal Commission, detailed in the BSE Organization and Functioning Regulation.

Art.34 The procedural measures regulated under this Chapter are ought to be legal, objective, transparent and without delay and have the active support of the BSE departments.

Section 2
Illegal acts against the BSE Legal Scheme

Art.35 The illegal acts are those acts breaching BSE regulations, expressly qualified as illegal by them and which, according to the conditions that led to committing them, do not observe the elements stipulated by the law or by other superior legal normative to be qualified as offences, contraventions, market abuses or frauds.

Art.36 It does not constitute an illegal act if committed under physical or moral threat.

Art.37 (1) Illegal acts are those detailed in para.2-4, subject to the conditions of art.35. (2) The following are considered illegal acts throughout Title I:
  a. The transfer of documents required for the registration and updating of the Participants’ Registry under different conditions than those detailed in art.3, 4, 7, 82, 84 and 23, as applicable;
  b. The noncompliance with the provisions of art.18, para.1;
  c. The noncompliance with the obligations and commitments undertaken when submitting the documents requested in art.4, pt. e), 82 para. (2) letter e), 84 para. (2), letter e);
  d. Transactions originating in a participant subsidiary that does not meet the requirements in art.8;
  d1 abrogated
  e. The noncompliance with the requirements set out in art.17, para.2;
  f. Not noncompliance with the conditions needed for the exchange tied agent status upholding, stipulated in art.17, para.6;
1. noncompliance by the Participants with the provisions of art. 17 para. (12) and art. 18;

g. denigration of BSE or of the activity or personnel of another Participant, breaching the provisions of art.20, para.2;

h. The use of promotion materials forbidden by the BSE, according to the provisions of art.21, para.2;

i. Elaboration and submission of financial reports by the participants under conditions other than those stipulated in art.27;

j. Communicating the intention for merger/division under conditions other than those stipulated in art.29;

k. The breach of the provisions in art.29, para.1 and art. 29 para. 1;

l. noncompliance or faulty compliance with the payment obligations towards BSE by the participants;

(3) In the context of Title III, the following shall constitute illegal acts:

a. repealed

b. The noncompliance by a participant with the provisions of art.12;

c. A participant opening up a personal financial instruments account with another participant without having the right to trade financial instruments, breaching the provisions of art.13;

c. noncompliance by a participant with the provisions of art. 15 para. (1);

d. Accessing the BSE system with the violation of the provisions of art.15, para.2;

e. noncompliance with the provisions of art.21;

f. repealed;

g. repealed;

h. repealed;

i. The omission or delay in notifying the BSE with respect to the participant or exchange tied agent’s discontinuity of the trading authorization.

j. noncompliance with the term stipulated in art. 234.

k. Introducing in the BVB system, within a public offer, of an order which is not in compliance with provisions of the prospectus/offer document or the omission or refusal of the involved intermediary to withdraw that order or the omission or refusal of the offer intermediary or of the involved relevant intermediary to co-operate with BVB in order to remedy the incidents during the public offer or to implement the measures decided by BVB, the intermediary of the offer and/or CNVM for this respect.

(4) In the context of Title VI, an illegal act is represented by the noncompliance with the provisions of art.2;

Section 3
Sanctions

§1
General Provisions
Art.38 An illegal act qualified as such by the BSE is subject to sanctions imposed by the market operator, as elaborated upon in this Chapter.

Art.39 In case there are no special provisions regarding the enforcement of a certain sanction for certain illegal acts, they are sanctioned with administrative and/or patrimonial sanctions.

Art.40 BSE sanctions apply to all legal entities recognized as participants and/or exchange tied agents.

Art.41 When illegal acts are committed by several persons, each participant/exchange tied agent will be sanctioned separately (individually).

§2 Administrative-Disciplinary Sanctions

Art.42 Illegal acts, irrespective of their intentional or accidental nature, will bring about the following administrative sanctions, as laid down by the BSE rules and regulations:  
   a. Written notice;  
   b. Suspension of a participant’s trading right over a period between 1 and 90 trading sessions;  
   c. Suspending an exchange tied agent’s access to the BSE system for a period between 1 and 180 trading sessions;  
   d. Suspension of all rights attached to the exchange tied agent’s authorization for a period between 1 and 180 trading sessions;  
   e. Revoking the decision to authorize the exchange tied agent;  
   f. Withdrawal of the participant status.

Art.43 A written notification is issued to the author, outlining the danger caused by the illegal act to the BSE system and recommending thorough consideration in the future to ensure BSE conditions are met.

§3 Patrimonial Sanctions

Art.44 The intentional or accidental action or lack of, qualified as an illegal act will be sanctioned by the BSE as follows:  
   a. Patrimonial sanction between 100 RON and 6000 RON;  
   b. Civil remuneration depending on the degree of the damage caused to the BSE, given an illegal act was committed.

Art.45 The minimum and maximum level of the patrimonial sanction is updated every time necessary, based on the inflation rate, by the decision of the BSE BG.
**Art.46** Patrimonial sanctions are of a coercive nature. Civil remunerations are a source of finance to the BSE budget.

**Art.47** If during the period of carrying out the activity as Participant on the BSE trading system or as exchange tied agent, the same person has committed several illegal acts for which is stipulated the enforcement of patrimonial sanctions, these shall be enforced for each illegal act, according to the provisions for determining the stock exchange sanctions.

**Art.48** Any of the patrimonial sanctions can be enforced together with one of the administrative-disciplinary sanctions, when the conditions specific to their enforcement are met.

### Section 4
**Identifying, Registering and Investigating Illegal Acts**
**The Sanctioning Procedure.**
**Contesting the Sanctioning Decision**

**§1**
**Identifying and Registering Illegal Acts**

**Art.49** (1) BSE can open an investigation on its own, through the specialized departments, when illegal acts are committed or suspected to have been committed.

(2) BSE can be notified when an illegal act is committed or suspected to have been committed, by one of following:
   a. BSE BG;
   b. RNSC;
   c. any Participant;
   d. Exchange tied agents;
   e. Exchange tied agents
   f. Any physical or legal person directly affected by the illegal act;

**Art.50** The notifications coming from the subjects mentioned in art. 49 para. 2) are sent to BSE in writing and registered in a special Register, held by the BSE specialized department. The Notifications Register will contain remarks referring to:

   a. The date on which BSE was notified with regard to the illegal act as well as the date when it was registered;
   b. The entity notifying the BSE;
   c. The entities directly involved in the illegal act, as stated in the notification;
   d. The summary of the illegal act notified or of the fact suspected to be an illegal act.

**Art.51** Any remarks entered in the Notifications Registry must be signed by the notifying entity.
Art.52 Within no more than 2 working days as of the date of the registering the notification in the Notifications Register, the BSE specialized department will forward it to the other BSE departments which, according to the aspects contained in the notification, have the competence to investigate the respective illegal act and to determine the enforceable stock exchange sanction.

Art.53 Observing the illegal acts committed, expressly stipulated in the regulations BSE, as well proposing the applicable sanction represent the competence of the BSE specialized departments, corresponding to the specific field of activity and to the competence established by the express stock regulations. For this matter, they shall act in compliance with provisions from this Chapter, as well as of the other BSE applicable regulations, the Departments investigating and determining the applicable sanction have the obligation to inform immediately the BSE General Manager regarding opening an investigation.

§2 The procedure regarding investigating an Illegal Act

Art.54 (1) The procedure regarding the investigation of the illegal act is carried out by the BSE specialized department employees having the competence in this regard, under the coordination of the manager of the respective department.

(2) Within the investigation procedure, the BSE specialized department mentioned in para.1 may collaborate with other BSE departments.

Art.55 (1) The BSE specialized department will conduct the following procedures:
   a. Requesting documents and/or the hearing and/or the taking declaration from all persons involved in the respective illegal act;
   b. Discovering the existence of relevant documents and copying them;
   c. Recording on magnetic media the data related to the illegal act committed;
   d. Collecting and managing all evidence available;
   e. Determining any actual situations.

Art.56 The investigation procedure will be conducted by the BSE specialized department in such way that it does not affect the well-functioning of the department investigating, the transaction sessions and/or other related activities.

Art.57 The person under investigation has the right to defend him/her self throughout the entire investigation duration.

Art.58 The natural and legal entities under investigation must offer their full support to the BSE with the purpose of clarifying the situation. The refusal (implicit or explicit) will be noted by the specialized department, upon identification, as an aggravation circumstance.
Art.59 If, at the end of the investigation period, the specialized department decides that an illegal act was committed, a Recommendation Note will be issued to the BSE General Manager, containing the following information:

a. a description of the illegal act, together with the exact time and date when it was committed (hour, minute, second, as the case may be), and the circumstances relevant to assessing the gravity of the situation and the evaluation of the damage caused;
b. Identity of the faulty person(s);
c. The consequences of the illegal act;
d. Level of guilt of the investigated entities;
e. Personal statements, pleadings, existing evidence and the objections of the faulty person(s);
f. Counter arguments to the allegations brought to the accused;
g. The investigated person’s antecedents;
h. The relevant evidence;
i. The proposed sanction together with the motivation for such decision and the procedures required for the re-acquisition of the trading authorization;
j. The validity date of the sanction issuing period for the respective transaction;
k. The transfer of responsibility in favor of other departments/institutions;
l. Name, surname and signature of the respective department coordinator.

Art.60 (1) The recommendation note issued by the BSE specialized department must contain specifications regarding:

a. The identity of the accused;
b. The illegal act and the date (year, month, day, hour, minute, second, as applicable) when it was committed;
c. The BSE department coordinator’s signature.

(2) The recommendation note issued by the BSE department in accordance with art.59 and approved by the BSE General Manager will constitute the basis for the sanctions and registration in the Notification Registry to follow.

§3

Time interval for issuing a sanction

Art.61 Sanctions for an illegal act must be issued within 6 months of the date at which the respective act was committed.

Art.62 In case of a financial discipline related illegal act, sanctions must be issued within 1 year of the date at which the respective act was committed.

§4

Notifying the competent authorities

Art.63 If at any point during the investigation of an illegal act by the BSE specialized department it is established that an offence was committed, according to Law 297/2004, BSE must notify the competent authorities immediately, as well as the RNSC.
Art.64 If the BSE is informed about starting the legal procedure against a rightful subject such as the one referred to in this Chapter, in relation to committing an illegal act meeting the basic elements of an offense or it is informed that RNSC is analyzing an act committed that could represent a contravention or an offence, the procedure regarding the investigation of the illegal acts within BSE will be suspended, until the above mentioned procedures are closed, except for the situation when the competent bodies or RNSC expressly request continuing the investigation.

§5 Appropriation of the BSE Sanction

Art.65 BSE sanctions are enforced in compliance with the limits stipulated in this Chapter.

Art.66 When identifying a BSE sanction, special consideration will be awarded to the circumstance in which the illegal act was committed, the financials and the behavior of the accused as well as other relevant data hereof established following the examination of the evidence.

Art.67 BSE sanctions of a written notice form only apply to minor illegal acts.

Art.68 The implementation of high coercive administrative sanctions is not conditioned by the prior reduced degree of coerciveness regarding the administrative-disciplinary sanction enforcement.

Art.69 Upon repeated occurrence of an illegal act, or the occurrence of an illegal act subsequent to an offence by a natural/legal person sanctioned previously in compliance with the provisions of Law no. 297/2007, the patrimonial sanction will be cumulated with the withdrawal of the trading authorization for the respective participant/exchange tied agent, for a period in excess of 60 trading sessions and/or the sanction of suspending the effects of the decision for authorization as exchange tied agent, for at least 60 trading sessions, as applicable.

Art.70 If committing an illegal act resulted in a serious damage to one or more trading system components, evaluating the extent of the loss will be the responsibility of the BSE specialized department aided by other BSE departments, in collaboration with the BSE departments, as applicable, and reference to the situation will be made when issuing the Recommendation Note to the BSE General Manager.

Art.71 If following the investigation procedure it is concluded that no illegal act was committed, the Recommendation Note to the BSE General Manager will contain reasons for non-sanctioning.

§6 Enforcing Sanctions
Art.72 The stock exchange sanctions for committing illegal acts are enforced by the decision of the BSE General Manager, at the proposal of the BSE specialized departments, according to the specific field of activity and the competence expressly established in the regulations BSE.

Art.73 The BSE General Manager may enforce the sanction recommended or, as applicable, another sanction or no sanction, according to the aspects mentioned in the Recommendation Note.

Art.74 The decision to sanction will include a list of activities the participant/exchange tied agent must perform in order to eliminate the irregularities that led to the BSE sanction.

Art.75 The participant/exchange tied agent who willfully or faultily committed an illegal act has the obligation to stop committing that act and adopt a determined conduct and to observe the obligations stipulated by the BSE regulations.

Art.76 Sanctioning Decisions will be elaborated in writing in 2 original documents.

Art.77 (1) The BSE specialized department will submit to the participant/exchange tied agent a copy of the sanctioning decision within 48 hours as of the document being signed by the BSE General Manager.
(2) BSE will communicate to the RNSC the sanctioning decision regarding the participant/exchange tied agent who committed the illegal act with respect to the regulated market, within 48 hours as of the sanction being issued.

Art.78 If during the process of enforcing the sanction the natural/legal person who received one of the administrative-disciplinary sanctions for suspensions or interdiction stipulated in art.42, pt. b), c) and d) has eliminated the irregularities for which the sanction is being issued, then the participant/exchange tied agent is entitled to request the BSE General Manager to reevaluate their situation and to reduce the suspension/interdiction.

§7 Contesting the Sanctioning Decision

Art.79 (1) The sanctioned natural/legal person is entitled to contest the BSE General Manager’s decision in front of the Appeal Commission within 15 working days from the decision issue date. The Appeal Commission will formulate several proposals to resolve the contestation matter and will communicate them all to the BSE BG.
(2) The notification of the Appeal Commission will be submitted in writing to the Appeal Commission Secretary and it must contain the following information:
a. The identity of the natural/legal person contesting;
b. The decision being contested;
c. The reasons for the contestation;
d. The proof to sustain the argument;
(3) If the requirements detailed in para.2, pt. b and are not fulfilled, the contestation is void. Similarly, if pt. c and d are not fulfilled the participant/exchange tied agent loses his/her right to contest a BSE decision.

**Art.80** The beginning of the contestation procedure marks the suspension of the sanctions issued by the BSE with regard to the civil reimbursement by the participants/exchange tied agents.

**Art.81** The Appeal Commission Notice is of an advisory nature, while the BSE BG decision is final.

**Art.82** The BSE specialized department has the obligation to provide all the information requested by the Appeal Commission, the BSE BG or the RNSC, so as to clarify any aspect regarding the contestation.

### Section 5
#### Implementing Sanctions

**§1 The Sanctioning Procedure**

**Art.83** (1) Implementing a sanction requested by the BSE General Manager will be the responsibility of the BSE specialized department, i.e. the BSE department which investigated the illegal act, in collaboration with the other BSE departments.

(2) With regard to the implementation of patrimonial sanctions, the BSE specialized department will submit to the other departments involved in the investigation procedure a copy of the sanctioning decision.

**Art.84** The payment of a patrimonial sanction/civil reimbursement will be credited into the BSE bank account. A copy of the bank transfer will be handed out to the BSE specialized department within 3 working days from the enforcement of sanction decision.

**Art.85** When within 15 days as of the date the sanctioning decision becomes final the financial obligations under the patrimonial sanction are not complied with, cumulatively or not with the administrative sanction stipulated in art. 42 lit. a), the BSE General Manager may suspend the trading right of the Participant respectively or, as applicable, may suspend the rights of the sanctioned exchange tied agent deriving from the exchange tied agent authorization issued by the BSE

**§2 Time Interval for Issuing a Sanction**

**Art.86** A BSE sanction expires if the BSE decision is not communicated to the respective participant/exchange tied agent within 1 month of the issue date.
Art.87 The time interval for implementing a BSE sanction is that of a year after the BSE sanction issue date, irrespective of whether the participant/exchange tied agent contested the BSE decision or not. However, the time requested by the participant/exchange tied agent to delay or spread out the payment will not be considered when counting the time to expiration.

§3 Notifying the RNSC

Art.88 (1) BSE will notify the RNSC with respect to a participant/exchange tied agent’s contestation of a sanctioning decision issued by the BSE General Manager if the argument was solved by means other than those specified.
(2) BSE will inform the RNSC immediately regarding an illegal act being committed by a participant/exchange tied agent which BSE believes might also constitute a legal offence, and has already been notified to the competent authorities.

§4 Publishing the Sanction Decision

Art.89 The BSE General Manager can decide to publish the final sanctioning decision in the BSE monthly official report or on the BSE website, after consulting with the BSE BG.

Section 6 The BSE Registry Certificates

Art.90 The BSE specialized department will issue nominal registry certificates.

Art.91 The registry certificates will contain data regarding the sanctions enforced following the final decisions of the BSE General Manager or following the decisions of the BSE General Manager to reduce the term of the suspension/interdiction. The registry certificates will not contain the illegal acts that are no longer are consider as such, nor the illegal acts that that were remedied.

Art.92 The BSE specialized department, the Appeal Commission, the BSE BG or the RNSC are in a position to request, at any point in time a participant/exchange tied agent’s registry certificate, if the respective participant/exchange tied agent is under investigation.

Art.93 A natural or legal person can request his/her registry certificate if he/she believes the information enclosed in the registry certificate is needed.

Art.94 The request for issuance of the stock record must contain the reasons and the identification attributes of the exchange tied agent/ person that held the exchange tied agent status or of the intermediary /the Participant it refers to. The registry certificate is issued within 3 working days of the request being submitted and is valid for 3 months from the issue date.
Section 7

Rehabilitation

Art.95 Rehabilitation implies the elimination of any interdictions and incapacitations imposed by a BSE sanction.

Art.96 Rehabilitation occurs in the case of a patrimonial sanction, a written notice or an administrative sanction not exceeding 20 trading sessions, if and only if, over the 2 months period following the sanction the respective participant/exchange tied agent has not committed another illegal act. Erasing a sanction from a BSE registry will be the responsibility of a BSE specialized department.

Art.97 The person sanctioned is entitled to rehabilitation on request, by the BSE BG, based on an Appeal Commission Note:
   a. in case of an administrative sanction not exceeding 40 trading sessions: after 4 months plus a number of days equal to half the sanction period;
   b. in case of an administrative sanction not exceeding 60 trading sessions: after 6 months plus a number of days equal to half the sanction period;
   c. in case of an administrative sanction exceeding 60 trading sessions: after 9 months plus a number of days equal to half the sanction period;
   d. in case of an administrative sanction stipulated in art.42, pt. e: after 2 years.

Art.98 The terms stipulated in art.96 and 97 are calculated as of the date the administrative-disciplinary or patrimonial sanction implementation was complete or, as of the date it was enforced otherwise, and in the situation stipulated in art.97, pt. d, as of the date on which the sanctioning decision is final.

Art.99 The rehabilitation request may be considered under the following circumstances only:
   a. The participant/exchange tied agent was not issued a new sanction during the time interval mentioned in art.97;
   b. The participant/exchange tied agent conducted operations in an exemplary manner with respect to the regulated market and the alternative trading system overseen by the BSE

Art.100 If a participant is denied a rehabilitation request, the entity may formulate a new one after 1 month from the date of the refusal. The conditions stipulated in art.97 must continue to be met over the entire period prior to the new application form in this respect.

Art.101 Rehabilitation may be revoked by the BSE BG based on an Appeal Commission note if it is found the rehabilitated person was previously issued another sanction, which it would have been known to the BSE BG at the time of the decision making, it would have led to rejecting the rehabilitation request.
Section 8
Preventive Measures

Art. 102 A preventive measure is set out in order to eliminate or reduce the possible occurrence of an illegal act. The following are examples of preventive measures:
   a. denying access to the BSE trading system;
   b. denying access onto the BSE premises;
   c. The obligation to verify the knowledge regarding the capital market and the BSE trading system.

Art. 103 Preventive measures may be assumed if:
   a. There is evidence or significant clues that the person in question has committed an illegal act;
   b. There is data justifying the suspicion that the person in question will commit an illegal act or that not taking the respective preventive measures will endanger the BSE trading system, the regulated market transactions, the alternative trading system managed by the BSE or the BSE goods, personnel, activity and the premises.

Art. 104 The preventive measures are issued by the BSE General Manager and are valid throughout the duration specified and they are mandatory for the participant or exchange tied agent for which they were issued.
TITLE II
ISSUERS AND FINANCIAL INSTRUMENTS

CHAPTER I
GENERAL PROVISIONS

Art.1 (1) This Title outlines the BSE regulated spot market procedure regarding:
   a. The acceptance and maintenance of financial instruments to trade;
   b. The shares upgrading and downgrading within the tiers frame;
   c. The withdrawal of financial instruments from the trading system.

(2) The measures to be described in this Title will be supplemented by those regarding
the organization and functioning of the Commission for the Admission to Trade, as
described in the BSE Organization and Functioning Regulation.

Art.2 Issuers whose financial instruments are admitted to trade on the regulated spot
market have the obligation to act in accordance with the applicable primary and
secondary legislation.

Art.3 (1) The regulated spot market overseen by the BSE is structured as follows:
   a. Equity sector;
   b. Debt sector;
   c. Collective Investment Undertakings Sector;
   d. Structured products Sector;
   e. Other International Financial Instruments Sector.

(2) The equity sector is divided into:
   a. Tier 1 shares;
   b. Tier 1 rights;
   c. Tier 2 shares;
   d. Tier 2 rights;
   e. Tier 3 shares;
   f. Tier 3 rights;
   g. International shares;
   h. International rights.

(3) The debt sector is divided into:
   a. Tier 1 corporate bonds;
   b. Tier 2 corporate bonds;
   c. Tier 3 corporate bonds;
   d. Municipal Bonds;
   e. Treasury Bonds;
   f. International Bonds;
   g. Other debt.
(4) The Collective Investment Undertakings sector is divided into:
   a. Shares;
   b. Mutual Funds Shares;
   d. Local Collective Investment Undertakings.

(4¹) Structured products sector is divided into:
   a) certificates;
   b) warrants;
   c) other types of Structured products.

(4²) Other International Financial Instruments Sector is divided into:
   a) Category A – financial instruments associated with equity,
   b) Category B – financial instruments associated with debt.

(5) Tier 3 shares will include shares of dynamic, innovative companies with large
   growth potential in economic fields, as well as shares of companies mainly focused on
   the technological development and implementation in fields such as medicine, biotechnology,
   agro technology, telecommunications, computer science etc.

(6) The admission of a set of financial instruments to trade will imply the admission to
   trade of all identical financial instruments in that same tier and, provided they were all
   entered to the BSE trading system by the same issuer.

(7) The provisions of para. (6) do not apply to the structured products type of financial
   instruments.

(8) To the Other International Financial instruments Sector can be admitted any other
   financial instruments issued in member and/or non-member states that do not qualify
   for International Tier shares, International Tier rights or International Tier bonds.

(9) The documents necessary for admission to trade on the regulated market will be
   submitted to BSE (both on paper as well as electronic media such as files scanned in a
   format agreed by the BSE).

Art. 4 (1) The admission to BSE trade of the financial instruments belonging to an Issuer
will be carried out by a sponsoring intermediary.

(2) The sponsoring intermediary has the following obligations:
   a. To familiarize the issuer with respect to the capital market activities, the
      BSE regulations and the legislation in practice;
   b. To submit to the BSE the required documentation and to act as an issuer
      representative before BSE for the acceptance/upgrading to trade the
      financial instruments issued by it;
   c. repealed;
   d. To verify the format as well as the content of all the Issuer’s documents
      necessary for the acceptance/ upgrading on the BSE trading system and to
take all the necessary measures to make sure that the information provided by the issuer is true, correct and sufficient;

e. To present the Commission for the Admission to Trade of BSE the interests of the respective issuer.

(3) In what concerns the structured products, the sponsoring intermediary can obtain the Liquidity provider status for the structured products to be issued based on the Issuer’s framework offer program, in compliance with the provisions of Chapter III² from Title I.
CHAPTER II
ADMISSION TO TRADE

Section 1
Admission to the Equity Sector

§1
Tier 1 Shares Admission Requirements

**Art.5 (1)** The shares classified as tier 1 must be:

a. Registered with the RNSC;

b. Transferable, book entry, fully paid for, issued in a dematerialized form and registered into an account;

c. Classified as belonging to the same tier, and the free float must be at least 25%.

(2) The shares will be admitted to tier 1 if there are at least 2000 shareholders registered.

**Art.6 (1)** The issuer wishing to be upgraded to tier 1 must fulfill the following requirements:

a. to be a trading company which has concluded a public offering for trading, based on a prospectus approved by A.S.F., or which has a prospectus approved by A.S.F. for trading;

b. to comply with the provisions of Law 297/2004, art.213, para.1, pt. a and c;

c. to provide to the BSE all the documents requested, via the sponsoring intermediary;

d. to pay all fees due to the BSE in compliance with the regulations hereof and not to have any outstanding debt towards BSE;

e. to nominate 2 persons to liaise with the BSE;

f. to comply with the terms and conditions of the Admission and Maintenance to Trade Arrangement.

(2) For the tier 1 shares, the Issuer must meet the following conditions – specific requirements:

a. to meet one of the following alternative conditions:

   **a1)** the value of own capitals from the last financial year must be at least the equivalent in lei of 30 million EURO at the N.B.R. exchange rate from the date when the request for admission to trade was registered with the BSE;

   **a2)** early capitalization must be at least the equivalent in lei of 30 million EURO calculated at the N.B.R. exchange rate from the date when the request for admission to trade was registered with the BSE

b. to have had a positive net profit value over the last 2 years of activity;

c. repealed;

d. repealed.
§2

Tier 1 Rights Admission Requirements

Art.7 (1) The rights issued by an issuer may be admitted to tier 1 rights if at least one set of financial instruments issued by the respective issuer is admitted to trading alongside tier 1 shares.

(2) Rights must be:
   a. Registered with the A.S.F.;
   b. Transferable, book entry and registered into an account;

(3) The issuer of the rights must:
   a. submit to the BSE the documents requested, via a sponsoring intermediary;
   b. pay all fees due to the BSE and to have no outstanding debt towards BSE.

§3

Documents Required for the Tier 1 Shares Admission

Art.8 The admission to trade on the tier 1 shares requires the issuers to submit to the BSE the following documents, via a sponsoring intermediary:

   a. The application form for the admission to trade;
   b. The public offering prospectus or the prospectus for admission to trade, in Romanian, accompanied by the approval decision of A.S.F.;
   c. The summary of the public offering prospectus or of the prospectus for admission to trade, translated into English;
   d. repealed;
   e. repealed;
   f. The notification letter to the intermediary concerning the outcome of the public offering;
   g. The company by-laws or the articles of incorporation updated (copies);
   h. repealed;
   i. For issuers whose financial instruments have not been traded within a trading spot authorized by A.S.F. or by other competent authority during the last 3 years:
      1) The last 3 annual financial reports and the proof of their submission to the financial administration body (copy); the last 3 annual financial reports issued by the financial auditors; the last 3 annual administration reports; the last 3 AGM decisions regarding the approval of the annual financial reports; the last annual report/the last 2 annual reports of the issuer if it was edited, in accordance with the RNSC regulations;
      2) The last semiannual financial report and the proof of its submission to the financial administrative body, certified by the financial administration body (copy); the last semiannual administration report; the semiannual issuer’s report if it was edited, in accordance with RNSC/A.S.F. regulations.
   j. For issuers whose financial instruments have been traded within a trading spot authorized by A.S.F. or by other competent authority during the last 3 years:
(a) The last 3 issuer’s annual reports, in accordance with the RNSC/A.S.F. regulations; the last 3 AGM decisions regarding the approval of the annual financial reports;
(b) The issuer’s semiannual report, in accordance with the RNSC/A.S.F. regulations.

k. repealed;
l. The decision of the statutory body of the issuer regarding the admission to trade on the BSE trading system (copy);
m. The A.S.F. registration certificate (copy);
n. The Admission and Maintenance to Trade Agreement;
o. The proof of paying the processing charge;
p. repealed;
q. The issuer’s statement on delegating the persons assigned to liaise with the BSE;
r. The list of people with access to privileged information;
s. repealed;
s¹. repealed;
t. Other documents considered necessary by the BSE.

§4
Documents Required for the Tier 1 Rights Admission

Art.9 The admission to trade on the tier 1 rights requires the issuers to submit to BSE the following documents, via a sponsoring intermediary:
a. The application form for the admission to trade of the respective rights;
b. The presentation document or the prospectus, in Romanian, in compliance with the RNSC/A.S.F. regulations;
c. The summary of the presentation document or of the prospectus, translated in English;
d. The decision of the statutory body regarding the increase of the share capital and the trading of rights on the BSE;
e. The A.S.F. rights registration certificate (copy);
f. The proof of payment of the processing charge;
g. repealed;
h. Other documents considered necessary by the BSE.

§5
Tier 2 Shares Admission Requirements

Art.10 (1) Shares in the process of being admitted to tier 2 shares shall meet the following conditions, in accordance with art.5, para.1
(2) The issuer of the shares admitted to tier 2 must:
a. Comply with the general requirements – obligations stipulated in art.6, para.1;
b. Comply with one of the following alternative conditions:
b1) the value of own capitals from the last financial year must be at least the equivalent in lei of 2 million EURO, calculated at the N.B.R. exchange rate from the date when the request for admission to trade was registered with the BSE;

b2) early capitalization must be at least the equivalent in lei of 2 million EURO calculated at the N.B.R. exchange rate from the date when the request for admission to trade was registered with the BSE

§6
Tier 2 Rights Admission Requirements

Art.11 (1) Rights issued may be admitted to tier 2 rights if and only if a minimum of one set of shares issued are already traded on the BSE tier 2 shares;
(2) The rights will be admitted to tier 2 if they are in accordance with art.7, para.2;
(3) The issuer will be admitted to tier 2 if the requirements in art.7, para.3 are observed.

§7
Documents Required for the Tier 2 Shares Admission

Art.12 In order to be admitted to trade on the tier 2 shares, issuers must submit to BSE the documents listed in art.8 except for letter s¹, via a sponsoring intermediary.

§8
Documents Required for the Tier 2 Rights Admission

Art.13 In order to be admitted to trade on the tier 2 rights, issuers must submit to BSE the documents listed in art.9, via a sponsoring intermediary.

§9
Tier 3 Shares Admission Requirements

Art.14 The shares in the process of being admitted to trade on the tier 3 shares, must comply with the requirements stipulated in art.5, para.1.

Art.15 The issuer of shares in the process of being admitted to trade on the tier 3 must:
  a. comply with the requirements stipulated in art.6, para.1;
  b. Be a dynamic, innovative company with growth potential;
  c. Target the development of new technology and the implementation hereof in a wide range of fields, such as medicine, biotechnology, agro technology, telecommunication, computer science, etc.;
  d. to meet one of the following alternative conditions.
     d1) the value of own capitals from the last financial year must be at least the equivalent in lei of 1,000,000 EURO calculated at the N.B.R. exchange rate from the date when the request for admission to trade was registered with the BSE;
d2) early capitalization must be at least the equivalent in lei of 1 million EURO calculated at the N.B.R. exchange rate from the date when the request for admission to trade was registered with the BSE

§10
Tier 3 Rights Admission Requirements

Art.16 (1) The rights issued may be admitted to tier 3 rights when.
a) at least one of the Issuer’s shares tier is admitted for trade on BSE on the regulated market administered by BSE in Tier 3 shares;
b) at least one of the Issuer’s shares tier is admitted on an alternative trading system (or on RASDAQ market);
c) the Issuer’s shares are not admitted to trade on a regulated market or at an alternative trading system (or on RASDAQ market).
(2) The rights in the process of admission on the tier 3 rights must be in accordance with art.7, para.2.
(3) The issuer of the rights admitted to tier 3 rights shall act in accordance with art.7, para.3.

§11
Documents Required for the Tier 3 Shares Admission

Art.17 Issuers in the process of admission to tier 3 shares must provide to BSE the documents listed in art. 8, via a sponsoring intermediary.

§12
Documents Required for the Tier 3 Rights Admission

Art.18 Issuers in the process of being admitted to tier 3 rights shall provide to BSE the documents listed in art.9, via a sponsoring intermediary.

§13
International Shares Tier Admission Requirements

Art.19 (1) The shares issued by a legal entity, member of the European Union, in the process of being admitted to trade in this tier, must:
   a. Meet the conditions set in art.5, para.1;
   b. Request to be admitted to trade in accordance with art.49 and art. 49 of RNSC regulation 1/2006;
(2) The shares issued by a legal entity, non-member of the European Union, in the process of being admitted to trade in this tier, must:
   a. comply with the requirements set in art.5, para.1;
   b. to represent the object of a request for admission to trade in compliance with the provisions of art. 50 of RNSC regulation 1/2006.
(3) Issuers with shares that are in the process of being admitted to trade on the International Shares Tier, from other member and non-member states, must:
   a. comply with the requirements set in art.6, para.1 and the legislation in force;
   b. to meet one of the following alternative conditions:
b1) the value of own capitals from the last financial year must be at least the equivalent in lei of 1 million EURO calculated at the N.B.R. exchange rate from the date when the request for admission to trade was registered with the BSE;
b2) early capitalization must be at least the equivalent in lei of 1 million EURO calculated at the N.B.R. exchange rate from the date when the request for admission to trade was registered with the BSE.

§14
International Rights Tier Admission Requirements

Art.20 (1) The rights issued by a legal entity (originating in either an EU member or non-member state) with outstanding shares may be admitted to International Rights Tier if and only if at least one set of shares is traded on the BSE International Shares Tier.
(2) The rights in the process of being admitted to International Rights Tier must comply with the requirements stipulated in art.7, para.2.
(3) The issuer of the rights admitted to International Rights Tier must comply with the requirements stipulated in art.7, para.3.

§15
Documents Required for the International Shares Tier Admission

Art.21 (1) The issuers from EU member states requesting the admission to trade on the International Shares Tier shall supply BSE with the following documents, as demanded by the RNSC, via a sponsoring intermediary in Romanian or in English:
a. The application form for the admission to trade;
b. The prospectus for admission to trade, approved by the competent authority in the state of origin, together with any amendments and appendixes (copy);
c. The summary of the prospectus in Romanian;
d. repealed;
e. The articles of association, together with in Romanian updated;
f. repealed by RNSC Decision no. 186/24.02.2011;
g. The last 3 annual financial reports together with the legal appendixes, as required by the Issuer’s state of origin, and the last 3 annual reports (copies);
h. The last semiannual financial report together with the legal appendixes as required by the Issuer’s state of origin, and the last semiannual report (copies);
i. repealed;
j. The decision of the statutory body of the issuer regarding the admission to trade on the BSE;
k. The .A.S.F. registration certificate (copy);
l. The issuer’s statement regarding the persons assigned to liaise with the BSE;
m. The shares Admission and Maintenance to Trade on the BSE Agreement;
n. The proof of paying the processing charge (copy);
o. repealed;
p. repealed;
q. repealed;
r. The list of people with access to privileged information;
s. Other documents considered necessary by the BSE.

(2) Issuers from EU non-member states requesting the admission to trade on the International Shares Tier shall provide to BSE with the following documents, via a sponsoring intermediary, the documents specified at paragraph 1 letter a) and letters c)-s), as well as the prospectus in view of admission to trading, accompanied by the decision of approval of A.S.F.:

(3) repealed.

§16
Documents Required for the International Rights Tier Admission

Art.22 Issuers requesting the admission to trade on the International Rights Tier must submit to BSE the demanded documents, via a sponsoring intermediary, in Romanian or English, as follows:

1. Issuers from EU member states, prior to Romania joining the EU, will provide the documents listed in art.9 repealed by RNSC Decision no. 2098/31.10.2007;
2. Issuers from other member states will submit:
   a. The presentation document in English or the prospectus approved by the competent authority in the country of origin, together with all the amendments and appendixes;
   b. repealed;
   c. The documents listed in art. 9, pt. a and d-h;
3. Issuers from non-member states will provide the documents listed in art.9.

Section 2
Admission to the Debt Sector

§1
Tier 1 Corporate Bonds Admission Requirements

Art.23 Bonds may be admitted to tier 1 corporate bonds if:

a. The issuer underwent a public offering for the respective bonds, based on an RNSC authorized prospectus for BSE trade;

b. The value of the bond loan is of minimum 200,000 Euros or when it is less than 200 000 Euros, there must be an authorization from the RNSC, as required in art.222, para.2, Law 297/2004.

Art.24 (1) Bonds in the process of being admitted to tier 1 corporate bonds must be:

a. Registered with the RNSC;

b. Transferable, book entry, fully paid for and registered into an account;

(2) Bonds in the process of being admitted to Tier 1 corporate bonds must be distributed to a minimum number of 1 000 holders.

(3) Bonds issuers in the process of being admitted to Tier 1 corporate bonds must:

a. submit to BSE the documents requested;
b. Pay all BSE tariffs in accordance with the BSE regulations and have no outstanding debt;
c. Appoint 2 persons to liaise with the BSE;
d. comply with the terms and conditions of the agreement regarding the bonds admission and maintenance to trade.

§2
Documents Required for the Tier 1 Corporate Bonds Admission

Art.25 In order to be admitted to tier 1 corporate bonds issuers shall supply BSE the following documents, via a sponsoring intermediary in Romanian or English:
   a. The application form for the admission to trade;
   b. The prospectus, accompanied by the decision of A.S.F. regarding its approval;
   c. The summary of the prospectus, translated into English;
   d. repealed;
   e. The notification of the intermediary regarding the final results of the public offering;
   f. The A.S.F. registration certificate (copy);
   g. repealed;
   h. The decision of the statutory body of the issuer concerning the bonds admission to trade on the BSE (copy);
   i. The bonds Admission and Maintenance Agreement;
   j. The proof of paying the processing charge (copy);
   k. repealed;
   l. The issuer’s statement regarding the persons assigned to liaise with the BSE, together with their personal data and criminal records;
   m. repealed;
   n. Other documents considered necessary by the BSE.

§3
Tier 2 Corporate Bonds Admission Requirements

Art.26 (1) Bonds in the process of being admitted to tier 2 corporate bonds must:
   a. comply with the requirements stipulated in art.23;
   b. comply with the requirements stipulated in art.24, para.1.
(2) Issuers with bonds in the process of being admitted to trade on the tier 2 corporate bonds must be in accordance with the requirements in art.24, para.3.
(3) Bonds in the process of admission to tier 2 corporate bonds must be distributed to a minimum number of 100 holders.

§4
Documents Required for the Tier 2 Corporate Bonds Admission

Art.27 In order for the bonds to be admitted to trade on the tier 2 corporate bonds, issuers must submit to BSE the documents listed in art.25, via a sponsoring intermediary.
§5
Tier 3 Corporate Bonds Admission Requirements

Art.28 In order for bonds to be admitted to tier 3 corporate bonds the requirements in art.23 must be fulfilled.

Art.29 (1) Bonds in the process of being admitted to trade on the tier 3 corporate bonds must be in accordance with art.24, para.1.
(2) Issuers in the process of admission to trade on the tier 3 corporate bonds must meet the conditions set in art.24, para.3.

§6
Documents Required for the Tier 3 Corporate Bonds Admission

Art.30 Issuers in the process of being admitted to tier 3 corporate bonds must submit to BSE the documents listed in art.25, via a sponsoring intermediary.

§7
Municipal Bonds Tier Admission Requirements

Art.31 (1) Municipal bonds in the process of being admitted to this tier must meet the conditions in art.23 and art.24, para.1.
(2) Issuers in the process of being admitted to the Municipal Bonds Tier must be in accordance with art.24, para.3.

§8
Documents Required for the Municipal Bonds Tier Admission

Art.32 In order to be admitted to the municipal bonds tier, issuers must submit to BSE the documents listed in art.25, via a sponsoring intermediary.

§9
Treasury Bonds Tier Admission Requirements

Art.33 Treasury bonds in the process are rightfully admitted to trade in this tier upon receipt by BSE the issuing document together with all other documents requested by the BSE.

§10
Documents Required for the Treasury Bonds Tier Admission

Art.34 In order for treasury bonds to be admitted to this tier issuers must submit to BSE the documents listed in art.25, pt. a, f, i and j together with the issue document/prospectus, via a sponsoring intermediary.
§11
International Bonds Tier Admission Requirements

Art.35 (1) Bonds issued by legal entities from EU member states, to be admitted to the international bonds tier must comply with the requirements stipulated in art. 23 letter b) and art. 24 para. 1.
(2) Bonds issued by legal entities from non-member states to be admitted to international bonds tier must comply with the requirements stipulated in art. 23 letter b) and art. 24 para. 1.
(3) Issuers of bonds in the process of being admitted to the international bonds tier, both from EU member and non-member states, must comply with the requirements stipulated in art.24, para.3

§12
Documents Required for the International Bonds Tier Admission

Art.36 (1) In order for the bonds to be admitted to trade on the international bonds tier, issuers form EU member states must supply BSE the following documents, as requested by the RNSC, via a sponsoring intermediary, in Romanian or English:
a. The application form for the admission to trade;
b. The prospectus for admission to trade, approved by the competent authority from the member state of origin, including all amendments and appendixes (copy);
c. The summary of the prospectus;
d. The bonds .A.S.F. registration certificate (copy);
e. repealed;
f. The decision of the statutory body of the issuer regarding the bonds admission to trade on the BSE;
g. The bonds Admission and Maintenance to Trade on the BSE Agreement;
h. The proof of paying the processing charge (copy);
i. repealed;
j. The issuer’s statement regarding the persons assigned to liaise with the BSE; 
j¹) repealed;
k. The articles of association, updated;
l. repealed;
m. The last 3 annual financial reports together with the legal appendixes, from the Issuer’s state of origin, and the 3 last annual reports (copy);
n. The last semiannual financial report together with the legal appendixes from the Issuer’s state of origin, and the last semiannual report (copy);
o. repealed;
p. repealed;
q. Other documents considered necessary by the BSE.

(2) In order for the bonds to be admitted to trade on the international bonds tier, issuers form non EU member states must submit to BSE the following documents, specified at
paragraph 1 letter a) and letters c)-q), as well as the prospectus in view of admission to trading, accompanied by the decision of approval of A.S.F:

§13
Other Credit Securities Tier Admission Requirements

Art.37 (1) Other credit securities tier includes mortgage bonds and other credit securities.
(2) Mortgage-based securities in the process of being admitted to this tier must meet the conditions set in art.23 and art.24, para.1.
(3) Issuers of mortgage-based securities in the process of being admitted to this tier must be in accordance with art.24, para.3
(4) The requirements for the admission to other credit securities tier will be set out by the BSE at later stages.

§14
Documents Required for the Other Credit Securities Tier Admission

Art.38 (1) In order for the mortgage bonds to be admitted to other credit securities tier, issuers must submit to BSE the documents listed in art.25, via a sponsoring intermediary.
(2) Documents requested for the admission to other credit securities tier will be set out by the BSE at later stages.

Section 3
Admission to the Collective Investment Undertakings Sector

§1
Shares Tier Admission Requirements

Art.39 (1) Shares in the process of being admitted to this tier shall fulfill the requirements detailed in art.5, para.1, pt. a and b;
(2) The issuer or the investment management company requesting permission to trade on the shares tier must meet comply with the requirements stipulated in art.6, para.1, pt. c-f.

§2
Fund Units Tier Admission Requirements

Art.40 (1) Fund units in the process of being admitted to this tier must be:
a. Registered with the RNSC;
b. Transferable, book entry, fully paid for and registered into an account;
(2) The Management companies requesting, on behalf of the issuer of fund units, the admission to this tier must:
a. submit to BSE all documents requested;
b. Pay the BSE tariffs, in compliance with the BSE regulations, and not to have any outstanding debts;
c. Assign 2 persons to liaise with the BSE;
d. comply with the terms and conditions of the fund units Admission and Maintenance to Trade on the BSE Agreement.

(3) The fund units tier includes only fund units issued by closed-end funds.

§2§

Requirements for Collective Investment Undertakings Tier Admission

Art. 40§ (1) The Collective Investment Undertakings International Tier comprises the securities issued by the Collective Investment Undertakings having its headquarters in another member state and authorized by the competent authorities from those states, in compliance with the provisions of the European legislation in force, and which are admitted to trade on a regulated market from any member state.

(2) The securities from Collective Investment Undertakings for which is requested admission to trade in the International Tier must comply with the following requirements:
   a) to be registered with the RNSC;
   b) transferable, book entry, fully paid for, issued in a dematerialized form and registered into an account.

(3) the Issuer of a Collective Investment Undertakings admitted in the International Tier, must comply with the requirements stipulated in art. 40 para. (2), except for letter d).

(4) In addition to the provisions of para. (3), the Issuer must assure the compliance with the following conditions:
   a) the compliance with the incidental legal provisions regarding the reference index, as well as the fact that its value is updated and disseminated at least daily;
   b) assure, directly or indirectly, through a responsible entity, continuous dissemination of the information regarding the Collective Investment Undertakings, in compliance with the provisions of this Book;
   c) there is at least one Participant who will act as Liquidity provider in order to maintain liquidity, in compliance with the provisions of Title I, Chapter III;
   d) the prospectus for the issue of the Collective Investment Undertakings is authorized in compliance with provisions from the community regulations in force.

(5) In case the admission to trade in the International Tier of the units issued by a sub-fund of an open investment fund consisting of sub-funds, the requirements and the documents stipulated in this section are considered to apply to the respective sub-fund.

(6) The requirements stipulated in para. (3) shall also apply when a Participant is designated by the Issuer as his representative in order to take the necessary measures for the admission to trade on the regulated market administered by BSE.

(7) Based on the organization and functioning of the Collective Investment
Undertakings, the provisions of this Book referring to the securities Issuer shall apply to the investment management company.

(8) Any reference to the fund units of a Collective Investment Undertakings from the International Tier is also a reference to the shares issued the investment companies, unless this Book contains specific remarks in this regard.

§2

Requests for the admission to trading on tradable Local Collective Investment Undertaking Tier

Art. 402 (1) In Local Collective Investment Undertaking Tier there are included the units issued by the tradable Collective Investment Undertaking based in Romania and authorized by RNSC, in accordance with the provisions of the incidental legal frame.

(2) The units, for which the admission to trading on the Local Collective Investment Undertakings Tier is required, have to fulfill the following requests:
   a) to be registered at RNSC;
   b) to be freely transferable, fully paid before the beginning of the first trading session, to be issued in dematerialized form and to be highlighted through account registration.

(3) The issuer of a tradable Collective Investment Undertaking admitted to the Local Collective Investment Undertaking Tier has to fulfill the provisions of art. 40, para. (2).

(4) Additional to the provisions of paragraph (3), the Issuer has to fulfill the following conditions:
   a) The fulfillment of the legal incidental provisions on the reference index and iNAV;
   b) Continuous dissemination on tradable Collective Investment Undertaking in accordance to the provisions of the current Book;
   c) the existence of at least one Participant which will act as Market Maker in order to provide liquidity, in accordance with the provisions of Title I, Chapter III.

(5) Considering the organizational and functional type of tradable Collective Investment Undertaking, the provisions from the current Book regarding the Issuer of the units applies to the asset management company.

§3

Documents Required for the Shares Tier Admission

Art. 41 The Issuer or the investment management companies in the process of admission to the shares tier will submit to BSE the following documents, via a sponsoring intermediary:

a) The application for admission to trading;
   a. The issue prospectus, drafted in Romanian, accompanied by the decision of A.S.F regarding its approval;
   b. The summary of the issue prospectus, in English;
   c. repealed;
   d. repealed;
   e. The articles of association updated;
f. repealed;
g. repealed;
h. The decision of the Issuer’s or investment management company’s statutory body with respect to the shares admission to trade on the BSE;
i. The shares A.S.F. registration certificate;
j. The last 3 annual financial statements (copies);
k. The last 3 financial auditors’ reports certifying the annual financial statements;
l. The last 3 annual administration reports;
m. repealed;
n. The Issuer’s last 3 annual reports, issued in accordance with RNSC/A.S.F. regulations;
o. The last semiannual financial report (copy) accompanied by:
   1) The last semiannual administration report (the management report);
   2) The semiannual report, issued in accordance with the RNSC/A.S.F. regulations.
p. The declaration of the issuer regarding the persons ensuring the liaison with BSE;
q. repealed;
r. repealed;
s. repealed;
t. The proof of paying the processing charge;
u. Other documents considered necessary by the BSE.

§4
Documents Required for the Fund Units Tier Admission

Art.42 The managing companies acting on behalf of issuers, requesting the admission to fund units tier will submit to BSE the following documents, via a sponsoring intermediary:

a') The application for admission to trading;
a. The summary of the issue prospectus in Romanian, accompanied by the decision of A.S.F. regarding its approval;
b. The summary of the issue prospectus in English;
c. The subscription and redemption forms;
d. The issuer’s articles of association;
e. repealed;
f. repealed;
g. repealed;
h. repealed;
i. repealed;
j. The decision of the statutory body with respect to the fund units admission to trade on the BSE;
k. The fund units registration certificate issued by the A.S.F.;
The commitment regarding the admission and maintenance within trading;

K. The declaration of the issuer regarding the persons ensuring the liaison with BSE;

1. The proof of paying the processing charge;

m. Other documents considered necessary by the BSE.

§5
Documents Required for Collective Investment Undertakings International Tier Admission

Art. 42(1) (1) The Issuer requesting admission to trade for securities to the Collective Investment Undertakings from the International Tier shall submit, through an Sponsorship intermediary, the following documents, in compliance with the effective legislation:

a) the application, in original, regarding the securities admission to trade on the regulated market administered by BSE which must contain at least the following elements:

1. details regarding the identification of Collective Investment Undertakings, based on organization and functioning of the Collective Investment Undertakings: name, headquarters, type of entity (with or without legal personality), identification code, legal representatives (if applicable);

2. details regarding the identification of investment management company, as applicable, and of the archives depository (name, headquarters, identification code, legal representatives, the competent authority issuing the functioning authorization);

3. the following information regarding bonds issue, without limitation: ISIN code, details concerning the issue (type, shape, date of issue, etc.), the value of the net asset and the number of securities upon the date of filing the admission request;

4. the name of the investment company with which the Issuer has signed a contract in order to fulfill the objectives of the fund and which acts as a Market Maker for the securities on the initial market hereof;

5. the name of the initial market where the securities are traded;

6. the name of the Participant who will assure the maintenance of market liquidity for the respective securities, based on obtaining the Liquidity provider status;

7. the entity responsible for the reporting operations, including those corresponding to the unit value of the net asset;

8. the persons liaising with BSE, as well as their contact information;

9. the name of the competent authority from the member state of origin who authorized the Collective Investment Undertakings;

10. the internet page where will be published the unit indicative value of the net asset corresponding to Collective Investment Undertakings.

b) the latest version of the issue prospectus, as well as the latest version of the key information destined for the investors /the simplified issue prospectus, as applicable, authorized by the competent authority, the latest version of
the functioning rules or of the Collective Investment Undertakings addendum, as applicable (copy);
c) details regarding the composition of the reference index at the moment of filing the application, details regarding the entity calculating and disseminating the reference index, the frequency for data update and dissemination;
d) the most recent annual, respectively quarterly report (copy);
e) the document / certificate issued by the competent authority from the member state of origin certifying the fact that the respective Collective Investment Undertakings comply with the conditions of the respective national legislation, harmonized with the community legislation (copy);
f) the document showing the fact that the statutory body has decided in favor of admission to trade within BSE;
g) the registration certificate issued by RNSC (copy);
h) the approval of the Central Depository regarding assuring the conditions for the pre and post-trade operations specific to the respective securities (copy);
i) the proof of payment of the corresponding charge;
j) any other documents that the BSE considers necessary.

(2) The documents stipulated in para. (1) shall be submitted in compliance with the legal provisions in force referring to language.

(3) The information stipulated in para. (1), letter a), pt. 1, 2, 4 and 9, as well as letter c) shall be considered submitted when they are included in the issue prospectus.

(4) Any modification regarding the documents mentioned in para. (1), occurred between the filing of the request for admission to trade and date when the trade starts, must be submitted to BSE immediately, within no more than 2 working days, unless BSE decides otherwise, except for the information referring to the number of securities and the unit value of the net asset stipulated in para. (1), letter a), pt. 3.

(5) The Sponsorship Intermediary can obtain, in compliance with the conditions stipulated in Chapter III, Title I, the Liquidity provider status for the securities on the Collective Investment Undertakings, International Tier.

§6 Documents Required for Collective Investment Undertakings Local Tier Admission

Art. 420(1) (1) The Issuer requesting admission to trade for securities to the Collective Investment Undertakings from the Local Tier shall submit, through an Sponsorship intermediary, the following documents, in compliance with the effective legislation:
a) the application, in original, regarding the securities admission to trade on the regulated market administered by BSE which must contain at least the following elements:
   1. details regarding the identification of Collective Investment Undertakings, based on organization and functioning of the Collective Investment Undertakings: name, headquarters, type of entity (with or without legal personality), identification
code, legal representatives (if applicable);
2. details regarding the identification of investment management company, as applicable, and of the archives depository (name, headquarters, identification code, legal representatives, the competent authority issuing the functioning authorization);
3. the following information regarding bonds issue, without limitation: ISIN code, details concerning the issue (type, shape, date of issue, etc.), the value of the net asset and the number of securities upon the date of filing the admission request;
4. the name of the Participant with which the Issuer has signed a contract in order to fulfill the objectives of the fund and which acts as a Market Maker for the securities on the initial market hereof;
5. the BVB contact persons and their contact data.
b) the latest version of the issue prospectus as approved by RNSC, as well as the latest version of the key information destined for the investors /the simplified issue prospectus approved by RNSC, as applicable, authorized by the competent authority, the latest version of the functioning rules or of the Collective Investment Undertakings addendum, as applicable (copy);
c) details regarding the composition of the reference index at the moment of filing the application, details regarding the component/ components of the index with significant individual/ cumulated percentage which could lead to the temporary suspension of the Market Makers obligations;
d) the name of the authorized Participant involved in the issuing and redemption of the respective units, and also the proof of the signed contract;
e) the most recent annual, respectively quarterly report (copy), if the tradable Collective Investment Undertaking Local Tier has been active for a sufficient period of time to issue such reports;
f) the document showing the fact that the statutory body has decided in favor of admission to trade within BSE;
g) the registration certificate issued by RNSC (copy);
h) the approval of the Central Depository regarding assuring the conditions for the pre and post-trade operations specific to the respective securities (copy);
i) the proof of payment of the corresponding charge;
j) any other documents that the BSE considers necessary.

(2) The documents stipulated in para. (1) shall be considered submitted when they are included in the issue prospectus.

(3) Any modification regarding the documents mentioned in para. (1), occurred between the filing of the request for admission to trade and date when the trade starts, must be submitted to BSE immediately, within no more than 2 working days, unless BSE decides otherwise, except for the information referring to the number of securities and the unit value of the net asset stipulated in para. (1), letter a), pt. 3.

(4) The Sponsorship Intermediary can obtain, in compliance with the conditions stipulated in Chapter III2, Title I, the Liquidity provider status for the securities on the Collective Investment Undertakings, International Tier.

Section 3
Admission to Structured products Sector

Pag.92 / 338
§1
General provisions

Art. 42¹ (1) The admission to trade of the structured products consists of the following stages:
   a) admission in principle to trade of the structured products, based on the BSE Board’s decision;
   b) admission to trade of each individual issue of structured products, based on the General Manager’s decision.

(2) If the Issuer holds the Participant, sponsorship intermediary and Liquidity provider statuses as stipulated by the provisions Chapter III² from Title I, the provisions of this section will apply accordingly.

§2
Requirements for Admission in principle to trade of structured products

Art. 42² (1) The requirements regarding the admission in principle to trade of the structured products to be issued by an Issuer based on a framework offer program, are the following:
   a) to represent the object of a basic prospectus;
   b) to be freely transferrable;
   c) to be issued in a dematerialized form and registered into an account.

(2) the structured products Issuer has the following obligations:
   a) to submit to the BSE the documents requested through the sponsorship intermediary;
   b) to pay the tariffs owed to BSE according to the List of fees in force;
   c) to have no outstanding debts towards the BSE;
   d) to inform BSE regarding any approval, by the competent authority of the subsequent modifications of the basic prospectus and/or of the basic prospectus completing documents;
   e) other requirements that the BSE considers necessary, as applicable.

§3
Documents required for Admission to trade of structured products

Art. 42³ For the admission in principle of financial instruments to the Structured products Sector, an Issuer will submit to BSE, through a Sponsorship Intermediary, the following documents:
   a) the application for admission in principle to trade of the structured products to be issued based on the framework offer program which would comprise at least the following elements:
      i. the Issuer’s statement for representation by the sponsorship intermediary in the relation with the BSE, in order to complete the procedures for admission to trade in Structured products Sector, in the conditions stipulated by the basic prospectus and by its completing documents;
      ii. the commitment regarding publishing and maintaining on the Issuer’s own
website the basic prospectus, the its completing documents, as well as the
information specific to trade;

iii. the commitment related to maintaining market liquidity, either directly, when
he is also a Participant, or through another Participant designated by him and
agreed by the BSE;

iv. two persons to liaise with the BSE.

v. assessment by a renowned rating agency, if this assessment exists or, as
applicable, the Issuer’s statement that there is no such assessment;

b) copy of the basic prospectus in Romanian language, approved by the RNSC, in
case the basic prospectus is approved by the RNSC, or, as applicable, copy of the
basic prospectus, in English language, approved by the competent authority from
another member state and notified to the RNSC;

c) copy of the decision regarding the of the basic prospectus issued by RNSC, for the
prospectuses approved by RNSC or the similar document issued by the competent
authority from another member state, for the prospectuses approved by them;

d) the proof that RNSC has been notifies regarding the approval of the basic
prospectus by a competent authority from another member state, as applicable;

e) the summary of the prospectus translated into Romanian language, or as
applicable, the presentation document in Romanian language, which will include
at least the following: information regarding the Issuer, general risks associated to
the Issuer and/or risks specific to structured products, for the prospectuses
approved by a competent authority from another member state or the summary of
the prospectus translated into English language for the prospectuses in Romanian
language approved by A.S.F.;

f) the approval of the Central Depository regarding assuring the conditions for the
pre and post trading operations specific to structured products;

g) copy of the Issuer’s last annual or quarterly financial report, in case the respective
financial information are not already contained by the basic prospectus or if the
Issuer doesn’t have other financial instruments admitted to trade within BSE;

h) the proof of payment of the corresponding charge;

i) any other documents that the BSE considers necessary.

§4
Documents required for Admission to trade of an individual issue of structured
products

Art. 42⁴ (1) For the admission to trade of an individual issue within the Structured
products Sector, an Issuer shall submit to the BSE through the Sponsorship
intermediary, the following documents:

a) application for admission to trade of an individual issue;

b) copy of the basic prospectus completing documents, including the parameters and
the elements specific to individual issue, approved by the RNSC or by a competent
authority from another member state, as applicable. The respective documents shall
be submitted to BSE in Romanian or in English;

c) the registration certificate of the respective issue with the RNSC;

d) the commitment to maintain the Liquidity provider services, based on the contract
concluded by the Liquidity provider with BSE, in order to comply with the
requirements referring to the parameters established by BSE for the respective
individual issue;

e) any other documents or information that BSE considers necessary for the
admission of an individual issue of structured products.

(2) Based on the parameters and the elements specific to individual issue of structured
products, BSE shall apply, consequently, the provisions referring to the requirements,
the documents and the afferent procedure.

Section 3²
Admission to Other International Financial instruments Sector

Art. 42⁵ (1) The financial instruments to be admitted in this sector shall fall under one
of the following two tiers:
a) Tier A – financial instruments associated with equity,
b) Tier B – financial instruments associated with debt.

§1
Requirements for admission to Tier A

Art. 42⁶ (1) The financial instruments issued by legal persons from other member
states, representing the object of admission to trade in this tier, must:
a) comply with the requirements stipulated in art. 5, para. 1;
b) represent the object of a request for admission to trade, which would comply with
the provisions of art. 49 from RNSC Regulation no.1/2006.

(2) The financial instruments issued by legal persons from non-member states,
representing the object of admission to trade in this tier, must:
a) comply with the requirements stipulated in art. 5, para. 1;
b) represent the object of a request for admission to trade, which would comply with
the provisions of art. 50 from RNSC Regulation no.1/2006.

(3) The Issuers of financial instruments to be admitted to trade in Tier A, from other
member states and from non-member states, must:
a) comply with the requirements stipulated in art. 6 para. 1, according to the effective
legislation;
b) to comply with one of the following alternative conditions:
   b1) the value of own capitals from the last financial year must be at least the
equivalent in lei of 1 million EURO calculated at the N.B.R. exchange rate from the
date when the request for admission to trade was registered with the BSE;
b2) early capitalization must be at least the equivalent in lei of 1 million EURO
calculated at the N.B.R. exchange rate from the date when the request for admission
to trade was registered with the BSE.

§2
Documents required for admission to Tier A
Art. 42(1) The Issuers from other states requesting admission to trade of the financial instruments in Tier A, shall submit to the BSE, through an Sponsorship intermediary, the documents specified at art. 36 (1) and (2), as the case may be, accompanied by the list provided at paragraph 21 (1) letter (r).

§3
Requirements for admission to Tier B

Art. 42 The financial instruments issued by legal persons from other member states and from non-member states, for admission to trade in this tier, must comply with the requirements stipulated in art. 23 letter b) and art. 24 para. 1 and para. 3.

§4
Documents required for admission to Tier B

Art. 42(1) For the admission to trade of financial instruments in Tier B, the Issuers from other states will have to submit to the BSE, through a Sponsorship intermediary, the documents specified at art. 36 (1) and (2), as the case may be, (2) repealed.

Section 4
Procedure regarding Admission to Trade

§1
Procedure regarding Rights and treasury bonds Admission to Trade

Art.43 The request of admission to rights and treasury bonds trade accompanied by the related documentation shall be submitted to BSE, following that, within maximum 10 days from the date of submission by the issuer of all the documents requested by BSE to be issued the decision of the General Direction regarding the admission to trade.

§2
Procedure regarding Financial Instruments Admission to trade

Art.44 (1) The initiating company shall submit to BSE the documents before submitting them to A.S.F., accompanied by a prior request for admission to trading, in order to obtain the prior approval, following within maximum 10 days from the date of submission of the requested documents to be issued The prior approval of BSE. (2) repealed. (3) For the situations imposing the approval of the prospectus by A.S.F., BSE will be able to proceed to the admission to trading procedure of the financial instruments based on the documents mentioned at paragraph 1 following within maximum a month from the date of submission of the documents requested by BSE, the BSE BG to adopt a
decision regarding the admission or non-admission of the instruments to trading [formulated by the initiating company].

(4) repealed.

(5) repealed.

(6) repealed.

(7) The BSE BG is the sole competent authority entitled to issue a decision regarding the financial instruments admission to trade on a BSE regulated market, based on the Commission for the Admission to Trade approval.

(71) Stock Exchange Council is empowered to, on a proposal for admission to trading, by the decision issued, to grant exemptions from the obligation to fulfil certain provisions relating to requirements for admission to trading on regulated market, if those requirements are not established by Law. 297/2004 and the regulations issued by the NSC/S.A.F. in its application and if in the opinion of members of the Stock Exchange, there will be an adequate market for such securities and the issuer is able to meet reporting obligations set out in the capital market legislation.

(8) Fulfilling the requirements set shall not automatically imply the approval of the financial instruments’ admission to trade.

(9) Advocating the request for the financial instruments admission to trade in front of the Commission for the Admission to Trade, on behalf of the issuer, is the responsibility of the sponsoring intermediary together with the legal representative of the respective issuer, who will participate to the respective meeting.

(10) repealed.

(11) The decision of the BSE BG will be implemented after a contract is signed between the central depository and the respective issuer.

**Article 441** (1) In respect for art. 44 the admission to trading is equivalent to the admission on principle to trading in case of Structured Products.

(2) On principle admission to trading of Structured Products does not require the automatic admission to trading individual products of structured programs; the Issuer will apply for admission to trading of each individual issue, at the Company’s initiatives, in accordance with the provisions of this chapter.

(3) The issuer, through company initiatives, will transmit BSE, as soon as possible, but no more than in 1 working day, any updates on specific elements of individual programs as well as the related documentation.

(4) BSE assumes no responsibility for the accuracy and completeness of the data presented to BSE, as well as regards the information and the obligations contained in the documents provided by the Issuer and / or by company initiatives.

§3

Procedure regarding Admission to Trade of an individual issue of structured products

**Article 442** (1) Admission to trading of an individual issue of Structured products, based on a basic prospectus, is up to the General Manager.

(2) repealed.

(3) repealed.
(4) BSE will communicate to the Originating Company, not later than 5 days after the submission of the full documentation, the decision on admission to trading of the respective individual issue.

(5) BSE will disseminate through their website relevant information regarding the beginning of trading for the respective issue.

(6) BSE cannot be held liable for the accuracy or completeness of information provided by the Issuer or by the Originating Company related to the admission to trading of an individual issue of structured products.

(7) The General Director of BSE may deny the approval for the admission to trading of an individual issue of structured products, if it is considered that the requirements for ensuring the legal framework and the technical-operational one related to the trading cannot be fulfilled.

(8) The decision referred to in paragraph (4) enter into force after the conclusion by the Issuer of the appropriate contract with the central depository.

**Article 44**

(1) For each issue admitted to trading on regulated market, BSE collects the appropriate admission fee for an individual issue of structured products.

(2) The payment for the admission fee of an individual issue of structured products is made in accordance with the list of fees and charges in force.
CHAPTER III
UPGRADING AND DOWNGRADING

Section 1
Upgrading Requirements

Art.45 (1) Requirements for upgrading shares within the equity sector:

a. Shares in the process of being upgraded from Tier 2 to Tier 1 shall meet the conditions set in art.5, para.1-2;
b. Issuers of shares in the process of being upgraded from Tier 2 to Tier 1 shall fulfill the requirement decreed in art.6, para.1, pt. b-f and para.2, pt. b-d;
c. For issuers in the process of being upgraded from tier 2 to tier 1, the market capitalization average over the 6 last months must be in excess of 30 million Euros, as of the upgrading request BSE registration date;
d. Shares in the process of being upgraded from tier 3 to tier 2 must meet the conditions set in art.5, para.1;
e. Issuers of shares in the process of being upgraded from tier 3 to tier 2 must meet the requirements decreed in art.10, para.2, pt. a;
f. The average market capitalization over the last six months of the issuer whose securities will be promoted from Class 3 in Tier 2 must be at least 2 million calculated at NBR reference, on the date of BSE registration of the request for promotion;
g. Indicators of securities liquidity to be promoted from Tier 2 to Tier 1 will have the following values:
   a. The annual rate of trading days will be min. 90%;
   b. The average daily number of trades will be, at least, of 28 transactions per day;
   c. The average daily turnover will be at least 45,000 lei / day;
   d. The annual rate of traded securities depending on the free float will be min. 3.5%;
h. The issuer of securities to be promoted from Tier 2 to Tier 1 must state the conformity with at least 14 out of the 19 principles of the Corporate Conduct Code during the last calendar year.

Section 2
Upgrading Documents

Art.46 In order to upgrade equity sector shares and/or debt sector corporate bonds to tier 1 shares, tier 2 shares and/or tier 1 corporate bonds, issuers must supply BSE the following documents, via a sponsoring intermediary:

a. The upgrading application form;
   The competent authorities’ decision with respect to the shares and/or corporate bonds upgrading to tier 1 shares, tier 2 shares and/or tier 1 corporate bonds;
b. The proof of payment of the processing tariff;
c. The issuer’s personal statement of appointment to the sponsoring intermediary, for fulfilling procedures leading to an upgrading;
d. Other document considered necessary by the BSE.

Section 3
Upgrading Procedure

Art.47 (1) The BSE specialized department will examine the documents requested for the upgrading, ensuring the issuer meets all conditions.
(2) The BSE specialized department will communicate to the sponsoring intermediary any irregularities detected after examining the documents within 15 working days and will allow the same amount of time for the rectification of the respective irregularities.
(3) Delays in the rectification of irregularities will result in the suspension of the examination procedure and the request will expire, unless the issuer could was not to blame for the delay. If the party at fault is other than the issuer, the irregularities rectification deadline is suspended.
(4) Resuming the upgrading procedure will be conditional on the submission of a new application form in this respect and the repayment of the processing fee.
(5) After examining the documents provided, the BSE specialized department will forward the application form to the Commission for the Admission to Trade, together with a Recommendation Note.
(6) The BSE specialized department will examine and suggest to the Commission for the Admission to Trade the upgrading approval or rejection. The Commission for the Admission to Trade is entitled to request other documents or pieces of information considered necessary in the decision making process.
(7) The BSE BG is the only competent authority in the position to decide the upgrading of shares and bonds, based on the Commission for the Admission to Trade approval.
(8) Fulfilling the requirements set shall not automatically imply the approval for upgrading the shares and/or the bonds.
(9) Advocating the request for the shares and/or bonds upgrading in front of the Commission for the Admission to Trade on behalf of the issuer is the responsibility of the sponsoring intermediary together with the respective issuer.
(10) The upgrading approval note will be issued by the Commission for the Admission to Trade within 1 month from the date at which the issuer submitted all requested documentation, and will be communicated to the BSE BG, who will then take the decision regarding the upgrading.
(11) Trading on the Tier 1 will commence at the date established by the BSE General Manager, in accordance with art.117.

Section 4
Downgrading Requirements

Art.48 (1) BSE can downgrade shares within the equity sector from tier 1 shares to tier 2 shares if:

a. The issuer does not fulfill the trading requirements on the tier 1 shares;
b. The number of shareholders is less than 2,000 and does not increase for 3 months consecutively.

(2) BSE can downgrade shares from tier 2 shares to tier 3 shares if the issuer does not fulfill the requirements for maintaining the shares in Tier 2 shares.

Art.49 BSE can downgrade corporate bonds of any Issuer within the debt sector from tier 1 corporate bonds to tier 2 corporate bonds, if:

a. The issuer does not meet the requirements for the tier 1 corporate bonds;

b. The number of shareholders is under 1,000 and does not increase for 3 months consecutively.

Section 5
Downgrading Procedure

Art.50 (1) The BSE specialized department will periodically ensure that all requirements are fulfilled for the maintenance to tier 1 shares, tier 2 share and tier 1 corporate bonds.

(2) If the BSE finds there are requirements unfulfilled for the maintenance to tier 1 shares, tier 2 shares and tier 1 corporate bonds, including the situations detailed in art.48-49, the specialized department will issue a recommendation note to the Commission for the Admission to Trade suggesting the downgrading.

(3) The BSE BG is the sole competent body entitled to downgrading shares and/or corporate bonds from tier 1 shares and/or tier 1 corporate bonds, based on the Commission for the Admission to Trade approval.

(4) The downgrading notification will be issued by the Commission for the Admission to Trade within 1 month from the Recommendation Note receiving date, according to para.2, and then communicated to the BSE BG, who will make the decision to downgrade or not.

(5) Trading on the tier 2 shares and/or tier 2 corporate bonds will commence at the BSE General Manager’s established date.

(6) Shares and/or bonds downgraded to tier 2 shares and/or tier 2 corporate bonds will have the opportunity to be upgrade at later stages if it shall meet the requirements set by BSE in this respect.
CHAPTER IV
MAINTENANCE TO TRADE

Section 1
Maintenance within the Equity Sector

§1
Maintenance to the Tier 1 Shares

Art.51 (1) Shares admitted to tier 1 shares must meet the conditions set in art.5
(2) Issuers of shares admitted to tier 1 shares must:
   a. Be in accordance with art.2 and art.6;
   b. Pay the maintenance to trade fee;
   c. Supply BSE the information requested on a regular basis and inform the public with regard to major events or decisions likely to influence the price of the respective shares;
   d. Pay dividends without favoritism or discrimination, based on an equitable and just criterion.
(3) The liquidity indicators of tier 1 traded shares will be valued as follows:
   a. The annual rate of transaction days will be a minimum of 80%;
   b. The average number of transactions in a day will be a minimum of 25 transactions/day;
   c. The average value of transactions in a day will be a minimum of 40,000 RON/day
   d. The annual rate of shares traded depending on the free float will be a minimum of 3%.
(4) Acting in derogation of rules set in art.6, para.2, pt. a, issuers meeting one of the following requirements may continue trading on the tier 1 shares:
   a. The value of the accumulated capital over the last budgetary year must be greater or equal to 30 million Euros or
   b. The average capitalization over the last 6 months must be greater or equal to 30 million Euros.
(5) To maintain stocks in Tier 1, the issuers must declare that they have complied with at least 14 out of the 19 principles of the Corporate Conduct during the last calendar year.
(6) The requirement to maintain the stocks in Tier 1, referred to in paragraph (5), applies in accordance with art. 4, Title VI.

§2
Maintenance to the Tier 2 Shares

Art.52 (1) Shares admitted to tier 2 shares must meet the conditions for the maintenance to trade detailed in art.10, para.1
(2) Issuers of shares admitted to tier 2 shares must:
   a. Meet the conditions set in art.2 and the requirements described in art.10, para.2;
   b. Fulfill the requirements in art.51, para.2, points b-d;
   c. Meet one of the following conditions: register profit in the last budgetary year or register profit in 2 of the 3 past financial years.

(3) Acting in derogation of rules set in art.10, para.2, pt. b, issuers fulfilling one of the following requirements may continue trading on the tier 2 shares:
   a. The value of the accumulated capital over the last budgetary year must be greater or equal to 2 million Euros or
   b. The average capitalization over the past 6 months must be greater or equal to 2 million Euros.

(4) The liquidity indicators of shares traded on the tier 2 will be valued as follows:
   a. The annual rate of transaction days will be a minimum of 40%;
   b. The average number of transactions in a day will be a minimum of 5 transactions/day;
   c. The average value of transactions in a day will be a minimum of 5,000 RON/day;
   d. The annual rate of shares traded depending on the free float will be a minimum of 3%.

(5) repealed

§3
Maintenance to the Tier 3 Shares

Art.53 (1) Shares admitted to tier 3 shares must fulfill the requirements set in art.14 for the maintenance to trade.
(2) Issuers of shares admitted to Tier 3 shares must:
   a. Meet the conditions set in art.2 and art.15;
   b. Fulfill the requirements detailed in art.51, para.2, pt. b-d.
(3) Notwithstanding art. 15, letter d) to maintain the stocks in Tier 3, the issuer must meet one of these alternative requirements:
   a) The Issuer's equity value is at least the equivalent in RON of EUR 1 million or
   b) The average market capitalization over the last six months is at least 1 million.

§4
Maintenance to the International Shares Tier

Art.54 (1) Shares admitted to trade on the international shares tier must fulfill the requirements set in art.19, para.1 and 2, for the maintenance to trade.
(2) Issuers of shares traded on the international shares tier must:
   a. Meet the conditions described in art.2 and art.19, para.3;
   b. Fulfill the requirements set in art.51, para.2, pt. b-d.
(3) Notwithstanding art. 19, paragraph (3) to maintain stocks in the International Category, the issuer must meet one of these alternative requirements:
a) The Issuer's equity value is at least equivalent in RON of EUR 1 million or
b) The average market capitalization over the last six months is at least 1 million.

Section 2
Maintenance within the Debt Sector

§1
Maintenance to the Tier 1 Corporate Bonds

Art. 55 (1) Bonds admitted to trade on the tier 1 corporate bonds must fulfill the requirements set in art. 24, para.1 and 2, for the maintenance to trade.
(2) Issuers of bonds admitted to trade on the tier 1 corporate bonds must:
a. Meet the conditions set in art.2 and art.24, para.3;
b. Pay the tariff for the maintenance to trade;
c. Supply BSE the requested information on a regular basis, as well as inform the public with regard to major events and decisions likely to influence the price of bonds.

§2
Maintenance to the Tier 2 Corporate Bonds

Art. 56 (1) Bonds admitted to tier 2 corporate bonds must fulfill the requirements detailed in art.24, para.1, for the maintenance to trade.
(2) Issuers of bonds admitted to tier 2 corporate bonds must:
a. Meet the conditions set in art.2 and art.24, para.3;
b. Fulfill the requirements described in art.55, para.2, pt. b and c.

§3
Maintenance to the Tier 3 Corporate Bonds

Art. 57 (1) Bonds admitted to tier 3 corporate bonds must fulfill the requirements set in art.24, para.1, for the maintenance to trade.
(2) Issuers of bonds admitted to tier 3 corporate bonds must:
a. Meet the conditions set in art.2 and art.24, para.3;
b. Fulfill the requirements detailed in art.55, para.2, pt. b and c.

§4
Maintenance to the Municipal Bonds Tier

Art. 58 (1) Municipal bonds admitted to the municipal bonds tier must fulfill the requirements set in art.31, para.1, for the maintenance to trade.
(2) Issuers of municipal bonds admitted to the municipal bonds tier must:
   a. Meet the conditions set in art.2 and art.31, para.2;
   b. Fulfill the requirements detailed in art.55, para.2, pt. b and c.

§5
Maintenance to the Treasury Bonds Tier

Art. 59 Issuers of treasury bonds admitted to the treasury bonds tier must fulfill the requirements set in art.55, para.2, pt. b and c.

§6
Maintenance to the International Bonds Tier

Art. 60 (1) Bonds admitted to international bonds tier must meet the requirements set in art.35, para.1 and 2, for the maintenance to trade.
(2) Issuers of bonds admitted to trade on the international bonds tier must:
   a. Fulfill the requirements detailed in art.2 and art.35, para.3;
   b. Meet the conditions described in art.55, para.2, pt. b and c.

§7
Maintenance to the Other Debt Securities Tier

Art. 61 (1) Mortgage bonds admitted to other debt securities tier must meet the conditions set in art.37, para.2, for the maintenance to trade.
(2) Issuers of mortgage bonds admitted to other debt securities tier must fulfill the requirements detailed in art.37, para.3.

Section 3
Maintenance to the Collective Investment Undertakings Sector

§1
Maintenance to the Shares Tier

Art. 62 (1) Shares admitted to the shares tier must meet the conditions set in art.39, para.1, for the maintenance to trade.
(2) Issuers of shares traded on the shares tier must:
   a. Fulfill the requirements in art.2 and art.39, para.2;
   b. Meet the conditions detailed in art.51, para.2, pt. b-d.

§2
Maintenance to the Fund Units Tier
Art. 63 (1) Fund units admitted to trade on the Fund Units Tier must meet the requirements set in art.40, para.1, for the maintenance to trade.
(2) Issuers of fund units traded on the fund units tier must:
   a. Meet the conditions detailed in art.2 and art 40, para.2;
   b. Fulfill the requirements described in art.51, para.2, pt. b-d.

§3
Maintenance to the Collective Investment Undertakings Tier

Article 63(0)1 In order to maintain the trading of securities in collective Investment Undertakings tradable, International Category, the following will be duly respected:
   a) Art. 2;
   b) The requirements and conditions stipulated in art. 401;
   c) Art. 51, paragraph (2) letter b) - d).

Section 31
Maintenance to the Structured Products Sector

Article 631 (1) Structured products approved for transaction based on a framework offer must meet the requirements stipulated in paragraph (1), art. 422 of this title.
(2) The obligations of the issuers of Structured Products approved for transaction on a regulated market are:
   a) To comply with the provision of Section 31, Chapter II of this Title;
   b) To pay the appropriate fee, in accordance with the list of rates and charges in force;
   c) Other conditions that BSE deems necessary.

§4
Maintaining in Collective Investment Undertakings Local Tier

Article 63(0)2 Regarding the maintaining to trading of the trading units within In Collective Investment Undertakings Local Tier, there will be followed:
   a) provisions or article 2;
   b) requests and conditions provided by article 402;
   c) provisions of article. 51 para. (2) line. b)- d).

Section 4
Maintenance to Trade Procedure

Art.64 (1) The BSE specialized department will check on a regular basis that all requirements are fulfilled regarding the financial instruments maintenance to trade on the BSE.
(2) When verifying the free float condition, of at least 25%, of the shares admitted to trade on BSE, for the shares authorized by RNSC in compliance with Law 297/2004,
special consideration will be granted to the dispersion of shares at the time of the admission to trade on the BSE, unless RNSC stipulates otherwise.

(3) Issuers who, following the analysis, no longer fulfill the requirements for the maintenance to trade, respectively:
   a. they haven’t provided the required information on a regular basis, as stipulated in these regulations, within the time interval specified;
   b. they prejudiced the image of the company and/or shareholders/ bondholders of the respective company, will be put on the BSE Surveillance List

(4) Issuers on the Surveillance List must:
   a. provide to the BSE and the RNSC all requested information throughout the surveillance duration, as well as the Quarterly Audit Report;
   b. Publish the reasons for the surveillance in a nationally distributed newspaper;
   c. Continuously upload information on the website regarding the reasons for the surveillance;

(5) BSE is the sole body entitled to withdraw an issuer from the Surveillance List, once the irregularities are eliminated.

(6) BSE will communicate to the issuer the decision to enlist/withdraw it from the Surveillance List.

(7) The Surveillance List will be uploaded on the BSE website.

(8) If an issuer is enlisted in the Surveillance List for more than 6 months, the BSE will proceed to withdraw the issuer from trade, as well as the financial instruments of the respective issuer.
CHAPTER V
WITHDRAWAL FROM TRADE

Section 1
General Provisions

Art.65 (1) BSE is entitled to withdraw shares from tier 1, tier 2, tier 3 and international shares tier under the following circumstances:

a. The issuer breaches one or more conditions for the maintenance to trade within the respective sector and tier the shares are admitted to trade;

b. The issuer breaches the terms of the Admission and Maintenance to Trade on the BSE Agreement;

c. BSE believes a regulated market may not be restored for the respective shares;

d. The issuer did not pay one of the tariffs charged by the BSE and does not do so for another 2 months after the tariff due date;

e. The issuer violates the BSE requirements stipulated in the Chapter regarding the supply of information;

f. The issuer does not issue the financial reports in accordance with the accounting principles requested by the law in force or does not act in accordance with other conditions detailed in this Rulebook;

g. The issuer is undergoing an insolvency process;

h. The issuer is being taken-over;

i. The issuer remains registered on the Surveillance List for more than 6 months;

j. Other justified circumstances.

(2) Withdrawing shares from the regulated market as a result of the issuer’s request may occur via a takeover bid, whereby the major shareholder acquires a minimum of 95% of all voting rights or 90% of the shares on offer, in accordance with art.206-207 of the Law 297/2004.

(3) Notwithstanding the provisions of paragraph (2), the securities of International Tier issuers which are traded on at least one regulated market of a Member State, may be withdrawn from trading on the regulated market, at the initiative of the issuer, only if the issuer of these securities will maintain them for trading on at least other regulated market in a Member State for a period of at least twelve months, based on a commitment.

Art.66 BSE may withdraw bonds from tier 1, tier 2, tier 3 and international bonds tier, as well as mortgage bonds from other debt securities sector, under any of the following circumstances:

a. The issuer violates one or more requirements for the maintenance to trade on the respective sector and tier where bonds are admitted to trade;

b. The issuer breaches the terms of the Admission and Maintenance to Trade on the BSE Agreement;

c. BSE believes a regulated market may not be restored for the respective bonds;
d. The issuer did not pay one of the tariffs charged by the BSE and does not do so for another 2 months after the tariff due date;

e. The issuer violates the BSE requirements stipulated in the Chapter regarding the supply of information;

f. The issuer does not issue the financial reports in accordance with the accounting principles requested by the law in force or does not act in accordance with other conditions detailed in this Rulebook;

g. The bonds reached their maturity;

h. There is a clause for early withdrawal in the issue prospectus;

i. Other justified circumstances.

Art.67 BSE may withdraw rights from trading on the tier 1 rights, tier 2 rights, tier 3 rights and International Rights Tier, under any of the following circumstances:

a. BSE believes a regulated market may not be restored for the respective rights;

b. The rights reached their maturity;

c. Other justified circumstances.

Art.68 BSE is entitled to withdraw financial instruments from trade under any of the following circumstances:

a. The issuer is involved in a merger, restructuring, division, consolidation and reclassification operations;

b. The issuer is undergoing an insolvency process;

c. The issuer’s functioning authorization was withdrawn;

d. Other justified circumstances.

Section 2
Specific Provisions

Art.69 (1) BSE may withdraw shares from trading on the Collective Investment Undertakings Sector- the shares tier, under any of the following circumstances:

a. The issuer violates at least one of the requirements for the maintenance to trade;

b. The issuer breaches the terms of the Admission and Maintenance to Trade on the BSE Agreement;

c. BSE believes a regulated market may not be restored for the respective shares;

d. The issuer did not pay one of the tariffs charged by the BSE and does not do so for another 2 months after the tariff due date;

e. The issuer breaches the BSE requirements stipulated in the Chapter regarding the supply of information;

f. The issuer does not issue the financial reports in accordance with the accounting principles requested by the law in force or does not act in accordance with other conditions detailed in this Rulebook;

g. The issuer is undergoing an insolvency process;
h. The issuer’s functioning authorization was withdrawn;

i. Other justified circumstances

(2) BSE may withdraw fund units from the collective investment undertaking sector-the fund units tier, under any of the following circumstances:

a. The issuer violates at least one of the requirements for the maintenance to trade on the respective sector and tier where the fund units were initially admitted to trade;

b. The issuer breaches the terms of the Admission and Maintenance to Trade on the BSE Agreement;

c. BSE believes a regulated market may not be restored for the respective fund units;

d. The issuer did not pay one of the tariffs charged by the BSE and does not do so for another 2 months after the tariff due date;

e. The issuer breaches the BSE requirements stipulated in the Chapter regarding the supply of information;

f. The issuer does not issue the financial reports in accordance with the accounting principles requested by the law in force or does not act in accordance with other conditions detailed in this Rulebook;

g. The issuer’s functioning authorization was withdrawn;

h. Other justified circumstances.

Article 69

1. BSE may withdraw from trading the share on Collective Investment Undertakings tradable, International Category, for the violation of the requirements related to the maintaining of trading stipulated by this Title, if the requirements mentioned in Art. 107 are not met, as well as in the following cases:

a) if the operational authorization of Collective Investment Undertakings tradable is withdrawn by the competent authority and in any other situation as described in the prospectus, which determines the cease of Collective Investment Undertakings operation, based on the notification of the Issuer;

b) in case that the authorization of the assets depository/asset management company was withdrawn by the competent authority in the country of origin and the deposits/management can be provided by another entity, in compliance with the regulations in force;

c) at the initiative of the issuer, provided that securities on Collective Investment Undertakings tradable to be available for trading on another regulated market in a period of 6 months from the time of application for withdrawal from trading in the BSE;

d) The issuer's request, if it is demonstrated that the reference index does no longer meet the requirements stipulated in § 2 Section 3 of Chapter II;

e) If according to BSE an orderly market cannot be maintained or restored;

f) If the trading of securities are suspended on the market for an initial period of more than 3 months;

g) failure to meet reporting requirements and maintaining the transaction covered by this Charter;

h) failure to pay appropriate fees to BSE for a period exceeding one month from the date of their chargeability;

i) Other situations motivated.

(2) BSE may request the Issuer any information/document for adopting the decision.
of withdrawal from trading the securities admitted on the International Tier Collective Investment Undertakings tradable.

Art. 69  
(1) BSE may withdraw from trading the share on Collective Investment Undertakings tradable, Local Category, for the violation of the requirements related to the maintaining of trading stipulated by this Title, if the requirements mentioned in Art. 107 are not met, as well as in the following cases:

a) if the operational authorization of Collective Investment Undertakings tradable is withdrawn by the competent authority and in any other situation as described in the prospectus, which determines the cease of Collective Investment Undertakings operation, based on the notification of the Issuer;

b) in case that the authorization of the assets depository/asset management company was withdrawn by the competent authority in the country of origin and the deposits/management can be provided by another entity, in compliance with the regulations in force;

c) at the initiative of the Issuer, if it is demonstrated that the provisions of §22 Section 3 Chapter II are no longer fulfilled;

d) If according to BSE an orderly market cannot be maintained or restored;

e) failure to meet reporting requirements and maintaining the transaction covered by this Charter;

f) failure to pay appropriate fees to BSE for a period exceeding one month from the date of their chargeability;

g) Other situations motivated.

(2) BSE may request the Issuer any information/document for adopting the decision of withdrawal from trading the securities admitted on the International Tier Collective Investment Undertakings tradable.

Art.70  
(1) BSE may withdraw municipal bonds from trading on the municipal bonds tier in any of the following circumstances:

a. The issuer violates at least one of the requirements for the maintenance to trade;

b. The issuer breaches the terms of the Admission and Maintenance to Trade on the BSE Agreement;

c. BSE believes a regulated market may not be restored for the respective municipal bonds;

d. The issuer did not pay one of the tariffs charged by the BSE and does not do so for another 2 months after the tariff due;

e. The issuer breaches the BSE requirements stipulated in the Chapter regarding the supply of information;

f. The issuer does not issue the financial reports in accordance with the accounting principles requested by the law in force or does not act in accordance with other conditions detailed in this Rulebook;

g. The municipal bonds reached their maturity;

h. Other justified circumstances.
(2) BSE may withdraw treasury bonds from trading on the treasury bonds tier in any of the following circumstances:
   a. The issuer did not pay at least one of the tariffs charged by the BSE and does not do so for another 2 months after the tariff due date;
   b. There is a clause for early withdrawal in the issue prospectus;
   c. The treasury bonds reached their maturity;
   d. Other justified circumstances.

Article 701 (1) Withdrawal from trading of Structured products issued in the framework of a program offer is made in accordance with Art. 71 of this title and may occur in the following situations:
   a) At the end of the framework program application based on which the Issuer issued Structured Products;
   b) If are not met the requirements / admissions documents and applicability;
   c) if charges due to BSE are not paid and the situation last for a period exceeding one month from the date of payment chargeability of the respective rates;
   d) If BSE requirements on providing information, contained in this Rulebook are not met;
   e) The issuer is involved in a merger, reorganization, division, consolidation, etc.
   f) The issuer has initiated bankruptcy proceedings or judicial dissolution;
   g) The issuer has been withdrawn the operating permits, if applicable;
   e) Other situations that may lead to the adoption of this measure.

Article 702 (1) The General Manager may decide to withdraw from the trading one or more individual issues of Structured Products:
   a) Following the withdrawal from trading of Structured Products under Art. 701;
   b) based on notifying the Issuer of structured products, in compliance with the base prospectus and the documents of amendment, in accordance with the applicable regulations;
   c) According to BSE an orderly market of the respective issue cannot be maintained or restored;
   d) if considered that the requirement for admission to trading of that individual issue are no longer met;
   e) If the issuer has not paid the appropriate fee due to BSE and this situation last for a period exceeding one month from the chargeability date of the price;
   f) If BSE requirements on providing information related to that issue included in this Rulebook are not met;
   g) Other situations that may lead to the adoption of this measure.

(2) Beside those provided in paragraph (1), an individual issue of Structured Products will not be available for trading on the regulated market managed by the BSE and will be withdrawn from trading in following situations, without the emission to be a limitative one:
   a) The individual issue has reached the maturity determined in the documents supplementing the base prospectus;
   b) Because a certain level of the assets support has been reached according to the documents supplementing the prospectus and the Issuer has informed BSE by means specific to this situation;
c) If there are ceasing situations, defined in the documents supplementing the base prospectus and the Issuer has requested BSE to withdraw from trading;
d) The issuer's request in case the support asset is no longer traded or ceases to exist;
e) Following the beginning of redemption procedures for the individual issue before maturity, if in the prospectus or in the documents such clause exists and BSE transmitted the Issuer a request in this regard.

(3) BSE Specialized Department will inform the Stock Exchange Council as regards the withdrawal from trading of Structured Products, respectively will inform the General Manager on the need to withdraw from the trading of the individual issue.

(4) BSE will notify the public via its website on regards the withdrawals from trading of the Structured Products.

Section 3
Procedure regarding withdrawal from trade

Art.71 (1) The BSE specialized department will issue a Recommendation Note to the Commission for the Admission to Trade regarding the necessity to withdraw certain financial instruments from trade.

(2) The BSE BG is the sole body entitled to decide with regard to the withdrawal of certain financial instruments from the BSE regulated market, based on the Commission for the Admission to Trade approval. The Commission for the Admission to Trade will issue a notification within 1 month of the Recommendation Note receiving date and will be communicated to the BSE BG, who will then make the decision.

(3) The withdrawn financial instruments will be readmitted to trade on the BSE once they fulfill all the BSE requirements set in this respect.
CHAPTER VI
SUPPLYING INFORMATION

Section 1
Issuers’ General Obligations

Art.72 Issuers shall submit to the BSE all the information/documents considered necessary to ensure investors’ protection and a better market functioning.

Art.73 Issuers shall supply information within the shortest time possible to ensure investors’ equitable access to the information needed for the investment decision making.

Art.74 For the maintenance of an orderly market as well as for ensuring investors’ equitable access to information, BSE may request issuers to disclose information in accordance with the procedures in force and the specified time limitations.

Art.75 Issuers must fulfill the requirements stipulated in the RNCS regulations in force as well as those detailed in this Chapter and in the Admission and Maintenance to Trade Agreement.

Art.76 (1) The issuer’s knowledge of an action with a direct or indirect impact on the price of financial instruments and/or a decision to invest must immediately be reported to the BSE and the public.
(2) The immediate transmission of information mentioned in art.1 to the BSE and the public constitutes what is known as continuous supply of information.

Art.77 The information mentioned in art.76 must be submitted to the BSE and the RNCS in a current report prior to the official notification of the public or a third party not bound to a confidentiality agreement, in accordance with the law in force.

Art.78 Information will be forwarded to the BSE and the RNCS in the shortest amount of time possible, no longer than 24 hours from the time of the event occurring, in accordance with the rules and regulations detailed in this Chapter and those concerning the publishing of current reports.

Art.79 The information supplied by issuers must be true, accurate, sufficient. BSE is entitled to request the rectification/ supplementation of a notification/ report, if BSE believes the information provided is other than accurate and/or sufficient.

Art.80 (1) Issuers have the obligation to submit the quarterly, semianual, and annual or any other reports requested on a regular basis by the BSE.
(2) The notification obligations in para.1 constitute the periodical supply of information.
Art.81 Issuers have an obligation to submit all reports, documents and official statements detailed in this Chapter and requested by the law in force, in electronic format, together with the attached electronic signature. Under the extraordinary circumstance that the electronic signature cannot be used, the respective information will then be sent via e-mail, fax, mail or currier, printed.

Art.82 Disseminating information to participants and investors will occur subject to the BSE regulation regarding the information method of distribution, the time of the distribution, the general and specific market conditions, as well as other requirements specified by the BSE, as applicable.

Art.83 Issuers shall inform BSE in the shortest amount of time possible with regard to the observations/clarifications related to news or rumors acknowledged and likely to influence the financial instruments’ price/yield. Issuers must disclose the respective information via a press release, if BSE considers it necessary.

Art.84 If the Issuer is elaborating document for the information if own and potential investors with regard to information unavailable to the public and likely to influence the financial instruments price/yield, he will immediately submit those documents to the BSE for all the Participants to be informed.

Art.85 Throughout the duration of the financial instruments being traded on the BSE, issuers must fulfill the requirements regarding the periodic and continuous supply of information as requested in this Chapter and the Admission and Maintenance to Trade Agreement and the RNSC regulation.

Art.86 BSE will require issuers to submit all information specified by the RNSC and this Chapter, in a standardized format.

Art.87 Issuers may decide to postpone the supply of information in accordance with the Law 297/2004 as well as those established by the RNSC regulations.

Art.88 In order to ensure an optimum communication, issuers will keep contact with the BSE regularly and will notify the BSE within 48 hours of any changes regarding the identity and personal data of the persons liaising with the BSE.

Art.89 Issuers shall develop and implement procedures necessary for meeting all the requirements detailed in this Chapter.

Art.90 Issuers are liable for the damages generated by the violation of the requirements detailed in this Chapter.

**Section 2**

**Periodical supply of information**
Art. 91 Periodical supply refers to the requirements set in the section under review, i.e. the Admission and Maintenance to Trade Agreement, without being limited to it.

Art. 92 (1) Issuers shall submit to the BSE at the beginning of each calendar year, within 30 days of the end of the previous year, the financial calendar containing the dates or periods of time for:

a. Transmission/publishing of preliminary annual financial results;
b. The AGM scheduled to approve the annual financial situation;
c. Transmission/publishing of the annual, semiannual, quarterly reports;
d. Press conferences, financial analysts/consultants/intermediaries/investors meetings, for the presentation of the financial results, as applicable.

(2) When issuers specify periods of time in their financial calendar, they will communicate the dates for the specific events within the shortest amount of time possible, as well as any other subsequent amendment.

(3) Issuers shall publish on and update their website with regard to the financial calendar.

Art. 93 (1) Issuers shall submit to the BSE, within 120 days of the reporting closing date, the Annual Report issued in accordance with the RNSC regulations.

(2) The report mentioned in para.1 shall contain all the reporting documents stipulated by the RNSC regulations.

Art. 94 Issuers shall include in the Annual Report a Declaration regarding the compliance/breach of the Corporate Governance Code issued by the BSE. In case of breaching the Corporate Governance Code, the issuer must provide complete explanations.

Art. 95 (1) Issuers shall submit to the BSE, within 45 days of the reporting closing date, the Semiannual Report issued in accordance with the RNSC regulations.

(2) The report described in para.1 will contain all documents requested by the RNSC.

Art. 96 Issuers shall submit to the BSE, within 45 days of the reporting closing date, the Quarterly Reports for the first and third quarters, issued in accordance with the RNSC regulations. This report shall contain all documents requested by the RNSC together with the balance sheet and the detailed explanatory notes as specified by the law in force.

Art. 97 BSE is entitled to postpone the reporting term upon the issuers’ request and after consulting with the RNSC. The RNSC approval may only be obtained via the provision of grounded motives for noncompliance with the term established by the legal regulations if force.

Art. 98 Issuers shall deliver the reports detailed above outside trading hours, or, under extraordinary circumstances only, a minimum of 90 minutes prior to the trading session’s commencement.

Section 3
Continuous supply of information
Art.99 Continuous Supply refers to the following enumeration, without being limited to:

a. The privileged information detailed in art.226, para.1 of Law 297/2004 and the RNSC regulations;

b. The information described in art.224, para.5 of law 297/2004, as well as the RNSC regulations;

c. The occurrence of a financial, organizational, legal or environmental factor or a factor likely to significantly influence the issuer’s well-functioning or activity overall;

d. Amendments to the objectives or the business strategy, the investment plans or the development objectives likely to significantly influence the issuer’s well-functioning or activity overall;

e. legal actions taken against the AGM/ BD decision, i.e. an objection registered with the NTRO;

f. Splits, reverse-splits, reclassification of securities or any other changes in the rights attached to the securities/financial instruments;

g. Decisions regarding a new issuance of financial instruments;

h. Decisions regarding the changing of members of the issuer’s management, control or surveillance bodies;

i. Verdicts in regard to the issuer’s accounts being frozen, as a consequence of a legal restructuring, liquidation or bankruptcy process being undertaken, or due to a public authority’s action likely to significantly influence an issuer’s activity;

j. Legal actions taken against the issuer or the persons involved, likely to influence the price or the decision to invest the issuer’s financial instruments;

k. Significant adjustments to the personnel structure and major work conflicts;

l. Default related to a contract or an agreement, that may or may not constitute the source of a potential conflict;

m. revocation or cancellation of credit lines granted by one or more banks;

n. initiation of the insolvency of the main debtors;

o. receiving offers to buy the important / significant assets from the patrimony;

p. new licenses, patents, patents obtained;

q. changes in profit / loss forecast;

r. The summary of all remarks and/or interviews of the issuer’s management, control and surveillance bodies’ members regarding the forecasts and quantitative objectives of their activity;

s. Other actions in close relation to the ones detailed above or likely to influence the price or the decision to invest the issuer’s financial instruments.

Art.100 Issuers have the obligation to submit to the BSE the information detailed in art.99, in the shortest amount of time possible, without exceeding the 24 hours deadline as of the time when the respective event occurred; whenever possible, information should be delivered outside trading hours, a minimum of 60 minutes prior to the trading session’s commencement.
Art.101 (1) Information detailed in art.99 can be delivered during trading sessions under exceptional circumstances only, with the obligatory urgent BSE notification via telephone or fax.
(2) If any suspicion exists with regard to the privileged information leaking out to unauthorized third parties, the issuer has the obligation to immediately notify the BSE, so as to ensure orderly trading within a transparent and equitable market environment, by taking the appropriate measures.

Section 4
Other Reporting Requirements

Art.102 Issuers shall deliver to the BSE the official statements or reports regarding the securities’ price stabilization activity, to be issued and published in accordance with the RNSC regulations.

Art.103 Issuers shall deliver to the BSE the official statements or reports regarding the buy-back of shares procedures, to be issued and published in accordance with the RNSC regulations.

Art.104 In the event of changes to the articles of association, issuers shall send BSE the new updated version within 7 days of the NTRO electronic format submission.

Art.105 Issuers shall submit to the BSE, within 3 working days, the public notification according with art.228 of law 297/2004.

Art.106 Issuers of financial instruments admitted to the Debt Securities Sector shall submit to the BSE the reports, documents and official statements issued in accordance with the RNSC regulation and the Admission and Maintenance to Trade Agreement.

Art.107 Issuers of financial instruments admitted to the Collective Investment Undertakings Sector shall submit to the BSE the reports, documents and official statements in accordance with the RNSC regulations and the Admission and Maintenance to Trade Agreement.

Article 107¹ (1) The issuer whose securities are admitted to OPC sector, International Tier Collective Investment Undertakings tradable, or, where appropriate, other responsible entity, shall transmit simultaneously to the BSE the information with identical content published on the initial market, given that they will be different from those of having a general character, required under this Charter.
(2) The information referred to in paragraph (1) sent to BSE will be disseminated to the public through the BSE website, immediately, depending when the information was received.
(3) The obligations related to the securities allowed in the International tier Collective Investment Undertakings tradable are:
a) Net asset value per unit will be supplied daily after the market trading session closed, but no later than the start of the next trading session related to the securities in the BSE;
b) The notification on the number of securities in circulation, no later than 1 working day:
   i. at the time of registration of a change in the number of securities (+/- 20% from last change, if BSE does not say otherwise);
   ii. at the end of each calendar month.
c) Other conditions that BSE deems necessary.

(4) In addition to the requirements of continuous information provided in paragraph (2), the Issuer is obliged to submit to BSE, directly or through another responsible entity, the following information to be disseminated properly to BSE:
a) Any change in the prospectus or key investor information / simplified prospectus approved by competent authority, as appropriate;
b) The annual and quarterly, in terms stipulated by the legislation in force in the issuer's state of origin;
c) Details of the procedure for distribution of dividends on portfolio securities in accordance with the prospectus, as applicable;
d) Information on the decision of the competent authority to suspend / revoke the operational authorization of Collective Investment Undertakings or to suspend / withdraw from trading securities issued by Collective Investment Undertakings, or, where appropriate, the decision of suspension / withdrawal from trading of the market operator that manages the initial market value of those securities;
e) any information that may significantly affect the net asset value per unit or which may have significant negative effect on economic and financial situation of the issuer;
f) Information that pertains to the decision to invest or that may affect the fair and orderly trading conditions of the instrument.

(5) The documents referred to in paragraph (4), letter a) and c) will be sent within 15 working days from the date they were initially released on the market, and those mentioned in letter d) - f), as soon as possible but no later than 1 working day from the event.

(6) The obligation of submission falls upon Collective Investment Undertakings tradable Issuer or the entity responsible, according to the delegation of responsibility to it and the notification of BSE.

(7) Documents related to the fulfilment of the reporting obligation will be provided to BSE in Romanian or in English, in compliance with the laws of Romania.

Art. 107 (1) The issuer whose securities are admitted to OPC sector, Local Tier Collective Investment Undertakings tradable, or, where appropriate, other responsible entity, shall transmit simultaneously to the BSE the information provided at lines. (3) and (4).
(2) The information referred to in paragraph (1) sent to BSE will be disseminated to the public through the BSE website, immediately, depending when the information was received.
(3) The obligations related to the securities allowed in the Local tier Collective Investment Undertakings tradable are:
a) the value of the net asset will be provided daily after the closure of the trading session but no later than the beginning of the next trading session additional to the respective units within BVB;
b) The notification on the number of securities in circulation, no later than 2 working days:
   i. at the time of registration of a change in the number of securities (+ / - 20% from last change, if BSE dose not say otherwise);
   ii. at the end of each calendar month.
c) Other conditions that BSE deems necessary.
(4) In addition to the requirements of continuous information provided in paragraph (3), the Issuer is obliged to submit to BSE, directly or through another responsible entity, the following information to be disseminated properly to BSE:
   a) Any change in the prospectus or key investor information / simplified prospectus approved by competent authority, as appropriate;
   b) The annual and semester reports, which will include information on the replication error at the end of reporting period, in terms stipulated by the legislation in force. The annual report will also include an explanation of the divergent replication maximum estimated and the effective replication error;
   c) Details of the procedure for distribution of dividends on portfolio securities in accordance with the prospectus, as applicable;
   d) Information on the decision of the competent authority to suspend / revoke the operational authorization of Collective Investment Undertakings or to suspend / withdraw from trading securities issued by Collective Investment Undertakings, or, where appropriate, the decision of suspension / withdrawal from trading of the market operator that manages the initial market value of those securities;
   e) Information on the RNSC decision to revoke the operational authorization of the asset depository/ asset management company, if the case, indicating the possibility to ensure depository/ administration by another entity, submitting to the regulations in force;
   f) Any information that may significantly affect the net asset value per unit or which may have significant negative effect on economic and financial situation of the issuer;
   g) Information that pertains to the decision to invest or that may affect the fair and orderly trading conditions of the instrument.
(5) The documents referred to in paragraph (4), letter a) and c) - f) will be sent within the shortest time possible, but no later than 1 working day from the event.
(6) The obligation of submission falls upon Collective Investment Undertakings tradable Issuer or the entity responsible, according to the delegation of responsibility to it and the notification of BSE.

Art.108 Issuers of financial instruments admitted to the Municipal/Government Bonds Categories shall submit to the BSE and publish the adjustments in the issuance terms and conditions, as well as other information likely to directly influence the financial instruments’ price/ yield.
Art.109 (1) Issuers of financial instruments admitted to the International Tier have the obligation to meet the conditions set in this Title, the Admission and Maintenance to Trade Agreement and the RNSC regulations.
(2) When an issuer of financial instruments admitted to trade on another regulated market in the issuer’s state of origin or elsewhere, the respective issuer will supply BSE and simultaneously publish the exact same information, provided the information is other than as described in para.1.
(3) If the Issuer has issued financial instruments on a regulated market from another member state or from a non-member state, the Issuer or his legal representatives shall submit to the BSE and publish all reports or official statements regarding the requirement of continuous supply of information, according to the issuer’s choice, in Romanian and one other internationally accepted language in the field of finance.
(4) If the Issuer issued Financial instruments admitted to trading on a regulated market in another Member State, the Issuer or its legal representative shall transmit BSE and will publish all reports / documents subject to the requirements to provide periodic information in accordance with the issuer, either in an international language in finance field or in Romanian in a condensed format agreed with BSE and determined by the commitment of admission to trading and maintenance.
(5) If the Issuer has issued Financial instruments admitted to trading on a regulated market in a non-member State, the Issuer or its legal representative shall transmit BSE and will publish all reports / documents subject to the requirements to provide periodic information, in Romanian and in an international language used in the finance filed.

Article 1091 (1) The issuer whose Financial instruments are permitted in Structured products sector will transmit BSE, as soon as possible, but no more than 1 working day, any change related to the prospectus and / or specific elements of the individual issue that may influence the rights of Financial instruments holders, as well as any other information that may have a potential impact over the trading of Structured products or necessary to support investment decisions.
(11) Notwithstanding the provisions of the issue prospectus and the documents of addition, the Issuer is obliged to notify the BSE on the characteristics of Structured Products adjusted, prior to the start of trading stock, for the day they come into force (for example, situation where the support asset is an action and the issuer registers a corporate event, the adjusted parameters that shows Structured products will provide BSE, at the latest, before the beginning of the trading session on the corresponding ex data of the respective support asset).
(12) If the prospectus and the documents do not contain details on the procedure applicable to adjust the characteristics of Structured Products, the Issuer is obliged to proper inform BSE and the investors on the procedure applied, under the terms provided in paragraph (11).
(13) if there is a situation of reporting that seems to fit both paragraph (1) as well as (11), Issuer shall notify BSE in the shortest period between the time limits provided in these paragraphs.
(2) The issuer shall send BSE the Annual report and quarterly report, no later than 120 days and not later than 60 days after the reporting period, except for issuers who have traded other Financial instruments on markets managed by BSE, which will send the reports mentioned within the period provided for those Financial Instruments. Reports
will be prepared in accordance with applicable regulations and shall contain information as set out in RNSC regulations in the field.

(3) If the Issuer has issued such Financial Instruments also on another regulated market, it will transmit BSE and will publish at least the information published in that market.

(4) The issuer or its legal representative shall transmit BSE and publish all reports / documents subject to the requirements for providing information under this Article, in accordance with applicable legal requirements, including those relating to the language used.

Section 5
Supply of information to BSE and Dissemination

Art.110 (1) Issuers shall deliver to the BSE all reports and official statements in accordance with the rules set for the continuous and periodical supply of information, in the appropriate electronic form that will allow BSE to disseminate the respective information to participants and the public at large via the webpage or by other suitable means.

(2) BSE is under no circumstance liable to issuers or third parties for the incorrect or insufficient dissemination of information provided by the issuer and distributed by BSE.

Section 6
Temporary Trading Suspension of financial instruments

Art.111 (1) BSE may suspend trading of the financial instruments under any of the following circumstance, without being limited to:

a. In the cases specified in art.234, pt. b of Law 297/2004;

b. In order to facilitate operations regarding the registration of adjustments to the characteristics or the number of financial instruments admitted to trade;

c. Under extraordinary circumstances, when an issuer makes a request in this respect, in order to prevent the use of information prior to the official release, as requested by the law in force;

d. To ensure orderly trading and equal access to the information required for the investment decision making process (investors protection);

e. Issuers breach the supply of information requirements or the payment of tariffs.

(2) For the para.1, pt. c circumstance, BSE and the RNSC may decide to suspend from trade a set of financial instruments over an indefinite time period.

(3) In addition to paragraph (1) BSE may suspend the issuance of individual issue of Structured products also in these cases, without confining to:

a) At the request of the Issuer in the following situations:
   i) If the suspension is determined by factors beyond the control of the Issuer, such as, but not limited to temporary suspension of calculation / trading the support asset;  
   ii) Because the support asset has reached a certain level (i.e. knock-out price), according to documents supplementing the base prospectus.

b) At BSE initiative:
i) If the support asset is traded on one of the markets administered by the BSE and is suspended from trading, according to the present Charter;

ii) If the issuer does not comply with the reporting obligations set out in Article 109.

(4) Suspension of trading of an individual issue of structured products, in accordance with the situations referred to in paragraph (1) and paragraph (3) a), may result in withdrawal from trading of that issue, if the reasons for the suspension cannot be removed after a certain period determined by the BSE.

(5) In addition to the provisions of paragraph (1) BSE may proceed to suspension of securities in an OPCMV tradable admitted on an International category, at the request of the liquidity Issuer / Provider in situations such as:

a) Suspension of the instrument in its initial market based on the notification of the liquidity Issuer / Provider;

b) A situation similar to those referred to in Article 163\(^3\) paragraph (4\(^1\)).

Art.112 Upon receiving an official statement/report containing information likely to significantly influence the financial instruments price/yield or the decision to invest, BSE may decide to temporarily suspend from trade a set of financial instruments as of the time when the BSE specialized department received the respective document. Under this circumstance the suspension from trade will occur over a period of 15 minutes from the time of the dissemination of the official statement/report or until the end of the trading session.

Art.113 Under extraordinary circumstances, BSE may decide to suspend financial instruments from trade for a period of time longer than the one stipulated in art. 12, for one or more trading sessions, to assure the investors’ protection and an orderly market.

Art.114 (1) BSE will suspend financial instruments from trade when an AGM or BD is deliberating, as of the time of the AGM starting day and up to when BSE disseminates the official statement/report regarding the decisions taken and/or other information considered relevant by the BSE.

(2) Depending on the documents dissemination time mentioned in para. 1, BSE will resume trading as follows:

a. If BSE disseminates the mentioned documents during the trading session, the trading will be resumed at least 15 minutes after the dissemination;

b. If BSE disseminates the mentioned documents outside the trading session, trading will be resumed in the first trading session following the dissemination, but not earlier than at least 15 minutes after the dissemination;

c. Under extraordinary circumstances BSE may decide to resume the trading in the session following a 24 hours period from the time of the information dissemination.

(3) In case of issuers whose financial instruments are traded also on another regulated market in another Member or non-member State, it applies the conditions/terms of the suspensions for the type of events referred to in paragraph (1), respectively the trading resume, from the regulated market on which the respective Financial Instruments were first admitted to trading.
Art.115 BSE will decide to resume trading when the reasons for the initial suspension are eliminated, in accordance with Title III.

Art.116 The BSE General Manager or the delegated competent person will issue a suspension or resuming of trading decision, unless otherwise specified by the law in force.

Art.117 BSE will communicate to participants and the public at large the decision regarding the suspension/resuming of trading.
CHAPTER VII
TARIFFS

Art.118 The tariffs charged by the BSE for the financial instruments admission and maintenance to trade on the BSE will be on the BSE List of fees.

Art.119 (1) The processing tariff is a tariff charged by the BSE for the evaluation of the documentation regarding the admission or upgrading to trade.
(2) The tariff in para.1 must be paid prior to the BSE admission/upgrading to trade application form registration date.
(3) The processing tariff is not refundable, irrespective of the admission/upgrading application form being accepted or denied.

Art.120 (1) The admission to trade tariff is a relatively small tariff, to be paid in advance, for a period of 12 months as of the trading commencement date on the BSE regulated market.
(2) The tariff in para.1 must be paid within 10 working days of the admission to trade decision receiving date, as issued by the BSE BG, subject to withdrawal of the trading rights otherwise.

Art.121 (1) The tariff for the maintenance to trade is on an annual basis, payable in advance, for the financial instruments maintenance to trade on the BSE regulated spot market, over a period of 12 months starting the day when the period in art.120, para.1 expires.
(2) The tariff in para.1 shall be paid by the issuer within 10 working days of the date when the period in art.120, para.1 expires.
(3) The shares maintenance to trade tariff is calculated depending on the monthly weighted average total value.
(4) Regarding para.3, the monthly weighted average total value is calculated for the calendar month prior to the due date for the maintenance to trade tariff and constitutes the result of multiplying the monthly unit value-weighted average and the number (N) of shares admitted to trade.
(5) Calculating the monthly weighted average total value will occur as follows:

\[
V_{TMPL} = \frac{\sum_{i=1}^{m} n_i \cdot P_{pi}}{\sum_{i=1}^{m} n_i} \cdot N
\]

Where: 
- \( V_{TMPL} \) = monthly weighted average total value
- \( n \) = number of traded shares on a daily basis
- \( P_{pi} \) = daily average market price
- \( i \) = the transaction day
- \( N \) = total number of shares admitted to trade
- \( m \) = the maximum number of trading days
(6) If no transactions occurred during the calendar month prior to the due date for the shares maintenance to trade tariff, then the monthly weighted average total value will be calculated for the last month of transactions.

(7) In the case of withdrawal from trade, the issuer will receive a percentage of the maintenance to trade tariff back, proportional to the number of months, out of the 12 months paid in advance the issuer no longer traded on the BSE regulated spot market.

Art. 122 The tariff for upgraded to tier 1 or 2 shall be paid within 10 working days of the time when the BG issued the upgrading decision, subject to withdrawal of upgrading rights otherwise.

Art. 123 The insufficient or non-payment of tariffs on time will lead to penalties of 0.05% per day of delay / nonpayment for the issuer.

Art. 124 Under extraordinary circumstances strongly motivated (legal exemptions for issuers, admission campaigns, competent authority collaboration, etc.) the BSE BG may decide to exonerate or defer the payment of tariff in this Chapter.

Art. 125 The provisions of Articles 119-121 shall not apply to Structured Products.

Art. 126 (1) The provisions of art. 118-120, art. 121 paragraph (1) as well as art. 123 and 124 shall apply also to the securities traded on Collective Investment Undertakings tradable, International Category, in conjunction with the specifications set out in BSE List of Fees and commissions.

(2) Notwithstanding the provisions of Articles referred to in paragraph (1), in case of the securities traded on Collective Investment Undertakings tradable, International Category, liquidity provider designated by the Issuer may pay the appropriate fees for maintenance and admission to trading, as specified in BSE List of Fees and commissions.
TITLE III
TRADING AND SURVEILLANCE

CHAPTER I
GENERAL PROVISIONS

Art.1 (1) This Title contains the principles, regulations, terms and conditions based on which the trading and surveillance of financial instruments admitted to trade on the BSE occurs.

(2) The provisions of this title must be supplemented with those from the BSE Operation Manual, other documentation for the BSE trading system and the technical specifications issued by the BSE.

Art.2 (1) Operations of financial instruments issued in RON will be carried into effect in RON.

(2) Operations of financial instruments concluded in foreign currency will be carried into effect in foreign currency, provided the competent authority issued an attestation in this respect.

Art. 2¹ (1) To the financial instruments traded on the BSE is applicable the conditional validation mechanism, defined according to the regulations of the Central Depository.

(1¹) A Participant may trade financial instruments mentioned in para. (1) through one of these accounting systems:

a) Individual accounting system, consisting of individual accounts made of "House" account and individual accounts;

b) The system of global accounts, consisting of "House" account and global accounts;

c) Combined system of individual and global accounts consisting of individual accounts composed of "House" accounts and global accounts;

(1²) Financial instruments referred to in para. (1) can be traded on the system of individual accounts, the system of global accounts, both combined and individual and global accounts system, according to the system of accounts used by participants as defined in para. (11).

(2) The provisions of para. (1) does not apply to financial instruments referred to in art. 29 letter b) of RNSC Regulation no. 5 / 2010 on the use of global accounts system, application of mechanisms with or without the pre-validation of the financial instruments, performing securities loan, establishing guarantees and their associated short selling transactions.
CHAPTER II
THE TRADING SESSION
SUSPENSION OF THE TRADING SESSION

Art.3 (1) The trading session unfolds as dictated by a predetermined BSE General Manager’s program.
(2) When a trading session is due to occur on a non-working day, all transactions will go through on the next working day.
(3) Adjustments to the program detailed in para.1 will be announced to all participants a minimum of 3 days prior to the enforcement.
(4) Under exceptional circumstances, the BSE General Manager may decide to suspend, reduce, extend or adjust the program as well as the duration of the trading session in any way he/she believes appropriate.
(5) The opening and closing of the trading session, the suspension and resuming of trade as well as the adjustment of any of the trading session component’s statuses (market, symbol-market, symbol) will be announced by BSE via messages uploaded on the BSE trading system. All workstations connected to the trading system will have access to the messages. Alternatively, such messages may be dispersed via other means of communication available.

Art.4 (1) BSE can temporarily suspend the trading session as a consequence of a default within the communication system linking the BSE to the participants, when such default applies to a minimum of 2 communication service providers employed by the BSE and a confirmation is issued by the respective providers stating the default does not occur within the participants internal systems. The trading session will be resumed upon elimination of the respective default, in accordance with the predetermined BSE General Manager’s program.
(2) Assuming the hypothesis in para.1, if the number of participants connected to the BSE electronic system during one trading session reduces, such that the percentage of participants trading is fewer than 50% of the total, BSE will suspend the trading session. In evaluating and determining the exact time of the suspension, BSE will take into account matters such as: the feedback from the communication providers involved and their ability to identify the default cause, the providers’ estimations regarding the duration for the restoration, the default peculiarities, the participants’ area affected by the default, the BSE system contamination risk and the risk of contaminating other providers. BSE will not suspend the trading session if the default elimination occurs during the evaluation procedure.
(3) BSE will communicate the temporary suspension of trade to both participants and the RNSC.

Art.5 For the purpose of maintaining an orderly, transparent and equitable market as well as the market integrity, the BSE General Manager may decide to temporarily or
permanently suspend one or more trading sessions at the stock exchange, market, symbol or symbol-market level.

**Art.6 (1)** The circumstances when the preventive measures detailed in art.3, para.4 and art. 5, as well as the requirements concerning the resumption to trade, are the following:

- a. events registered as the issuer’s activity, described in Title II;
- b. circumstances outlined in Title II, Chapter VI, Section 6;
- c. **repealed**;
- d. technical reasons regarding the well-functioning of the trading system, the communication system, the equipment connected to the systems, other equipment held and used by the BSE;
- e. extraordinary technical reasons regarding the well-functioning of the Central Depository system, notified to the BSE, in accordance with the provisions of the written agreement between the BSE and the Central Depository;
- f. circumstances out of someone’s control (force majeure) likely to endanger the trading activity. Such circumstances must be unpredictable and unavoidable, making it impossible to trade, such as: natural disasters, weather conditions, fire, social crisis;
- g. other circumstances, notified by the RNSC

(2) Under the circumstances detailed in para.1, pt. a and b, the suspension/ resuming of trade for a symbol will occur as dictated by the BSE specialized department, at the time specified in the instructions provided, subject to the following conditions:

- a. A symbol’s suspension from trade will occur in all markets where the respective symbol is defined;
- b. A symbol’s resuming to trade, for financial instruments that are shares, will occur in the main market, where a Pre-Opening status will be awarded for a duration of 15 minutes, followed by the normal succession of market statuses where the symbol is traded;
- c. A symbol’s resuming to trade, for financial instruments other than shares, will occur in the main market, where an Opened status will immediately be awarded, followed by the normal succession of market statuses where the symbol is traded.

(3) Under circumstances detailed in para.2, pt. b and c, when the symbol-market component Opened status is expected to change in less than 15 minutes, the financial instrument transaction will be resumed in the next trading session.

**Art.7 repealed.**

**Art.8 repealed.**
CHAPTER III
THE BSE TRADING SYSTEM

Section 1
Conditions for the BSE Trading System Access Provision

Art. 9 (1) The right to manage orders and stock exchange transactions in the closing of BSE, belongs exclusively to the participants, in compliance with Article 17 para. 1) of Title I
(2) Operations related to the definition, modification, suspension, resumption, removal of a participant codes or the user codes of a Participant or a stockbroker are performed by the specialized department of BSE.

Art. 10 (1) The BSE General Manager will grant participants the access to trade on the BSE trading system if the respective participants supply evidence of qualified and authorized staff employed to carry out transactions, liaise with clients and keep record (operations, accounting), and demonstrating the well-functioning of suitable surveillance mechanisms in place to ensure participants optimum working conditions.
(2) Participants must employ technical specialist personnel, adequately assessed and authorized by the BSE to operate the BSE trading system without endangering any activity or parties involved.
(3) BSE will instruct participants with regard to the training and assessment of aspiring exchange tied agents.

Art. 11 Participants’ access to trade is conditional on fulfilling the requirements for the obligations towards BSE.

Art. 12 In order to carry out trading activities the Participants must fill in, enter and execute orders in compliance with the provisions of this Rulebook.

Art. 13 A participant trading on the BSE system cannot open a financial instruments account with another participant, provided the respective financial instruments’ trading right is held by the participant.

Art. 14 (1) The rules regarding participants/exchange tied agents’ conduct during trading sessions are outlined in this Title.
(2) Exchange tied agents have the obligation to operate the BSE system in accordance with this Rulebook.

Art. 15 (1) Participants are directly responsible regarding.
   a) The operations of own stock agencies during and after the closing of the trading session in terms of accessing BSE system;
   b) Operations carried out through the system interface to access BSE;
c) Compliance at all times with the terms and conditions related to the use of accessing interfaces;
d) the trading activity carried out.

(2) It is forbidden to make inappropriate use of the BSE trading system, in a matter likely to endanger the safety and security of participants/ exchange tied agents trading on the BSE as well as other consequences of a jeopardizing nature.

(3) Participants are equally liable to the BSE and other participants for the violation of a law, irrespective of the participant or exchange tied agent who committed the violation, or whether the violation was the direct or indirect result of an intentional or accidental mistake, by negligence or omission.

Art.16 (1) BSE may withdraw a participant/ exchange tied agent’s access to trade under the following circumstances, without being limited to:
a. Sanctions were issued or preventive measures were taken by the BSE or the RNSC to the participant or exchange tied agent;
b. The Central Depository specifically requested the withdrawal, in accordance with the contract issued between the BSE and the Central Depository;
c. The participant was suspended from trade.

(1^1) BSE reserves the right to temporarily suspend the use by a participant of the access interface, if BSE requirements are not met or if, in the opinion of BSE, it is estimated that such use affects the orderly functioning and integrity of the market.

(1^2) Suspension or withdrawal of a participant's trading right results in the withdrawal of the access to interfaces managed by it.

(2) Re-granting a participant/exchange tied agent’s access to the BSE trading system will occur upon elimination of the reasons that initially led to the access withdrawal, based on an instruction from the BSE specialized department.

Section 2
BSE Trading System Operating Rules

Art.17 (1) The rules described in the section under review will be supplemented by those in the documents and technical specifications issued by the BSE departments assigned to the task and notified to participants, via mean of communication available to the BSE.

(2) BSE sets a list of minimum operating requirements for the participants’ computers at both the hardware and software levels, as well as obligations to certify the existence of such.

(3) BSE will establish a system to encode participants’ user names, rules to create and change passwords as well as levels of access to the system for each type of user within a participant.

(4) The BSE General Manager can request participants/exchange tied agents’ modification of the access level or exclusion from the BSE system as a result of the BSE specialized department recommendation or the participant’s President/General
Manager’s request in this respect, if such recommendation/request is found to be in the interest of maintaining the market integrity.

**Art.18 (1)** Access to the BSE trading system occurs via workstations connected to the system, situated on the participant’s premises (main or secondary).
(2) Workstations will be connected to the BSE trading system, provided the BSE issued an approval in this respect. Participants are liable for their workstations’ administration.
(3) Participants have the obligation to provide the exchange tied agents all the technical conditions necessary for trading under optimum conditions, as requested by the BSE.
(4) When technical difficulties are encountered on the participant’s system or the communication system liaising the participant with the BSE, exchange tied agents may trade on the BSE premises, subject to the BSE availability of computers at the time.
(5) Under the circumstance detailed in para.4, the participant will issue a written request to the BSE specialized department, clearly indicating the motive. The exchange tied agents trading from the BSE premises must act in accordance with the BSE norms of conduct.

**Art.19 (1)** On BSE request, participants have the obligation to update the access interface, within the term and technical, operations, procedural and safety conditions, in accordance with the BSE specifications.
(1) The participant is obliged to consult the documentation specific to each update and to comply with the technical and operational requirements specified by the BSE for such an update.
(2) BSE will inform the exchange tied agents, regarding the need to update the access interface, at least two working days in advance through the BSE system and will make available for the Participants in due time the instructions afferent to the upgrading procedure via the usual means of communication.
(3) Participants are responsible for the consequences of exceeding the deadline and violating the technical conditions detailed in para.1
(4) Upon expiration of the deadline in para.1, exchange tied agents have the obligation to use only the new access interface; using a different version than requested will lead to the immediate disconnection from the BSE trading system.

**Art.20 (1)** Participants have the obligation to ensure back-up solutions for the transfer of data to the BSE, employing a specialist company approved by the BSE, in accordance with the BSE BG requirements.
(2) The back-up solutions detailed in para.1 will be realized by means of communication, different from that used for the principal liaison, via a specialist company approved by the BSE, also different from that used for ensuring the principal liaison of the respective participant.
(3) Participants’ access to the BSE trading system will be conditional on fulfilling the requirements in para.1 and 2.

**Art.21 (1)** Access to BSE system is made exclusively through the access interfaces defined by Article 1 (1) Section 41 of Preliminary title.
(1) Access to BSE system through Arena Terminal and Order Collector access interfaces is allowed only on an own user code and a confidential password, known only by them, to ensure the protection of information.

(11) Access to BSE system through Gateway Arena and Arena Fix access interfaces is done via access codes allocated to Participants and a password managed by the persons mentioned in Article 17 para. (11) of Title I.

(2) Exchange tied agents have the obligation to change their password to the access interface to the BSE system on a regular basis to ensure operation security. For the password modification under different circumstances, the exchange tied agent must issue a written request to the BSE in this respect.

(21) The participant is required to change periodically the password related to each access code for both Arena Gateway as well as Arena Fix, through the persons referred to in Article 17 para. (11) of Title I.

(3) It is forbidden to deliberately force the BSE trading system technical or security capacities (e.g. by entering a significant number of orders in a very short time period, trying to detect user password, etc.).

Section 3
Assistance offered by the BSE to exchange tied agents in case of technical difficulties

Art.22 Participants must provide and maintain a permanent connection with the BSE specialized department, via a person designated in this respect, to ensure the quick solving of any technical difficulties that may emerge.

Art.23 During trading sessions, assistance granted by BSE to Participants and traders may consist of, without being limited to:

a. The continuous surveillance of integrity and the trading system technical performances, detecting potential faults and helping to eliminate such errors;
b. Helping eliminate the errors detected by exchange tied agents;
c. Initiating the solving of any technical difficulties regarding the BSE trading system or the client-application associated with the exchange tied agents’ workstations and taking all measures for eliminating such problems in due course.
d. participation in addressing situations reported by a participant resulting from the use of access interfaces to BSE system, to the extent that these situation are within the competence of BSE.

Art.24 The assistance provided to BSE exchange tied agents is strictly limited to helping eliminating errors; no guarantee shall be provided that the respective errors will be eliminated. The efficiency of the technical support provided is subject to the availability of participants’ qualified technical personnel.

Section 4
BSE responsibility regarding the trading activity

Art.25 Participants are fully liable for the rectification of a damage caused to the BSE or other participants’ under the following circumstances:
   a. Breaching the BSE specific requirements regarding the participants’ computers hardware and software configurations, parts of the workstations connected to the BSE trading system;
   b. Disobeying the installation, configuration and operating instructions specified by the BSE;
   c. Installing other software products on workstations that may affect the well-functioning of the BSE trading system;
   d. Connecting a workstation to other electronic networks in parallel.

Art.26 BSE will not compensate for losses caused by:
   a. Defaults within the Central Depository or the BSE trading system, as a consequence of noncompliance with the BSE instructions by the Participants;
   b. Impossibility of connecting a workstation to the BSE trading system due to an electricity outage, technical problems within the participant’s internal system or the malfunctioning of the communication network with the BSE, provided the party at fault is the communication service provider;
   c. Direct and/or indirect damage caused by or resulted from the Central Depository or the BSE trading system interruption, for reasons out of the BSE’s control;
   d. force majeure.

Art.27 When one or more symbols are withheld from trading on the BSE system for reasons of technical difficulties with respect to the BSE trading or local communication systems, participants are not entitled to claiming compensation from the BSE.

Art.28 Withholding a symbol from trade due to the malfunctioning long-distance communication system or other causes external to the trading system will entitle participants to claim compensation for damages caused by and from the parties at fault.

Section 5
The components of the BSE trading systems and their states

Art.29 (1) The BSE trading system components include the:
   a. Stock exchange;
   b. Market;
   c. Symbol;

(2) BSE trading system components may have the statuses detailed in this Chapter.
(3) Under extraordinary circumstances, the BSE General Manager may decide to alter the duration of a BSE trading system component’s status.

**Art.30** The BSE statuses are:

a. Opened- when all users are permitted to trade on the BSE system, in accordance with their user type;

b. Suspended- when access to the system is permitted to the BSE personnel only;

c. Closed- when all users may connect to the system, send messages and consult reports.

**Art.31 (1)** The following statuses may be associated to markets:

a. Pre-Opening- when orders may be entered, adjusted, withdrawn, suspended or resumed in the system, without concluding transactions, and when the potential opening price is calculated and displayed;

b. Opening- when, based on the fixing algorithm, the opening price and quantity (volume) are calculated, possible transactions are identified, financial instruments quantity (volume) is allocated and transactions are concluded;

c. Opened- when trade occurs on the continuous market and orders, informative quotes, firm quotes and deals may be entered, adjusted, withdrawn, suspended or resumed, and transactions are concluded;

d. Pre-Closed- when orders may be entered, adjusted, withdrawn, suspended or resumed in the system without transactions being concluded, the potential opening price for the up-coming transaction session is calculated and displayed (unless the Closed status is used for that respective market) or the potential closing price for the current transaction session (unless the Closed status is used for that respective market) is calculated and displayed;

e. Closing – similar to the Opening status, when, based on the fixing algorithm, the closing price and quantity (volume) are calculated, possible transactions are identified, the quantity (volume) of financial instruments is allocated and transactions are concluded, for the market in which the respective status is to be applied, as established in Art. 75\(^1\) para.1;

e\(^1\) Trading at closing – status applied only when the price is determined by the fixing algorithm in the Closing status and where transactions can be concluded exclusively at the price resulted from the fixing algorithm. This status may be applied only on the markets under Pre-closed and Closing status.

f. Closed- when exchange tied agent no longer are permitted to enter or adjust orders, firm quotes, informative quotes, or deals, or conclude transactions, but may access the system reports regarding orders, firm quotes, informative quotes, deals, transactions and statistics.

(2) The normal succession of market statuses is: Pre-Opening, Opening, Opened, Pre-Closed, Closing, Trading at closing and Closed.

(3) A market may display all or part of the statuses detailed in para.1, but must follow the succession in para.2.

(4) Under extraordinary circumstances, a market status may extend over a period greater than previously declared in the transaction schedule.

(5) In Opening and Closing statuses is possible to determine a fixing algorithm - based price depending on the orders existing on the market.
(6) If a price is not determined based on the fixing algorithm in the Closing status, the market will switch to the Closed status. In this case the price is determined according to the provisions of art. 75\(^1\), paragraphs (4) and (5).

(7) The list of markets where the Trading at closing status will apply, as well as the relevant status period are established by the Decision of the CEO.

Art.\textsuperscript{32} Under justified circumstances, the BSE specialized department may operate orders, firm and informative quotes, deals and transactions during all market statuses except Opening and Closing.

Art.\textsuperscript{33} The symbol statuses at every BSE market’s level are the following:
\begin{itemize}
  \item[a.] Ready- when the respective symbol is ready for trade;
  \item[b.] Suspended- the temporary status when the symbol may not be traded on any market and the respective symbol-market entities are Closed;
  \item[c.] Delisted- the permanent status when the symbol may no longer be traded on any market and the respective symbol-market entities are Closed.
\end{itemize}

Art.\textsuperscript{34} (1) A symbol that may be traded is subject to the market statuses succession.
(2) As an exception from the rule in para.1, a symbol may display a different status than the market status it is traded on.
(3) A symbol that is Suspended cannot be traded on any of the BSE markets, irrespective of the market statuses displayed.

Art.\textsuperscript{35} The symbol statuses at market levels may be administrated by the BSE specialized department, independently from the symbol’s market status or the symbol statuses displayed on all the markets it belongs to.

Art.\textsuperscript{36} (1) The symbol-market entities statuses are the following:
\begin{itemize}
  \item[a.] Pre-Opening- when the symbol-market component is in Pre-Opening status;
  \item[b.] Opening- when the symbol-market component’s opening price and quantity (volume) are calculated, possible transactions are identified, shares quantity (volume) is allocated and transactions are concluded;
  \item[c.] Opened- when the symbol-market component is in Opened status, allowing trade to occur on the continuous market;
  \item[d.] Pre-Closed- when the symbol-market component is in Pre-Closed status;
  \item[d\textsuperscript{1}.] Closing – similar to the Opening status, when the closing price and quantity (volume) for the symbol-market entities are calculated based on the fixing algorithm, for the symbol-markets in which the respective status is to be applied, as established in Art. 75\(^1\) para.1.
  \item[d\textsuperscript{2}.] Trading at closing – when the symbol-market is under Trading at closing status, as specified by art. 31, para. 1 letter e\textsuperscript{1}.
  \item[e.] Closed- when the symbol-market component is in Closed status.
\end{itemize}
(2) Transactions cannot be concluded when the status is Pre-Opening, Pre-Closed or Closed.

\textbf{Section 6}
\textbf{Symbol Entities Administrating Operations}
§1
Special Operations Occurring during a Symbol’s first Trading Day

Art.37 (1) BSE decides and communicates to participants the symbol for the respective financial instrument and the market to be traded on.
(2) Defining a financial instrument within the BSE trading system occurs as dictated by the BSE departments assigned to the task, based on the information provided by them and in accordance with the respective instrument type.

Art.38 (1) A financial instrument begins to be traded on the BSE conditional on the fulfilling of the requirements detailed in art.37, para.1, as well as of other conditions clearly specified.
(2) A trading of a financial instrument’s starting date, on the BSE, will be decided by the BSE General Manager, taking into consideration the BSE specialized department recommendation in this respect.

Art.39 (1) During the first trading session of a financial instrument on the BSE and all those sessions prior to establishing a reference price, the Deal market will not be accessible and the percentage limitation on the order’s price does not apply to the other markets where it is traded.
(2) repealed;
(3) For shares never traded before, in the first trading session on the BSE, the availability of the Deal Market or the limitation or the orders’ prices are decided by the BSE General Manager, after consulting with the Issuer.

§2
Price Variation Suspension and Reinforcement

Art.40 Participants are informed with respect to the suspension and reinforcement of a price variation via messages sent through the BSE trading system. When this is not possible, participants will be informed via other means of communication available.

Art.41 (1) Limiting, on a percentage basis, the price of an order entered for a financial instrument does not occur under the following circumstance:
a. On the initial trading day of a financial instrument never traded on the BSE-administered regulated market or alternative system of transaction, prior to establishing the reference price;

b. The financial instruments are part of a public offering or other financial instruments selling methods accepted by law, such as those in respect to privatizing via public offering markets and special operations;
c. For financial instruments admitted to International tier, in case of significant fluctuations on the regulated market where they were admitted for the first time, for correlation of the respective fluctuation;
d. The BSE General Manager instructs as such, under circumstances other than those detailed in pt. a-c, where BSE believes such measures must be implemented.
(2) Notwithstanding the provisions of para. (1) letter a), percentage limiting the percentage of orders placed for a state title type financial instrument will be made under Article 39 para. (3).

(3) The provision of para. (1) letter c) will apply to financial instruments that are included in the list referred to art.118 para. (1), after carrying out all the steps to extend the full limit of variation, following the evolution of the price (ascending or descending) as stipulated by art.118.

(4) The application of para. (1) letter c) shall be effected by decision of BSE General Manager, with the advanced notice to RNSC, market participants and the public about the time and terms of the application.

Art.42 For a symbol whose percentage limitation of orders’ price is suspended or its reference price is not yet established, the Deal market will not be accessible prior to the establishment of its reference price.

Art.43 Reinforcement of a price variation will occur once a new reference price is established.

Art.43 (1) in the data ex related to corporate events with an impact on price, one applies the maximum allowed variation of the price orders, calculated to the reference price in accordance with Article 1 para. (1) point 62 letter b) of the Preliminary title. (2) Notwithstanding the provisions of para. (1), in exceptional circumstances (long periods of suspension, great volatility in the market, etc.), by decision of BSE General Manager, the limitation of the price orders percentage will not be required.

§3 Trade Surveillance Parameters

Art.44 (1) To ensure a high level of market controlling and informing, BSE can set other alert parameters that may be configured at symbol and market levels, for both orders and transactions. Establishing such supplementary alerts will occur subject to the processing capacity of the BSE electronic system, ensuring the system is not affected in terms of responsiveness. (2) Under all circumstances of reaching or exceeding the alert parameters configured on the BSE, the trading system will issue a warning/notifying message to the BSE specialized department and/or the exchange tied agents.

Art.45 repealed.

Art.46 repealed.
CHAPTER IV
ORDERS

Section 1
The Minimum Content and Requirements for Receiving and Executing Orders

Art.47 (1) The minimum content of an order will comply with the provisions of the RNSC Regulation no. 32/2006 and of the EC Regulation no. 1287/ 2006:

(1) Placing and modification of an order within the trading system is conditioned by the filling of all the fields required by the trading system.

(2) Order prices must observe the pre-set price ticks as settled by BSE for each price interval. An order price may be expressed as:
a. Absolute value- for shares, rights, bonds, structured products traded similar to shares;
b. Percentage of the principal- for bonds, structured products traded similar to shares;
c. Percentage of the nominal value- for coupon treasury bonds;
d. Yield- expressed as a percentage of the nominal value, for zero coupon bonds.

Art.48 The orders within the trading system shall be taken over and transmitted for execution by the Participants, in accordance with the incident regulations in force.

a. - repealed;
b. - repealed;

Art.49 (1) Confirmation of the client orders execution will comply with the provisions of the RNSC Regulation no. 32/2006.
(2) repealed.
(3) repealed.
(4) repealed.

Section 2
Orders Validity Time

Art.50 (1) An order can have any of the following validity times:
a. Day- valid only for the duration of the trading session;
b. Open- valid up to execution or withdrawal, no longer than 62 calendar days as of the last order update;
c. Good Till Date- valid up to a specified date (of the format yyyy-mm-dd, year-month-day), no longer than 62 days as of the last order update;
d. FOK (Fill or Kill or Execute or Cancel) - to be executed immediately.
(2) Upon an order’s expiration date, the respective order will automatically be eliminated from the system.
Art.51 (1) During Pre-Opening and Pre-Closed FOK orders cannot be entered.
(2) When execution requirements are not fulfilled, FOK order cannot be entered in the system.
(3) When execution requirements are partially fulfilled for entering a FOK order, the non-executed order volume will automatically be eliminated from the system.

Section 3
Administrating Orders

§1
Entering Orders

Art.52 (1) Orders are entered on the BSE trading system by an exchange tied agent, via a workstation, in accordance with the BSE regulations and the Operation Manual.
(2) Apart from the operations detailed in art.53, pt. d-f, BSE will not administer participants’ orders.
(3) There is an Orders Registry for every market, consisting of all orders entered in that particular market.

Art.53 Orders are valid in the system and in compliance with the BSE regulations until:
- a. Execution;
- b. Order expiry date;
- c. Suspension or withdrawal, by the participant’s exchange tied agents;
- d. Suspension or withdrawal, by the BSE, on participant’s request;
- e. Suspension, by the BSE, on Central Depository’s request, in accordance with the terms and conditions stipulated in the contract between the BSE and the Central Depository;
- f. Suspension or withdrawal, by the BSE, under circumstances detailed in this Title as well as others where such action is appropriate;
- g. Withdrawal under extraordinary circumstances, consequences of inappropriate technical functioning of the BSE system or force majeure;
- h. Automatic elimination from the system as a consequence of the price not meeting the conditions with respect to the maximum price variation admitted to trade, the order volume is no longer a multiple of the standard lot applicable to the respective market or if there are other order characteristics not in accordance with the respective market configuration.
- i. It is suspended or revoked by BSE at the request of the Issuer or supplier of liquidity for Structured Products, in justified cases, which may include, without confining to: issues related to the specific characteristics of individual issuing / respective structured product (suspension of the individual issuing due to the fact that a certain price was reached by the support asset - price knock-out, changing of the characteristics of individual issues of Structured Products, etc..) inability to access the system by a liquidity provider registered for the respective individual issuing.
- j. It is suspended or revoked by BSE at the request of the Issuer or supplier of liquidity in the case of securities trade on OPCMV tradable, International Category, in justified cases, which may include, without confining to:
i) Recording of events likely to impose such a measure as provided by this Charter;
ii) Inability to access the system by liquidity provider registered for the financial instrument;
iii) Other situations as requested by liquidity Issuer / Provider in compliance with the prospectus.

Art.54 The BSE trading system does not permit the entering of orders whose prices do not meet the requirements in respect to the maximum price variation accepted for a financial instrument in a trading session, according to this Title.

Art.55 The BSE trading session does not permit the entering of orders whose volumes are not, individually, a multiple of the standard lot applicable to the respective market, as requested in this Title.

§2
Orders Adjustment and Withdrawal

Art.56 An order adjustment is when the characteristics of the respective order in the market are altered due to an action in this respect.

Art.57 (1) An adjusted order will display a different registration date, according to the execution priority type attached, under the following circumstances:
a. The price changed;
b. The volume increased in case of ordinary order (common);
c. The total or initial volume increased, when referring to a hidden order.
(2) An adjusted order will display the same registration date, irrespective of the new execution priority attached, under the following circumstances:
a. The volume decreases;
b. The visible hidden order volume decreases;
c. The expiration date changes.
(3) Anytime between an order appearing on the window, for adjustment, and the command being initiated, the order can be executed on the system if and only if it is not meanwhile suspended and/or the trading requirements are not breached.

Art.58 (1) An order withdrawal is when the respective order entered on the market is eliminated due to an action in this sense.
(2) An order must be withdrawn in order to alter the following characteristics:
a. Direction (buy/sell);
b. Market;
c. Symbol;
d. Account.

§3
Order Suspension
Art.59 (1) An order suspension is when an order is eliminated from the Orders Registry, yet kept in the system as suspended. Suspension differs from withdrawal in that the latter implies the complete elimination of the order from the system.
(2) An order suspension can be carried out by an exchange tied agent or the BSE.
(3) Suspended orders are not taken into account when determining the best buy or sell price.

Art.60 (1) A suspended order can be adjusted by an exchange tied agent in regard to its volume, price and expiry date, without having to be in accordance with the validity criterion, where active orders are subject to.
(2) Under the circumstance detailed in para.1, the validity criterion will have to be considered once the suspended order is resumed.
(3) A suspended order can be withdrawn.
(4) A suspended order cannot be executed over the entire suspension period.

§4
Resuming Orders

Art.61 Resuming an order is when a suspended order is reentered in the Orders Registry.

Art.62 (1) A resumed order is treated as a new order and allocated a new time entry in the Orders Registry.
(2) Suspended orders violating the validity criterion applicable to active orders in a trading session cannot be resumed.

Section 4
Priorities in listing and executing orders

Art.63 An order’s execution priority is identical to that order’s displaying priority.

Art.64 (1) Orders are displayed and executed in a decreasing order of importance, subject to the following criterions:
   a. Order price;
   b. repealed;
   c. Within the same price level and account type- time of order entering/last adjustment in the system leading to the change in priority, according to FIFO (first in first out).
(2) Allocating in accordance with the criterion detailed in para.1 is called ‘FIFO allocation’.

Art.65 (1) repealed.
(2) In the markets for public offerings and other special operations detailed in chapter XIII the types of allocations according to the provisions of Chapter XIII may also be used.

Art.66 (1) repealed
(2) - repealed.
(3) - repealed.
(4) - repealed.
(5) - repealed.
(6) - repealed.
(7) - repealed.
(8) - repealed.

Section 5
Trading Methods and Order Markets’ Statuses

§1
Pre-Opening Status

Art.67 For the BSE Pre-Opening status the rules detailed in art.68 apply.

Art.68 (1) Orders entered on the market during the Pre-Opening status are registered on the system without being executed at the entry time.
(2) When there is a market disequilibrium (bid price exceeds ask price), the potential opening price is determined by implementing the fixing algorithm based on maximizing the opening transactions volume criterion at a unique price. The potential opening price is recalculated each time an order is entered, adjusted, withdrew, suspended or resumed.
(3) The limit orders entered during Pre-Opening are displayed alongside their real price, both for market participants and the BSE specialized department. Market orders (MKT) are distinctly marked (with an ‘M’) and are visible both to market participants and the BSE specialized department.
(4) Orders helping to determine the potential opening price are marked distinctly in the Orders Registry.

§2
Opening Status

Art.69 (1) During Opening, the following operations may be carried out:
a. Calculating the price and volume based on the fixing algorithm;
b. Executing each symbol transaction at the symbol’s opening price time in the respective market.
(2) During Opening of the symbol-market component, it is not possible to administrate orders entered for symbols.
Art.70 (1) Implementing the fixing algorithm is a different procedure for each symbol-market component.
(2) Each symbol has a unique opening price, calculated using the fixing algorithm.
(3) The opening price is determined based on the prices of existing limit orders for the financial instrument in the corresponding main market, as well as on one of the following prices:
a) the reference price during the current trading session, in the event that no transactions of the financial instrument have been recorded on the corresponding main market during the current trading session;
b) the price of the last recorded transaction of the financial instrument on the corresponding main market during the current trading session, in the event that transactions of the respective symbol have been recorded in the corresponding main market.

(4) The opening price is determined taking into account the following criterions, in decreasing order of importance:

a. Maximum tradable volume;

b. Minimizing the financial instruments volume disequilibrium- when the same maximum volume can be traded at more than one potential opening price;

c. Minimum percentage variation of the potential opening price (when it is possible to trade the same maximum volume of financial instruments with the same minimum financial instruments disequilibrium at more than one price level) with respect to:

   1. the reference price during the current trading session, in the event that no transactions of the financial instrument have been recorded on the corresponding main market during the current trading session, regardless of the state of the symbol-entity – the respective market;

   2. the price of the last recorded transaction of the financial instrument on the corresponding main market during the current trading session, in the event that transactions of the respective symbol have been recorded in the corresponding main market.

d. Maximum price- when the same maximum financial instruments volume may be traded at more than one price level, having the same minimum financial instruments disequilibrium and percentage variation.

(5) In para.4, financial instruments volume disequilibrium refers to the number of financial instruments left unexecuted at a given price level, after all possible transactions were concluded at the respective price level.

(6) The situation described in para.3 letter b) and para.4 letter c) point 2 applies to resuming the trade of a symbol, according to art. 6, para.2 letter b).

Art.71 (1) Orders executable at opening will be executed at the opening price.

(2) After calculating the opening price, the maximum financial instruments volume to be traded at opening will be allocated.

(3) The execution priority, identical to the displaying priority, for all possible order categories in the market, in decreasing order, is:

a. Market orders (MKT);

b. Limit orders with a price better than the opening one;

c. Limit orders with a price equal to the opening one.

(4) When calculating the opening price and volume, market orders will be viewed as taking part at every level’s execution.

(5) Executing orders at opening occurs depending on the execution priority (price, account type, time), taking into account the following elements:

a. Orders from previous trading days have a greater time opening priority than orders entered during the day’s Pre-Opening;

b. A hidden order’s total share volume is considered when determining the opening price.
Art. 72 (1) Transactions carried out at the opening price, resulting from the fixing algorithm implementation for the respective symbol, will be registered in the system, while the symbol-market entity’s status automatically becomes Opened.
(2) Market orders non-fully executed during Opening remain in the system to be executed at a later stage, when the status converts to Opened.
(3) The status opening can have a variable length, depending on the number of transactions generated by the implementation of fixing algorithm.

§3
Opened Status

Art. 73 During the Opened status, the BSE trading system displays the real time buy and sell orders from the market, concluded transactions, statistics regarding the stock exchange, the market, the symbol-market and the indices.

Art. 74 (1) Orders entered in the system are valid until execution, adjustment, withdrawal or suspension.
(2) Orders to be entered in the market and executed at the time of entering will be executed together with those orders in the system with the greatest priority in this respect.
(3) Market orders (MKT) are price protected.

§4
Pre-Closed Status

Art. 75 During Pre-Closed the same rules apply as for Pre-opening.

§41
Closing Status

Art. 751 (1) The General Manager of the BSE can decide, as applicable, to use the fixing algorithm in the Closing status for a market or symbol-market entity.
(2) The use of the fixing algorithm at closing will be preceded by the Pre-Closed status.
(3) The provisions regarding the fixing algorithm included in the current section, paragraph 2, apply, respectively, to the Closing fixing algorithm.
(4) The closing price for a financial instrument or a market to which para.(1) applies is determined based on the prices of the existing limit orders for the financial instrument in the corresponding market, as well as on one of the following prices:

a) the reference price during the current trading session, in the event that no transactions of the financial instrument have been recorded on the corresponding main market during the current trading session;
b) the price of the last recorded transaction of the financial instrument on the corresponding main market during the current trading session, in the event that transactions of the respective symbol have been recorded in the corresponding main market.
The circumstances described in para.(4), letter b) apply if transactions have been recorded during the current trading session, in the market’s or symbol-market entity’s Opening or Open status, according to para.(1).

Art. 75

(1) Under the Trading at closing status, the orders may be executed only at the price determined by fixing algorithm in the Closing status.
(2) Under the Trading at closing status, the exchange tied agents may perform the following operations:
   a) entering, modifying and resuming orders only at the price determined by fixing algorithm in the Closing status;
   b) canceling and suspending orders.
(3) The operations specified in para. 2 letter a will be performed according to the following specific elements:
   a) only orders with Day, Open and GTD validity term are allowed;
   b) only limit orders at the price specified by para.1 are allowed;
   c) contingent orders are not allowed.
(4) The orders entered previous to the Trading at closing status and remained unexecuted in this status:
   a) may be canceled or modified in order to execute them at a price equal to the price specified by para. 1;
   b) may be executed at the price specified by para. 1 when, on the opposite side of the market, there are orders fulfilling the following requirements:
      i) in case of buy limit orders, their price must be higher or equal to the price specified by para. 1;
      ii) in case of sale limit orders, their price must be lower or equal to the price specified by para. 1.
(5) BSE system enables the exchange tied agents to view the information related to orders, transactions, reports, statistics in the Trading at closing status.

§5
Closed Status

Art.76

(1) During the Closed status, BSE does not permit exchange tied agents to enter, adjust, withdraw, suspend, resume or execute orders on the BSE.
(2) The BSE system does not permit exchange tied agents to visualize information regarding orders, informative quotes, firm quotes, deals, transactions, reports and statistics.

Section 6
Order Types

§1
General Aspects

Art.77 The following types of orders may be traded on the BSE system:
   a. Limit orders;
   b. Market orders- MKT (MKT);
c. Un priced orders;
d. Hidden orders;
d1) contingent orders;
e. Orders with special execution characteristics, detailed in the BSE Operation Manual.

Art.78 The description and the method of entering and executing various types of orders on the BSE system are elaborated upon in art.79-98 and supplemented by rules detailed in the BSE Operations Manual.

§2 The Limit Order

Art.79 The limit order is the type of order for buying/selling a financial instruments quantity at a specified and/ or advantageous price for the client, i.e. a lower price to buy and higher to sell.

Art.80 (1) During the market Pre-Opening, limit orders are displayed in the System together with their entry price.
(2) During the market Open status, when a price disequilibrium emerges due to the entering of a limit order, such that the best bid price exceeds the ask price:
a. The price of transactions resulted from the entering of the limit order can be anything between the best counterparty price and the price specified in the limit order, without the need for confirmation regarding the passing from one price level to another;
b. The limit order’s quantity (volume) not traded is registered at the respective order’s specified price.

§3 The Market Order (MKT)

Art.81 (1) The market order (MKT) is the type of order for buying/selling at the best market price, via the open price limit mechanism detailed in art.82.
(2) The market order is registered at a specific price limit (generated by the trading system), calculated based on the price limit and executable via a price interval until the actual limit price is attained.

Art.82 (1) The purpose of the price limit is to establish a market order limit price, in order to reduce the amount of risk assimilated by an exchange tied agent when entering a market order.
(2) The value of the price limit is calculated as follows: the maximum no. of ticks an order may go through multiplied by the value of a tick, thus giving the value of the possible market order price variation.
(3) The maximum number of ticks a market order can go through, depending on the price interval, is detailed in Appendix 4.
(4) If the calculated price is not valid, i.e. not a multiple of the tick, then the price will be rounded up to the nearest tick multiple value.
The price limit only occurs during the Opened status.

**Art.83 (1)** The market order (MKT) is admitted to trade when the protection price calculated is within the limits of the orders price variations permitted in a trading session.

(2) During Pre-Opening, if the symbol was never previously traded, the market order (MKT) is rejected from the system.

(3) During Pre-Opening, the market order (MKT) will be displayed without a specified price and marked distinctly (with an ‘M’). The market order will show together with its actual price only after the market opening.

**Art.84 (1)** After Opening, the market orders (MKT) not yet executed (total or partial) will remain on the market as limit orders with a price equal to:

a. The opening price, when the symbol was traded during Opening;

b. The best price on the same side, when the symbol was not executed during Opening and other limit orders exist in the market on the same side as the market order;

c. The price of a current session transaction, provided the symbol was traded during the current trading session or, conversely, the current session’s valid reference price, for times when other limit orders do not exist in the market and the symbol was not traded during Opening.

(2) In the Trading at closing status, the market orders (MKT) (fully or partially) unexecuted in the previous status remain on the market as limit orders with the price determined by the fixing algorithm in the closing status.

**Art.85 (1)** During the Open status, provided there are no orders in the market, the market orders will be rejected from the system.

(2) During the Open status, if orders exist on one side only, the market order (MKT):

a. If the market order is entered on the same side- it is registered in the market as a limit order with the same price as the current session’s last transaction, if the symbol was traded during the current session or conversely, as a limit order priced identically with the current session’s valid reference price;

b. If the market order is entered on the opposite side- it is executed at the best counterparty price; the order will be executed via the price limit mechanism (at prices in the best price interval on the other side minus/plus the price limit value), and the order with a volume not yet executed will be displayed as a limit order at the price of the last transaction.

(3) During the Open status, provided orders exist on both sides of the market, the market order’s buying/selling limit price will be equal to the best price of the opposite side’s entering order minus/plus the price limit value.

(4) A market order (MKT) can be executed via a price interval until the actual price limit is reached, calculated based on the price limit rules.

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§4

The Unpriced Order
Art.86 (1) The unpriced order is the type of order which does not have a specified price at time of entry on the trading system, but becomes a limit order via allocation of the best market price.

(2) The unpriced order does not have a price limit.

(3) Unpriced orders may be entered during Pre-Opening, Opened and Pre-Closed statuses.

Art.87 (1) During Pre-Opening, provided there are no limit orders on the market, an unpriced order will not be admitted to the system.

(2) During Pre-Opening, provided there are limit orders on one side of the market only, an unpriced order will be registered at:
   a. The best price of the respective side, if the unpriced order is entered on the same side of the market as the existent orders;
   b. The best price of the opposite side, existent at the time of the unpriced order’s entry on the system, provided the order was entered on the opposite side of the market.

(3) During Pre-Opening, when orders exist on both sides of the market, the unpriced order will be registered at:
   a. The best counterparty’s price at the time of entry, when no potential opening price exists;
   b. The potential opening price at the time of entry, when a potential opening price exists.

Art.88 (1) During the Opened status, the unpriced order will behave as follows:
   a. The order is rejected from the system- when no market orders exist;
   b. The order is entered at the best price of the respective side- when the unpriced order is entered on the same side of the market and no other orders exist on the counterparty side;
   c. The order is executed at the best counterparty price existent at the unpriced order’s time of the entry on the system- when orders exist on the opposite side of the market.

(2) If the order is not executed in total, the remaining volume will be registered at the best price existent on the counterparty side at the time of the order’s entry on the trading system.

Art.89 During the Pre-Closed status, unpriced orders will behave similarly as during the Pre-Opening status.

§5 The Hidden Order

Art.90 The hidden order is the type of order displaying only a part of the total quantity (volume).

Art.91 (1) The total volume of a hidden order must be a multiple of the standard lot; it is rejected from the system otherwise.

(2) The initial visible volume of the hidden order must be a multiple of the standard lot.
(3) The initial visible volume is the visible volume registered on the system, as a consequence of performing the following:
   a. Entering a hidden order;
   b. Adjusting the visible volume of a hidden order (this operation can only be carried out by an exchange tied agent).

(4) The initial visible volume is the hidden order’s circulating volume, i.e. the visible volume displayed after executing in total the current visible volume of the hidden order.

Art.92 (1) The current visible volume is:
   a. The initial visible volume- when the initial visible volume was not partially traded;
   b. A volume smaller or equal to the initial visible volume, resulted from partially trading the initial visible volume or from one or more successive partial transactions of the current visible volume, determining the appropriate upgrading of the current visible volume, such that the new current visible volume is equal to the difference between the current visible volume prior to the partial transactions and the volume traded.

(2) The trading of a hidden order will occur based on the current visible volume.
(3) The current visible volume is visualized by all exchange tied agents and is associated to an indicator of the hidden order (letter ‘h’) in the Orders Registry.

Art.93 (1) The total volume is taken into account every time the opening price is calculated.
(2) The total volume of the hidden order can be visualized exclusively by the exchange tied agents of the participant who entered the order.

Art.94 The admitted maximum initial visible volume of a hidden order is a percentage value of the total volume, specified in art.98. This rule is implemented at both the time of entering the hidden order and when adjusting it.

Art.95 (1) When exerting the option to adjust a hidden order, taking into account the amendments to the current visible volume, following a partial execution, the visible volume displayed is the hidden order’s initial visible volume.
(2) If the respective ratio is violated regarding the percentage value specified in art.94, the respective order is not admitted to the system.
(3) Adjusting the initial visible volume of a hidden order does not imply the adjustment of the hidden order's total volume.

Art.96 A hidden order is allocated a new executing priority, as a result of the following adjustments:
   a. Increasing the initial visible volume of the hidden order;
   b. Increasing the total volume of the hidden order.

Art.97 (1) Displaying and executing a hidden order will exhibit the characteristics detailed in the article under review.
(2) Under the circumstance when other orders are displayed after the hidden order, within the same price level and account type, and if the current visible volume of the hidden order is greater than the volume of the aggressive order (the counterparty order generating the hidden order transaction):
a. A new current visible volume is displayed, equal to the difference between the current visible volume (prior to the hidden order transaction) and the volume actually traded, corresponding to the aggressive order;
b. The hidden order will preserve its displaying and executing priority within the same price level and account type (it does not obtain a new time priority).

(3) Under the circumstance of other orders being displayed after the hidden order, within the same price level and account type, if the current visible volume of a hidden order is lower or equal to the aggressive order’s volume (the counterparty order generating the hidden order’s transaction), then the procedure will be in accordance with para.4 or 5.

(4) Under the circumstance detailed in para.3, when the hidden order volume not traded is lower or equal to the hidden order’s initial visible volume:
a. The hidden order traded volume is subtracted from the total volume not traded;
b. The respective order loses its attributes of a hidden order, such that the total volume not traded becomes visible to the participants;
c. The order is entered on a list of orders, within the same price level and account type, and is allocated a new registration in time.

(5) Under the circumstance detailed in para.3, when the hidden order total volume not traded is greater than the initial visible volume:
a. The hidden order’s traded volume is subtracted from the total volume not traded;
b. As a result of a current visible volume being traded in total, a new visible volume is circulated, equal to the initial visible volume;
c. The order is given a new execution priority (and a new registration in time, implicitly), by reregistering it on the list of orders, within the same price level and account type;
d. The new hidden order’s current visible volume, displayed as a result of the transaction, is equal to the initial visible volume.

(6) When no other orders are displayed after a hidden order, within the same price level and account type:
a. If the total volume not traded is lower or equal to the initial visible volume- the total volume not traded becomes visible to all participants and the respective order loses its attributes of a hidden order;
b. If the total volume not traded is greater than the initial visible volume- the new current visible volume will be equal to the initial visible volume, irrespective of the current visible volume having been traded completely or partially, and the current visible volume will be equal to the initial visible volume.

Art.98 The hidden order provides a method of protection for the market and the investor involved in entering very large volumes of orders. The values of the characteristic parameters of such orders are:
a. The hidden order’s minimum total volume must be greater or equal to a number 5 times larger than the standard lot;
b. The visible volume must not exceed 20% of the order’s total volume;
§6

Contingent Order

Art. 98¹ (1) Contingent orders are orders that are activated as a result of executing a transaction on the respective symbol in the main market, and its price meets the price criteria specified by comparing it with the price of orders activation.

(2) The types of contingent order available in BSE system are:
   a) Stop orders intended to limit the loss:
      1. Stop order to buy (Stop Buy);
      2. Stop order to sale (Stop Sell).

   b) If Touched orders are orders by which the profit is intended:
      1. If Touched order to purchase (If Touched Buy);
      2. If touched order to sale (If Touched Sell).

Art. 98² (1) While introducing/inserting a contingent order, two prices will be filled in the order window:
   a) Registration price of the contingent order, which does not have to be within the variation allowed for the symbol in the trading session in which they enter. Registration price can have one of the following:
      1. A limit price in terms of introducing a limit order;
      2. M (Market - MKT), while placing a Market order – on the market.
   b) Price of order activation, which does not have to be within the variation allowed for the symbol in the trading session in which they enter.

   (2) The verification of the registration price will be made at the activation of the contingent order in the system, complying with the maximum price variation allowed for the trading session related to its activation.

Art. 98³ (1) In order to introduce a contingent order, the price of its activation is compared with the reporting price which may be one of these two prices:

   1. The price of the last transaction recorded for the respective symbol-market, available at the time when the order was placed, given that there were recorded transactions for the respective symbol-market during the current trading session;
   2. The valid reference price for the current trading session for the respective symbol-market, valid at time of placing the order, given that there were no transactions for that symbol-market traded during the current session.

   (2) To enable a contingent order, the price of its activation is compared with a reporting price. The reporting price is the price of the last transaction registered for the respective symbol-market during the current trading session, which meets the triggering conditions for a contingent order.

   3) For a stop order to buy (Stop Buy), the following criteria are applicable:
a) At the introduction of the order: the activation price of the contingent order is higher than the reporting price set up under para. (1);
b) At the activation of the order: the activation price of the contingent order is lower than or equal to the reporting price the activation of the contingent order, set up under paragraph (2);
(4) For a stop order to sell (Stop Sell), the following criteria are applicable:
a) The introduction of order: the activation price of the contingent order is lower than the reporting price set up under para. (1);
b) The activation of order: the activation price of the contingent order is higher or equal to the reporting price at the activation of the contingent order, set up under para. (2);
(5) For an If Touched order to buy (If Touched Buy), the following criteria are applicable:
a) The introduction of order: the activation price of the contingent order is lower than the reporting price set up under para. (1);
b) The activation of order: the activation price of the contingent order is higher or equal to the reporting price at the activation of the contingent order, set up under para. (2);
(6) For an order if touched to sale (If Touched Sell), the following criteria are applicable:
a) The introduction of order: the activation price of the contingent order is higher than the reporting price set up under para. (1);
b) The activation of order: the activation price of the contingent order is lower than or equal to the reporting price at the activation of the contingent order, set up under para. (2).
(7) Other validation criteria of contingent order:
a) Contingent order shall comply with the deadlines set for the respective order (Day, Open, GTD)
b) One cannot introduce hidden type contingent order, without price, and short selling transactions;
c) one cannot change the type of an order / from an order without restriction;
d) Those stipulated in this Rulebook.

Art. 984 (1) A contingent order may be placed in pre-opening Open and Close state.
(2) Changing of a contingent order involves re-verification of the appropriate price conditions, by considering as reference the update prices (similar to the criteria applied for the introduction).
(3) An idle contingent order is not displayed in register of existing orders on the entity symbol-market and it is not used for the implementation of fixing algorithm, being displayed only in the query related to the own orders of the respective participant.

Art. 985 (1) During Open state, the activation process of contingent orders is triggered after determining the opening price, by comparing the activation prices of idle contingent orders with the price of the last recorded transaction during the current trading session.
(2) In an open state, the activation process of contingent orders is triggered after each transaction, by comparing the activation prices of idle contingent orders with price of the respective transaction.
(3) In a closed state, fixing price determined as a result of applying the algorithm of fixing it will not cause the triggering of the contingent orders activation process, which might be eligible for activation, by reference to the respective closing price.

(4) If all price criteria conditions are met that allow the activation of multiple contingent orders, the activation process will carry out all the contingent orders according to their associated time stamp before the time of activation.

(5) Following the activation of a contingent order, the respective order can be found in one of the following situations:

a) It is introduced in the market, if it meets all validation criteria applied to active orders, in the register of orders (market situation, check price, volume, price protection, price step, meeting the conditions for market orders - on market, etc.) and the order may be:
   1. Executed entirely or partially, if the conditions of its execution are met;
   2. Displayed in the register of existing orders for the respective symbol on the market, if the conditions of its execution are not met.

b) It is rejected by the system if it does not meet all validation criteria applied to active orders from the order register.

(6) In case referred to in para. (5) letter a), the order contingent gets a new time stamp at the time of its activation in the system and, depending on the associated registration price, the order becomes a limit order or a contingent order on market-MKT and behaves accordingly.

Section 7
The trading account

Art.99 (1) The trading account may be an individual account or a global account, according to the system of the account opened by each Participant.

(2) In case one or more clients of a Participant or a Participant for "House" account trading uses the services of a custodian agent for the settlement operations, the respective Participant opens and uses within the BSE system a trading account exclusively dedicated to the trading activity carried out by a Participant for all the clients that use the services of all custodian agencies.

Art.100 (1) The General Manager will issue technical specifications regarding the trading account.

(1) repealed
(1) repealed
(2) repealed
(3) repealed
(4) repealed
(5) repealed

Art.101 (1) The opening, administration and verification of the trading accounts fall exclusively under the responsibility of the Participants.
(2) BSE may suspend the access to the use of a House account by a Participant every time the respective Participant restrains its object of activity or every time A.S.F. disposes of this restriction.

Art. 102 - repealed.

Section 7
Global Account

Art. 102 (1) In order to carry out trading operations:
a) a Participant may use several global accounts;
b) are allowed transactions carried out by the same Participant where the same global account is used both for the buy and sell transactions.
(2) The operation with global accounts will be carried out in accordance with the provisions of the incident regulations regarding the trading activity.
(3) - repealed
(4) - repealed.
(5) - repealed.
(6) - repealed.
(7) - repealed.

Section 8
Informative Quotations (Quotes)

Art. 103 An informative quote is displayed on the BSE system by a participant for a financial instrument, for the purpose of informing all other participants in the market with respect to its intention to conclude a transaction via direct negotiation.

Art. 104 The direct negotiation process may be initiated based on information displayed in the Informative Quotations Registry.

Art. 105 The operations allowed when administrating informative quoted are the following: adjustment, withdrawal, suspension and resuming.

Art. 106 In addition, the rules detailed in Ch. IV, Sections 1-4, will apply when discussing informative quotes.

Section 9
Firm Quotations (Quotes)

Art. 107 Firm quotes for a series of treasury bonds are entered by market makers, registered for the respective series, who may only deal in their name and account.
a) is entered by a Market Maker registered for the respective series of treasury bonds;
b) is entered on the own account („House”) through a firm purchase order and a firm sale offer in the main market of the respective series of treasury bonds.
Art.108 A market maker shall enter one firm quote only, for the series of treasury bonds it is registered for and manage in compliance with provisions of Art. 16\textsuperscript{18} – Art. 16\textsuperscript{21} from Chapter III, Title I.

Art.109 repealed.

Art.110 repealed.

Art.111 repealed.

Art.112 In addition, the rules detailed in Chapter IV, Sections 1-4, will apply when discussing firm quotations.

Section 10

Deal Transaction

Art.113 (1) The negotiations of the conditions for the Deal Transaction are carried out in accordance with Regulation (EU) No 1287/2006 and the applicable legislation in the capital market field and may take place by using the functions of BSE trading system or through other means.

(2) A broker, also called an Initiator, delivers a buy or sell deal to another broker, also called a Counterparty, who:

a) will confirm the deal received, if the negotiation was made by means other than the trading system of BSE or

b) may confirm the deal received or may continue the negotiation by sending another deal order, if the negotiation was made by the BSE trading system.

(3) If the negotiation was done by the BSE trading system, the Counterparty broker has the option to decline the received deal order and the Initiator broker is able to withdraw the sent deal order.

(4) If the negotiation took place by means other than the BSE trading system, the Initiator broker is required to report clearly this deal before sending the order to the Counterparty broker, by marking a specific field.

(5) If the negotiation of the Deal Transaction was carried out outside BSE trading system, any claims of the parties related to these negotiations, shall be settled by the parties only, with the BSE contest.

Art. 114 (1) The deal transaction ends at the confirmation of a deal order, under the condition mentioned in art. 122 letter a).

(2) Deal transactions are exclusively concluded on the Deal Market, observing parameters and conditions of this Title.

Art.115 repealed.

Art.116 In addition, the rules detailed in Chapter IV, Sections 1-4, will apply when discussing deals.
Section 11
The Maximum Price Variation Allowed During a Trading Session

Art.117 (1) In order to protect investors and maintain the market integrity, BSE establishes, depending on the type of financial instrument, at the related market level, a maximum percentage price variation for orders.
(2) The percentage price variation is established in reference to the financial instrument’s reference price.
(3) A financial instrument’s reference price is given by the main market for the respective instrument from a previous trading session and is equal to the closing price, as defined in the preliminary title.
(4) The reference price for a state title type financial instrument may be settled in accordance with the decision of BSE General Manager by other means, after the consultation with the issuer and the changes respect this Rulebook.

Art.118 (1) An order, deal and informative quote’s maximum percentage price variation value allowed for a transaction price on the system may vary depending on the financial instrument, tier or the respective market.
(2) BSE establishes different levels on the trading system, depending on the type of financial instrument, for the percentage price variation of a transaction from the reference price. The respective levels are specified in Appendixes 7 and 8.
(3) Under extraordinary circumstances likely to significantly influence the price of a financial instrument, the BSE General Manager may request the adjustment or suspension of the maximum percentage price variation limit until the price stabilizes.
(4) Under extraordinary situations (high volatility of the underlying asset, etc.), in order to maintain the orderly trading conditions. The issuer of the structured products directly or through the designated Liquidity provider, can ask BSE the expanding of the variation limit for an individual issue of structured products, decreasingly or increasingly ordered during the current trading session.

Art. 1181 (1) In application of article 118 para. (3), BSE will apply the provisions of this Article for the financial instruments on the Regulated Spot Market, included in the list set up by the BSE, communicated to RNSC, market participants and public.
(2) Requirements for extending the variation limit, according to para. (1) are:
a) Determined based on orders from the main market (REGS) of the target symbol and apply only in its open state;
b) If during a monitoring period (15 minutes), there are registered one of the following situations related to the orders from the register of active orders for the symbol on the main market:
1. Best buy order from the registry of active orders is the maximum allowed price;
2. Best sell order from the registry of active orders is the minimum allowed price.
c) The verification of the criteria related to the orders will be applied regardless of the transactions during the monitoring interval.
(3) Application of the variation limit’s extension, according to para. (1) consists of the following:
a) If the requirements are met for the automatic procedure, after the expiry of the monitoring system, BSE will initiate the automatic procedure to extend the limit of
variation in terms of price evolution (ascending or descending) in successive stages for the symbol on the main market, which can consist of one of the following situations:

1. + Value percentage of reference price, if there is the situation at para. (2), letter b), section 1: + 25% (first extension) + 35% (second expansion) + 40% (third extension);
2. - Percentage value of the reference price, if there is the situation at para. (2), letter b), section 2: - 25% (first extension) - 35% (second expansion) - 40% (third extension).

b) Automatic extension procedure will be applied up to 3 times during a trading session on one way (respectively ascending, descending,) and will consist of extending the variation limit in successive stages of evolution, exclusively in terms of price (i.e., changing the parameter percentage value of the reference price).

c) Monitoring the regulated market for applying the automatic procedure will be done up to a time established by decision of BSE General Manager, according to the schedule of the trading session and the maximum time for monitoring the market will be considered for this purpose.

d) Stages of the automatic extension of the variation limit (corresponding to an extension):

1. The symbol will go in pre-opening on the main market (REGS), having the following features:
   i) Pre-open state length is 5 minutes;
   ii) Extending the variation limit only in the direction of price evolution (ascending or descending), according to para. (3) letter a);
   iii) The other limit remains unchanged;
   iv) The symbol will be closed on its auxiliary markets;
   v) Market participants will be notified by a standard sent to BSE broadcast system, on regards to the new variation limit;
   vi) The specialized department will notify accordingly also on BSE website regarding the new variation limit.

2. After the expiry of the pre-opening state period, the symbol will go in an open state on the main market (REGS) and on auxiliary markets, with the variation limits used in the pre-opening.

3. In the case specified by point 2, if the Odd-Lot market is used for a share type symbol, the symbol will go in the open state in the relevant market too, with the variation limits used in the pre-opening, except for the first extension where the limit variation for Odd Lot market remains unchanged.

e) By the decision of the General Manager, BSE will not apply the automatic procedure to extend the variation limit or may interfere with the operations flow of the procedure described in para. (3), as appropriate, in the following situations:

1. Financial instruments for which the percentage limitation does not apply to price orders in accordance with Article 41 para. (1) and Article 43\textsuperscript{1} para. (2);
2. exceptional circumstances (special circumstances relating to the Issuer's activity, force majeure cases, which could jeopardize the conduct of normal trading activity for that financial instrument, etc.).

(4) BSE General Manager sets up by a decision the information related to the list referred to in para. (1), namely:

a) Criteria for the selection of financial instruments to be included in that list;

b) Frequency of updating the list.
(5) The amendment of the list referred to in para. (1) shall be effected by decision of the General Manager of BSE.

(6) BSE will inform RNSC, market participants and the public regarding the information set out in para. (4) and para. (5) and will publish that information by means of specific dissemination (website of BSE, SFTP, BSE system, etc.) at least 24 hours before the entry into force.

Section 12
Price Ticks and Price Limits

Art.119 For the protection against excessive order price fragmentation and to ensure a reasonable level of costs in respect to improving the best prices displayed on the market, BSE will establish price ticks for all symbols and markets.

Art.120 The BSE imposed price ticks size values and the maximum numbers of ticks a market order may go through, depending on the price interval, are clarified in Appendixes 4, 7 and 8, displayed in a tabulated form.
CHAPTER V
TRANSACTIONS

Section 1
General Aspects

Art. 121 (1) The following types of transactions exist:
a. Normal- the transaction carried out via the BSE trading system, in accordance with the rules and mechanisms detailed in this Title, not cross transactions;
b. Cross- the transaction where one participant intermediates for both the buyer and the seller.
(2) BSE does not record the financial instruments trading that have not been carried out within the frame organized by BSE.

Art. 122 The stock exchange transactions are concluded in the following situations:
a. upon their execution;
b. upon the introduction by BSE of a special buy-in/sell-out transaction within the BSE system, under the conditions of the present Title.

Art. 123 (1) BSE will supply participants all trading reports via the trading system.
(2) - repealed.
(3) - repealed.
(4) - repealed.
(5) - repealed.
(6) - repealed.

Art. 124 The transfer of property rights and the appropriate payment of transactions concluded within the BSE trading system will be realized in accordance with the Central Depository’s regulations.

Art. 125 The statistics and characteristics of financial instruments transactions concluded on the BSE system can be visualized by all participants.

Art. 126 All information regarding the trading activity is the sole property of the BSE and is publicly distributed in accordance with the BSE methodology and title IV.

Section 2
Cross Transactions

Art. 127 (1) A cross transaction is the type of transaction where the participant acts as an intermediary both for the buyer and the seller.
(2) A cross transaction may occur as a consequence of any of the following:
a. The trading system’s automatic execution of two distinct and opposing orders, a buy and a sell, with similar characteristics, which are entered and administrated by the same participant;
b. As a result of finalizing a deal transaction’s negotiation process, via the same or different exchange tied agent(s), employed by the same participant.

Art.128 The requirements for concluding a cross transaction, detailed in the section under review, will apply to all those shares traded on the BSE regulated spot market as well as to transactions finalized during the Opened status of the respective shares’ main market.

Art.129 (1) The participants shall ensure that are made all the necessary efforts for the cross transactions not to:
   a. influence significantly the volume of a financial instrument;
   b. influence significantly the price of a financial instrument;
   c. affect the formation of the reference price;
   d. constitute the result of a previous agreement between clients and/or client and participant.

(2) BSE will immediately inform A.S.F. each time when, during its activity, it ascertains or has indications regarding the breach by the Participants of the provisions of article 1.

Art. 130 repealed
Art. 131 repealed

Section 3
Exempted Transactions
- repealed

Art.132 - repealed.
Art.133 - repealed.

Section 4
Margin Transactions

Art.134 (1) Margin transactions of securities admitted to trade on the BSE must occur in accordance with the RNSC regulation 15/2006 regarding financial investments services and this Title.

(2) A margin transaction is possible for any security admitted to trade on the BSE, on the main market where the respective security is traded.

Art.135 The minimum volume of orders to be margin traded is a standard lot.

Section 5
Short Sales

Art.136 Buying on margin securities admitted to trade on the BSE occurs in accordance with the RNSC regulation 32/2006 regarding the financial investments services, RNSC 5/2010 Regulation for Group accounts, the mechanisms with and without prevalidation, loan operations, guarantees and short sale transactions and of this Title.

Art.137 (1) Short sales can be initiated with securities in the ‘List of Eligible Securities Likely to Initiate Short Sales’ (hereinafter ‘List of Eligible Securities’), exclusively on the main market for the respective securities.
(2) The list referred to in para. (1), called "list of securities admitted to trading on regulated market of BSE covering short selling," will include:
   a) A section with the most liquid securities admitted to trading on regulated market;
   b) A section with any other securities that are traded through market makers.
(3) liquidity criteria applied by BSE to include securities in the section referred to para. (2) letter a) are used for the selection of shares listed on the regulated market of BSE, in tier I and II, which are included in the BET, BET-FI and ROTX, namely: liquidity and other relevant issues in accordance with the respective indices methodology.
(4) BSE General Manager, by his decision, sets up the general framework to include securities in the section referred to para. (2) letter b).
(5) BSE General Manager, by his decision, sets up the update of each component of section mentioned in para. (2) and the appropriate update methodology, as follows:
   a) Each semester for securities included in the section referred to in para. (2) letter a);
   b) Whenever necessary, for the securities included in the section referred to in para. (2) letter b).
(6) The amendment of the content of the list referred to in para. (2) will be made by decision of the General Manager of BSE.
(7) BSE, by decision of the General Manager, may order the exclusion of securities from the list referred to in para. (2).
(8) BSE will inform NSC, market participants and the public regarding the information set out in para. (2) - para. (7) and will publish that information by means of specific dissemination (website of the BSE, SFTP, BSE system, etc.) at least 24 hours before the entry into force.
(9) According to RNSC Regulation no. 5 / 2010, RNSC may decide, in case it considers it necessary, to exclude certain securities from the list referred to in para. (2).

Art.138 (1) Short selling orders are allowed only on the main market of the securities included in the list referred to in Article 137 para. (2).
(2) The minimum volume for orders for short selling operations is a trading bloc.
(3) orders for short selling transactions for a particular security in the list referred to in Article 137 para. (2) may be introduced in the BSE trading system only if it meets at the same time the following two requirements:
   a. The price is greater or equal to the price of the last transaction of the respective security concluded on the main market;
   b. The price is greater or equal to the best ask price for the respective security, registered on the main market at the time of entry of the buying on margin.
(4) Orders for short selling transactions are exclusively limitation orders.
(5) Orders for short selling transactions can be “hidden” or contingent orders
(6) The provisions of para. (3) do not apply to operations of short selling by market makers.

Art.139 repealed.

Art. 140 (1) When entering the trading system of an order related to a short selling transaction, the Participant, the broker placing the order, is required to signal clearly that the order is short selling by insertion of short selling feature, namely by marking the specific field for short-selling.

(2) BBV will publish in the trading daily summary, for each particular security, the total volume and number of transactions, execution of orders resulting from short selling, notified by participants, according to para. (1).

Art. 141 repealed.
CHAPTER VI
OTHER OPERATIONS CARRIED OUT WITHIN BSE

Section 1
Common Aspects of Correcting Trades
- repealed

Art.142 - repealed.
Art.143 - repealed.
Art.144 - repealed.
Art.145 - repealed.
Art.146 - repealed.
Art.147 - repealed.
Art.148 - repealed.
Art.149 - repealed.
Art.150 - repealed.

Section 2
Recording of settlement solving operations via special buy in/ sell out
and via the procedure of imposed buy in/sell out

Art. 151 (1) BSE will record settlement solving operations, in accordance with the provisions of this section, exclusively based on the instruction/conformation of the Central Depository, according to the contract concluded between BSE and the Central Depository, as follows:
a) By special buy in / sell out transactions at Participant’s request and based on confirmation from the Central Depository;
b) By the imposed purchase / sale procedure (buy in / sell out) at the request of the Central Depository.
c) By special buy in / sell out transactions at the Central Depository's request.
(2) Execution of transactions specified in para. (1) is subject to:
a) Compliance with the requirements contained in this Title;
b) Instruction/Confirmation by the Central Depository regarding the fulfillment of the Central Depository Rulebook, according to the documents sent by it;
c) Verification by BSE if the persons within the Participants requested the performance of the transaction are the empowered persons specified in accordance with the provisions of Annex no 6.
(3) BSE is not liable for not meeting the conditions specified in para. (2) which do not fall under the responsibility of BSE.
(4) BSE, its management and staff, are not liable for any claim, loss, damage or expenses of any nature caused directly or indirectly by the trading activity of a Participant or derived from compensation and / or settlement of a Participant / custodian and nor for any failure, interruption for which BSE cannot be held responsible, according to the regulations in force.
(5) - repealed.

(6) In the situations described in this chapter, BSE suspends or resumes a Participant’s access to trading, at the request of the Central Depository, according to the contract concluded between BSE and the Central Depository, supplemented by the provisions of this Rulebook.

(7) The framework contract concluded between Bursa de Valori Bucuresti S.A. and the Central Depository will include in detail the conditions and the content of the instructions it must comprise the confirmation of the Central Depository for the performance, by Bursa de Valori Bucuresti S.A. of the transactions associated with the settlement solving operations by buy-in/sell-out transactions and by the impose buy/sell procedure, the obligations and responsibilities of the parties related to the activities carried out, including the detailed obligations that the need of carrying out the transactions associated with the respective settlement solving operations are based on.

Art. 151\(^1\) (1) For the purpose of applying art. 151 para. (1) letters b) and c), BSE will request the Central Depository the characteristic elements necessary elements to record the respective operation within the BSE system, which may include, without limitation: a) Time or period to perform them, the quantity and the settlement term; b) The procedure and / or the trading mechanism, stipulated by the present Rulebook, which are used.

(2) BSE will inform the participants on the details of the procedures in this section, as appropriate.

Art. 152 (1) In case the conditions mentioned in art. 151 and art. 151\(^1\) are met, BSE may, where appropriate, carry out the following operations:

a) will introduce and execute the special buy/sale transaction on Buy In / Sell Out market;

b) will apply the imposed buy / sale procedure (buy-in/sell-out), in accordance with the trading mechanism, "order-driven".

(2) For the imposed buy procedure, the "order-driven" trading Mechanism is applied on the buy-in market and the procedure used will be as follows:

a) BSE will send a message within the system to all participants, announcing the beginning of the imposed buy procedure (buy-in).

b) BSE will introduce in the system, on buy-in market, on behalf of the initial seller Participant and on the account indicated by him, a buy order for the amount and settlement term specified in the request received from the Central Depository, at the maximum price allowed for the meeting. The concerned participant is not allowed to alter this order.

c) If, during the meeting, the order introduced by BSE under letter b) is performed completely, the imposed buy procedure (buy in) ends.

d) If, during the meeting, the order introduced by BSE under letter b) does not run completely, it will remain in the system for the next meeting. At the beginning of next meeting, BSE will change the price of this order, making it equal to the maximum price allowed for the meeting. The Participant concerned is not allowed to alter this order.

d\(^1\)), For a symbol that does not have a limitation of the maximum price allowed, for the purpose of the application of letter d) the reference price relating to the symbol will
be taken into account for the meeting regarding the current trading of the symbol that a variation of +25% will be applied to.
e) The operation mentioned in letter d) is repeated until the amount of placed orders is exhausted at the beginning of the imposed buy procedure by BSE or according to the instruction provided by the Central Depository.
(3) for the imposed selling procedure
If the "order-driven" trading mechanism is applied to the impose sell-out procedure, and the provisions of para. (2) will be adjusted and applied accordingly.
(31) For a symbol that does not have a limitation of the maximum price allowed, for the purpose of the corresponding application of para. (2) letter b) the reference price relating to the symbol for the current trading meeting of the symbol will be taken into account to which a variation of -25% will be applied.
(4) - repealed.

Art. 153 (1) The special buy / sale transaction falling under the provisions of art. 151 para. (1) letter b) is recorded within BSE according to Annex No 6, after the confirmation by the Central Depository regarding the compliance with the compensation-settlement and registry conditions necessary for its registration.
(2) The accuracy and completeness of the data provided in Annex no 6 fall under the responsibility of the Participants, the Central Depository and BSE, corresponding to the information provided by each part. BSE is responsible with the verification of the persons signing the Annex no 6 designated by the participants and the Central Depository in relation with BSE. Annex no 6 will mandatorily contain also the name and the function of the signatory persons from all the parties involved.

Art. 1531 (1) The recording of the operations mentioned at art. 151 will determine the update of the trading reports sent to the Participants by BSE.
(2) For the operations specified art. 151 para. (1) letters a) and b), BSE will apply a tariff, according the “List of tariffs and fees” applied by BSE.

Art. 1532 BSE will notify the Financial Supervisory Authority regarding the registration for a Participant of three operations of the same type (buy-in / sell-out) during a calendar month.

Section 3
Other Provisions Regarding Error Rectifications
- repealed

Art.154 - repealed.
Art.155 - repealed.
Art.156 - repealed.
Art.157 repealed.
CHAPTER VII
INVALIDATING / UNCONFIRMING
TRANSACTIONS CONCLUDED IN BSE

Art.158 (1) Invalidating/un-confirming a stock exchange transaction is a stock exchange operation consisting of the retroactive annulment of a concluded transaction under extraordinary circumstances, as follows:

a) situations caused by severe incidents arising in the functioning of the BSE trading system, the Central Depository System and/or remote communication system, according to the notification of those involved;

b) situations arising from the re-convocation of transfer orders notified to BSE by the Central Depository, according to the contract between BSE and the Central Depository.

c) situation of recovery of allocation and re-processing the public offers in the cases and under the circumstances mentioned in art. 236.

d) situations in which the transactions have not been recorded in the Central Depository system, according to the contract between BSE and the Central Depository.

(2) The BSE General Manager may decide to invalidate some or all transactions concluded over a trading session prior to the initial settlement date.

(3) In exceptional circumstances, notified by the Central Depository regarding the performance of transaction in which the selling Participant hasn’t complied with the provisions of Art. 222 align. (1), letter. c) point ii) on the conditions of rolling the buyback operation for an individual issue of structured products, turbo certificate, in case of reaching the knock-out price by the underlying asset the invalidation/unconfirmation of such a buyback operation may occur.

Art.159 (1) A transaction invalidation is the annulment of that transaction in response to a Central Depository’s written request in this respect, in accordance with the regulations and the contract signed between the Central Depository and the BSE, which may be implemented without the need for a legal intervention or other prior formalities (e.g. notifications, etc.)

(2) A transaction’s invalidation will occur after its initial settlement date, in accordance with the Central Depository regulations.

(3) A transaction’s invalidation is decided by the Central Depository and communicated in writing to the BSE, who will proceed accordingly.

Art.160 Participants have the obligation to include intermediation clauses in the contract, regarding the transactions’ invalidation rules, in accordance with the regulations and the contract signed by the Central Depository and the BSE.

Art.161 BSE is not liable for any claims, losses, damage or expenditure of any kind, directly or indirectly caused by a transaction’s invalidation.
Art. 162 On the day of invalidating a transaction, BSE must notify the participants who mediated the transaction on the stock exchange and the Central Depository, in accordance with the contract signed by the Central Depository and the BSE.

Art. 163 In any other circumstances than those set out in art.158 and art.159, invalidating/un-confirming a stock exchange transaction occurs when dictated by the legal authority.

Art. 1631 BSE will notify RNSC about any invalidation / failure to confirm or a rightful resolution of a stock exchange transaction, no later than the next working day to achieve the operation.

Art. 1632 (1) For the Participant concerned that caused the invalidation/un-confirmation operations set out in art. 158 and art. 159, BSE will apply a tariff according to the “List of Tariffs and Fees” applied by BSE. (2) For the Participants mentioned at para. (1), the trading reports and the related fees reports will be updated. (3) For the Participants who are counterparties in the transactions mentioned at para. (1), the corresponding trading reports will be updated.
CHAPTER VIII
TRADING SHARES

Section 1
Share Markets

Art.164 (1) Shares may be traded on any of the following markets:

a. **Regular Market** - the order-driven main market, where shares are traded based on standard lots, while determining the shares’ reference price;

b. **Odd Lot Market** - an order driven auxiliary market, where shares may be traded in quantities smaller than a standard lot;

c. **Deal Market** - an auxiliary market of the regular market, for the purpose of negotiating, where Deal Transactions are concluded and for which BSE establishes a minimum transaction value, according to Appendix 7;

(1)\(^1\) The markets where share type symbol is traded will be established by the Decision of BSE CEO.

(2) In order to record certain settlement solving operations, BSE may initiate the Buy-In and Sell-Out markets, for which it can use any of the trading mechanisms available in the BSE system, provided by this Rulebook.

(3) The provisions of para. (2) may apply for all financial instruments traded on the BSE.

Art.165 Orders’ maximum price variation on the Odd Lot and Deal Markets refers to the main (Regular) market’s reference price.

Art.166 The concluded transactions’ prices on the auxiliary markets have no input in determining the shares’ reference price.

Section 2
General Parameters for Share Markets

Art.167 BSE provides a number of general parameters to be used, at the Regular, Odd Lot and Deal Markets’ level, regarding orders and transactions, so as to ensure the maintenance of an orderly and transparent market, as well as minimizing the possibility of an exchange tied agent committing an error at the time of entry on the system.

Art.168 (1) A standard trading lot consists of 1 financial instrument.

(2) The provisions of this Book regarding the Odd Lot market are applicable when the standard trading lot size differs from 1.

Art.169 The parameters for each market are detailed in Appendix 7.
Art.170 (1) The timing and duration of the Odd Lot Market’s Opened status will coincide with that of the main (Regular) market.

(2) The timing and duration of the Buy-In and Sell-Out Market’s Pre-Opened status is dictated by the BSE General Manager and all participants on the system will be notified in this respect in due course. The duration may be adjusted depending on the initial order execution conditions set by the BSE specialized department.

Art.171 For the purpose of maintaining an orderly and equitable market while ensuring investors’ protection against significant price variation, BSE lays down the following protection parameters:

a. Orders with a quantity (volume) below the minimum volume requirement for the admission to trade will be rejected by the system;

b. Orders entered by an exchange tied agent whose prices do not fulfill the requirements regarding the maximum variation for the admission to trade will be rejected by the system;

c. Depending on the market conditions, the BSE General Manager may allow a different maximum price variation for one particular symbol on the Odd Lot Market.

d. Transactions concluded on the auxiliary markets do not have an input in determining the price statistics, calculated at the stock exchange level (e.g. opening price, closing price, average price, last transaction’s price, maximum or minimum price)

Section 3
Characteristics of Share Markets

Art.172 Details of each market are provided in Appendix 7.

§1
The Regular Market

Art.173 Trading methods and market statuses are detailed in Appendix 7.

§2
The Odd Lot Market

Art.174 Characteristics of the Odd Lot market are tabulated in Appendix 7.

§3
The Buy-In Market

Art.175 (1) Characteristics of the Buy-In market, where the main market mechanism is used (order driven), are tabulated in Appendix 7.

(2) If it is used other mechanisms than those mentioned in para. (1), BSE will amend this Rulebook accordingly.
(3) If for the buy-in market it is used the mechanism of the main market (order driven) the provisions of art. 176-178 are applicable.

**Art.176** (1) During one trading day there may be many successive trading sessions for the same or different symbol-market entities: Pre-Opening, Opening and Closed. 
(2) During the Pre-Opening status the following rules apply:
   a. The BSE specialized department may enter one buy limit order alone, also called an initiation order, the price of which is the maximum price admitted for the respective symbol on the Regular Market, over the course of that session;
   b. Exchange tied agents shall enter sell orders after the BSE specialized department entered the initiation order.
(3) The rules for determining the method of calculating the opening price as well as the technique employed in allocating the quantity (volume) to be traded during Opening on the BSE, do not differ from the ones the main market is subject to.
(4) If the conditions for the complete execution of an initiation order are not met after the expiry of the duration of the Pre-opening status, BSE may extend the duration of the Pre-opening status announcing the Participants through the BSE system, in accordance with the Central Depository.

**Art.177** (1) There may be several Buy-In market trading sessions simultaneously, for different symbol-market entities administrated independently of each other, which may also be characterized by different time durations.
(2) Participants are notified by means of the BSE trading system with regard to the Buy-In market’s trading sessions’ opening and closing times.
(3) The Buy-In market’s status may be converted from Pre-Opening to Opening by the BSE specialized department at the time specified in the notification issued to participants in this respect.
(4) During Opening the **fixing** algorithm is implemented and the initiation order is executed via one or several transactions.

**Art.178** The Buy-In market is closed by the BSE specialized department, within the BSE system, after finalizing the opening process, respectively after concluding all transactions carried out during the Opening status/in accordance with the instruction received from the Central Depository.

§4
The Sell-Out Market

**Art.179** (1) Characteristics of Sell-Out Market, where the main market mechanism is used (order driven), are tabulated in Appendix 7.
(2) If it is used other mechanisms than those mentioned in para. (1), BSE will amend this Rulebook accordingly.
(3) If for the Sell Out market is used the mechanism of the main market (order driven) the provisions of art. 180-182 are the one applicable.
(4) If the conditions for the complete execution of the initiation order after the expiry of the Pre-opening status are not met, BSE may extend the duration of the Pre-opening
status, announcing though the system the Participants on the market, in accordance with
the instructions of the Central Depository.

Art.180 (1) During one trading day there may be several successive trading sessions
for the same or different symbol-market entities: Pre-Opening, Opening and Closed.
(2) During Pre-Opening, the following rules apply:
   a. The BSE specialized department may enter one sell limit order alone, also called an
      initiation order, the price of which is the minimum price
   b. admitted for the respective symbol on the Regular market during that session;
   c. Exchange tied agents shall enter buy orders after the BSE specialized department
      entered the initiation order.
(3) The rules for determining the method of calculating the opening price as well as
the technique employed in allocating the quantity (volume) to be traded during Opening
on the BSE, do not differ from the ones the main market is subject to.
(4) If the conditions for the complete execution of an initiation order are not met in due
course, the Pre-Opening status duration is extended and participants are notified by
means of the system.

Art.181 (1) There may be several Sell-Out market trading sessions simultaneously, for
different symbol-market entities administrated independently of each other, which may
also be characterized by different time durations.
(2) Participants are notified by means of the BSE trading system with regard to the Sell-
Out market’s trading sessions’ opening and closing.
(3) The Sell-Out market’s status may be converted from Pre-Opening to Opening by
the BSE specialized department at the time specified in the notification issued to
participants in this respect.
(4) During Opening the fixing algorithm is implemented and the initiation order is
executed via one or several transactions.

Art.182 The Sell-Out market is closed by the BSE specialized department, within the
BSE system, after finalizing the opening process, respectively after concluding all
transactions carried out during the Opening status/in accordance with the instruction
received from the Central Depository.

§5
The Deal Market

Art.183 (1) The Deal market is intended for the trading of large volumes of financial
instruments negotiated in advance by exchange tied agents. The various financial
instruments blocks’ minimum value is tabulated in Appendix 7.
(2) BVB publishes yearly before March 15, a list with the minimum value of a deal
order published for every financial instrument admitted to trading, applicable for a
period of 12 months, starting with April 1, after having been published and before
March 31 of the next year, except provisions from art. 33 and art.34 included in EC
Regulation no. 1287/ 2006.
(3) - repealed.
Art.184 (1) The Deal market’s operation method is characterized by operations described in in art. 113 para. (2) - (4) and art. 114 para. (1):
(2) Deal cannot be negotiated on the Deal market during the Closed status.
(3) repealed
CHAPTER IX
TRADING PREEMPTIVE RIGHTS

Art.185 (1) Preemptive rights may be traded as follows.
   a) In an "order-driven" market, according to the rules of the content of this Title, for the preference rights;
   b) In a major market of "order-driven" type, respectively of a deal market, "of negotiation", in accordance with the rules of the content of this Title, for allocation rights.

(2) The preemptive rights’ trading period is established by the BSE, taking into account the issuer’s point of view in this respect.

(3) The date of trading rights allotment can be established using one of these two ways, as follows:
   a) calendar date calculated by adding 2 days to the date of receipt of the notification from the Central Depository, which announces BSE that technical operations related to the holders register of allocation rights ended;
   b) Calendar date mutually agreed by the Issuer and the executive management of BSE and that cannot be agreed upon sooner than 2 working days after receiving the notification from the Central Depository.

(4) Last day of trading allocation rights will be calculated by adding 2 working days to the date when BSE received the notification from the Central Depository BSE regarding the receipt of complete documentation on the operation of capital increase from the issuer. BSE will inform about the last trading day by its own system, at least one working day in advance.

Art.186 (1) The main market, order-driven market, trading preemptive rights market has the following characteristics and standard values:
   1. The standard lot is 1;
   2. The price tick as described in Appendix 4;
   3. No limit with respect to the price variation and the orders’ minimum value;
   4. Limit, Market, Unpriced and Hidden orders are possible;
   5. Orders’ expiration date is detailed in art.50 and 51.

(2) Markets where allocation rights are traded have the following features and standard values:
   a) Main "order-driven" Market
      1. Trading block is 1;
      2. Price Step: under Appendix no. 4;
      3. Imposed variation limits in price according to Appendix no. 7;
      4. Variation should not limit the price until the reference price’s formation;
      5. Minimum values are not required to grant orders;
      6. One can use limitation order, market order (MKT), orders without price and Hidden order;
      7. The validity of the orders is described in art. 50 and 51.
   b) Deal market for "negotiation"
      1. Block trading: according to Appendix no. 7;
      2. Price Step: under Appendix no. 4;
3. Imposed variation limits in price according to Appendix no. 7;
4. Minimum allowed volume of an Order: according to Appendix no. 7;
5. Order types: according to Appendix no. 7;
6. Trading on deal market is not available until the reference price’s formation

(3) BSE can adjust specific standard values in para.1, pt. 1 and 2, para. (2) letter. a) item 1 and 2 and letter b) item 1 and 2, after consulting the issuer. Modified values are notified to market participants.
CHAPTER X
TRADING BONDS

Section 1
Elements Specific to Bonds

§1
Reference and Ex-Coupon Dates

Art.187 (1) The reference date of a bond traded on the BSE regulated spot market is a working day, a number of days prior to the coupon payment or settlement date which is equal to the time it takes to settle a bond’s transaction.
(2) BSE may adjust the time interval between the reference date and the coupon payment date, described in para.1. The ex-coupon date can also be adjusted by the BSE.
(3) Participants can not conclude transactions whose settlement dates occur subsequent to the reference date, during the last coupon period.

§2
Coupon Types

Art.188 (1) A bond’s coupon may be normal, short or long, depending on the period, such that:
a. Normal coupon - a coupon whose period is equal to the number of days between 2 periodically fixed coupon payment dates (e.g. 6 months, every 3 months, etc. depending on the number of coupon payments per year);
b. Short coupon - a coupon whose period is shorter than that of a normal coupon, when the issue date is fixed in the issue prospectus, date from which interest should accumulate for the payment of the first coupon, under normal circumstances;
c. Long coupon - a coupon whose period is longer than that of a normal coupon, when the issue date is fixed prior to the date at which interest should have started accumulating for the payment of the first coupon, under normal circumstances;
(2) The period of a long coupon will be divided into 2 sub periods so as to determine the interest accumulated for each of these.

§3
Conventions and Calculus Formulae for Bonds

Art.189 (1) Fixed and pre-determined floating interest bonds are traded based on the net price.
(2) Post-determined floating interest bonds are traded based on the gross price.
(3) Under extraordinary circumstances, BSE may decide the bonds detailed in para.1 to be traded based on the gross price.

Art.190 (1) For fixed interest bonds, the calculus convention used in determining the accumulated interest is of the form actual/actual and detailed in Appendix 8.
(2) The number of days in a year used in determining the accumulated interest is calculated for each normal, short or long coupon period when the transaction settlement occurs.

Art.191 (1) For floating interest bonds, the calculus convention used in determining the accumulated interest is of the form actual/360 and detailed in Appendix 8.
(2) The number of days in a year used in determining the accumulated interest is 360, irrespective of whether the coupon is normal, short or long.

Art.192 (1) The interest accumulated for a cum-coupon transaction is positive and detailed in Appendix 8.
(2) When a cum-coupon transaction occurs, the bond buyer benefits from this coupon payment and pays the positive accumulated interest.
(3) The interest accumulated for an ex-coupon transaction is negative and detailed in Appendix 8.
(4) When an ex-coupon transaction occurs, the bond seller benefits from this coupon payment and pays the buyer the negative accumulated interest.

Art.193 When the issue characteristics do not correspond to the calculus conventions for the accumulated interest, as they are detailed in art. 189-192 and Appendix 8, BSE may adopt new calculus conventions, as dictated by the BSE General Manager.

§4 Bonds transaction value

Art.194 (1) The value of a bond transaction (BT) concluded based on the net price is determined in accordance with Appendix 8.
(2) The value of a bond transaction (BT) concluded based on the gross price is determined in accordance with Appendix 8.

Section 2
Bond Trading Framework

§1 Bond Markets

Art.195 (1) Bonds may be traded on any of the following markets:
a. Main market- the order driven main market, operating on the principle of automatic execution of orders entered while determining the reference price;
b. Deal market- the auxiliary market, operating on the principle of direct negotiation between 2 participants, where BSE sets a minimum transaction value as specified in Appendix 8.
(2) The maximum price variation of deals and informative quotes refers to the main market determined reference price.
(3) Informative quotes may be used in the process of negotiation.
§2

General Functioning Parameters for Bond Markets

Art.196 The general parameters and characteristics of bond markets are detailed in Appendix 8.

Art.197 Depending on the bond issue characteristics, The BSE General Manager may request the usage of different specific parameters regarding the:
  a. Price determining conventions and accumulated interest calculus;
  b. Number of decimal points with respect to the transaction price, interest and value.

§3

Characteristics of Bond Markets

Art.198 (1) Bonds are traded based on the net price.
(2) When the conditions for trading bonds based on the net price are not met, the trading will take into account the gross price instead.
(3) When a series of bonds are traded based on a gross price, only orders and deals (with a validity date Day) may be entered on the system.

Art.199 (1) During the Opened status of the main market orders may be entered and administrated while transactions concluded.
(2) Entering an order on the BSE system requires the following information:
  a. Issue series;
  b. Net or gross price (except for market orders);
  c. Number of bonds;
  d. Account;
  e. Validity date;
(3) Details of orders entered are supplied to participants, by the BSE, without being limited to the:
  a. Exchange tied agent’s identity;
  b. Gross price (when a series of bonds is traded based on a net price);
  c. Value;
  d. Unique identification number;
(4) Orders not executed, with an Open validity date, remain registered on the system.
(5) The accumulated interest, the gross price and the value of orders are automatically updated, on a daily basis, until execution or withdrawal.
(6) The exchange tied agent may carry out the following administrating operations with respect to the orders he/she enters: adjustment, suspension, resuming, and withdrawal.
(7) Transactions are concluded on the main market via the automatic orders execution.

Art.200 (1) A trading day on the deal market consists of a single stage, i.e. the direct negotiation trading.
(2) When entering a deal on the BSE system, the following information is required:
  a. The counterparty;
  b. The issue series;
c. The net or gross price;
d. The number of bonds;
e. The account;
f. The settlement date;
g. The validity date (‘Day’)

(3) The following details of initiated and received deals are supplied to participants by the BSE, without being limited to the:
   a. Exchange tied agent’s identity;
   b. Gross price (when a bonds series is traded based on the net price);
   c. Value;
   d. Unique identification number.

(4) Deals may be administrated in accordance with the rules set in art.184 and Appendix 8.

(5) Transactions are concluded on the Deal market when the counterparty receives and confirms the deal from an initiator, as mentioned in art. 122 let. a).

§4  
Defining elements of the bond-type symbol

Art.201 (1) The standard values for the number of decimal points associated with a bond type symbol and the description of parameters defined at the bond markets’ level are detailed in Appendix 8.

(2) Depending on the bond series character, the BSE General Manager may decide to adjust the standard values in para.1.
CHAPTER XI
TRADING TREASURY BONDS

Section 1
Treasury Bonds’ Specific Elements

§1
Conventions Used in Trading Treasury Bonds

Art.202 Zero coupon treasury bonds issued with a time to maturity of 365 days are traded based on an annual percentage yield.

Art.203 (1) Fixed or pre-determined interest treasury bonds with a time to maturity greater or equal to 365 days are traded based on a net price entered on the system by an exchange tied agent. The system automatically calculates the accrued interest, the gross price and the value of the transaction.
(2) Post-determined interest treasury bonds are traded based on a gross price determined and entered on the system by an exchange tied agent. The system automatically calculates the value of the transaction.
(3) Depending on the issue prospectus and/or the interest revenues fiscal regime, BSE may decide to trade the treasury bonds in para.1 based on the gross price.

§2
Conventions regarding trading treasury bonds

Art.204 The standard calculus formulae for coupon treasury bonds issued with a time to maturity greater or equal to 365 days and the accrued interest calculus convention are detailed in Appendix 9.

Art.205 (1) The relationship between the yield and the price of a zero coupon treasury bond is determined in accordance with Appendix 9 rules.
(2) Depending on the issue prospectus, BSE may decide upon a different convention for the number of days in a calendar year.
(3) BSE will amend this Rulebook with the provisions related to the discount government securities trading.

Art.206 (1) For fixed interest treasury bonds the calculus convention for determining the accrued interest is of the form actual/actual.
(2) Coupon dates are fixed in a calendar year, irrespective of them being working days or not.
(3) The accumulated number of days used in determining the accrued interest is calculated as of the issue date, for the first coupon, or the previous coupon date (inclusive), for any other coupon, until the transaction settlement date (exclusive).
(4) The number of days in a year used in determining the accrued interest is calculated by multiplying the number of days in a coupon period when the settlement occurs by the number of coupons in a year.
Art.207 (1) For floating interest treasury bonds the calculus convention for determining the accrued interest is of the form \( \text{actual}/360 \).

(2) The accumulated number of days used in determining the accrued interest is calculated as specified in Appendix 9.

(3) The number of days used in determining the accrued interest is 360.

Art.208 When the issue characteristics do not correspond to the calculus conventions for the accrued interest as specified in Appendix 9, BSE will adopt a different, more suitable, calculus convention.

§3 Transaction value

Art.209 (1) The value of a zero coupon treasury bond transaction concluded based on the price resulted in the conversion of the yield entered on the trading system is determined in accordance with Appendix 9.

(2) The value of a coupon treasury bond transaction concluded based on the net price entered on the trading system is determined in accordance with Appendix 9.

(3) The value of a coupon treasury bond transaction concluded based on the gross price entered on the trading system is determined in accordance with Appendix 9.

Section 2 Treasury Bonds Trading Framework

§1 Treasury Bond Markets

Art.210 (1) Depending on the trading method used, negotiating and concluding treasury bonds transactions can occur on the following markets:

a. Main market- a secondary market segment for trading order driven treasury bonds via the automatic execution of orders directed to buying/selling a firm quote, which at some point in time displayed the best yield or price;

b. Deal market- a secondary market segment for trading treasury bonds operating based on direct negotiation between 2 participants.

(2) Informative quotes are permitted in the process of negotiation.

(3) The maximum price variation of deal orders and of informative quotations are related to the reference prices from the main market.

§2 Market Makers for treasury bonds

Art.211 BSE determines the general parameters at the treasury bond markets’ level, for orders, firm quotes, deals, transactions with a purpose to perpetuate an orderly and transparent market, as well as ways to prevent exchange tied agents’ potential errors.
Art. 212 (1) General parameters for operating treasury bond markets and their characteristics are detailed in Appendix 9: 
(2) BSE may decide, by amending this Rulebook, to complete the list of parameters and features mentioned in para. (1), specifying the values for which market participants will be notified.

Art. 213 For each treasury bonds series BSE establishes and communicates to all participants the following, without being limited to the:
   a. Conventions regarding treasury bonds transactions and accrued interest calculus;
   b. Number of decimal places associated to the yield, price, accrued interest and value of transaction.

§3 Characteristics for Treasury Bonds’ Market

Art. 214. (1) Trading of state securities with interest are carried implicitly based on the net price. 
(2) If not qualify for trading government securities with interest based on net price, their trading price will be based on gross price. 
(3) If a series of treasury bonds with interest are traded on the gross price, the system can only enter orders, firm and informative quotes, deal orders with Day viability term.

Art. 215. (1) on the main market of a series of Treasury bonds with interest traded on the BSE, are introduced:
   a) Firm quotations, by firm offers of purchase and sale, by registered Market Makers for the respective series of Treasury bonds, on "House" account, under Article 162² para. (1), letter a) of Chapter III, Title I;
   b) Orders entered by the Market Makers registered for that series of treasury bonds and by other participants who are not registered as market makers on the Treasury bonds series, under Article 162² para. (1), letter b)-d) of Chapter III, Title I. 
(2) Firm quotations are entered by registered Market Makers for that series of treasury bonds, in accordance with Article 107, 108 and 112.

Art. 216 (1) The provisions of "Section 6 - Market Operations carried out by Market Maker", Chapter III of Title I, are applied, as appropriate, also for market operations carried out on the main market of government securities. 
(2) Information necessary for the introduction in BSE system of a firm order or an offer corresponding to a firm quotation is:
   a) Issuance series;
   b) Net / gross price (except orders on the market);
   c) Number of treasury bonds;
   d) Account;
   e) Validity.
(3) Immediately after entering the information referred to in para. (2), BSE provides the participants, in addition to this, details regarding firm quotations and orders, without limitation:
a) The identity of the broker;
b) Gross price (if the treasury bonds series are traded based on net price);
c) Value;
d) Unique numerical identifier.

(4) The broker can perform the following managerial operations with the firm quotations and own orders: modification, suspension, resumption, redraw.

(5) Transactions are concluded on the main market by automatic processing of firm quotations and orders.

Art. 217 (1) Trading session corresponding to the deal market consists of a single phase, namely the trading based on direct negotiation.

(2) Direct negotiation process can be initiated based on the informative quotations entered in the register of informative quotations or offered by the messaging system facility of BSE

(3) Information necessary to introduce a deal order in BSE system is:
   a) Issuance series;
   b) Net / gross Price;
   c) Number of treasury bonds;
   d) Account;
   e) Validity.
   f) Counterpart.

(4) Immediately after entering the information referred to in para. (3), the BSE provides the participants, in addition to this, the details regarding the orders received and initiated deals, without limitation:
   a) The identity of the broker;
   b) Gross price (if the series treasury bonds are traded based on net price);
   c) Value;
   d) Unique numerical identifier.

(5) Operations of managing deal orders are carried out in accordance with Art. 184 and Appendix no. 9.

(6) Closing of transactions on deal market is done by confirming by counterparties broker of the deal order received from the Initial broker, under the condition mentioned in art. 122 letter a).

Art. 218 (1) Informative quotations displayed in the informative quotation register by participants can be used to inform market participants about the intention to conclude a trade deal on the market through direct negotiation.

(2) The main features of informative quotation displayed in informative quotations registry are viewed by all participants.

(3) Main characteristics of informative quotations provided on a bilateral basis, including the identity of the participants are not viewed by other participants.

(4) Managing operations of informative quotations and deal orders are carried out under Article 103-106 and 113-116.

§4

Operations carried out by the Market Makers for series of treasury bonds
Art. 219 (1) A Market Maker for a certain series of treasury bonds can perform operations on the main market and on the deal market.
(2) In performing the obligations deriving from the quality of Market Maker for a certain number of treasury bonds, a participant places firm quotations on the main market, on own or other behalf ("House").
(3) A Market Maker for a certain number of treasury bonds may make in its own name, on its own account ("House") or on global accounts, the following operations for the respective series of Treasury bonds:
   a) On the main market - the introduction and conclusion of the transaction sequence;
   b) On deal market - posting information or providing quotes, negotiation and conclusion of transactions by sending and confirming the Deal order.
(4) A participant may perform the operations mentioned in para. (3) for any number of treasury bonds.

Art. 220 In the period between the date of the next reference date of a state title and the coupon date or due date there cannot be completed transactions.
CHAPTER XII
TRADING UNITS (OF COLLECTIVE INVESTMENT UNDERTAKINGS)

Section 1
General provisions

Art. 221 (1) Trading of shares in collective investment bodies is made in a manner similar to trading shares on specific markets, according to the contents of this Title.
(2) BSE may set up technical specifications containing specific elements related to the transaction of shares in collective investment, which will complement the provisions of this chapter.

Section 2
Trading Collective Investment Undertakings from International Tier

Art. 221¹ Trading of shares on Collective Investment Undertakings tradable, International category, are made by the liquidity Supplier / Vendor, in accordance with the provisions of Title I Chapter III2, and by other participants as well.

Art. 221² In order to initiate the trading of shares on collective Investment Undertakings tradable, International category, designated liquidity issuer or provider or Initiative Company, according to prior notification to BSE, as appropriate, shall transmit BSE the following:
  a) The proposed date for the opening of shares trading at BSE, with at least 2 days before the opening of the transaction;
  b) Number of OPCMV tradable placed on circulation on the day preceding the opening of trading.

Art. 221³ (1) default values for trading of shares on Collective Investment Undertakings tradable, International tier are:
  a) Trading block is 1;
  b) The maximum price variation is the same as that for stock markets;
  c) The step price is 0.01.
(2) BVB, by decision of the General Manager may modify the parameters and standard values specified in para. (1), in consultation with the issuer / provider of liquidity, which may consider specific market factors to initial shares, as well and ensure the orderly functioning of the market.
(3) In addition to the parameters specified in para. (1), the General Manager of BVB may establish other specific parameters related to trading of the shares in question.
(4) BVB informs the market participants and public on the parameters mentioned in this article.
Art. 222 BVB is not liable in relation to the shares issued by Collective Investment Undertakings tradable, traded in the International Tier, for any damage or loss that may occur in the activity of a Participant or a third party as a result of the following situations, without confining to:

a) Trading of units;
b) The publication by BVB of the content and accuracy of information supplied by the issuer/entity responsible for reporting Collective Investment Undertakings specific transactions;
c) Suspension or revocation of trading units;
d) non-compliance of the issuer/entity responsible with the obligations established under this Rulebook;
e) The occurrence of technical malfunctions that prevent liquidity provider to fulfill their obligations.

Section 3
Trading Collective Investment Undertakings from Local Tier

Art. 222(0)1 Trading of shares on Collective Investment Undertakings Local Tier are made by the Market Maker/Market Makers, in accordance with the provisions of Chapter III1, Title I, and by other participants as well.

Art. 222(0)2 In order to initiate the trading of shares on Collective Investment Undertaking tradable, local tier, the Issuer or the Initiative Company, according to prior notification to BSE, as appropriate, shall transmit BSE the following:

a) The proposed date for the opening of shares trading at BSE, with at least 2 days before the opening of the transaction;
b) Number of OPCMV tradable placed on circulation on the day preceding the opening of trading.

Art. 222(0)3 default values for trading of shares on collective Investment Undertakings tradable, local tier are:

a) Trading block is 1;
b) The maximum price variation is the same as that for stock markets;
c) The step price is 0.01.

(2) BVB, by decision of the General Manager may modify the parameters and standard values specified in para. (1), in consultation with the issuer/Market Maker(s), which may consider specific market factors to initial shares, as well and ensure the orderly functioning of the market.

(3) In addition to the parameters specified in para. (1), the General Manager of BVB may establish other specific parameters related to trading of the shares in question.

(4) BVB informs the market participants and public on the parameters mentioned in this article.
Art. 222[0]4 BVB is not liable in relation to the shares issued by Collective Investment Undertakings tradable, traded in the Local Tier, for any damage or loss that may occur in the activity of a Participant or a third party as a result of the following situations, without confining to:

a) trading of units;
b) publication by BVB of the specific information supplied by the Issuer;
c) Suspension or revocation of trading units;
d) non-compliance of the issuer / entity responsible with the obligations established under this Rulebook;
e) The occurrence of technical malfunctions that prevent Market Maker(s) to fulfill their obligations.
CHAPTER XII
TRADING STRUCTURED PRODUCTS

Section 1
General Aspects

Art. 222¹ (1) The provisions mentioned in this title shall apply accordingly also to Structured Products, except when otherwise provided in this chapter.
(2) Trading of Structured products is made on a "order-driven" market, according to the contents of this Title.

Art. 222² (1) Date of commencement of trading of individual issues of Structured products is established by decision of the General Manager, based on the fulfillment of all conditions of admission to trading of the respective issue.
(2) Last day of trading on regulated Spot Market managed by BSE of an individual issue of structured products is determined in accordance with the prospectus and related documents, and can be, without confining to:
   a) The last trading day specified by the Issuer, established before the maturity date, if the documents supplementing the basic package show a preset maturity of the issue;
   b) A date prior to maturity, in situations where certain conditions are met, based on the basic prospectus and additional documents (i.e. achieving a certain level of support asset, such as "knock-out price");
   c) An undetermined date, if the maturity date of the individual issue is not explicitly defined (i.e. Structured products with undefined maturity, "open-end maturity").

Art. 222³ (1) Markets where structured products are traded are:
   a) Regular market has the following characteristics:
      1. market states and their sequence are in accordance with those applicable on the Regular market, used for trading shares;
      2. One can use the limitation order, market order (MKT), free price orders, contingent orders;
      3. The validity of the orders is described in art. 50 and 51.
   b) the Deal market has the following characteristics:
      1. market states and their sequence are in accordance with those applicable on the Deal market, used for trading shares;
      2. there is no minimum value applicable to the deal order.
(¹) In order to record settlement solving operations, BSE may initiate the Buy-In and Sell-Out markets, for which it can use any of the trading mechanisms available within the BSE system, by this Rulebook.
(2) The default values for trading Structured products are:
   a) Trading block is 1;
   b) The maximum price variation does not apply;
   c) The price step is 0.01.
(3) BSE, by decision of the General Manager, may modify the parameters and standard values specified in para. (1) and (2), in consultation with the issuer, depending on the nature of the support asset and characteristics of the structured products, as to maintain orderly functioning of the market.
(4) In addition to the parameters specified in para. (1) - (3), BSE General Manager may also set up other parameters specific to the trading of Structured Products.

(5) BSE informs market participants and public on the parameters mentioned in this article.

Art. 222⁴ Trading individual issue of Structured Products is made through the liquidity Provider / Supplier, in accordance with the provisions of Title I Chapter III2, and also by other participants and with the right to trade on regulated Spot Market.

Art. 222⁵ (1) Based on the commitment of the Issuer referred to in art. 423, letter a) of Title II regarding the publication and maintenance of information published by the issuer, it will provide public information through their own means (such as its website) any specific information related to individual issue of Structured products, the prospectus provisions and documents to fill, including specific trading parameters and elements of the issuing.

(2) Information on individual issues of Structured Products are available, properly, at least on the website of BSE, as well as by specific means of dissemination on BSE.

Art 222⁶ BSE is not responsible for any damage or loss that may occur in the activity of a Participant or a third party as a result of the following situations, without confining to:

a) Structured Products trading;

b) The publication by BSE, issuer or liquidity provider of the specific information on Structured Products;

c) The withdrawal or suspension of trading of an individual issue of Structured products;

d) Failure by the Issuer, Liquidity provider or Participants to comply with the obligations established under this Rulebook;

e) Registration of technical malfunctions that prevent a liquidity provider or an issuer to meet its obligations.

Section 2

Operations for early closing of trade of an individual issue of structured products

Art. 222⁷ (1) Upon registration of an event described in art. 111 para. (3) letter a) ii) of Title II, the Issuer shall promptly notify the BSE about the event, directly or through designated Liquidity Provider, by e-mail / fax / other means of communication agreed.

(2) Based on the notification sent by the Issuer pursuant to para. (1), BSE will take action to suspend the trading of the respective issue

(2¹) following the suspension provided by align (2), BSE will cancel the existing orders for the respective issue in the structured products market, according to art. 53 letter i).

(3) BSE cannot be held responsible for transactions between the events mentioned in art. 111 para. (3) letter a) ii) of Title II and the time of suspension of trading the individual issue.
Art. 222k (1) In case of recording the event mentioned in art. 111 align (3) letter a) point ii) from Title II for an individual issue of structured products, turbo certificates, the Issuer, directly or through the designated Liquidity Provider has the obligation to immediately notify BSE on reaching the knock-out price and also on the moment of time when it was reached without exceeding the following terms:

a) before passing the main market of the structured products in Open state in the current trading session, if the corresponding moment of time for reaching the knock-out price was recorded in the previous day after closing the trading session or in the current day, at least 15 minutes before passing the main market of the structured products in Open state;

b) in maximum 15 minutes from the moment when the knock-out price afferent to the respective issue was reached, if the respective moment is within the current trading session, at least 15 minutes before passing the main market of the structured products in Open state and until closing the trading session.

(2) The issuer, directly or through the Liquidity provider has the obligation to notify BSE on the moment when the knock-out price was reached, according to Bucharest time.

(3) In the shortest time possible since sending the notification mentioned in align (1), according to the provisions of the prospectus and of the documents additional to the prospectus, without exceeding the terms settled by it. The issuer of the respective issue has the obligation to inform BSE directly or through the designated Liquidity provider on the redemption value additional to the respective structured product in case it is positive.

(4) BSE can’t be considered responsible on the issues regarding the notifications sent by the Issuer directly or through the Liquidity provider, such as:

a) information included in the notifications sent by the Issuer directly or through the designated Liquidity provider without limiting to: the moment when the knock-out price additional to the respective issue was reached, the redemption value, the knock-out price;

b) the moment of sending the respective notifications;

(5) The issuer of structured products shall be liable for the potential losses or damages caused in case it does not comply with its reporting obligations specified in this Title.

Art. 222l (1) In the circumstances provided by art 222k align. (1), if the redemption value notified by BSE is positive, the Issuer of the respective issue, directly or through the designated Liquidity provider, can demand BSE that the redemption operation additional to the respective issue rolls through the BSE system.

Art. 222m (1) In the situation provided by art 222k align. (1), BVB will allow the rolling of the redemption operation of the individual issue of structured products turbo certificates within two consecutive trading session, in the following conditions:

a) if the request mentioned in Art. 222k align. (1) is transmitted at least in an hour since the passing into the Open state of the BVB structured products market, BSE will notify the market Participants and the investors, through specific means of information dissemination (BSE web page, BSE system), on the rolling of the redemption operation of the respective issue, it will be performed in the following two trading sessions;

b) in the situation the request mentioned in art. 222k align. (1) is sent in the next trading session, there will apply accordingly the provisions of letter a), respectively b).
Art. 222\textsuperscript{11} (1) The conditions of rolling through the BSE system of the redemption operation of an individual issue of structured products turbo certificates provided in Art. 222\textsuperscript{9} align. (1) are the following:

a) the rolling of the redemption operation will be performed on the symbol of the respective individual issue and within a market specially designed for rolling such operations, within two consecutive trading sessions, according to the following stages.
   (i) Preopening – introduction and administration of orders by the Participants;
   (ii) Closing (fixing) and Closed – consisting of application of the fixing algorithm and closing transactions.

b) the program of the stages mentioned at letter a) is settled through the BSE General Manager Decision communicated to RNSC, market participants and general public.

c) orders will be introduced only at redemption value, notified according to Art. 222\textsuperscript{8} para. (1), considering the following:
   (i) the buy order will be introduced by the Issuer/ designated Liquidity provider where the case;
   (ii) the sell orders will be introduced by the selling Participants, according to the registrations from the accounts administrated by them and the clients’ requests.

(2) The seller participants have the obligation to verify the correctness of the introduced sell orders, so that their volume is accordingly to the registrations from the accounts administrated by them, and the price is identical with the redemption value notified by the Issuer directly or through the designated Liquidity provider.

(3) In the situation of registering an error during the Pre-opening state of the symbol, the market, respectively the Participants, sellers will proceed in updating the sell orders in the respective time frame, according to align (1) letter a) point (i).

(4) Rolling the redemption operation may be executed in only one trading session, based on the Issuer’s or Liquidity provider’s substantiated request and pursuant the decision of the Managing Director, by exception from the term foreseen in para *1( and in Article 222\textsuperscript{10}(1).

Art. 222\textsuperscript{12} Rolling the redemption operation through the BSE system will commence the latest in the second trading session from the suspension of the individual issue of turbo certificate structured products, based on the notification sent by the issuer, directly or through the Liquidity provider, according to the procedure mentioned in Art. 222\textsuperscript{10} – 222\textsuperscript{11}.

Art. 222\textsuperscript{13} The provisions from the Art. 222\textsuperscript{8} - Art. 222\textsuperscript{12} are applicable accordingly to other types of structured products for which the allocation of a redemption value according to the provisions of the prospectus issue, and of the additional documents and of the Issuer request, directly or through the designated Liquidity provider.
CHAPTER XIII
PUBLIC OFFERINGS AND SPECIAL OPERATIONS

Section 1
General Aspects

Art.223 (1) Financial instruments subject of a public offering or any other method of sale accepted by law, such as privatization, will be traded on a market for offers and special operations.

(1) Public offerings and other methods of sale of financial instruments foreseen by special laws, such as privatization, shall be traded on markets for offers and special operations, by complying with:

a) the provisions of the offer prospectus approved by A.S.F. and of this Chapter, in case of offers for which an offer prospectus was drafted;

b) the special provisions of this Chapter applicable to the offers for which no prospectus was drafted, with the observance of the applicable European and local laws and the relevant CNVM/ASF regulations.

(2) Public offerings and special operations (special sale on order, competitive bidding, electronic bidding, etc.) occur via the BSE trading system, provided all participants have access to the BSE system and are entitled to enter orders for the administration of the respective public offerings or special operations, throughout their duration.

(3) Prices of the concluded transactions on the market for offers and special operations do not have an input in determining a financial instrument’s reference price.

(4) repealed

(5) Electronic bidding and competitive bidding are sale methods specific to the capital market that can be used by public institutions involved in the privatization process for securities that are the object of the sale, provided they respect the ongoing legal provisions, in accordance with the documentation for the respective methods transmitted by the corresponding public institutions, as well as the conditions stimulated in the current Rulebook.

(6) The provisions of para. (5) regarding competitive bidding are applicable to the consequent establishment by the BSE of the principles that form the basis of these sales method and their approval by the RNSC.

Art.224 (1) The markets for offers and special operations are defined on the system depending on the type of the offer and special operation, such as:

a. Primary public offerings;

b. Secondary public offerings;

c. Secondary tender bids;

d. Special selling;

e. Other methods of transferring financial instruments property rights approved by BSE regulations;

(2) The markets listed above are a few examples, therefore other markets may exist.
(3) BSE may organize different markets for public offerings or special operations, for the different segments of investors it targets (depending on the minimum value, etc.)

Art.225 (1) Within every market detailed in art.224, operations are performed according, without limitation, to the following requirements:
   a) the rules applicable to the type of financial instrument;
   b) the relevant documents, according to the special nature of the offer, including the provisions of the offer prospectus/document (if any);
   c) the type of offer or special operation.
(2) If a participant intends rolling, through BSE, an offer for which no prospectus was draft, according to the relevant CNVM/ASF regulations, the following shall be taken into account:
   a) The Participant shall submit to BSE a request on rolling/registering the offer with BSE, accompanied by the following:
      i) the Participant’s certification that the requirements for not drafting a prospectus according to the applicable European and local laws and relevant CNVM/ASF regulations are met;
      ii) the specification of the technical characteristics of the offer to be registered with the BSE trading system: Issuer name, associated symbol, number of financial instruments subject of the offer, method to roll the offer, the rolling timeframe, price information, access right of other brokers, allocation information, etc;
      iii) information deemed by the Participant as relevant with regard to the offer, in view of its dissemination, as the case may be.
   b) The Participant shall provide BSE with the information specified in letter a) in due time, prior to rolling/registering the offers with BSE.
   c) Based on the Participant’s instructions described in letter a), BSE shall execute the required outline and notices.

Art.226 (1) The implicit values of the general parameters for an offer and special operations market are the following, without being limited to:
   a. Order-driven type markets;
   b. Market statuses can be Pre-Opening or Closed;
   c. When registering an offer or special operation on the BSE system, the symbol-market statuses can only be Opened and Closed;
   d. The standard lot is 1 financial instrument;
   e. Orders have an Open validity date.
(2) BVB may adopt and outline other values of the general parameters detailed in para.1, in accordance with the characteristics of the offer (including in accordance with the provisions of the offer prospectus/document, if any) or the characteristics of the special operations, in virtue of provisions of article 225.
(3) The number of decimal places for the price on the offers and special operations markets is determined in accordance with the characteristics of the respective market.
(4) repealed.
(5) For public offerings and selling special operations of a symbol other than the one traditionally used when trading the respective financial instrument, the intermediating participants will transfer the financial instruments from the Central Depository into the sellers account.
Art.226 (1) The types of allocations allowed on offerings and special operations markets shall be the following:

a) FIFO allocation;
b) pro-rata allocation: orders with a price better than the execution price for public offerings or special operations shall be fully executed and orders with a price equal with the execution price shall be executed proportionally with the initial amount of each order according to a unique allocation index automatically determined by BSE system;
c) allocation according to peculiar criteria, in accordance with the provisions of this Chapter, the special characteristics of the offer (including in accordance with the offer prospectus/document provisions, if any) or the characteristics of the special operation, as the case may be, as well as the characteristics of the technical protocol concluded between BSE and the offer broker, with the observance of the applicable European and local laws and the relevant CNVM/ASF regulations.

(2) In case of use of an allocation according to peculiar criteria for a public offering rolled via the BSE trading system, the conclusion of a technical protocol between the offer’s brokers and BSE shall be compulsory, that shall include the terms, conditions and responsibilities of the parties.

Art.227 This Chapter is supplemented by the technical specifications issued by the BSE regarding public offerings and special operations.

Section 2
Procedure regarding the BSE sale of securities through Special Selling

Art.228 (1) The special selling method is used for selling the same type and tier securities packages, with a volume greater or equal to 5% or a minimum value of 500 000 euros, calculated at the rate of exchange of NBR for the day of concluding the agreement for the sale of the respective package, namely between intermediary and seller.

(2) The price used in determining the value of the securities package mentioned in para.1 is the reference price of the respective security, set at the end of the previous trading session and valid throughout the trading session when the agreement was finalized.

(3) Public institutions in the process of privatizing are exempt from the conditions in para.1, provided the securities are subject of an offering method other than public and recognized by specific regulations in respect to privatization.

Art.229 (1) The special selling occurs in a special operations market type (POFSP type).

(2) Limit orders are the only orders admitted on a POFSP market type.

(3) Percentage price limits do not apply to orders entered on the POFSP market type.

(4) On POFSV market it is not allowed to simultaneous conduct several special sales on order having as object the financial instruments issued by the same issuer.
(5) To maintain the security market, when a financial instrument issued by an issuer is suspended from trading under this Rulebook, the trading of the respective financial instrument will also be suspended on POFSV market during the suspension from the Home market.
(6) Resumption of trading of the financial instrument on POFSV market will be made after the resumption of trading on the main market, if there are no other limitations or contrary conditions.
(7) If the trading of the respective financial instrument is not resumed according to para. (6), then the operation will be done during the next trading session, according to the usual trading schedule.

Art.230 (1) The special selling of securities occurs via an intermediating participant selected by the bidder.
(2) Fulfilling and complying with all the terms and conditions of a special selling of securities, including the verification of all relevant documents, is the responsibility of the participant intermediating the offering.
(3) The participant is fully liable for the orders’ entry and administration on a POFSV market type.

Art.231 (1) The stages and operations regarding the special selling of securities are detailed in art.232-236.
(2) The duration of the special selling of securities on the BSE is 3 working days.

Art.232 (1) The participant intermediating the offering will issue BSE a request, between the hours of 14.30 and 15.30 on the working day prior to the entry of the respective order on the system, stating its desire to sell securities via a special selling method. The application form must contain the following information which in turn will be made public to all participants:
 a. Bidder’s identity;
 b. Name and symbol of the issuing company;
 c. Quantity offered.
(2) BSE may request the participant to supply other documents considered necessary for the special selling, also to be made public in the future.
(3) BSE will immediately inform participants, via the BSE electronic system or by uploading a notification on the BSE website, with regard to the bidder’s intention to sell securities via the special selling method.

Art.233 Prior to the sell order’s entry on the system, BSE will attach the POFSV market type to the symbol for the special order; then, BSE will grant access to the respective symbol to all participants in the POFSV type market.

Art.234 The participant intermediating the offering will enter the sell order for the entire volume of securities, at a price equal to the ask price, on the POFSV market type, in the first 30 minutes of the next working day after BSE received the operation notification on the operation, sale order for the entire quantity and with a price equal to the price offered by the Tenderer.
Art.235 (1) Buying participants enter buy orders on the POFSV type market, over the duration of 3 working days, starting the day of the order entry on the system. The buy orders will display the price and volume characteristics indicated by the purchaser, in accordance with the Tenderer’s specifications in the notification regarding the special selling.

(2) The Tenderer’s intermediating participant can enter buy orders on the POFSV market type on the account of its clients. In order to conclude a transaction, the Tenderer’s intermediating participant can enter buy orders on its name and may adjust the sell order on the market once, the second working day of the operation latest, if in doing so the participant assumes its responsibilities towards the Tenderer.

Art.236 (1) On the operation’s third day, after the closing of the POFSV market type, BSE will ensure the technical conditions for concluding the transaction of the symbol related to the special selling.

(2) Transactions will be concluded in accordance with the rules detailed in this Title. The price of the transactions is unique and calculated as dictated by the opening algorithm in Title III.

Section 3

Procedure regarding the rolling of the sell/ buy public offers through the BVB system

Art. 2361 (1) Rolling of the buy/ sell public offer through the BVB trading system, and also the operations additional to the offer processing through BVB system will be performed in compliance with, but not limited to CNVM/ASF relevant documents applicable to offers, in accordance with their special nature (including in accordance with the public offering prospectus/document provisions, if any, and with the relevant individual acts, etc), as well as with the rules contained in this Book.

(2) Brokers which will have right to access the BVB system according to para (5) will have to introduce/ administrate through the BVB system the offers from the subscriptions/ orders resulted from the allocation within the sell/ buy public offers, according to the relevant documents applicable to the offers, in accordance with their special nature (including in accordance with the public offering prospectus/document provisions, if any), as well as with the provisions of the contracts signed by the intermediaries and the intermediary of the offer.

(3) Considering that B.V.B. works according to the Law no. 297/2004, to RNSC regulations, and to the current Section, nobody (without limiting to the intermediary of the offer, the intermediaries implicated, the issuer, the investors implicated) cannot claim damages or compensations to BVB.

(4) The responsibility regarding the legal issues and the compliance with the current book of operations related to a public offer developed through the BVB system lies on the intermediaries implicated in the rolling of the public offer, the intermediary of the offer, the issuer and BVB, considering the legal and conventional issues and also the demarcations and limits of competence of everyone.

(5) BVB will grant access to the BVB system for the rolling of the public offer to the intermediary of the offer and also to all the intermediaries which have sent to the intermediary of the offer the engagement regarding the compliance with the conditions
of the rolling of the offer, in accordance with its special characteristics (including in accordance with the offer prospectus/document provisions, if any).

(6) Intermediaries implicated in the rolling of the offer and the intermediary of the offer must verify whether the subscriptions forms and the subscriptions filled by their own clients comply with the relevant documents applicable to the offer (including in accordance with the offer prospectus/document provisions, if any), to take over the subscriptions, to introduce and administrate the stock orders within the BVB system, based on the relevant document applicable to the offer, in accordance with its special characteristics (including in accordance with the provisions of the prospectus/document of offer, if any).

(7) The calculation and, where the case, the recalculation of the allocation index and of the index of registration within the BVB system, of the allocation and of transactions associated to the public offering is made after the closure day of the offer complying with the relevant document applicable to the offer, in accordance with its special characteristics (including in accordance with the provisions of the prospectus/document of offer, if any) and with the provisions mentioned or included in the current Book.

(8) The operation of registration („execution”) of transactions additional to the public offer are performed by BVB after the dissemination of the allocation index by the offer intermediary, corresponding to the allocation. In any case, these operations will not be initiated earlier than 24 hours after BVB has sent the announcement received from the offer’s intermediary, regarding the value of the allocation index towards the market participants, via internet, through the BVB communication systems and also towards RNSC.

(9) In all the cases, the responsibility for establishing the allocation index and/or of the results of the allocation, complying with the relevant document applicable to the offer, in accordance with its special characteristics (including in accordance with the provisions of the prospectus/document of offer, if any) and with the provisions mentioned or included in the current Book, belongs to the intermediary of the offer.

(10) The procedure and the measures included in art. 236\(^2\) and 236\(^3\) shall apply mainly in every situation when there are found within the BVB system some orders afferent to subscription/subscriptions executed without compliance with the relevant document applicable to the offer, in accordance with its special characteristics (including in accordance with the provisions of the prospectus/document of offer, if any) (identified in the current Section as “incidents which occurred in the rolling of the offer”, “non-compliant orders”). No relevant document applicable to the offer (including prospectus/document of offer, if any) can include provisions against Law no. 297/2004, CNVM Regulations and of current Section or which makes its provisions inapplicable.

(11) While identifying solutions and/or implementing measures for recovering the incidents occurred in rolling the public offer according to the current Section, any operations in progress or proximate of the public offer are suspended.

(12) Operations mentioned in the current Section will be executed in the absence of some special terms, provided in the current Book, in the terms established by BVB alongside the intermediary of the offer and communicated to the participants through the BVB system and CNVM.

(13) The provisions of this Section shall appropriately apply according to several factors as it follows but without limitation to: special characteristics of the offer (including
drafting or not drafting an offer prospectus/document, if any), type of offer, method of allocation used, applicability of calculation of an allocation index, and they shall be supplemented with the technical specifications issued by BVB, as the case may be.

Art. 2362 (1) In case when, before the registration of the allocation and of the transactions corresponding to a public offer, the intermediary of the offer holds objective proofs that within the BVB system, there were introduced non-compliant orders, the intermediaries which validated and introduced the respective orders must withdraw them, so that they are not considered. This operation will be executed at the motivated request of the intermediary of the offer and will be send to BVB and to the implicated intermediaries in time.

(2) Intermediaries mentioned in align. (1), must inform in writing on their actions BVB, the intermediary of the offer and also the implicated investor.

(3) In the situation that before the registration of the allocation and of the transactions corresponding to a public offer, BVB is notified by an implicated intermediary regarding the introduction of some non-compliant orders within the BVB system, BVB will notify immediately the implicated intermediaries, the intermediary of the offer and will ask, to confirm/ infirm at their own risk and if the case to present the recovery measures and BVB will also notify RNSC on the situation.

(4) Under the circumstances mentioned in align. (3), in case the intermediary of the offer and/ or the implicated intermediary state(s) the truth of the notified facts and the necessity to withdraw the order, the implicated intermediary must:
   a) inform, in writing, regarding the steps taken by B.V.B., the intermediary of the offer, and also the involved investor;
   b) execute the withdrawal of the non-compliant order;

(5) In the situation referred to in align. (4), whether the case, will be a new announcement regarding the value of the allocation index, in compliance with the provisions of art. 2361 align. (8).

(6) Following the operation of the BVB orders withdrawal RNSC announces this operation specifying the identity of the intermediaries and of the stock agents who introduced non-compliant orders, and also the sanctions applied where the case.

(7) In the cases mentioned in align. (1) and (3), if the intermediaries who introduced non-compliant orders don’t withdraw the respective orders, according to the provisions of align. (1) or align (4), B.V.B. will proceed as follows:
   a) it will notify RNSC on the respective situation;
   b) it will notify the intermediary of the offer in order to solve the situation immediately and will request instructions on the identification and administration of the con-compliant orders;
   c) it will proceed, at the instruction of the offer’s intermediary, at withdrawal of the non-compliant orders; such an operation is opposable to the intermediary of the offer, to the tenderer, and also to all the involved intermediaries and investors;
   d) it will proceed if the intermediary of the offer doesn’t send instructions on the withdrawal of the non-compliant orders; such an operation is opposable to the intermediary of the offer and also to all the involved intermediaries and investors;
   e) it will take the necessary measures, including, in case it is already accomplished the announcement in art. 2361 align. (8), by requesting a new allocation index, determined by the intermediary’s offer, as follows:
(i) the intermediary of the offer has to calculate a new allocation index, considering the compliant orders.
(ii) the intermediary of the offer will communicate B.V.B. the new allocation index, specifying that only the compliant orders were taking into consideration when recalculating it.
f) it will communicate to the intermediary of the offer and to the other intermediaries who introduced orders additional to the subscription forms within the BVB system, the action taken according to letter. a) - e), and also the value of the new allocation index sent by the intermediary of the offer;
g) B.V.B. will publically notify on the value of the allocation index, respecting the provisions of art. 2361 align. (8).
h) B.V.B. will forbid the participation for a period of 12 months to the public offers rolled on the BVB system, to the intermediaries who have failed or refused, for the third time in 36 months in-a-raw, to withdraw the non-compliant as provided in align. (1) and (4), where the case and will publish this information on its website.

Art. 236³ (1) In case when, between the time of registration („execution”) allocation and of transactions and the moment of the execution of the settlement of the respective trades, the intermediary of the offer holds objective proofs on the existence of non-compliant orders which were the base of the allocation and registration of the respective trades, will proceed as follows:
a) the intermediary of the offer will notify the involved intermediaries, the tenderer and BVB on the respective situation;
b) intermediaries who validated the respective orders have to send BVB in writing, the details for every order and to present the position justified by the created situation, and to send the request of withdrawal from the orders which led to the allocation and registration of such transactions, and also to inform the intermediary of the offer and the involved investor on the respective situation.
c) the intermediary of the offer will send in writing to BVB the justified request on the remaking of allocation and reprocessing of the offer and also the new calculated allocation index, considering the compliant orders. Such a request is opposable to the tenderer and also to all the involved intermediaries and investors.
d) intermediaries who validated the respective orders have to, together with the tenderer, the intermediary of the offer, BVB and Central Depository, according to the powers and limits of competence additional to each one and the ones provided in para. (2) – (6), to take all the necessary measures to identify an operational solution in order to accomplish the operations involved in the rolling of the offer, complying with the applicable regulations, including the ones included in the current Book, and of the validation requirements provided in the relevant documents applicable to the offer, according to its special characteristics (including in accordance with the prospectus/document of offer, if any);
e) B.V.B. will communicate RNSC, immediately, the situations mentioned in letters. a) - d).

(2) B.V.B. will take all the necessary measures, including the request of a new allocation index, which will be determined by the intermediary of the offer, as follows:
a) the intermediary of the offer has to calculate a new allocation index considering the compliant orders;
b) the intermediary of the offer will communicate BVB the new allocation index, specifying the non-compliant orders excluded from its calculation;
c) BVB will proceed to the remaking of the allocation and re-processing the offer, based on the new allocation index sent by the intermediary of the offer, taking into consideration only the compliant orders;
d) B.V.B. will inform RNSC, the tenderer, the intermediary of the offer and all the intermediaries who introduced into the system the orders additional to the subscription forms regarding the information included in letters. a) - c);
e) B.V.B. will notify RNSC the identity of the intermediaries and of the stock agents who introduced non-compliant orders in the BVB system and also the reasons of these orders invalidation.

(3) In case when, between the time of registry („execution”) allocation and transactions and the moment of that transactions settlement, BVB is announced by an involved intermediary, regarding the existence of some non-compliant orders, which were the basis of the allocation and of the registration of the respective transactions, BVB will notify the intermediary of the offer and the involved intermediaries and will demand to confirm/ infirm immediately the announced facts, at their own risk and, if the case, to present the designed recovering measures. In case they hold objective proofs that the respective orders are non-compliant, they have to inform in writing BVB and the involved investor on the necessity of their withdrawal. BVB will notify RNSC on the situation.

(4) In the situation provided in align. (3), applied corresponding to the provisions of align. (1) and (2).

(5) In the situation provided in the current article, BVB will forbid for 12 months the participation in public offers rolled on the non-compliant orders, as it is provided in align. (1) and (4), whether the case, and this information will be published in its website.

(6) The provisions included in align. (1) - (4) are applied regardless of the type of allocation.

(7) The provisions of art. 2361 align. (8) also apply in case of the remaking of allocation and reprocessing the offer.

**Art. 236** The correction of the orders which don’t correspond to the instructions included in the subscription forms if the instructions included in the subscription forms are right, are executed as appropriate:

a) before the registration of the allocation and of the transactions corresponding to a public offer through the modification of the respective orders by the Intermediary who introduced and validated the respective orders or, at their request, by BVB; in this case the provisions of art. 2362 are applied accordingly;
b) between the time of the registration of transactions and the time of the settlement of the respective transactions, it is applied corresponding to the provisions of art 2363.
CHAPTER XIV
REGULATED SPOT MARKET SURVEILLANCE

Section 1
General Provisions

Art.237 (1) A BVB specialized department will monitor the trading of financial instruments on the regulated spot market in accordance with the provisions of the Law 297/2004 and the RNSC regulations applicable and of this Title.
(2) BVB shall collaborate with the RNSC as well as with other authorities, and will supply, on request, the data and information requested by these, within the legal limits imposed.
(3) The provisions of this Chapter will be supplemented by those in Ch. V, Title I of this rulebook, Book 1, as well as those set by the RNSC in this aspect.

Art.238 (1) BVB will monitor all transactions concluded by participants on the BVB trading system so as to detect:
a. Breaches of Law 297/2004 and RNSC regulations;
b. Breaches of the BVB trading rules;
c. Methods likely to create market abuse.
(2) BVB will investigate any activity or transaction it suspects to have not occurred in accordance with the BVB regulations, Law 297/2004, RNSC regulations and of this Rulebook.
(3) Participants have an obligation to supply BVB in the shortest time possible all the documents, statements and reports requested by the BVB for the purpose of the investigation.
(4) BVB will immediately proceed to inform the RNSC if, discovers information or documents that could create suspicions regarding related to market abuse practices.
(5) Illegal acts to the BVB system will be sanctioned according to the provisions of Chapter V, Title I, Book I of this Rulebook. The RNSC must immediately be informed in this respect.

Section 2
Market Abuse

Art.239 (1) If at any time throughout the monitoring activity BVB comes across acts which it suspects to be illegal, according to Law 297/2004 and the RNSC regulations, with respect to a participant’s trading activity, BVB shall immediately inform RNSC as well as other competent authorities.
(2) If throughout the monitoring activity BVB comes across documents or information implying market abuse acts were committed by a participant during the trading activity on the spot market, BVB shall immediately inform the RNSC.
Art.240 When implementing the provisions of the law regarding transactions based on market abuse, BVB shall provide RNSC with all the technical means and information to allow the visualization and registration of the respective transactions on the BVB, including Insider accounts, and send to the RNSC, all transactions concluded during the trading session, including those on the Insider accounts, on a daily basis.

Art.241 If throughout the monitoring activity BVB observes acts, actions or lack of, carried out by participants during the trading activity on the regulated spot market, which were not foreseen in the RNSC regulations and/or those of the BVB, then the BVB will propose the amendment of this Rulebook and/or, inform the RNSC in regard to the necessity of amending the regulations in force.

Section 3
Principles of Executing Client Orders

Art.242 Participants have the obligation to execute clients’ orders according to the best execution principle.

Art.243 (1) Participants cannot enter and execute clients’ orders by trading methods breaching client relationship principles such as, without being limited to:
   a. Concluding disadvantageous transactions for clients at a price that benefits the participant by comparison;
   b. Concluding advantageous transactions for some participant’s clients, in the detriment of other clients of the same participant.
   c. Executing a pro-order prior to a client’s order, provided the participant had already taken the client’s order for trading the same financial instrument (front running);
   d. Executing a pro-order prior to a client’s order, by purchasing on its account at a lower price and then selling at a higher price, provided the participant had already taken the client’s order for trading the same financial instrument (front running);
   e. - repealed;
   f. - repealed;
   g. Executing a transaction where the client is both the seller and the buyer.
(2) BSE will immediately notify the RNSC, and as the case may be, other competent bodies, if it finds facts of the nature of those described at para. (1).

Art.244 (1) BSE monitors all transactions by setting up alert levels based on the following parameters:
   a. The percentage price variation of the last transaction of a symbol on the Main Market, including the closing price;
   b. The daily total value of transactions of a symbol on the Main Market
   c. The daily total volume of transactions of a symbol on the Main Market;
   d. repealed.
(2) The alert levels detailed in para.1, pts. a)-c) apply to all symbol-market entities, excluding the symbol’s Main Market throughout the trading session.
(3) repealed.
(4) The BVB monitoring parameters will have the following alert levels, determined as follows:

a. For the price of the last transaction, including the closing price of a symbol on the Main Market- fixed value, determined based on the symbol’s reference price, as detailed below:
   i. +/- 5% for Tier 1;
   ii. +/- 10% for Tier 2;
   iii. +/- 12% for Tier 3
   iv. +/- 5% for International Tier;

b. For the daily total volume traded on a symbol on the Main Market- fixed value throughout the duration of a trimester, calculated as the daily average volume traded on a symbol in the respective symbol’s Main Marker in the previous trimester, as detailed below:
   i. +/- 5% for Tier 1;
   ii. +/- 10% for Tier 2;
   iii. +/- 12% for Tier 3;
   iv. +/- 5% for International Tier;

c. For the daily total volume traded on a symbol in the Main Market- fixed value throughout the duration of a trimester, calculated as the daily average value traded on a symbol in the symbol’s Main Market in the previous trimester, as detailed below:
   i. +/- 5% for Tier 1;
   ii. +/- 10% for Tier 2;
   iii. +/- 12% for Tier 3;
   iv. +/- 5% for International Tier;

d. **repealed.**

(5) The alert levels for the price of the last transaction, including the closing price of a symbol on the Main Market do not apply during the trading sessions when the maximum percentage price variation of a symbol is suspended.

(6) The alert levels for the daily total volume and daily total value of a symbol in the Main Market apply after the completion of a trimester, as counted from the beginning of the symbol’s transaction on the BVB regulated spot market.

(7) A trimesters exist between: January-March, April- June, July-September and October-December.

(8) BVB will immediately inform the RNSC once the alert level is exceeded, detailing any suspicions it may have regarding the breach of the legal provisions.
TITLE IV
PUBLIC INFORMATION MANAGEMENT
AND DISSEMINATION BY THE BVB,
WITH RESPECT TO ISSUERS,
TYPES OF FINANCIAL INSTRUMENTS TRADED
AND PARTICIPANTS’ ACCESS

CHAPTER I
GENERAL DISPOSITIONS

Art.1 (1) This Title outlines the rules regarding the types, means of communication and
tariffs for the public information disseminated by the market operator to third parties, in
accordance with the Law 297/2004 as well as the BVB regulations issued in this respect.
(2) Public information consists of all details regarding the market operator, financial
instruments issuers and financial instruments traded on regulated markets organized
and managed by the market operator, which must be made available for the public, in
order to comply with the rules regarding transparency and investors’ protection.

CHAPTER II
TYPES OF INFORMATION, ISSUERS AND FINANCIAL
INSTRUMENTS
DISSEMINATED BY THE BVB

Art.2 As a market operator, BVB has an obligation to disclose the following
information:

a. The regulations of all regulated markets, both in Romanian and English, within no
more than 30 days from the respective regulated market’s authorization date and a
minimum of 5 working days prior to the transactions’ commencement;
b. The information regarding the market operator’s shareholders structure and especially
the information regarding the identification data, and the interest of each person having
significant influence on the management;
c. The information regarding any adjustments to the market operator’s shareholders
structure likely to lead to a change in management, and hence the altering of the
way to conduct operations on the regulated market;
d. The market operator’s Annual Synthetic Report;
e. The daily, monthly and annual reports issued for each market, excluding
confidential information, as requested in art.59, para.4 of the RNSC regulation
Art.3 The issuers of financial instruments traded on a BVB regulated market, where BVB is the market operator, have an obligation to supply current, quarterly, semiannual, supplementary reports and any other reports requested by the BVB, in accordance with the law in force, prior to the deadlines set in title IV, chapter III of the RNSC regulation 1/2006.

Art.4 (1) The real-time information, essential in an investor’s evaluation process of a transaction’s details, such as the: current prices and quantities to be sold or purchased, price, volume and time for concluding transactions, decision to suspend or withdraw a financial instrument from trade, will be made available by the market operator continuously, throughout the duration of the trading session. The market operator will disseminate this information to the public via participants or third parties specialized in this respect.

(2) As an exception to the provisions of align (1), pursuant to art. 47 included in the RNSC Regulation no. 2/2006, for B.V.B. deal orders has no obligation to disclose the information provided in art. 46 align. (1) included in the same regulation.
CHAPTER III
MEANS OF COMMUNICATING INFORMATION TO THE PUBLIC
AND PARTICIPANTS’ ACCESS FACILITIES

Art.5 The information provided in art.2 regarding the BVB as a market operator will be uploaded on the BVB webpage for public display.

Art.6 BVB, as a market operator, ensures participants’ as well as specialized authorized third parties’ access to the reports provided in art.3, via the SFTP.

Art.7 The information outlined in art.4 is accessible to investors via:

a. real-time market visualization products, developed by the BVB and accessible to all investors on the BVB webpage;

b. electronic real-time data distribution by BVB to participants, accessible to clients on the participants’ web pages;

c. real-time data distribution through BVB real-time data feed dissemination (“data feed”), to the data vendors and made available by the data vendors through own products and programs.

Art. 7¹ BVB will provide the market participants the mechanism for publishing transactions outside the regulated market or an alternative trading system in accordance with RNSC Regulation no. 32/2006, EC Regulation no. 1287/2006 and other regulations in force.
CHAPTER IV
TARIFFS FOR ACQUIRING INFORMATION

Art.8 The information provided in art.2 shall be publicly available on the BVB webpage at no cost.

Art.9 The information provided in art.3 shall be made available to participants at no cost, and to third parties for good and valuable consideration.

Art.10 The information provided in art.4 will be disseminated for good and valuable consideration, as follows:
   a. For the products developed by BVB - a monthly access charge, determined by the BVB and paid by the product user, displayed in the BVB List of fees;
   b. For the data provided in real-time to participants - an annual access charge, determined by the BVB and charged to the participant benefiting from the information together with a monthly tariff charged to the actual product user, displayed in the BVB List of fees;
   c. For the data provided in real-time to data vendors - an annual access charge, determined by the BVB and charged to the vendor as well as a monthly tariff charged to the actual product user, displayed in the BVB List of fees.

CHAPTER V
SANCTIONS

Art.11 The inappropriate use of the data disseminated by the BVB is subject to the withdrawal of the respective participant’s access to information.
TITLE V
BVB RELATION WITH COMPANIES
MANAGING A REGISTER AND
CLEARING-SETTLEMENT SYSTEM

Art. 1 The relationship between BVB and the Central Depository as well as with other companies that operate a system of compensation-settlement and registry, runs on a contractual basis, aimed at ensuring performance, in conditions of maximum efficiency and security of the operations transmission and recording the transactions of Financial instruments concluded on regulated markets for compensation-settlement systems, custody, storage and registration managed by the Central Depository and other companies that operate a system of compensation-settlement and registry, for compensation and settlement operations, as well as for all related operations.

Art. 2 The compensation and settlement operations and the register used for compensations and settlement, custody, storage and recording of financial instruments traded on the regulated market of BVB are administered by the Central Depository System.

Art. 3 The provisions of the contract concluded between BSE and the Central Depository, mentioned in the present Rulebook, with impact on the trading activity carried out by the Participants, shall be communicated to the Participants through technical specifications issued by BSE.

Art. 4 All transactions recorded within BSE shall be transmitted to the Central Depository.
TITLE VI
TRANSITION AND FINAL DISPOSITIONS

Art.1 The dispositions in Chapter V, Title I must be supplemented accordingly with those set by the Appeal Commission and other BVB regulations regarding participants’ and exchange tied agents’ responsibilities for committing illegal acts.

Art.2 (1) Within 3 months as of the date Book I of this Rulebook becomes effective, the financial investment companies that are members of the BVB Association at the time of the general meeting provided in Law 297/2004, art. 285, para.1, operating on the BVB, will become participants and will have the obligation to submit the standard documents mentioned in art.4, Title I.
(2) The financial investments companies operating on the BVB must submit to the BVB all agreements signed with the Central Depository.

Art.3 The financial instruments of the listed issuers previously authorized by the BVB-market operator will be admitted to trade on a regulated spot market within the appropriate sector and section, according to Title II, provided they meet the conditions set by the RNSC regulations and by this Rulebook.

Art.4 The reporting requirement detailed in art.94 (Corporate Governance Statement), Title II applies as of the date when the annual report for 2010 is published. Optionally, the issuers will include statement of compliance or noncompliance with the Corporate Conduct Code in the annual report for 2009.

Art.5 The issuers of financial instruments admitted to trade on the regulated market are subject to the reporting requirement within 90 days of the date this Rulebook becomes effective, attaching the electronic signature requested in art.81, title II.

Art.6 The Admission and Maintenance to Trade Agreement as well as the personal data form must have the format and content detailed in Title II and approved by the BVB.

Art.7 BVB may issue technical specifications regarding margin purchases and short sales.

Art. 7\textsuperscript{1} (1) BVB will inform market participants regarding the accounts implemented on the systems, about the data that are available for use, as well as about the specifications and related techniques.
(2) BVB and the Central Depository will issue clarifications on technical operations for translation of the activity of a participant from one system to another system of account.
(3) Use of global accounts by a participant is subject to compliance with RNSC Regulation no. 5 / 2010.

Art.8 Book I becomes effective on the date BVB receives the RNSC approval decision, unless the respective approval specifies otherwise.

Art.9 The following Appendixes are part of Book I:
   a. Appendix 1- The Participant Admission/ Maintenance Application Form and Registration/ Maintenance in the Participants’ Registry;
   b. Appendix 2- Personal Data Form;
   c. Appendix 3- Specimens of Signatures;
   d. Appendix 4- Price Ticks;
   e. Appendix 5- repealed;
   f. Appendix 6- Form for the registration of the special Buy-In/Sell-Out transaction (special buy-in/sell-out);
   g. Appendix 7- Share Markets’ Parameters and Characteristics;
   h. Appendix 8- Bonds Trading;
   i. Appendix 9- Treasury Bonds Trading.

Art.10 Once Book 1 of this Rulebook is enforced, the following BVB documents shall be no longer binding, in accordance with the RNSC decisions:
   a. Regulation 2 regarding the Stock Exchange Association members and participants to the BVB trading system, that is: Procedure no. 2.1 regarding the Stock Exchange Association admission, registration and maintenance of member companies within the Associates’ Registry; Procedure no. 2.2 regarding the members’ activity commencement on the BVB; Procedure no. 2.3 regarding the discontinuation of the Stock Exchange Association member status; Procedure no. 2.4 regarding the Stock Exchange Association members’ code of conduct; Procedure no. 2.5 regarding the minimum documentation to be used by the Stock Exchange Association members in the relationship with the clients; Procedure no. 2.6 regarding the internal control of the Stock Exchange Association members’ activity; Procedure no. 2.7 regarding financial statements; Procedure no. 2.8 regarding participants’ admission to trade on the BVB system and registration of credit institutions in the Participants’ Registry;
   b. Regulation 3 regarding securities’ listing and the procedures involved, that is: Procedure no. 3.1 regarding the implementation of the regulation with respect to listing securities on the BVB; Procedure no. 3.2 regarding charging commissions for listing securities;
   c. Regulation 4 regarding BVB transactions and the procedures involved, that is: Procedure no. 4.1 regarding the implementation of regulation 4 in respect to the BVB transactions; Procedure no. 4.2 regarding BVB orders; Procedure no. 4.3 regarding cross transactions; Procedure no. 4.4 regarding the surveillance and suspension of the trading activity; Procedure 4.5
regarding the trading activity overseeing; Procedure no. 4.6 regarding the trading system’s main components; Procedure no. 4.7 regarding bonds trading;

d. Regulation 8 regarding the sanctioning of illegal acts committed by exchange tied agents and members of the Stock Exchange Association;

e. Regulation 9 regarding the BVB Association members’ structuring of the technical and accounting record keeping and Procedure 9.1 regarding the accounting implications of securities companies’ specific operations;

f. Procedure no. 11.1 regarding the distribution of shares held by FPS, via the BVB system, towards privatizing commercial companies;

g. Procedure no. 11.2 regarding the submission of a securities tender offer on the BVB;

h. Procedure no. 11.3 regarding the submission of FPS public offerings via the electronic auction method;

i. Procedure no.11.4 regarding the securities offering on the BVB via the special selling method;

j. Regulation 14 regarding bonds operations, with the exception of chapter V- Bonds Trading Clearing and Settlement and chapter VI- Bonds Registration, Safekeeping and Transfer, which will continue to apply where necessary;

k. Regulation 15 regarding treasury bonds operations, with the exception of Chapter VI- Treasury Bonds Trading Clearing and Settlement and chapter VII- Treasury Bonds Registration and Transfer, which will continue to apply where necessary;

l. Regulation 16 regarding preemptive rights’ operation, with the exception of art.6- Preemptive Rights Registration prior to Trading, art.8- Clearing and Settlement of Preemptive Rights Trading and art.9- Preemptive Rights’ Registry Administration, which will continue to apply where necessary;

m. The Code of Ethics and Professional Conduct.
APPENDIX 1

PARTICIPANT ADMISSION/ MAINTENANCE TO TRADE APPLICATION FORM AND REGISTRATION/ MAINTENANCE IN THE PARTICIPANTS’ REGISTRY¹

FOR THE ADMISSION/ MAINTENANCE TO TRADE AS A PARTICIPANT AND THE REGISTRATION IN THE PARTICIPANTS’ REGISTRY OF THE FINANCIAL INVESTMENT SERVICES COMPANY / CREDIT INSTITUTION / INVESTMENT COMPANY**

(Name of the SSIF/ Credit institution /Investment company)

¹ INSTRUCTIONS FOR FILLING IN THE FORM:
This form shall be filled in 2 ORIGINAL counterparts; the form shall be edited on a computer.
Filling in all the form entries shall be compulsory. In case certain provisions are not applicable, the note: NOT APPLICABLE shall be filled in.
Failure to fill in all the form entries shall entail reassessment of the respective company documents and receipt of the resolution: INCOMPLETE FILE.
All signatures in the above mentioned form shall be original.
All members will file this form with BVB at the beginning of each year, at the latest on January 31ᵗʰ, for reanalyzing and updating the data. ** The investment companies will mention whether they provide direct financial investment services, according to free circulation of services, or through a subsidiary.

WE PROVIDE THE FOLLOWING INFORMATION:

1. IDENTIFYING DETAILS:

HEADQUARTER/ REGISTERED OFFICE: ______________________________

ADDRESS: ___________________________________________________________

TELEPHONE: ___________________________ Fax: ___________________________

E-MAIL: ___________________________ WEBSITE: _______________________

COMPANY REGISTERED WITH THE NTRO WITHIN THE COUNTY: _______ NO.: _______

SOLE IDENTIFICATION CODE: __________________________________________
2. CONTACT PERSONS IN THE RELATION WITH THE BVB:

<table>
<thead>
<tr>
<th>NAME/SURNAME</th>
<th>Tel</th>
<th>Fax</th>
<th>POSITION</th>
</tr>
</thead>
<tbody>
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</tbody>
</table>

3. SUBSIDIARIES AND AGENCIES OF THE SSIF/ CREDIT INSTITUTION /INVESTMENT COMPANIES

A. SUBSIDIARIES

<table>
<thead>
<tr>
<th>SUBSIDIARY</th>
<th>Tel</th>
<th>Fax</th>
<th>EXCHANGE TIED AGENT</th>
<th>OFFICER</th>
</tr>
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<tbody>
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</table>

B. AGENCIES

<table>
<thead>
<tr>
<th>SUBSIDIARY AGENCY</th>
<th>Tel</th>
<th>Fax</th>
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</table>

4. THE SSIF/ CREDIT INSTITUTION /INVESTMENT COMPANY AUTHORIZATION

A. NO. AND DATE OF THE RNSC/ BNR /COMPETENT AUTHORITY AUTHORIZATION: __________________________

B. NO. AND DATE OF THE RNSC REGISTRATION CERTIFICATE: __________________________

5. OBJECT OF ACTIVITY AUTHORIZED BY OR NOTIFIED TO RNSC BY THE COMPETENT AUTHORITY IN THE COUNTRY OF ORIGIN:

<table>
<thead>
<tr>
<th>ACTIVITIES</th>
<th>AUTHORIZATION DATE</th>
<th>ACTIVITIES CURRENTLY UNFOLDING</th>
<th>YES/NO</th>
</tr>
</thead>
<tbody>
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</tbody>
</table>
6. SSIF/ Credit Institution’s /Investment Company’s bank accounts used in the relation with BVB

A. Current Account

<table>
<thead>
<tr>
<th>Bank Name</th>
<th>Address</th>
<th>IBAN Code No.</th>
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<tbody>
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</table>

B. Clients Account

<table>
<thead>
<tr>
<th>Bank Name</th>
<th>Address</th>
<th>IBAN Code No.</th>
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</table>

C. Payments Account for BVB

<table>
<thead>
<tr>
<th>Bank Name</th>
<th>Address</th>
<th>IBAN Code No.</th>
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</table>

7. Financial Auditors/ Internal Auditors

<table>
<thead>
<tr>
<th>Name and Surname</th>
<th>Address</th>
<th>Tel</th>
<th>Contract No.</th>
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8. Has the Company signed any intermediation contracts with other RNSC authorized intermediaries /Investment companies authorized / certified by RNSC?

YES___/NO___  IF YES, PLEASE ATTACH COPIES OF THE CONTRACTS.

9. Share Capital

Initial Capital: ________________________________

Share capital listed and fully paid for: ________________________________
NUMBER OF SHARES: ___________________ NOMINAL VALUE: ___________________

SHAREHOLDERS:

<table>
<thead>
<tr>
<th>NAME AND SURNAME</th>
<th>NO. OF SHARES HELD</th>
<th>VALUE AS A % OF THE CAPITAL</th>
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TOTAL: ___________________________________________________________

FOR IN-KIND SUBSCRIPTION, PLEASE PROVIDE FURTHER DETAILS

_______________________________________________________________

10. BG MEMBERS, MANAGERS, EXCHANGE TIED AGENTS, DELEGATED AGENTS, TIED AGENTS, REPRESENTATIVES OF THE COMPLIANCE DEPARTMENT.

A. BOARD OF GOVERNORS

<table>
<thead>
<tr>
<th>NAME AND SURNAME</th>
<th>POSITION</th>
<th>RNSC DECISION</th>
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B. MANAGERS

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<tr>
<th>NAME AND SURNAME</th>
<th>POSITION</th>
<th>RNSC DECISION</th>
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C. AGENTS FOR FINANCIAL INVESTMENT SERVICES

<table>
<thead>
<tr>
<th>NAME AND SURNAME</th>
<th>POSITION</th>
<th>RNSC DECISION</th>
<th>RNSC REGISTER NO.</th>
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<tbody>
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</table>
D. Tied Agents

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<thead>
<tr>
<th>Name and Surname</th>
<th>RNSC Decision</th>
<th>Department</th>
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E. Delegated Agents

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<tr>
<th>Name and Surname</th>
<th>RNSC Decision</th>
<th>RNSC Register No.</th>
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F. Representatives of the Compliance Department

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<thead>
<tr>
<th>Name and Surname</th>
<th>RNSC Decision</th>
<th>RNSC Register No.</th>
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11. Has the Company Issued Any Guarantees for Natural or Legal Persons?

Yes___/No___ If yes, please provide further details.

|                  |               |                   |
|                  |               |                   |
|                  |               |                   |

12. Does the Company or a Major Shareholder Hold Shares for Another Intermediary/Investment Company?

Yes___/No___ If yes, please provide further details.

|                  |               |                   |
|                  |               |                   |

13. Does the Company Hold 5% or More of the Share Capital of a Company Traded on the Regulated Market?

Yes___/No___ If yes, please provide further details.

|                  |               |                   |
|                  |               |                   |
14. REJECTION, SUSPENSION, SANCTIONS

Please list the company’s authorization rejections, suspensions or sanctions issued by the RNSC / the competent authority in the country of origin.

_____________________________________________________________
                                                                

15. PAYMENT OF ADMISSION / LICENSE/ ANNUAL TARIFF

A tariff of ___________ has been paid with payment order no. ______________

Please attach a copy of the payment transfer order.

DATE OF FILLING IN THE ANNEX _________________________________

NAME AND SURNAME                   NAME AND SURNAME

CHAIRMAN OF THE BOARD OF GOVERNORS    GENERAL MANAGER

(SIGNATURE)                           (SIGNATURE)

COMPANY STAMP
APPENDIX 2

PERSONAL DATA FORM²

SSIF/ CREDIT INSTITUTION / INVESTMENT COMPANY

_____________________________________________________________________

(NAME)

NEW FORM__________________________________MODIFIED____________________________________

1. NAME AND SURNAME__________________________________________________________

PERSONAL NUMERICAL CODE:________________________________________________________

ADDRESS:__________________________________________________________________________

E-MAIL:____________________________________________________________________________

DEPARTMENT WHERE THE ACTIVITY TAKES PLACE_______________________________________

POSITION WITHIN THE COMPANY_____________________________________________________

OFFICE PHONE__________________________________HOME PHONE____________________________________

ARE YOU EMPLOYED ON A FULL TIME BASIS? YES____ NO____
IF YES, PLEASE GIVE THE DATE OF EMPLOYMENT_______________________________________

IF NO, PLEASE GIVE DETAILS OF THE PLACE YOU ARE EMPLOYED ON A FULL TIME BASIS:
NAME______________________________________________________________________________

ADDRESS____________________________________________________________________________

TELEPHONE__________________________________POSITION____________________________________

²INSTRUCTIONS FOR FILLING IN THE FORM:
This form shall be filled in 2 ORIGINAL counterparts; the form shall be edited on a computer.
Filling in all the form entries shall be compulsory.
In case certain provisions are not applicable, the note: NOT APPLICABLE shall be filled in.
Failure to fill in all the form entries shall entail reassessment of the respective company documents and receipt of
the resolution: INCOMPLETE FILE.
All signatures in the above mentioned form shall be original. All members of the Board, the managers, the exchange
agents and the Compliance Department representative will file this form with BVB every year, in case these are modifications
regarding the provided data, at the latest on January 31st, for reanalyzing and updating the data.
2. DATE AND NO. OF THE AUTHORIZATION ISSUED BY RNSC / THE COMPETENT AUTHORITY FROM THE COUNTRY OF ORIGIN

________________________________________
(ASIF, DELEGATED AGENT, ICD REPRESENTATIVE, etc.)

REGISTRATION NO. WITH THE RNSC REGISTRY ______________________________________

3. DATE AND PLACE OF BIRTH_____________________________________________________
CITIZENSHIP _______________________________________________________________

4. EDUCATION (detailed)
______________________________________________________________
______________________________________________________________

5. PREVIOUS EMPLOYMENT DETAILS (for the past 5 years, starting the last job)

<table>
<thead>
<tr>
<th>INSTITUTION NAME</th>
<th>POSITION</th>
<th>DATES: FROM-TO</th>
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<tbody>
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<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

6. NAME CHANGES (marriages, divorces, etc.)

<table>
<thead>
<tr>
<th>PERIOD</th>
<th>NAME</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7. PLEASE LIST THE COMPANY’S AUTHORIZATION REJECTIONS, SUSPENSIONS OR SANCTIONS ISSUED BY INSTITUTIONS IN CHARGE OF REGULATING AND MONITORING THE MARKET.

8. IF YOU ARE INVOLVED IN ANY OTHER ACTIVITIES BESIDES INTERMEDIATING SECURITIES, PLEASE PROVIDE THE FOLLOWING DETAILS:

<table>
<thead>
<tr>
<th>COMPANY NAME</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>ADDRESS</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TYPE OF ACTIVITY</th>
<th></th>
</tr>
</thead>
</table>

| POSITION HELD |                |
TIME SPENT FOR THE RESPECTIVE ACTIVITY____________________________________

9. DO YOU HOLD SHARES (INDIVIDUALLY OR CUMULATIVELY) WITH ANOTHER INTERMEDIARY/ INVESTMENT COMPANY AUTHORIZED / REGISTERED BY RNSC IN THE PUBLIC REGISTER?

YES___/NO___. IF YES, PLEASE PROVIDE DETAILS.

_____________________________________________________________________

10. DO U HOLD SHARES IN EXCESS OF 5% OF A COMPANY ADMITTED TO TRADE ON THE REGULATED SPOT MARKET?

YES___/NO___. IF YES, PLEASE PROVIDE DETAILS.

_____________________________________________________________________

I hereby declare that the information provided is true, accurate and complete and that I will notify BVB, in writing, with regard to any adjustment to the current details, within the time period set by the law in force.
I undertake to be aware of and observe the legislation regarding the capital market as well as all other regulation issued by BVB and RNSC / the competent authority in the country of origin.
I am aware that the violation of the above statement will be punished according to the effective laws.

SIGNATURE_____________________________________DATE_____________________

I, ____________________________________________, THE BG CHAIRMAN OF THE

________________________________________________________

(Company name)

DECLARE THAT THE INFORMATION SUPPLIED BY MR/ MRS

________________________________________________________

(Name and surname)

IN THIS FORM IS TRUE, ACCURATE AND COMPLETE.

SIGNATURE_____________________________________DATE_____________________

Pag.220 / 338
APPENDIX 3

**NAME OF THE PARTICIPANT**  | **REGISTRATION NO./DATE**
---|---

**SPECIMENS OF SIGNATURES**

Enclosed you will find the list of people assigned to liaise with the BVB, representing the company.

<table>
<thead>
<tr>
<th>No.</th>
<th>Name and surname</th>
<th>Position</th>
<th>Area of responsibility</th>
<th>Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>The person liaising with the Participants’ Department and the Admission to the Regulated Markets Department</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>The person liaising with the Economic-Administrative Department</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>The person liaising with the Trading and Surveillance of the regulated markets system Department</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>The person liaising with the Information System Administration Department</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>The person liaising with the Information System Development Department</td>
<td></td>
</tr>
</tbody>
</table>

Also, we bound ourselves to notify BVB within 48 hours, when modifications occur with regard to the abovementioned.

Company name

Chairman/ General Manager

Signature/ Stamp
APPENDIX 4

PRICE TICKS

For both regular and deal markets, the BVB imposed price ticks values and the maximum number of price ticks an order can go through, depending on the price interval, are the following:

<table>
<thead>
<tr>
<th>Price Interval (RON)</th>
<th>Tick Size (RON) (a)</th>
<th>Number of ticks for Price limit (B)</th>
<th>Price Limit (RON) (A*B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; = 0.5</td>
<td>0.0001</td>
<td>100</td>
<td>0.010</td>
</tr>
<tr>
<td>(0.5 - 1]</td>
<td>0.0005</td>
<td>50</td>
<td>0.025</td>
</tr>
<tr>
<td>(1 - 5]</td>
<td>0.001</td>
<td>30</td>
<td>0.03</td>
</tr>
<tr>
<td>(5 - 10]</td>
<td>0.005</td>
<td>20</td>
<td>0.1</td>
</tr>
<tr>
<td>(10 - 50]</td>
<td>0.01</td>
<td>10</td>
<td>0.1</td>
</tr>
<tr>
<td>&gt;50</td>
<td>0.05</td>
<td>2</td>
<td>0.1</td>
</tr>
</tbody>
</table>

For other share markets, the BVB imposed price ticks values and the maximum number of price ticks an order can go through, depending on the price interval, are the following:

<table>
<thead>
<tr>
<th>Price Interval (RON)</th>
<th>Tick Size (RON) (a)</th>
<th>Number of ticks for Price limit (B)</th>
<th>Price Limit (RON) (A*B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; = 50</td>
<td>0.01</td>
<td>3</td>
<td>0.03</td>
</tr>
<tr>
<td>&gt; 50</td>
<td>0.05</td>
<td>2</td>
<td>0.1</td>
</tr>
</tbody>
</table>
APPENDIX 5

THE FOLLOWING SECTION WILL BE FILLED IN BY THE BVB

DIRECTOR: ________________________________________________________________
HEAD OF THE SPECIALIZED DEPARTMENT: ______________________________________
REPRESENTATIVE: __________________________________________________________
RECTIFICATION DATE: _______________________________________________________
REMARKS: __________________________________________________________________

ERROR RECTIFICATION REQUEST

PARTICIPANT: ______________________________________________________________

Transaction performed through:
☐ Arena Terminal      Exchange tied agent code: _____  Exchange tied agent: _____
☐ Order Collector     Exchange tied agent code: _____  Exchange tied agent: _____
☐ Arena Gateway      Access code allotted to Participant: ______  Associated exchange tied agent: ______
☐ Arena Fix          Access code allotted to Participant: ______  Associated exchange tied agent: ______

In accordance with Chapter VI, Title III, Book I, please invalidate /inconfirm the transaction having the following characteristics:

DATE____________________________
TICKET___________________________
ORDER NO.________________________
SYMBOL__________________________
MARKET__________________________
ACCOUNT NO. ON THE BVB SYSTEM (BUYER/SELLER)_____________________________
INTERNAL REFERENCE®: ________________________________

PRICE_______________________________
VOLUME_____________________________________________________________________

by replacing the initial account with the account no.:
____________________________________________________________________________
and name: _____________________________________________________________________

Pag.223 / 338
The reason for the Error rectification request:
_____________________________________________________________________
_____________________________________________________________________
_____________________________________________________________________
_____________________________________________________________________

Name, signature and stamp  Name and Signature
Chairman/ General Manager  Tied agent
*used only in case of global accounts and may be used by a member to reflect correctly the transaction within BVB in his own systems.
APPENDIX 6

FORM
FOR THE REGISTRATION OF THE SPECIAL BUY-IN/SELL-OUT TRANSACTION
(SPECIAL BUY-IN/SELL OUT)

We hereby request the registration within the BSE system of the following special buy-in/sell-out transaction, in accordance with the details presented below, according to the provisions of the BSE Rulebook - market operator:

Name of the Financial Instrument:_____________________________________
Symbol of the Financial Instrument:_____________________________________
Quantity of the financial instruments traded:_______________________________
Negotiated price:_______________________________________________________
Settlement date:_______________________________________________________
Transaction total value:_________________________________________________

Buyer Details
Name associated to the account ___________________________________________
Buyer trading account’s no______________________________________________

Internal reference corresponding to the registration of the operation in the internal participants record system *:___________________________________________

Authorized signature of the buying participant (name written clearly and the position of the signatory person)

Buying participant’s stamp

Seller Details
Name associated to the account ___________________________________________
Seller trading account’s no______________________________________________

Internal reference corresponding to the registration of the operation in the internal participants record system *:___________________________________________

Authorized signature of the buying participant (name written clearly and the position of the signatory person)

Selling participant’s stamp
THE FOLLOWING SECTION IS TO BE FILLED IN BY THE CENTRAL DEPOSITORY

The Central Depository confirms the compliance with the requirements set out in the Central Depository Rulebook regarding the special buy-in/sell-out operations:

Yes ☐ No ☐

Authorized signature from the Central Depository __________________________
Seal of the Central Depository __________________________________________
Remarks ________________________________________________________________

THE FOLLOWING SECTION IS TO BE FILLED IN BY THE BVB

Authorized signature from the BSE _______________________________________
Seal from the BSE _______________________________________________________
The transaction execution is confirmed: ________________________________
Remarks: ______________________________________________________________

* used only in case of global accounts and which must be used by a Participant to reflect correctly the transaction within BSE in his own systems.
## APPENDIX 7
### SHARE MARKETS’ PARAMETERS AND CHARACTERISTICS

<table>
<thead>
<tr>
<th>Market Parameter</th>
<th>Regular</th>
<th>Odd-Lot</th>
<th>Deal</th>
<th>Buy-In</th>
<th>Sell-Out</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum order volume admitted to trade</td>
<td>1 standard lot</td>
<td>1 share</td>
<td>1 standard lot</td>
<td>1 share</td>
<td>1 share</td>
</tr>
<tr>
<td>Standard lot</td>
<td>1 share</td>
<td>1 share</td>
<td>1 share</td>
<td>1 share</td>
<td>1 share</td>
</tr>
<tr>
<td>maximum price variation admitted</td>
<td>+/- 15% of the current session’s reference price</td>
<td>+/- 25% of the current session’s reference price</td>
<td>+/- 15% of the current session’s reference price</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>minimum order value admitted to trade</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>reference price</td>
<td>The regular market’s closing price (in accordance with the preliminary title)</td>
<td>The regular market’s closing price (in accordance with the preliminary title)</td>
<td>The regular market’s closing price (in accordance with the preliminary title)</td>
<td>The regular market’s closing price (in accordance with the preliminary title)</td>
<td></td>
</tr>
<tr>
<td>Order types</td>
<td>Limit order, market order (MKT), unpriced order, hidden order, orders with special characteristics for execution, as described in the BVB system Operation Manual</td>
<td>Limit order, behaving like a FOK order (Fill or Kill) for buying, or like an AON order (All or None) for selling</td>
<td>Limit order for buying, limit and un priced orders for selling (if the “order-driven” trading mechanism is used)</td>
<td>Limit orders for selling, limit and un priced orders for buying (if the “order-driven” trading mechanism is used)</td>
<td>Limit orders for selling, limit and un priced orders for buying (if the “order-driven” trading mechanism is used)</td>
</tr>
<tr>
<td>Market statuses</td>
<td>Pre-opening, opening, opened, pre-closed, closed</td>
<td>opened and closed</td>
<td>opened and closed</td>
<td>Pre-opening, opening and closed. There may be several trading sessions during one trading day for the same or different symbol-market entities.</td>
<td></td>
</tr>
<tr>
<td>------------------------------------</td>
<td>-------------------------------------------------</td>
<td>------------------</td>
<td>------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Order display and execution priority</td>
<td>Price, time</td>
<td>Price, time</td>
<td>Price, time</td>
<td>Price, time</td>
<td></td>
</tr>
</tbody>
</table>

*ODD-LOT MARKET IS USED WHEN THE TRADING LOT FROM THE REGULAR MARKET DIFFERS FROM 1.
APPENDIX 8

BOND TRADING

A. Conventions and Calculus Formulae for bonds:

a. Accrued Interest

1. Accrued interest for a cum-coupon transaction is determined as follows:

\[ \text{Positive Accrued Interest} = -\text{Coupon Rate} \times \frac{\text{No days accumulated}}{\text{No days year}} \]

Where:

- \text{No days accumulated}= number of days elapsed since the issue or previous coupon date, inclusive, up to the settlement date, exclusive.
- \text{No days year}= number of days in a year according to the predetermined convention to be used when calculating the accrued interest.

2. Accrued interest for an ex-coupon transaction is determined as follows:

\[ \text{Negative Accrued Interest} = -\text{Coupon Rate} \times \frac{\text{No days left}}{\text{No days year}} \]

Where:

- \text{No days left}= number of days left in the period of this coupon, from the settlement date, inclusive, up to this coupon date, exclusive.
- \text{No days year}= the number of days in a year is calculated according to the predetermined convention to be used when calculating the accrued interest.

b. Details and Examples- Accrued Interest Calculus Conventions

1. Fixed Interest Bonds

The accrued interest is calculated depending on the type of the coupon, such that:

For a normal short coupon:
For cum-coupon transactions - accrued interest is positive

\[ \text{Positive\_Accrued\_Interest}(\%) = -\text{Coupon\_Rate}(\%) \times \frac{\text{No\_days\_accumulated}}{\text{No\_days\_year}} \]

For ex-Coupon transactions- accrued interest is negative

\[ \text{Negative\_Accrued\_Interest}(\%) = -\text{Coupon\_Rate}(\%) \times \frac{\text{No\_days\_left}}{\text{No\_days\_year}} \]

Where:
\( \text{No\_days\_accumulated} \) = number of days elapsed since the issue or previous coupon date, inclusive, up to the settlement date, exclusive.
\( \text{No\_days\_left} \) = number of days left in this normal or short coupon, from the settlement date, inclusive, up to this coupon date, exclusive.
\( \text{No\_days\_year} \) = the number of days in a year is determined as follows:

- In case of a Normal Coupon, it will be calculated multiplying the number of days in this normal coupon by the number of coupons to be paid in a year.
- In case of a Short Coupon, it will be calculated multiplying the number of days in the theoretical normal coupon where the settlement occurs by the number of coupons to be paid in a year. The theoretical normal coupon is that between the date when the interest should have started accruing and the respective short coupon’s date.

**For a Long Coupon**

**For cum-coupon transactions- accrued interest is positive**

When the transaction settlement occurs during the first sub period of the long coupon:

\[ \text{Positive\_Accrued\_Interest}(\%) = \text{Coupon\_Rate}(\%) \times \frac{\text{days\_accumulate\_t_1}}{T_1 \times \text{No\_coupons\_year}} \]

When the transaction settlement occurs during the second sub period of the long coupon:

\[ \text{Positive\_Accrued\_Interest}(\%) = \text{Coupon\_Rate}(\%) \times \left[ \frac{t_1}{T_1 \times \text{No\_coupons\_year}} + \frac{\text{days\_accumulated\_t_2}}{T_2 \times \text{No\_coupons\_year}} \right] \]

**For ex-coupon transactions- accrued interest is negative**

\[ \text{Negative\_Accrued\_Interest}(\%) = -\text{Coupon\_Rate}(\%) \times \left[ \frac{\text{days\_left\_t_2}}{T_2 \times \text{No\_coupons\_year}} \right] \]

Where:
\( t_1 \) = number of days in the first sub period of a long coupon, as of the issue date, inclusive, up to the date at which the payment of the first coupon is normally due, exclusive.
t_2= number of days in the second sub period of a long coupon, as of the date at which the payment of the first coupon is normally due, inclusive, up to the long coupon date, exclusive (t_1+ t_2= no. of days in a long coupon)
Days_accumulated_t_1= number of days accumulated in the first sub period of a long coupon, as of the issue date, inclusive, up to the transaction settlement date, exclusive;
Days_accumulate_t_2= number of days accumulated in the second sub period of a long coupon, as of the date at which the payment of the first coupon is normally due, inclusive, up to the transaction settlement date, exclusive
Days_left_t_2= number of days left in the second sub period of a long coupon, as of the transaction settlement date, inclusive, up to the long coupon date, exclusive; 
T_1= number of days in the first sub period (t_1) of the first theoretical normal coupon
T_2= number of days in the second sub period (t_2) of the second theoretical normal coupon
No_coupons_year= number of coupons in a year

2. Floating Interest Bonds

For normal and short coupons

For cum-coupon transactions- accrued interest is positive

Positive _ Accrued _ Interest(%) = Coupon _ Rate(%) × \( \frac{No \_ days \_ accumulated}{360} \)

For ex-coupon transactions- accrued interest is negative

Negative _ Accrued _ Interest(%) = -Coupon _ Rate(%) × \( \frac{No \_ days \_ left}{360} \)

Where:
No_days_accumulated= number of days from the issue or previous coupon date, inclusive, until the transaction settlement date, exclusive
No_days_left= number of days left in a normal or short coupon, as of the transaction settlement date, inclusive, up to the respective coupon date, exclusive

For a long coupon

For cum-coupon transactions= accrued interest is positive

When the transaction settlement occurs during the first sub period of the long coupon:

Positive _ Accrued _ Interest(%) = Coupon _ Rate(%) × \( \frac{days \_ accumulated \_ t_1}{360} \)

When the transaction settlement occurs during the second sub period of the long coupon:

Positive _ Accrued _ Interest(%) = Coupon _ Rate(%) × \( \left[ \frac{t_1}{360} + \frac{days \_ accumulated \_ t_2}{360} \right] \)

For ex-coupon transactions= accrued interest is of a negative nature
Negative Accrued Interest(%) = -Coupon Rate(%) × \frac{days\_left\_t_2}{360}

Where:
\( t_1 \) = number of days in the first sub period of a long coupon, as of the issue date, inclusive, up to the date at which the payment of the first normal theoretical coupon is normally due, exclusive.
\( t_2 \) = number of days in the second sub period of a long coupon, as of the date at which the payment of the first coupon is normally due, inclusive, up to the long coupon date, exclusive (\( t_1 + t_2 \) = no. of days in a long coupon)

Days_accumulated_t_1 = number of days accumulated in the first sub period of a long coupon, as of the issue date, inclusive, up to the transaction settlement date, exclusive;

Days_accumulate_t_2 = number of days accumulated in the second sub period of a long coupon, as of the date at which the payment of the first normal theoretical coupon is normally due, inclusive, up to the transaction settlement date, exclusive

Days_left_t_2 = number of days left in the second sub period of a long coupon, as of the transaction settlement year, inclusive, up to the long coupon date, exclusive;

**c. Transaction Value**

1. The value of a bond transaction (VB) concluded based on the net price is determined as follows:

\[
VB(lei) = \frac{\text{net\_price(\%)} + \text{accrued\_interest(\%)} \times \text{Principal(lei)} \times \text{No\_bonds}}{100}
\]

Where:

accrued_interest= the positive accrued interest for cum-coupon transactions, or the negative accrued interest for ex-coupon transactions

2. The value of a bond transaction (VB) concluded based on the gross price is determined as follows:

\[
VB(lei) = \frac{\text{gross\_price(\%)} \times \text{Principal(lei)} \times \text{No\_bonds}}{100}
\]

**B. Types of Coupons**

1. **Normal Coupon**

E.g.: a bond is issued on the 1st of January 1999 and the coupon dates are 1st of January and 1st of July. The first coupon payment is due on the first of July 1999. The coupons of this bond are normal, irrespective of the number of days in a period which may vary, as follows:

- The first coupon is normal, with a period of 181 days (1st of January 1999- 1st of July 1999);
- The second coupon is normal, with a period of 184 days (1st of July 1999- 1st of January 2000) etc.
2. Short Coupon

E.g.: a bond is issued on the 1st of February 1999 and it pays a semiannual coupon on the 1st of January and 1st of July. The first coupon payment is due on the 1st of July 1999. In this case the first coupon is short while all the rest are normal, as follows:

- The first coupon is short, with a period of 150 days (1st of February 1999-1st of July 1999);
- The second coupon is normal, with a period of 184 days (1st of July 1999- 1st of January 2000)
- The third coupon is normal, with a period of 184 days (1st of January 2000- 1st of July 2000) etc.

3. Long Coupon

E.g.: a bond is issued on the 1st of February 1999 and pays a semiannual coupon on the 1st of January and 1st of July. The first coupon payment is due on the 1st of January 2000 (the 1st of July coupon date is omitted, which would have been the closest theoretical coupon date to the issue date) =>$ coupons:

- The first coupon is long, with a period of 334 days (1st of February 1999- 1st of January 2000) and is composed of 2 sub periods, as follows:
  - 150 days (1st of February 1999-1st of July 1999)
  - 184 days (1st of July 1999- 1st of January 2000)
- The second coupon is normal, with a period of 182 days (1st of January 2000- 1st of July 2000)
- The third coupon is normal, with a period of 184 days (1st of July 2000- 1st of January 2001) etc.

C. Bond Transactions Elements

<table>
<thead>
<tr>
<th>Value</th>
<th>No. of decimal points for symbol types using RON in trading and settlement</th>
<th>No. of decimal points for symbols using other than RON for trading and settlement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price Ticks</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Net Price</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Gross Price</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Accrued Interest</td>
<td>6</td>
<td>4</td>
</tr>
<tr>
<td>Transaction Value</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Settlement Value</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Market / Parameter</th>
<th>Main</th>
<th>Deal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard lot</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Maximum price variation</td>
<td>+/- 15% of the current session reference price</td>
<td>+/- 15% of the current session reference price</td>
</tr>
<tr>
<td>Minimum order/deal value admitted</td>
<td>-</td>
<td>According to Table 2 included in Appendix II pursuant to data published by RNSC, in accordance with the provisions of art. 33 and 34 included in the EC Regulation no. 1287/2006</td>
</tr>
<tr>
<td>----------------------------------</td>
<td>---</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Reference price</td>
<td>The main market’s closing price (in accordance with the preliminary title)</td>
<td>The main market’s closing price (in accordance with the preliminary title)</td>
</tr>
<tr>
<td>Trading based on the net price (implicit choice)</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Trading based on the gross price</td>
<td>Maturity date: Day (exclusive)</td>
<td>Maturity date: Day (exclusive)</td>
</tr>
<tr>
<td>Order types</td>
<td>Limit order, market order (MKT), unpriced order, hidden order</td>
<td>Deal, informative quotes</td>
</tr>
<tr>
<td>Market statuses</td>
<td>Opened and Closed</td>
<td>Opened and Closed</td>
</tr>
<tr>
<td>Management operations</td>
<td>Orders</td>
<td>Informative quotes</td>
</tr>
<tr>
<td>Adjustment</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Suspension/resuming/withdrawal</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Rejection</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Display and Execution Priorities</td>
<td>Price and time</td>
<td>-</td>
</tr>
</tbody>
</table>
APPENDIX 9

TREASURY BONDS TRADING

A. Conventions and Calculus Formulae for Treasury Bonds

a. Standard calculus formulae for zero coupon treasury bonds issued with a time to maturity of 365 days.

- The relation between the yield and the price of a zero coupon Treasury bond is determined as follows:

\[
Yield \, (\%) = \left\lfloor \frac{100}{Price \, (\%)} - 1 \right\rfloor \times \frac{365}{No \_ days \_ left} \times 100
\]

\[
Price \, (\%) = \frac{100}{1 + \left( \frac{Yield \, (\%)}{100} \times \frac{No \_ days \_ left}{365} \right)}
\]

Where:
Yield = the annual yield expressed as a percentage
Price = the price expressed as a percentage of the nominal value
No_days_left = number of days from the transaction settlement date, inclusive, until the maturity date, exclusive

Transaction Value

The value of a Treasury bond transaction concluded based on the price resulted from the yield conversion entered into the trading system, is determined as follows:

\[
Transaction \_ Value(lei) = \frac{Price \, (\%)}{100} \times No \_ min \_ Value(lei) \times No \_ bonds
\]

b. The standard calculus formulae for coupon treasury bonds issued with a maturity greater or equal to 365 days

Accrued Interest

The accrued interest for the coupon treasury bonds transactions is determined as follows:
Accrued _ Interest(%) = Coupon _ Rate(%) \times \frac{\text{No. } \text{days } \text{accumulated}}{\text{No. } \text{days } \text{year}}

Where:
\text{No. days accumulated}= \text{the number of days from the issue or previous coupon date, inclusive, until the transaction settlement date, exclusive}
\text{No. days year}= \text{the number of days in a year is calculated based on the calculus convention used for determining the accrued interest}

**Transaction Value**

The value of a coupon Treasury bond transaction concluded based on the net price entered into the trading system is determined as follows:

\[
\text{Transaction } _\text{value(lei)} = \frac{\text{Net } \text{price(lei)} + \text{Accrued } \text{Interest(lei)}}{100} \times \text{No. min al } \text{value(lei)} \times \text{No. bonds}
\]

The value of a coupon Treasury bond transaction concluded based on the gross price entered into the trading system is determined as follows:

\[
\text{Transaction } _\text{value(lei)} = \frac{\text{Gross } \text{price(lei)}}{100} \times \text{No. min al } \text{value(lei)} \times \text{No. bonds}
\]

**B. Parameters defined at the bond markets level**

<table>
<thead>
<tr>
<th>Market Parameters</th>
<th>Main</th>
<th>Deal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trading zero coupon Treasury bonds</td>
<td>Yield</td>
<td>Yield</td>
</tr>
<tr>
<td>Trading coupon Treasury bonds</td>
<td>Net/Gross price</td>
<td>Net/Gross price</td>
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<td>Trading based on the net price( implicit choice)</td>
<td>The accrued interest, gross price and value are automatically updated by the system for orders with an Open or Good Till Date term to maturity</td>
<td>Deals with an Open or Good Till Date term to maturity</td>
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<td>Trading based on the gross price</td>
<td>Orders will have a validity date: Day</td>
<td>Deals will have a validity date: Day</td>
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<td>Standard lot</td>
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<td>Reference price</td>
<td>In accordance with the preliminary title</td>
<td>In accordance with the preliminary title</td>
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<td>Firm quotes, Orders</td>
<td>Deals, Informative Quotes</td>
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<tr>
<td>--------------------------------</td>
<td>---------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Participants/Types of orders, firm quotes, informative quotes, deals</td>
<td>Market maker: Firm quotes, All participants: Orders</td>
<td>All participants: Informative quotes, Deals,</td>
</tr>
<tr>
<td>Management operations</td>
<td>Firm Quotes</td>
<td>Informative quotes Deals</td>
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<td>Adjustment</td>
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<tr>
<td>Suspension/Resuming/Withdrawal</td>
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<td>Yes Yes</td>
</tr>
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<td>Rejection</td>
<td>No</td>
<td>No Yes</td>
</tr>
</tbody>
</table>
BOOK II

THE DERIVATIVES MARKET
# TABLE OF CONTENTS

**PRELIMINARY TITLE**

**TITLE I** PARTICIPANTS TO THE DERIVATIVES MARKET

**CHAPTER I** GENERAL PROVISIONS

**CHAPTER II** THE TRADING MEMBER STATUS

Section 1 General framework
Section 2 Granting of the trading member status
Section 3 Operations performed by foreign entities
Section 4 Withdrawal of the status of a trading member

**CHAPTER III** ACCESS OF TRADING MEMBERS TO THE DERIVATIVES MARKET TRADING SYSTEM

Section 1 Granting access of trading members to the Derivatives Market trading system
Section 2 Suspension of trading members’ access to the trading system.
Section 3 Withdrawal of trading members’ access to the trading system

**TITLE II** MARKET MAKERS

**CHAPTER I** GENERAL PROVISIONS

**CHAPTER II** GRANTING THE MARKET MAKER STATUS. REGISTRATION AS MARKET MAKER FOR FD

**CHAPTER III** RENOUNCING THE MARKET MAKER STATUS. RENOUNCING THE MARKET MAKER STATUS

**CHAPTER IV** SUSPENDING / CEASING THE MARKET MAKER STATUS, WITHDRAWING THE MARKET MAKER STATUS

**CHAPTER V** RESUMING THE REGISTRATION AS MARKET MAKER RECLAIMING THE MARKET MAKER ON THE DERIVATIVES MARKET STATUS
CHAPTER VI  MARKET OPERATIONS CARRIED OUT BY MARKET MAKERS

CHAPTER VII  EVALUATING THE ACTIVITY OF THE MARKET MAKERS

TITLE III  DERIVATIVES AGENTS

CHAPTER I  THE DERIVATIVES AGENT STATUS
Section 1  Granting of the derivatives agent status
Section 2  Withdrawal of the derivatives agent status

CHAPTER II  ACCESS TO THE TRADING SYSTEM
Section 1  Granting access to the trading system to the derivatives agents
Section 2  Suspension / withdrawal of the derivatives agents’ access to the trading system

TITLE IV  CONTRACT STANDARDS AND THE CLEARING –SETTLEMENT SISTEM

TITLE V  MARKET OPERATIONS

CHAPTER I  GENERAL PROVISIONS
Section 1  Derivatives Market
Section 2  The Accounts System

CHAPTER II  THE FD ADMISSION / SUSPENSION / WITHDRAWAL FROM TRADING
Section 1  The FD admission to trading
Section 2  Suspension / readmission to trading FD
Section 3  Withdrawal from trading of the FD

CHAPTER III  THE TRADING SYSTEM
Section 1  General framework
Section 2  FD negotiation methods
Section 3  The Trading Session
CHAPTER IV  STOCK EXCHANGE ORDERS AND FD TRANSACTIONS

Section 1  General framework
Section 2  Stock exchange orders
Section 3  FD Transactions

CHAPTER V  RECTIFICATIONS AND INVALIDATIONS

Section 1  Transactions’ Rectification
Section 2  Transactions’ invalidation

CHAPTER VI  DERIVATIVES MARKET MONITORING

TITLE VI  FUTURES MARKET

CHAPTER I  GENERAL PROVISIONS

Section 1  Futures contracts specifications
Section 2  The daily and final settlement process
Section 3  Corporate events

CHAPTER II  MANAGEMENT OF OPEN POSITIONS

Section 1  Stock exchange orders administration
Section 2  Initiation or modification of open positions
Section 3  Liquidation and transfer of open positions

CHAPTER III  MARK-TO-MARKET AND SETTLEMENT PRICES

Section 1  Daily settlement price
Section 2  Final settlement price

CHAPTER IV  ADJUSTING FUTURES CONTRACTS AS A RESULT OF CORPORATE EVENTS

Section 1  Adjusting futures contracts
§1  General Framework
§2  Methods of adjusting futures contracts
§3  Adjusting the symbol of the futures contract
§4  Adjusting the notional value of the open positions
§5  The adjustment factor
Section 2 Determining the adjustment factor and adjusting the characteristic elements and trading parameters
§1 Adjusting the characteristic elements and the trading parameters
§2 Splitting/Cross-splitting shares
§3 Increasing the share capital by issuing and granting free shares
§4 Increasing the share capital by granting shareholders the right to a preferential price lower than the market price
§5 Increasing the share capital by simultaneously granting free shares and the right to register at a preferential price
§6 Paying cash dividends
§7 Adjusting the characteristic elements and trading parameters

TITLE VI THE OPTIONS MARKET*

CHAPTER I GENERAL PROVISIONS

Section 1 Specifications of options contracts
Section 2 Rights and obligations corresponding to options contracts
Section 3 Trading options contracts
Section 4 Settling trades with options contracts
Section 5 Exerting options contracts
Section 6 Corporate events

CHAPTER II MANAGING OPEN POSITIONS

Section 1 Managing orders
Section 2 Initializing or modifying open positions
Section 3 Liquidating and transferring open positions

CHAPTER III THE REFERENCE PRICE OF OPTIONS CONTRACTS AND THE REFERENCE VALUE OF THE UNDERLYING ASSET

Section 1 The reference price of the options contracts
Section 2 The reference value of the underlying asset

TITLE VII ILLEGAL ACTS AND STOCK EXCHANGE PENALTIES

CHAPTER I GENERAL FRAMEWORK

CHAPTER II ILLEGAL ACTS

CHAPTER III STOCK EXCHANGE PENALTIES
### TITLE VIII  FINAL PROVISIONS

#### APPENDIX LIST

<table>
<thead>
<tr>
<th>Appendix</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appendix 1</td>
<td>Application for admission as a trading member and registration in the Trading Members’ Registry</td>
</tr>
<tr>
<td>Appendix 2</td>
<td>Personal data form</td>
</tr>
<tr>
<td>Appendix 3</td>
<td>Specimen signatures</td>
</tr>
<tr>
<td>Appendix 4</td>
<td>Document regarding the risks of financial derivatives instruments – Annex to the Services Agreement</td>
</tr>
</tbody>
</table>

*Note: * According to art. 2 of the RNSC decision no. 997/06.10.2011, the provisions of Title VI OPTIONS MARKET of the BVB Rulebook, Book II – Derivatives Regulated Market shall come into force together with the corresponding changes brought to the regulations of Bucharest Clearing House - S.C. Casa de Compensare București S.A.
Art. 1
The terminology employed in the “Rulebook of the Bucharest Stock Exchange – Market Operator: Book II – The Derivatives Market” (“Book II”) shall have the following meaning:

1. Underlying Asset represents the financial instrument, the stock exchange or currency index, the interest rate, the commodity, economic indicator or material, as well as any other asset or instrument whose price, rate of return or measurement unit stands at the basis of a FD value.

2. Derivatives Agent is the natural person employed by a trading member, to whom BVB granted the right to place stock exchange orders and to carry out transactions with FD by means of the electronic trading system.

3. Margin Call is the mandatory request formulated by the Bucharest Clearing House to a clearing member, respectively by a clearing member to a client or non-clearing member, for the purpose of meeting the requirements set to the margin account.

4. Standard Lot represents the number of contracts corresponding to a certain FD series which forms a standard trading unit, established according to the contract specifications for each FD separately.

5. NBR is the National Bank of Romania.

6. BVB is the Bucharest Stock Exchange (S.C. Bursa de Valori București S.A.)


8. The Bucharest Clearing House is the entity based in Romania or under the jurisdiction of another member state which is carrying out operations for the registration, guarantee, clearing and settlement of transactions involving FD concluded on the Derivatives Market, as well as any other related operations.

9. Client represents the natural person, the legal person or any other entity without legal power, who carries out FD operations on the Derivatives Market based on a contract concluded with an intermediary authorized to operate on such market.

10. RNNSC is the Romanian National Securities Commission.
11. The BVB Board is the Bucharest Stock Exchange Board of Governors.

12. **Margin account** is the account indicating, as applicable:
   
a) the cash funds and/or the equivalent value of the financial instruments brought in as collateral as a guarantee for open positions;
b) rights obtained and obligations assumed.

13. **Position account** is the account opened in the clearing-settlement system in which contracts purchased and/or sold are shown, as well as positions opened with FD pursuant to the conclusion of transactions on the Derivatives Market.

14. **Futures Contract** is a standard contract in accordance with contract specifications established by BVB, creating for the contracting parties the obligation to purchase, respectively to sell a certain underlying asset at a specified future point in time (*delivery date*) at a price agreed upon the conclusion of the respective transaction on the Financial Derivatives Market.

15. **Options Contract** or **Option** is a standard contract, in accordance with the contract specifications established by BVB, by which the owner of a Long position has the right, but not the obligation, to buy (*Call option*) or to sell (*Put option*) for a certain price (*the premium*), a certain underlying at a predetermined price (*the exercise price*), during the entire period of the respective option (*American-style options*), on certain pre-established dates (*Bermuda option*) or only upon expiration date (*European-style options*).

16. **Quotation** is the price or premium negotiated by specific market mechanisms at the moment of the transaction conclusion for a certain FD, which can be expressed in monetary units, index points, interest or efficiency rate, units, etc., according to contract specifications established by BVB.

16¹. **Expiration Date** is the day and time of the delivery month when the rights/obligations of a certain FD series expires corresponding to an options contract, and the positions remaining open may be or are realized according to the stipulations of the contracts’ specifications and are erased from the BCH records.

17. **Maturity Date** is the day of the maturity month when the obligations of a certain FD series corresponding to an options contract ends, and the remaining open positions are closed at the final settlement price or are executed according to the contracts’ specifications and are then radiated from the records of BCH.

17¹. **Ex-right Date** is the second working day before the registration date and represents the date of the first trade session when the buyer of a share no longer enjoys the right to receive dividends or any other special rights associated with the respective share, and when the effects of the Annual General Meeting’s decisions no longer affect this share.
17. **Cum-right Date** is the third working day before the registration date and represents the date of the last trade session when the buyer of a share will have the right to receive dividends or any other special rights associated with the respective share and when the effects of the Annual General Meeting’s decisions affect this share.

18. **Physical delivery** is the settlement of obligations through transfer of cash and property of an underlying asset, resulting from a trade with a FD.

19. **Cash settlement** is the settlement of obligations through transfer of cash, resulting from a trade with a FD.

20. **Daily settlement** is the process by means of which obligations are settled, **on a daily basis**, through transfer of cash resulting pursuant to the conclusion of transactions involving FD and the mark-to-market of positions opened based on the daily settlement price.

21. **Final settlement** is the process by which the obligations met at maturity, exercise or expiry through the procedure of physical settlement or fund settlement, according to the contracts’ specifications and the regulations of BCH, for the existing opened positions.

22. **Market Maker** is the participant to the Financial Derivatives Market who undertakes to maintain the market liquidity for a certain FD using its own capital, by introducing and maintaining firm purchase and sales offers in his own name, as well as to conclude transactions at the prices showed by the respective firm offers, during the entire time period while the respective participant is holding such status.

23. **FD** is a generic term used for the identification of a financial derivative instrument, which is based on a certain underlying asset and unique specifications. There will be several series for each FD, sharing common specifications, the number thereof being established according to the rights/obligations assumed, the maturity/expiry months, and function of the exercise price available at a certain moment, for options contracts.

24. **Intermediary** is the financial investment services company authorized by RNSC, the credit institution authorized by NBR, in accordance with relevant banking legislation, or the entity equivalent thereto authorized by the competent authorities in a member or non-member state, which is registered in the RNSC Registry.

25. **Contract/delivery Month** represents the calendar month established by RNSC registered specifications when the contracts for a certain FD series are liquidated or are closed by Bucharest Clearing House.

25\(^1\). **Expiration month** represents the calendar month comprised in the specifications recorded at RNSC in which options contracts corresponding to all options series with expiration date in that month may still be exercised or radiated by the Bucharest Clearing House, if it is the case.
26. **Mark-to-market** represents the operation of updating the margin account, performed by the Bucharest Clearing House by re-evaluating positions opened at a certain price ("quotation price"), established according to the regulations of the Bucharest Clearing House, for the purpose of pointing out favorable or unfavorable differences corresponding to the rights obtained/obligations and which are to be object of the daily settlement or in order to manage the risks assumed by the owners of short positions for the options contracts, in the Clearing-Settlement System administered by BCH.

27. **Margin or Collateral** represents the financial or another type of guarantee, brought in the form of monetary funds and/or financial instruments belonging to the categories of eligible assets according to the RNSC Regulation 13/2005, for meeting the limits imposed to the margin account in order to guarantee financial obligations resulting from operations involving FD, performed on the Derivatives Market. The minimum level of the amount existing in the margin account represents the margin requirement as further defined herein.

28. The **Clearing Member** is the intermediary participating directly to the Clearing-Settlement System, pursuant to a contract concluded with BCH, as follows:

   a) The **General Clearing Member** is the counterpart of the Bucharest Clearing House and it shall guarantee the compliance with the obligations resulted during the clearing-settlement process of transactions concluded in its own account, in the account of its clients as well as in the account of non-clearing members and clients thereof;

   b) The **individual clearing member** is the counterpart of the Bucharest Clearing House and it shall guarantee the compliance with the obligations resulted during the clearing-settlement process of transactions concluded in the account of its clients and in its own account, as applicable.

29. The **Non-clearing Member** is the intermediary or trader holding the status of trading member and who participates in an indirect way to the Clearing-Settlement System, by means of a general clearing member.

30. **Multiplier** represents the value expressed in monetary units (for example: 10 RON / USD / EUR, etc.), conventional points (ex: 100-minus- interest rate) or physical units (for example: 1,000 shares / bonds, etc.), which is established in the FD specifications in order to establish the notional value of a FD contract or in order to determine the premium and the intrinsic value corresponding to one options contract.

31. **Margin requirement** represents the minimum level of the amount existing in the margin account opened in the electronic clearing-settlement system and in the systems of Intermediaries, which shall need to be brought as collateral, in accordance with the margin system used by the Bucharest Clearing House, as follows:
a) The *Initial Margin Requirement* shall be established according to the positions opened and the exchange orders entered on the electronic trading system;

b) The *Maintenance Margin Requirement* shall be established based on the positions opened.

32. **Exchange order** represents the purchase or sales instruction introduced in the electronic trading system by a trading member for the purpose of concluding a transaction involving FD.

33. **Trading member** is the entity described as an intermediary, investment company or trader authorized by BVB as a participant to the BVB trading system for the purpose of developing operations on the derivative market.

34. **Derivatives Market** is the BVB regulated market trading derivatives.

35. **Futures Market** represents the market segment of the Derivatives Market where futures contracts shall be traded according to BVB established criteria.

351. **Options Market** is the market segment of the Derivatives Market on which options contracts are traded, based on the criteria established by BVB.

36. **Tick Size** is the minimum fluctuation of a certain FD quotation, established by specifications of the respective contract.

37. **Open Position** represents the net contractual status in which are shown patrimonial rights, assumed rights and contractual obligations highlighted in the account of a participant following the recording at the settlement house of one or more FD trades and whose effect was not canceled through an opposite transaction, by means of execution, transfer, exerting, closing or radiation.

   I. Function of the derivatives traded, the open positions for each FD series may be:
   a) **Long**, representing the net purchase position in a certain account and FD series, resulting pursuant to concluding one or several transactions by means of which the number of purchased contracts is higher than the number of sold contracts;
   b) **Short**, representing the net sales position in a certain account and FD series, resulting pursuant to concluding one or several transactions by means of which the number of sold contracts is higher than the number of purchased ones.

   II. Function of the underlying assets of the derivatives, the open positions may be:
   a) Long, representing the net purchase position of an account owner who: a) owns, b) buys, c) is obliged to buy and d) accepts delivery – of an underlying asset;
   b) Short, representing the net contractual status of an owner account, who: a) does not own, b) sells, c) is obliged to sell and d) realizes delivery – of an underlying asset.

   III. Function of the balance of the account or the patrimony of a Participant, open positions may be:
   a) Long – represents the situation of an account owner, in which the current value of the account’s credit or the engaged value of the entries into the account is greater
than the current value of the account’s debit or the engaged value of the exits from
the account
b) Short – represents the situation of an account owner in which the current value of
the account’s credit or the engaged value of the entries into the account is smaller
than the current value of the account’s debit or the engaged value of the exits from
the account
c) Neutral – represents the situation of an account owner in which the current value of
the account’s credit or the engaged value of the entries in the account is equal to the
current value of the account’s debit or the engaged value of the exits from the
account.

38. **Technical provisions** are documents issued by BVB regarding the clarification or
interpretation of technical and/or operational aspects regarding this regulation and the
procedures issued to complete it, as well as regarding the electronic clearing-settlement
system.

39. **Opening Price** is the price at which the first transaction for a FD series is carried out during
a trading session.

40. **Closing Price** is the price at which the last transaction for a FD series is carried out during
a trading session.

41. **Exercise / Strike Price** is the price at which an underlying asset can be purchased or sold,
pursuant to exerting a Call or Put option by the holder of the respective option, for options
settled through physical delivery, or the price, function of which the intrinsic value is
established, for fund settled options.

42. **Daily settlement price / daily SETTLE** represents the price set up by BVB according to
FD specifications and the present regulations, based on which the Bucharest Clearing
House shall establish the daily rights and obligations that will be cleared in the daily
settlement process.

43. **Final settlement price / final SETTLE** represents the price set up by BVB according to
FD specifications and the present regulations, used in the process of the Bucharest Clearing
House closing of positions remaining open upon delivery, and based on which the
Bucharest Clearing House is to establish final rights and obligations that need to be cleared
in the final settlement process.

43¹. **Option Premium** represents the amount of money, corresponding to orders and trades
concluded through utilizing specific market mechanisms, which the buyer of an option pays
to its seller and is determined by multiplying the quotation of the traded option with its
multiplier, as it is provided in the specifications of that options contract.

44. **First Transaction Day** is the first day when a FD series becomes available for trading.

45. **FD Series** or **Series** represents a FD contract, which may be identified in a unique way by
means of specifications contained by the respective contract (example: futures contract
having BET index as underlying, the multiplier 1 RON and the delivery in June 2007 forms and is represented by the FD series having as symbol BET07DEC).

46. **Symbol** represents the encoding used in the electronic system for identifying a FD series.

47. **Clearing-Settlement System** represents the clearing-settlement system as defined by Art. 168 par. (3) of Law no. 297/2004 and which is administered by the Bucharest Clearing House.

48. **Contract specifications** represent the set of standard clauses of FD contracts such as the symbol, underlying asset, multiplier, quotation, the tick size, delivery months, delivery date, etc. which are approved by BVB Board and registered with RNSC.

49. **Option Style** represents the option contract specification establishing the period or the moment when the exerting of an option becomes possible, as follows: during the entire duration of the contract (American option), upon predetermined dates (Bermuda option) or only upon the expiry of the contract (European option).

50. **Total Open Positions** or **Open Interest** is the total number of contracts purchased or sold, corresponding to a FD series, which were not closed by means of an opposite transaction, by exerting or by their expiry/closure by the Bucharest Clearing House upon their delivery.

51. **Trader** represents the legal person authorized by RNSC, defined pursuant to Art. 29 of Law no. 297/2004.

52. **FD Transaction** or **Transaction** shall represent a FD sales-purchase agreement, negotiated and concluded in the electronic trading system, validated and registered by the Bucharest Clearing House in the electronic clearing-settlement system.

53. **The Last Transaction Day** represents the last day when a FD series is available for trading.

54. **Notional Value** of a FD contract is the algebraic multiplication between the quotation or the daily/ final settlement price of a FD series and the multiplier thereof, or the value established by means of any methodology set up by BVB.

55. **Intrinsic value** of an options series is:
   a) for Call options, the positive difference between the price of the underlying and the exerting price, multiplied with the multiplier of that options contract. The intrinsic value of one Call options series is considered as being zero in the case this difference is negative;
   b) for Put options, the positive difference between the exerting price and the price of the underlying, multiplied by the multiplier of that options contract. The intrinsic value of a Put options series is considered as being equal to zero in the case this difference is negative.

(2) The terminology regarding the Derivatives Market which is not defined in **paragraph (1)** or explained within this Regulation shall have the meaning established, as applicable, by Law

**Art. 2** Repealed

**Art. 3** The provisions of **Book I**, Title IV – “BVB Administration and dissemination of public information regarding issuers, types of financial instruments traded and participants’ access services” shall apply accordingly to the Derivatives Market within this regulation.
TITLE I
PARTICIPANTS TO THE DERIVATIVES MARKET

CHAPTER I
GENERAL PROVISIONS

Art. 1 (1) The provisions of this regulation shall apply accordingly, with the oBVBrvance of the legislation in force, for the purpose of granting the status of trading member to an investments company in the member and/or non-member states.

(2) Provisions of Book I, Title I, Chapter IV “Participants’ Obligations” on the obligations regarding the activity carried out, the notifications to BVB, as well as the obligations regarding fees and commissions due to BVB shall apply accordingly to the Derivatives Market.

Art. 2 (1) Trading members such as intermediaries shall carry out operations involving FD in their own name and in their own account, as well as in the name and in the account of their clients, within the limits of the authorization issued by RNSC.

(2) Trading members such as traders shall operate exclusively in their own name and in their own account, the clearing and settlement of transactions carried out by them being achieved only by a general clearing member.

(3) Trading members shall not be allowed to open an account, respectively to place stock exchange orders and conclude transactions with FD in such account through another trading member admitted to operate on the futures market, in case in its turn it has been granted the trading right on the Derivatives Market.

Art. 3 (1) Trading members are under the obligation to inform existing as well as potential clients regarding the provisions hereof, of the Bucharest Clearing House and relevant legislation in force.

(2) Trading members, including derivatives agents, are under the obligation to oBVBrvce the confidentiality of their own clients’ identification data, as well as any information related to the activity carried out by them, except for cases provided by the law.

(3) Trading members shall present in an objective way, during their communication with either existing or potential clients, the main characteristics of FD, without suggesting that positive results obtained previously may represent a guarantee on future performance in case it refers to a certain FD or trading strategy.

(4) The contract concluded between a trading member and a client, on the occasion of the FD trading services agreement shall include the “Document on the risks associated with financial derivatives” presented in Annex no. 4 of Book II, its signing by the client being
necessary as a confirmation of the fact that the client is aware of and understands the contents of the respective document.

(5) Trading members allowed to operate on the Derivatives Market shall make all efforts to identify other risks or relevant aspects that are not included in the document on the risks associated with derivatives mentioned in par. (4) and shall inform their own clients accordingly.

**Art. 4 (1)** BVB may ask trading members to supply or generate any document, financial report or information considered necessary for a proper administration of the Derivatives Market, such members being under the obligation to react promptly and in an adequate manner. (2) BVB takes no responsibility regarding trading members or third parties in the following situations:

   a) in case participants to the Derivatives Market or derivatives agents do not observe provisions of the legislation in force, including the BVB regulations on the derivatives regulated market;
   b) registration of financial or any other losses occurring as a result of the activity carried out on the Derivatives Market;
   c) in situations of force majeure and/or unforeseeable circumstances.

**Art. 5 (1)** The methodology for the implementation of BVB fees and commissions regarding the Derivatives Market shall be approved by the BVB Board. (2) The level of fees and commissions to be received by BVB for the carrying out of operations with FD on the Derivatives Market according to the methodology mentioned in par. (1), shall be approved by the General Meeting of the BVB Shareholders and shall be notified to RNSC.
CHAPTER II
THE TRADING MEMBER STATUS

Section 1
General framework

Art. 6 (1) Granting the trading member status shall be the competence of the BVB Board.
(2) Granting the trading member status shall take place upon the approval by the BVB Board of the admission request and it shall start to produce effects towards third parties upon its registration with the Trading Members’ Register, in the section dedicated to the derivatives regulated market.
(3) BVB shall keep and publish in the Trading Members’ Register the list of trading members allowed to operate on the Derivatives Market.
(4) BVB may request an annual fee for maintaining the trading member status on the Derivatives Market, in accordance with the List of Fees and Commissions Requested by BVB.

Art. 7 (1) In case trading members wish to carry out their trading at the secondary subsidiaries authorized by RNSC, the provisions from Book I, Title I, Chapter II applicable to spot market “Procedure admission as trading member and granting the access to the BVB trading system” shall apply accordingly.
(2) The procedures regarding granting the trading member status and the access to trading for investment companies allowed to trade on a regulated market in member and non-member states as well as subsidiaries thereof shall apply in line with the provisions of Book I, in accordance with the provisions hereof.

Section 2
Granting the trading member status

Art. 8 The intermediary type entities allowed to carry out operations on the spot regulated market administrated by BVB may obtain the trading member status if they meet cumulatively the following conditions:
   a) they submit a written application for the purpose of being admitted as a trading member;
   b) they hold, upon the submission to BVB of the application mentioned at point a), of the status of participant to the BVB trading system for the spot regulated market, in accordance with the provisions of Book I;
   c) they have no financial or any other type of obligations due towards BVB, upon the submission to BVB of the application mentioned at point a);
   d) they meet any other conditions considered necessary by BVB.

Art. 9 (1) The intermediary type or trader entities which are not allowed to carry out operations on the spot market administrated by BVB may obtain the trading member status if they meet cumulatively the following conditions:
   a) they submit a written application requesting admission as a trading member, according to Annex no. 1 of Book II;
   b) they submit the necessary set of documents, according to the status of intermediary or trader entity, as follows:
1. a copy of the authorization as an intermediary or trader and of the registration in the RNSC Register;
2. a copy of the authorization documents issued by RNSC and of the registration in the RNSC Register for the RNSC authorized personnel (financial investments services agents, delegated agents, representatives of the Compliance Department, etc.);
3. a copy of the registration certificate with the Trade Registry, of the articles of association, including all addenda to such document, and all supplementary references made by the delegate judge attached to the Trade Registry Office;
4. the organizational chart of the department / office of the company which is carrying out operations on the capital market;
5. personal data record for Board members, managers, agents for financial investments services, derivatives agents, representatives of the Compliance Department, according to Annex no. 2 of Book II;
6. specimen signature form for all persons that will be signing the BVB correspondence by indicating, for each person, the area of responsibility, according to Annex no. 3 to Book II;
7. a copy of the information documents intended for the clients, in which principles of the activity shall be stated, in case of intermediaries;
8. the annual report certified by the financial auditor, which will contain annual financial reports consisting of the balance sheet, profit and loss account, changes in the own capital, treasury funds flow, accounting policies and annotations, together with the Administrators’ Report and the Financial Auditor’s Report for the previous year of activity, if the case may be;
9. the quarterly Report, containing the quarterly financial situation consisting of the balance sheet, profit and loss account, changes in the own capital, treasury funds flow, for the current year, as applicable;
10. a copy of the endorsement contract concluded with another trading member, as applicable;
11. other documents considered necessary by BVB.

c) they provide, as applicable, proof of paying the fee for admission as a BVB system derivatives market trading member, as provided in the List of BVB Fees and Commissions, or record of holding a transmissible trading license.

d) they meet other conditions considered necessary by BVB.

(2) In case of trader type entities, BVB may ask for specific requirements to be met in respect of the minimum level of the initial/share capital, personnel qualification, as well as other conditions.

Art. 10 (1) Obtaining the trading member status shall not entail rightful granting of the access to the trading system.

(2) The trading members shall have the obligation to notify BVB in writing regarding any modification of the information provided in the admission documents, as well as on any significant event regarding the respective company, within 2 work days from the date when such changes become effective.

(3) The trading members shall appoint at least 3 persons to work in the relation with BVB, except for those members whose number of representatives may not be lower than two.
(4) The documents submitted to BVB in relation to the activity carried out on the Derivatives Market shall be signed at least by one of the appointed representatives.

Art. 11 (1) The BVB Board may decline the request of an applicant to be granted the trading member status even if all the admission conditions specified in Book II are met, in case it is considered that the conditions for ensuring a good supervision of the activity of the respective entity cannot be met, for the maintenance of the market integrity, as well as because of other serious reasons.

(2) In case the trading member status application is denied, BVB shall return the amounts representing the fees provided in art. 9 par. (1) letter c), from which bank commissions paid by BVB for such purpose shall be withheld, as applicable.

Art. 12 (1) The trading member status shall rightfully cease as a consequence of fusion, dissolution or division of the respective company, in accordance with legal provisions in force.

(2) The companies resulting pursuant to a fusion, dissolution or division process have the obligation to observe the provisions on notifying BVB mentioned in Book I, Title I, Chapter IV “Participants’ Obligations”.

Section 3
Operations performed by foreign entities

Art. 13 (1) In order for an investment company authorized in a member state to obtain access to the BVB administrated derivatives market, without being necessary its actual establishment on Romanian territory, it needs to hold the status of a trading member and be granted access to the BVB trading system.

(2) In case of investment companies authorized in a member state wishing to hold the trading member status according to par. (1), such entities need to meet the following requirements:

a) To provide proof of holding an authorization issued by the respective member state’s competent authority, stating that it may carry out financial investment services with financial derivatives traded on regulated markets;

b) To provide proof of its registration in the relevant section of the RNSC Register;

c) To meet the other conditions provided in art. 9, par. (1) of this chapter, except for those mentioned at letter b) par. 1, 2, 3, 7 and 10.

(3) BVB shall grant access to the trading system to an investment company authorized in a member state only if:

a) It holds the trading member status for the Derivatives Market administrated by BVB, according to the provisions of par. (2);

b) It meets the conditions mentioned in art. 19 from the section on granting access to members to the trading system, in Chapter III of this title.

(4) Investment companies authorized by a member state shall submit official translations for all the documents that are not issued in Romanian.

Art. 14 (1) In order for an investment company authorized in a member or non-member state to obtain access to the BVB administrated derivatives market by means of a subsidiary opened in Romania, the respective entity needs to hold the status of a trading member and to obtain access to the BVB trading system.
In case of investment companies authorized in a member or non-member state, wishing to hold the status of a trading member according to par. (1), the respective entities need to meet the following requirements:

a) in case of investment companies authorized in:
   1. **member states**: to provide proof of holding the authorization issued by the competent authority in the member state, showing that it may carry out financial investment services with financial derivatives traded on regulated markets;
   2. **non-member states**: to provide proof of holding the authorization issued by RNSC for the subsidiary of the respective company in Romania, stating that it may carry out financial investments services with financial derivatives traded on regulated markets.

b) To provide proof of its registration in the relevant section of the RNSC Register;

c) To meet all the other conditions provided by **art. 9, par. (1)** in this chapter, except for requirements mentioned at letter b) par. 1 and 10.

(3) BVB shall grant **access to the trading system** to the subsidiary in Romania of an investment company authorized in a member or non-member state only if:

a) It is holding the status of a trading member for the BVB administrated Derivatives Market, according to the provisions of par. (2);

b) It meets the conditions provided in **art. 19** from the section on granting access to members to the trading system, in Chapter III of this title.

(4) Investment companies authorized in a member or non-member state shall submit official translations for all documents that are not issued in Romanian.

**Section 4**

Withdrawal of the status of trading member

**Art. 15 (1)** Withdrawal of the status of trading member shall be the competence of the BVB Board.

**Art. 16 (1)** The BVB Board may decide on the withdrawal of the trading member status in the following situations:

a) upon a written request from the respective member;

b) upon BVB enforcing penalties for committing an activity in breach of the Derivatives Market legislation;

c) withdrawal of the status of trader on the spot regulated market of the respective member, as a consequence of BVB enforcing penalties for unlawful activities carried out on this market;

d) if it is found that the trading member status was obtained due to false, incorrect or incomplete information, as well as in other cases when, upon the granting of the respective status, necessary conditions had not been fully met in a suitable way;

e) as a consequence of suspension of access to the Derivatives Market trading system for more than **6 consecutive months** during the last 12 months;
f) if the access of a participant to the Derivatives Market trading system is suspended repeatedly during one calendar year as a consequence of overdue obligations towards BVB for a period longer than 30 calendar days from the due date;
g) as a consequence of not performing any trading operations on the Derivatives Market during one calendar year;
h) final withdrawal by RNSC of the authorization as an intermediary or trader;
i) following the starting of an insolvency procedure against the trading member;
j) in case the respective company ceases to exist;
k) in other special situations when BVB considers withdrawal of the trading member status necessary, for the purpose of maintaining the security and integrity of the spot and/or derivatives regulated market administrated by BVB.

(2) In case of intermediary type traders, BVB may decide withdrawal of the status as a trader on the spot regulated market administrated by BVB pursuant to the withdrawal of the status as a trading member on the derivatives market.

Art. 17 (1) The BVB Board shall decide on the withdrawal of the trading member status on the derivatives market based on the recommendation notes presented by specialized departments and approved by the BVB General Manager.
(2) Pursuant to the withdrawal of the trading member status on the derivatives market, BVB shall publish the respective modifications in the section of the Trading Members’ Register regarding the derivatives regulated market.
(3) The trading member who has been withdrawn the right to operate on the Derivatives Market shall remain responsible for meeting all financial as well as any other obligations towards BVB deriving from the trading member status on the derivatives market.
(4) BVB may request any document or paper necessary in the process of the trading member status on the derivatives market withdrawal.

Art. 18 Regaining the trading member status shall take place only subject to rectifying the situations that generated the loss of such status, as applicable, as well as pursuant to meeting all the necessary conditions for the granting of the trading member status as provided in Book II.
CHAPTER III
ACCESS OF TRADING MEMBERS
TO THE DERIVATIVES MARKET TRADING SYSTEM

Section 1
Granting access to trading members to the Derivatives Market trading system

Art. 19 (1) Access to trading members to the Derivatives Market trading system shall be granted after obtaining the status of trading members allowed to operate on the derivatives regulated market.

(2) The BVB General Manager shall establish by decision the date when access of a trading member to the trading system shall become operational.

(3) Access of a trading member to the trading system shall imply also access to the related systems and computer applications supplied by BVB, as applicable.

(4) For the purpose of being allowed to the trading system, a trading member shall need to meet the following conditions:
   a) to provide proof of the existence of a valid clearing-settlement contract concluded with:
      1. the Bucharest Clearing House, in the case of trading members holding the status of (general or individual) clearing members;
      2. a general clearing member, in the case of trading members who are non-clearing members.
   b) to employ within the company at least two derivatives agents;
   c) to be a member of the Investors’ Clearing Fund or any other clearing structure accepted by RNSC, except for trader type trading members on the Derivatives Market;
   d) to meet BVB requirements regarding the necessary technical equipment in respect of both hardware and software configurations;
   e) to fill in a set of standard documents provided by BVB, regarding the use of electronic systems, as well as other computer applications necessary for carrying out the market operations involving FD on the Derivatives Market;
   f) to meet any further conditions required by RNSC or BVB for the development of market operations involving FD on the Derivatives Market.

(5) The Trading Member shall inform BVB in writing regarding the ceasing of its contract relation with the Bucharest Clearing House or the general clearing member, as applicable.

(6) The Bucharest Clearing House and the general clearing members shall inform BVB in writing, as soon as possible, regarding the ceasing of the contract relation between the Bucharest Clearing House and a clearing member, respectively between a general clearing member and a non-clearing member.

(7) Trading Members need to notify BVB in writing regarding failure to meet any of the conditions on which the granting of the trading access was based, as mentioned in par. (4), except for letter e), as soon as they become aware of such situation, but at least 2 days before the date when such events enter into force, as applicable.
(8) Trading members who are not admitted according to Book I, shall be forbidden to carry out operations through the trading system on the spot regulated market administered by BVB. 
(9) Trading members allowed to operate on the spot regulated market administered by BVB who are not allowed to trade on the Derivatives Market shall be forbidden to carry out operations involving FD on the derivatives regulated market by using the trading system.

Section 2
Suspension of trading members’ access to the trading system

Art. 20 (1) BVB may decide on the suspension of trading members’ access to the Derivatives Market trading system, as applicable, in the following situations:
  a) pursuant to the written request of the respective trading member;
  b) as a consequence of the member’s failure to observe any of the conditions on which granting the trading access was based, according to art. 19 par. (4), except for letter e);
  c) as a consequence of the member’s failure to observe requirements regarding the margin call and/or other conditions, upon the justified request of the Bucharest Clearing House;
  d) as a consequence of BVB enforcing penalties for the performance of an illegal act on the Derivatives Market;
  e) as a consequence of the suspension of access to the trading system of the respective member on the spot regulated market administered by BVB;
  f) upon receipt of the notification from RNSC regarding the decision to suspend the authorization as an intermediary or trader;
  g) upon receipt of the notification from RNSC regarding the decision to withdraw the authorization as an intermediary or trader, until the moment when such decision becomes irrevocable;
  h) upon the BVB Board approval of the withdrawal decision of the trading member status, until the moment when such decision becomes final or is revoked;
  i) in case of financial or any other kind of obligations towards BVB, overdue for a period longer than 30 calendar days;
  j) as a consequence of starting an insolvency procedure against the respective trader, until the ending of the procedure for the withdrawal of the trading member status;
  k) in other special situations, when BVB considers necessary to suspend the trading members’ access to the Derivatives Market trading system.

(2) BVB may decide on access suspension to the other related systems and computer applications supplied by BVB, pursuant to suspension of a trading member’s access to the trading system, as applicable.

(3) Regaining the access to the trading system shall take place only subject to rectifying the situations that generated the suspension of the trading right, as applicable.

Art. 21 (1) BVB may suspend active stock exchange orders placed by a trading member, pursuant to the BVB suspension of the respective member’s trading right.
(2) Maintenance, closing and/or transfer of open positions existing in the accounts administrated by the trading member suspended from trading shall be decided, as applicable, by:
  a) The Bucharest Clearing House, in case the respective trading member is holding the status of a (general or individual) clearing member;
  b) The General clearing member, in case the respective member is a non-trading member.
(3) Upon the request of the Bucharest Clearing House, BVB may grant access to the trading system to a trading member that was suspended in accordance with provisions of art. 20 par. (1) letter c) for the purpose of diminishing existing exposure, for meeting margin requirements and/or other protection requirements.

**Art. 22** BVB may decide access suspension to the trading system from the spot regulated market administered by BVB in the case of intermediary type trading members, as a consequence of the suspension of their trading right on the Derivatives Market.

### Section 3

**Withdrawal of trading members’ access to the trading system on the Derivatives Market**

**Art. 23** (1) Withdrawal of trading members’ access to the trading system shall be the competence of the BVB General Manager.

(2) The BVB General Manager shall withdraw access of a trading member to the trading system, as well as to the other related systems and computer applications, after the BVB Board’s decision regarding the withdrawal of the trading member status remains final.

**Art. 24** (1) The stock exchange orders existing in the trading system of the Derivatives Market shall be annulled by BVB as a consequence of the withdrawal of the respective trading member’s trading right on the Derivatives Market.

(2) The closure and/or transfer of positions remaining open in the accounts administrated by the trading member to whom access to the trading system is withdrawn shall be decided, as applicable, by:

a) **The Bucharest Clearing House**, in case the respective trading member is a (general or individual) clearing member;

b) **The general clearing member**, in case the respective trading member is a non-clearing member.
TITLE II
MARKET MAKERS

CHAPTER I
GENERAL PROVISIONS

Art. 1 (1) The BVB Board may decide on trading one or several FD on the Derivatives Market via the BVB by means of Market Makers.
(2) Market Makers are obliged to maintain market liquidity in accordance with the provisions of this title.
(3) The BVB Board can establish specific parameters and additional requirements with regard to market operations undertaken by trading members on the Derivatives Market holding the status of Market Makers on the Derivatives Market.
(4) BVB shall keep and publish, at least on its own website, the list of trading members on the Derivatives Market holding the status of Market Maker on the Derivatives Market, hereinafter referred to as the “Register of Market Makers on the Derivatives Market”, as well as the FD/FD series this status applies for.

Art. 2 (1). BVB may charge a fee for granting the status of Market Maker, in accordance with the “List of fees and commissions charged by the BVB”.
(2) BVB may establish preferential fees and/or commissions for the trading activity carried out as a Market Maker on the Derivatives Market.
CHAPTER II
GRANTING THE MARKET MAKER STATUS
REGISTRATION AS A MARKET MAKER FOR A FD

Art. 3 (1) Granting the Market Maker on the Derivatives Market status shall be decided by the BVB Board. The BVB Board must decide with respect to granting this status within 30 days from the submission of the documents that attest to meeting the conditions mentioned in art.4, para.(1).

(2) Registration as a Market Maker for a FD/FD series shall be decided by the General Manager of the BVB.

(3) Initiating trade as a Market Maker is conditional upon the signing of the contract with the BVB with regard to the provisions of art. 18.

Art. 4 (1) In order to obtain the status of Market Maker on the Derivatives Market, a participant must simultaneously meet the following conditions:

a) to hold the right to trade financial instruments in his own account in accordance with the domain of activity mentioned in the registration document from the RNSC, Intermediaries section;

b) to own an individual House account within the electronic trading system that has no legal or technical restrictions;

c) to have the status of clearing member from the BVB-appointed Bucharest Clearing House;

d) to obtain the prior consent of the BVB-appointed Bucharest Clearing House;

e) to submit a written request to demand the status of Market Maker on the Derivatives Market;

f) to submit a written request to demand the registration as Market Maker for at least one FD;

g) to have no overdue financial or any other type of obligation towards the BVB;

h) to present proof of paying the registration fee to the BVB account in order to be registered in the Register of Market Makers on the Derivatives Market, if the charge of such a fee has been approved;

i) to assign at least one derivatives agent as a contact person to maintain contact with the BVB while holding the status of Market Maker;

j) to meet any other conditions considered necessary by BVB.

(2) In case any changes occur in what regards the person mentioned in para.(1) letter i), the Market Maker is obliged to notify BVB about these changes as soon as possible.

(3) BVB will make public announcements on its own website about granting the Market Maker status to a participant on the Derivatives Market and will update the “Register of Market Makers on the Derivatives Market” accordingly. The information regarding specific parameters and additional requirements imposed on the Market Makers by the BVB Board, as well as the Market Makers’ contractual obligations are also to be publicly announced by the BVB through its own website.
Art. 5 (1) The General Manager of the BVB decides, within a maximum of 15 days of the BVB Board granting the Market Maker status, based on the contract between the trading member on the Derivatives Market and the BVB, on the following items, without being limited to them:

a) the registration of the trading member as a Market Maker for the FD mentioned in art. 4 para.(1) letter f);

b) the date on which the trading member can begin trading as a Market Maker for the FD he had requested registration as Market Maker.

(2) After obtaining the Market Maker status, the trading member can request registration as a Market Maker for other FDs traded via the BVB, in which case the provisions of para.(1) apply and an additional document to the contract mentioned in art. 3, para(3) must be signed.

Art. 6 (1) When the FD series with the closest delivery month for a trading member registered as a Market Maker expires, the respective member is automatically registered for the next FD series, with the exceptions mentioned in art. 8, para.(1) and (2).

(2) The BVB will make public announcements on its own website regarding the FD/ FD series that the trading members are registered as Market Makers for, as well as any other further modifications.

Art. 7 The BVB Board may deny the request of a trading member to be registered as a Market Maker for a certain FD or for all FDs traded on the Derivatives Market, in the following situations:

a) In case of failure to meet one or several of the conditions provided in art. 4, para. (1);

b) When it is considered that market integrity cannot be maintained;

c) When the respective trading member repeatedly violated the agreements derived from holding the Market Maker status, in the case of intermediaries to whom the status of Market Maker had been previously granted;

d) For other reasons considered well justified by BVB.
CHAPTER III
RENOUNCING THE REGISTRATION AS MARKET MAKER FOR A FD

RENOUNCING THE MARKET MAKER STATUS

Art. 8 (1) A trading member may give up his Market Maker status for a certain FD in one of the following ways:

a) submitting a notification to the BVB renouncing the Market Maker status, decision to become effective at the nearest delivery date of one of the series of the FD he is registered for;

b) submitting a notification to the BVB renouncing the Market Maker status, decision to become effective immediately.

(2) A trading member on the Derivatives Market may give up the Market Maker on the Derivatives Market status in one of the following ways:

a) submitting a notification to the BVB renouncing the Market Maker on the Derivatives Market status, decision to become effective at the nearest expiration date of one of the series of the FD he is registered for;

b) submitting a notification to the BVB renouncing the Market Maker on the Derivatives Market status, decision to become effective immediately.

(3) In the case mentioned in para. (1), letter a) and para. (2), letter a), the trading member is under the obligation to notify such a decision at least 10 work days prior to the date when the FD series corresponding to the closest delivery month expires, whether that trading member is registered or not as a Market Maker.

(4) In the case mentioned in para. (2), letter b), the ceasing of the Market Maker status shall enter into force as of the trading session following the date when BVB received the corresponding notification.

(5) When a Market Maker gives up registration as a Market Maker for all FD series, that is equivalent with giving up the status of Market Maker on the Derivatives Market, case in which the provisions of para.(2) apply.

(6) When a trading member on the Derivatives Market gives up the Market Maker on the Derivatives Market status, that is equivalent with giving up registration as a Market Maker for all FD that the respective member had been registered for with the BVB.

Art. 9 (1) If a trading member on the Derivatives Market has given up registration as a Market Maker for an FD in accordance with the provisions of art.8, para. (2) letter a) or has renounced the Market Maker status in accordance with the provisions of art. 8, para. (2), letter a), he may reclaim the Market Maker status for the respective FD after a period established by the BVB Board that can be no shorter than 10 days after the ceasing of the Market Maker registration has come into force.

(2) If a trading member on the Derivatives Market has given up registration as a Market Maker for an FD in accordance with the provisions of art.8, para. (2) letter b) or has renounced the Market Maker status in accordance with the provisions of art. 8, para. (2), letter b), he may
reclaim the Market Maker status for the respective FD after a period established by the BVB Board that can be no shorter than 30 days after the ceasing of the Market Maker status has come into force.

(3) In case a trading member gives up the status of a market maker, the benefits corresponding to such category of members (preferential fees and commissions, etc.) shall be granted only for the FD series the member is registered for and are lost by ceasing the Market Maker status or the registration as Market Maker for a FD/FD series.
CHAPTER IV
SUSPENDING / CEASING THE MARKET MAKER REGISTRATION,
WITHDRAWING THE MARKET MAKER STATUS

Art. 10 (1) The General Manager of the BVB can decide to suspend the registration of a Market Maker for one or more FD series for a period of at most 30 days, in either of the following situations, without being restricted to them:
   a) the trading member’s status on the Derivatives Market has been withdrawn;
   b) the member’s access to the trading system has been suspended;
   c) the status of clearing member for the BVB-approved Bucharest Clearing House has been suspended;
   d) there is a well-founded request of the Bucharest Clearing House selected by the BVB, the RNSC or any other relevant authority;
   e) the member has failed to observe the conditions regarding granting the Market Maker status and/or the obligations undertaken with regard to his activity as a Marker Maker;
   f) the BVB finds it necessary, in situations like: force majeure, the necessity to ensure market integrity and security.
(2) The member is notified regarding the decision to suspend the registration of a Market Maker for one or more FD series, along with its causes and, if applicable, the time period during which the situation that led to suspension can be remedied.

Art. 11 (1) In the cases mentioned in art. 10, para. (1), the Market Makers still receive benefits offered by the BVB to this category of members.
(2) The General Manager of the BVB can decide whether to grant respective benefits in cases of force majeure, when a member cannot, for reasons independent of himself, meet the obligations of the Market Maker status.
(3) Trading members on the Derivatives Market that are unable to fulfill their Market Maker obligations in situations of force majeure are to submit a written notification of the respective situation along with accompanying documentation.

Art. 12 (1) The BVB General Manager can decide to terminate the registration of a Market Maker for one or more FDs, in any of the following circumstances, without being limited to them:
   a) the FD/FD series have been withdrawn from trade;
   b) the trading member on the Derivatives Market status has been withdrawn;
   c) when, up until the end of the period of suspension, the causes mentioned in art. 10, para. (1) that have led to the member’s suspension have not been remedied.
(2) In the case of trading members finding themselves in the circumstances mentioned in para. (1), letter a), the following measures apply:
   a) ceasing the registration as Market Maker for the FD/ FD series that had been withdrawn from trade;
   b) ceasing the Market Maker status, if the all following conditions apply:
1. the trading member is no longer registered as a Market Maker for at least one FD as a result of the withdrawal from trade of the FD/ FD series;
2. the trading member in the situation from point 1 does not request registration for another FD within 10 work days as of the end of the registration as Market Maker as mentioned in letter a).

(3) In the case mentioned in para.(1), letter b), the General Manager of the BVB can decide on the date when the Market Maker registration is terminated, if the causes that led to suspending the registration have not been remedied within 30 days.

Art. 13 The Board of the BVB can decide to withdraw the Market Maker on the Derivatives Market status, as applicable, taking into consideration, but not being restricted to, the following situations:
al) if findings reveal that the Market Maker status was obtained using false, erroneous or incomplete information, as well as if consequent findings reveal that not all necessary conditions were met at the date of granting Market Maker status;
b) if the status of trading member on the Derivatives Market is withdrawn;
c) if the registration as Market Maker for all FDs has ceased;
d) if the conditions based on which Market Maker status was granted have not been met;
e) if the Market Maker obligations have been repeatedly ignored.

Art. 14 (1) The BVB will notify both the respective trading member on the Derivatives Market and the general public, through its own website, of the suspension/renouncing/ceasing of his registration as Market Maker for a certain FD and will accordingly update the “Registry of Market Makers on the Derivatives Market”.
(2) In the case of withdrawal/renouncing the Market Maker on the Derivatives Market status, the BVB will erase the respective trading member from the “Registry of Market Makers on the Derivatives Market”.
(3) The trading member on the Derivatives Market no longer receives benefits granted by the BVB to Market Makers, starting when the measure of renouncing/ceasing the Market Maker’s registration and the renouncing/withdrawal of his status enter into force.
CHAPTER V
RESUMING THE REGISTRATION AS MARKET MAKER
REGAINING THE MARKET MAKER
ON THE DERIVATIVES MARKET STATUS

Art. 15 (1) The authority to decide on resuming Market Maker registration is the BVB General Manager’s.
(2) The General Manager of the BVB can decide to resume the registration of a trading member as a Market Maker for a FD/FD series, if he finds that any of the following cases apply, without being limited to them:
   a) the causes that led to suspending the registration have been resolved;
   b) the Market Maker had renounced registration for the respective FD – without it leading to the withdrawal of the Market Maker status – and has subsequently requested to resume the registration, in compliance with the time constraints mentioned in art.9, para. (1) and (2) and by singing an additional document to the contract mentioned in art. 3, para. (3).

Art. 16 (1) In the situation when trading members have renounced the Market Maker status, the Board of the BVB is the authority that decides on resuming the Market Maker status. This is done by observing the time constraints mentioned in art. 9, para.(1) and (2), as well as the provisions of art. 3, para. (3), art. 4 and art. 18.
(2) In the situation when trading members’ Market Maker statuses have been withdrawn in accordance with the provisions of art. 13, the Board of the BVB is the authority that decides on resuming the Market Maker status. This is done by observing the provisions of art. 3, art. 4 and art. 18. and based on the relevant documentation sent to the BVB at least 30 days after the withdrawal of the Market Maker status became effective.
CHAPTER VI
MARKET OPERATIONS CARRIED OUT BY MARKET MAKERS

Art. 17 (1) The market maker status implies the maintenance, for the entire duration of the trading session, of the Derivatives Market liquidity by means of supplying purchase and sales offers, as well as by concluding transactions on the basis thereof, in accordance with this Rulebook and the contract between the trading member on the Derivatives Market and the BVB.

(2) A trading member supplies purchase and sales offers by placing limit orders for purchase and sales in his own name.

(3) In well justified situations (for technical reasons, in case of special market volatility, etc.), the BVB may allow Market Makers, upon their request, to avoid placing purchase and sales offers for the maximum number of trading sessions established by the Board of the BVB according to art. 18, para.(1), letter h), and following the provisions of the contract between the Market Makers and the BVB.

(4) The BVB will make public announcements on its own website on the ceasing and resuming of the Market Maker activity in the circumstances mentioned in para. (3).

Art. 18 (1) The BVB Board may decide upon imposing supplementary requirements and/or modifying the existing ones regarding Market Makers, on any of the following aspects, without being limited to them:

a) minimum number of contracts corresponding to the sales and purchase offer;
b) maximum spread between purchase and sale prices used by market makers;
c) the minimum period for maintaining on the market the purchase and sale offer during one trading session (for instance, one month);
d) the maximum period of time before updating the purchase and sale offer;
e) minimum or maximum number of FD / FD series for which one trading member may register as a Market Maker;
f) the corresponding FD series for which the Market Makers are responsible to maintain the market liquidity (for example, the closest two corresponding FD deliveries);
g) the minimum period of time for which a Market Maker must hold such status;
h) the maximum number of trading sessions within a month during which a Market Maker is allowed not to display purchase and sale offers.

(2) Trading members registered as Market Maker for a certain FD may complete transactions for the respective instrument in their own name, both in the House account and their clients’ accounts.

(3) BVB can decide on using a special account for the market operations carried out by trading members as Market Makers (“Market Maker account”).

(4) The specific parameters and additional obligations outlined in para. (1) are identical and applicable to all trading members holding the status of Market Maker on the Derivatives Market for a certain FD/FD series and are included in the contract concluded between the Market Maker and the BVB.
(5) The modifications to the specific parameters and to additional obligations are made through signing addenda to the contract mentioned in para. (4). The addenda are publicly announced by the BVB, through its own website.

(6) The specific parameters and additional obligations outlined in para. (1), as well as the modifications made to them are publicly announced by the BVB, through its own website.

Art. 19 (1) The identity of the Market Maker supplying purchase and sales offers is not visible to the other trading members, but only to the specialized BVB department.

(2) The BVB can decide whether to display the Market Makers’ identities in the trading system, which means offering the possibility to other trading members on the Derivatives Market to see them, depending on the characteristics of the electronic system used by the BVB.

Art. 20 (1) The purchase and sales offer is introduced in the House account using the limit purchase and sales orders for the FD/FD series the respective trading member is registered as a Market Maker for.

(2) In case hidden limit orders are used, Market Makers are under the obligation to introduce and maintain a visible flow at least equal to the minimum number of contracts established by the Board of the BVB in accordance with the provisions of art. 18, para. (1), letter a).

(3) The purchase and sales offer mentioned in para. (1) can be brought to the market by Market Makers through other types of orders available on the Derivatives Market for the FD/FD series they are registered for, provided that the respective orders can be seen on the market and are available for all participants to trade.

Art. 21 (1) A Market Maker is considered to have a purchase and sales offer for a FD series if there have been at least one purchase order and one sales order entered by him in the House account that complies with all the conditions established for each FD by the Board of the BVB, in accordance with the provisions of art. 18, para. (1).

(2) In case a Market Maker finds himself in the impossibility to comply with one of the conditions established in para. (1), the trading member has the obligation to observe the respective condition within the maximum period of time established by the Board of the BVB before the update of the purchase and sales offer, in accordance with art. 18, para. (1), letter d).

(3) A Market Maker’s obligations with regard to introducing and maintaining purchase and sales offers are fulfilled through Derivative Agencies, similar to the provisions of Title I, Book I of the BVB Rulebook.

Art. 22 (1) The following data is entered into the registry of orders within the electronic trading system corresponding to a certain FD series:

a) the purchase and sales offers introduced and managed by the trading members on the Derivatives Market in order to fulfill their obligations as Market Makers;

b) orders introduced in the House account by trading members on the Derivatives Market holding the status of Market Makers that do not fall under the conditions established for purchase and sales orders;

c) orders introduced in their clients’ accounts by the trading members on the Derivatives Market holding the status of Market Makers;

d) orders introduced by other trading members on the Derivatives Market that do not hold the status of Market Maker.
(2) Transactions are closed by automatically delivering the orders mentioned in para. (1), in accordance with the principles of delivery of orders applicable to the Derivatives Market.

(3) The obligations/benefits of a trading member on the Derivatives Market holding the status of Market Maker are fulfilled/granted taking into account only the activity undertaken using the House account.

Art. 23 (1) In the cases mentioned in art. 10, the BVB can execute the following operations, as applicable:
- a) fully or partially suspension of the trading member’s access to the trading system, such as: suspending access to one or more markets;
- b) suspending or withdrawing orders introduced to the market by the respective Market Maker.

(2) Market Makers finding themselves in the situations mentioned in para. (1) will promptly inform the BVB about resolving the situation that brought upon the suspension.

(3) The BVB shall decide whether to allow the trading member to resume access to the trading system after resolving the causes that led to the decision to suspend the registration as Market Maker, if there are no further legal or technical-operational restrictions.

Art. 24 (1) The General Manager of the BVB has the right to decide on modifying or suspending the obligations imposed on registered Market Makers for one or more FDs in the following situations, without being restricted to them:
- a) recording an extraordinary volatility or a significant increase in volatility in the market within a short period of time and/or combined with the powerful increase in the volume of transactions or market disequilibrium, such as: the volume of sales orders is predominant in the order registry (“fast market”);
- b) cases of force majeure;
- c) similar situations decided upon by the BVB where maintaining the security and integrity of the market is in order.

(2) The BVB will post public notifications of the aforementioned cases in para. (1) on its own website.
CHAPTER VII
EVALUATING THE ACTIVITY OF THE MARKET MAKERS

Art. 25 (1) The BVB will evaluate a Market Maker’s activity on the Derivatives Market in order to:
   a) check whether the Market Maker has fulfilled the obligations corresponding to his status;
   b) grant the benefits/facilities connected with the Market Maker status;

(2) When evaluating a Market Maker’s activity, the BVB will take the following elements into account, without being restricted to them:
   i) the FD series for which the respective trading member has the obligation to maintain purchase and sales offers;
   ii) the period of time when the trading member had the Market Maker status, starting with the date of his registration as a Market maker for the respective FD series;
   iii) the obligations that must be fulfilled by the respective Market Maker.

(3) During the process of evaluating a Market Maker’s activity, the respective trading member has the obligation to promptly and accordingly supply on request any document or explanatory note with regard to his activity that the BVB demands.

Art. 26 (1) In case the noncompliance with the provisions of this Rulebook is revealed during the process of evaluating a Market Maker’s activity, the BVB can take any of the following courses of action:
   a) adding the trading member to a Watch List of the Market Maker’s activity;
   b) suspending the Market Maker’s registration for one or all FDs;
   c) withdrawing the Market Maker status.

(2) The BVB will make public notifications with regard to the measures mentioned in para. (1) on its own website.
(3) Adding a Market Maker on the Derivatives Market to the list mentioned in para. (1), letter a) for the third time in a calendar year is the equivalent to canceling a Market Maker’s registration for a certain FD/FD series or the withdrawal of the Market Maker status of the trading member on the Derivatives Market.
TITLE III
DERIVATIVES AGENTS

CHAPTER I
THE DERIVATIVES AGENT STATUS

Section 1
Granting the derivatives agent status

Art. 1 (1) Trading members on Derivatives Market manage orders and conclude transactions with FD similar to the situation described in Book I of the BVB Rulebook.
(2) A derivatives agent is allowed to trade only in the name of one trading member.
(3) Granting the status of a derivatives agent shall be the competence of the BVB General Manager.

Art. 2 (1) The persons holding the status of a stock exchange agent allowed to operate on the spot market administrated by BVB may obtain the status of a derivatives agent if they meet all the following conditions:
a) submission of an application by the trading member or the entity requesting to obtain the trading member status, in the name of which the respective stock exchange agent is going to carry out the trading on the derivatives regulated market;
b) submission of a copy of the respective stock exchange agent’s identity card;
c) taking the courses organized / accepted by BVB and passing of the necessary examinations for obtaining of the derivatives agent status;
d) meeting other conditions considered necessary by BVB.

(2) The persons not holding the status of a stock exchange agent allowed to operate on the spot market administrated by BVB may obtain the status of derivatives agent if they meet all the following conditions:
a) submission of an application by the trading member or the entity requesting to obtain the trading member status, in the name of which the respective stock exchange agent is going to carry out the trading on the derivatives regulated market;
b) submission of a copy of the respective stock exchange agent’s identity card;
c) submission of the following documents, as presented below:
1. in the case of trading members of an intermediary or trader type:
   i. proof of being employed with an individual work contract by the respective trading member;
   ii. proof of being registered in the RNSC Register as an “agent for financial investments services”.
2. **in the case of investment companies in member/nonmember states or subsidiaries thereof**, proof of holding an authorization similar to the one regarding the “agent for financial investments services” issued by the competent authority in the state of origin.

d) taking the courses organized / accepted by BVB and passing the necessary examinations for obtaining the derivatives agent status;

e) meeting other conditions considered necessary by BVB.

**Art. 3 (1)** BVB shall decide on the curriculum and the frequency of courses / exams necessary for admission on the Derivatives Market of the derivatives agents, having the right to delegate such responsibilities to other natural or legal persons in the field.

(2) BVB may organize periodical sessions for the reconfirmation of derivatives agents by testing their general level of knowledge, as well as other courses/examination sessions in case of the implementation of new products and/or the occurrence of significant changes in the characteristics of the electronic trading systems.

(3) BVB may proceed to testing specialized knowledge of a derivatives agent in case the respective agent made serious or systematic errors in the use of electronic systems, as well as in other cases when BVB may consider it necessary.

(4) In case the derivatives agent doesn’t pass the test mentioned in the previous paragraph, the BVB General Manager may decide to withdraw the status of a derivatives agent of the respective person.

(5) BVB may charge fees in respect of certification, confirming, reconfirming or knowledge verification examinations taken by derivatives agent, in accordance with the List of BVB Fees and Commissions.

**Art. 4 (1)** Maintenance of the derivatives agent status shall require the updating of the respective agent’s identification data, as well as continuous compliance with the conditions provided in **art. 2 par. (2) letters c) – e)**.

(2) BVB may deny the request for granting the derivatives agent status even if conditions in Book II are met, in case BVB shall consider that the person asking for such status might be harming the good reputation and/or functioning of the Derivatives Market.

**Art. 5 (1)** Derivatives agents are under the obligation to maintain confidential the user name and password for the access to electronic systems, as well as the information regarding the activity of the trading member in the name of which is performing the trading and of its own clients.

(2) In case of ceasing the contract relation between a trading member and a derivatives agent, both the derivatives agent and the respective trading member must notify BVB in writing as soon as they become aware of the situation, but minimum **2 days** prior to the date when such situation becomes effective, as applicable.
Section 2
Withdrawal of the derivatives agent status

Art. 6 (1) The withdrawal of the derivatives agent status shall be the competence of the BVB General Manager.

(2) The withdrawal of the derivatives agent status may take place in the following situations:
   a) upon the written request of the trading member on the Derivatives Market and/or respective derivatives agent;
   b) in case the derivatives agent becomes a delegate agent of the trading member on the Derivatives Market;
   c) failure to observe the conditions provided in art. 2 par. (2) letters c) – e);
   d) pursuant to a penalty established by BVB as a consequence of carrying out an illegal activity on the Derivatives Market;
   e) Withdrawal of the stock exchange status of the agent allowed to operate on the spot regulated market as a consequence of enforcement by BVB of penalties for the carrying out an illegal activity on the respective market;
   f) Pursuant to a penalty enforced by RNSC, remaining irrevocable, of authorization withdrawal as a financial investments services agent.
   g) Other situations in which BVB may consider necessary the withdrawal of the derivatives agent status.

(3) Regaining the derivatives agent status shall take place subject to solving the situations that generated the loss of such status, as applicable, as well as meeting all the conditions provided in Book II for granting such status.
CHAPTER II
ACCESS TO THE TRADING SYSTEM

Section 1
Granting to the derivatives agents access to the trading system

Art. 7 (1) Granting access to the trading system shall take place after obtaining the derivatives agent status.
(2) BVB shall establish the date when access to the trading system shall enter into force for a derivatives agent.
(3) Derivatives agents who do not hold the status of stock exchange agents are forbidden, pursuant to Book I, to carry out operations through the trading system on the spot regulated market administered by BVB.
(4) Stock exchange agents allowed to operate on the spot regulated market administered by BVB who do not hold the status of derivatives agents are forbidden to carry out market operations with FD using the trading system.

Section 2
Suspension / withdrawal of the derivatives agents’ access to the trading system

Art. 8 (1) BVB may decide on the suspension of the access to the trading system in the following situations:
   a) Upon the written request of the trading member in the name of which the respective agent is carrying out the trading, including if the derivatives agent becomes a delegate agent of the respective member;
   b) Upon the written request of the derivatives agent;
   c) As a consequence of a penalty enforced by BVB due to the carrying out of illegal activities on the Derivatives Market;
   d) As a consequence of access suspension to the trading system on the spot regulated market administered by BVB;
   e) As a consequence of the decision for the withdrawal of the derivatives agent status, until the moment when such decision remains final or is revoked;
   f) Upon receipt of the RNSC notification on the decision regarding the suspension of the authorization as a financial investments services agent;
   g) Other special situations when suspension of the derivatives agent access to the trading system may be considered necessary by BVB.
(2) BVB may decide on the suspension of the trading access of a stock exchange agent on the spot regulated market administrated by BVB pursuant to suspension of access to the trading system used on the Derivatives Market.
(3) Regaining access to the trading system shall take place after solving the causes that led to
the suspension of the trading access, as applicable.

Art. 9 BVB shall withdraw derivatives agents’ access to the trading system pursuant to
withdrawal of the derivatives agents’ status.
TITLE IV
CONTRACT STANDARDS
AND THE CLEARING–SETTLEMENT SYSTEM

Art. 1 (1) The standard clauses regarding the characteristic elements of the FD traded on the BVB ("FD specifications"), shall be approved by the decision of the BVB Board and transmitted to RNSC in order to be registered.

(2) The BVB Board may decide on making further amendments to the FD specifications registered with RNSC, in accordance with the provisions of Book II.

Art. 2 (1) The Bucharest Clearing House with which BVB has concluded a contract for such purpose shall carry out the registration, guarantee, clearing and settlement of transactions involving FD concluded on the Derivatives Market.

(2) The standard clauses regarding the registration, guarantee, clearing and settlement operations of transactions involving FD on the Derivatives Market shall refer to the following main aspects:
   a) The Clearing-Settlement System administrated by the Bucharest Clearing House;
   b) FD categories that will be the object of the clearing-settlement operations;
   c) Means of settlement during the existence of a FD and at the delivery thereof;
   d) Connections between the electronic trading and clearing-settlement system administrated by BVB and the Bucharest Clearing House;
   e) Communication and reporting between BVB and the Bucharest Clearing House;
   f) Rights and obligations of BVB and the Bucharest Clearing House.

(3) The designation of the Clearing-Settlement System, as well as approval of the agreement conclusion with the Bucharest Clearing House administrating the Clearing-Settlement System shall be the competence of the BVB Board.

Art. 3 The provisions of Book II on the clearing and settlement of FD traded with the BVB shall apply in agreement with relevant regulations issued by the Bucharest Clearing House.

Art. 4 (1) The methodology for establishing the unit margins corresponding to the FDs shall be set up in accordance with the Bucharest Clearing House Regulations.

(2) The amount of the unit margins for each FD shall be established by the Bucharest Clearing House, after previously having informed BVB.
TITLE V
MARKET OPERATIONS

CHAPTER I
GENERAL PROVISIONS

Section 1
Derivatives Market

Art. 1 (1) Market operations involving FD shall be carried out in the national currency or in foreign currencies, with the observance of the relevant legislation in force, according to the specifications of the respective contracts.

(2) BVB may issue technical norms regarding the implementation of Book II, in situations when clarification of certain aspects regarding market operations with FD is necessary.

Art. 2 (1) The main categories of FDs that may be traded on the Derivatives Market administrated by BVB shall be: futures contracts, options contracts, as well as other derivative instruments, in accordance with the provisions hereof.

(2) The Derivatives Market consists of several market segments on which various FD categories shall be traded according to the criteria established by BVB.

(3) BVB may develop the following market segments, generically called: the Futures Market, the Options Market.

(4) BVB shall publish the FD specifications, the trading hours as well as other relevant aspects, for each market segment separately.

Art. 3 Categories of underlying assets based on which BVB may develop FDs are as follows, without however being limited to these: stock exchange indexes, securities, participation titles to collective placement bodies, instruments of the monetary market, including state titles with the delivery lower than one year, foreign currency indexes and exchange rate, interest rates or rates of return, futures contracts or other derivatives, merchandise, energy, indexes or indicators (financial, stock exchange, economic or otherwise), climate variables, freight, inflation rate, approvals for substance emissions, as well as other assets, rights, obligations, indexes or indicators.

Section 2
The Accounts System

Art. 4 (1) Position accounts shall be used for trading and registering FDs and shall be opened for each investor separately (individual accounts).
(2) Margin accounts shall be used for indicating clearing, settlement and guarantee operations of positions opened and shall be set up for each clearing member, separately for the activity developed on its own account from the activity developed on its clients’ account (aggregate accounts).

(3) BVB and/or the Bucharest Clearing House, as applicable, may decide on changing the accounts systems used for trading FD, and also for recording positions opened and the collateral mentioned in par. (1) and (2).
CHAPTER II
THE FD ADMISSION / SUSPENSION / WITHDRAWAL FROM TRADING

Section 1
The FD admission for trading

Art. 5 (1) BVB’s General Manager shall decide on the admission of a FD on the Derivatives Market administrated by BVB.
(2) Conditions necessary for a FD admission on the Derivatives Market are as follows:
   a) the underlying needs to be (as applicable):
      1. traded regularly on a market supervised by RNSC /NBR / other similar institutions in the member or nonmember states;
      2. calculated / published regularly by an institution recognized in the field.
   b) the price and/or value of the underlying need be available to the public;
   c) underlying liquidity requirements established by BVB need to be met;
   d) the clauses of the FD contract need to be clear and unequivocal;
   e) correlation between the price of the FD contract and the price or the value of the underlying asset is allowed;
   f) the public has sufficient information available necessary for the evaluation of the respective FD;
   g) conditions for the successful clearing-settlement of FD transactions are available;
   h) other conditions that BVB may consider necessary for the maintenance of an orderly and transparent market.

Art. 6 (1) The decision of the General Manager regarding the admission of a FD to the Derivatives Market shall be submitted to:
   a) RNSC, for registration of contract specifications;
   b) The Bucharest Clearing House, for the establishment of margin requirements.
(2) The trading initiation date for a FD shall be established by the decision of the BVB General Manager, after receiving from RNSC the registration certificate for the respective instrument, as well as of the approval from the Bucharest Clearing House regarding the existence of effective clearing-settlement conditions of transactions with FD.

Section 2
Suspension / readmission for trading of a FD

Art. 7 (1) The BVB General Manager may decide on the suspension from trading of one or several FD / FD series, in the following situations, without limitation:
   a) In case of failure to meet the conditions that were requested upon the admission to trading on the Derivatives Market;
b) If the underlying asset is suspended from trading or registers a high volatility, as well as in case of other corporate events related to the issuer of the respective underlying asset, as applicable;
c) If is not possible to establish the value of the underlying asset, in the case of FD based on stock exchange or foreign currency indexes, etc.;
d) In case the trading session on the BVB administrated spot regulated market is temporary suspended;
e) If all titles included in a stock exchange index which functions as an underlying asset for a FD are suspended from trading;
f) For technical reasons (malfunctions of the electronic systems, or communication systems, etc.);
g) Upon the justified request of the Bucharest Clearing House or RNSC;
h) If it is considered that an orderly and transparent market cannot be maintained;

(2) In case the causes leading to the suspension from trading of one or several series corresponding to one FD have not been removed during 5 consecutive trading sessions, BVB may decide, after consulting with the Bucharest Clearing House, the suspension from the trading system of the stock exchange orders corresponding to the respective series.

(3) In case the suspension from trading of a FD was caused by corporate events such as those mentioned in art. 7 par. (2) at Title VI hereof, the respective FD contracts shall be adjusted, by the decision of the BVB General Manager, before their trading is restarted.

Art. 8 (1) BVB shall notify the trading members regarding the moment when a FD / FD series suspended according to art. 7 shall restart to be traded and, in case corporate events were registered, about the possible adjustments that were made during the suspension period.

(2) If trading for a FD/ FD series shall restart during the trading session, BVB shall organize a pre-opening stage with a duration of 15 minutes in order to allow trading members to administrate stock exchange orders.

(3) The operation provided in par. (2) shall be possible when there is an interval of at least 15 minutes of trading in the Open stage; otherwise, BVB shall restart trading during the next trading session.

(4) Upon the justified request of the Bucharest Clearing House, BVB may extend the trading session for a certain FD / FD series.

Section 3
Withdrawal from trading of the FD

Art. 9 (1) The BVB Board may decide upon the withdrawal from trading of one or several FD, in the following situations:

a) Failure to meet the conditions on which admission to trading was based;
b) Suspension from trading for a significant and/or undetermined period of time;
c) If a FD has not been traded for a significant period of time;
d) Upon the justified request of the Bucharest Clearing House or RNSC;
e) In other situations when BVB may consider the FD withdrawal from trading necessary, for the purpose of maintaining order in the market.

Pag.283 / 338
(2) Withdrawal of a FD from trading on the Derivatives Market may be achieved using one of the following methods, according to the reason on which the withdrawal decision of the respective instrument was based:

   a) simultaneous withdrawal from trading of all FD series existing at the moment of the BVB Board decision, and ceasing to list new series for the respective FD;
   b) withdrawal from trading of one or several FD series existing at the moment of the BVB Board decision, and ceasing to list new series for the respective FD;
   c) maintenance for trading until delivery date of all FD series existing at the moment of the BVB Board decision, and ceasing to list new series for the respective FD;
   d) any other method established by BVB after consulting with the Bucharest Clearing House.

**Art. 10 (1)** In case withdrawal from trading of a FD is decided, BVB shall also withdraw from trading derivatives having as an underlying asset the respective FD.

(2) The stock exchange orders in the system corresponding to FD series which are withdrawn from trading shall be annulled by BVB.

(2) The open positions existing at the moment of such withdrawal from trading shall be:

   a) for futures contracts, closed by the Bucharest Clearing House at the final settlement price or another price established by it, in accordance with its own regulations.
   b) for options contracts, exercised by the Bucharest Clearing House at their exerting price or radiated from its records, according to its regulations.

(3) The BVB Board may decide on the readmission for trading of a certain FD in case the reasons of the withdrawal have been eliminated, as well as on the actual measures that will be taken for readmission.
CHAPTER III
THE TRADING SYSTEM

Section 1
General framework

Art. 11 (1) The transactions involving FD shall be carried out exclusively through the electronic trading system used on the Derivatives Market.

(2) The BVB Board may decide on the transfer of market operations on another electronic trading system for one or several FD, subject to the conditions provided by the legal provisions in force.

(3) The provisions in Book I, Title III – Trading and monitoring, Chapter III – the BVB trading system shall apply accordingly to the Derivatives Market in this regulation, except for provisions contained by Section “Operations for administrating symbol entities”.

(4) The enforcement in a suitable way of the provisions mentioned in the previous paragraph implies the replacement of the following terminology:
   a) “member” with “trading member on the Derivatives Market”;
   b) “stock exchange agent” with “derivatives agent”.

Art. 12 (1) Derivatives agents have the obligation to use the electronic trading system in accordance with the user’s instructions, applied accordingly to the Derivatives Market, as well as with any other documents and technical norms issued by BVB.

(2) Trading members and derivatives agents are under the obligation to use the trading system in such a way as to observe the provisions of this regulation and the relevant BVB regulations, irrespective of the technical characteristics of the electronic system administrated by BVB.

(3) Trading members need to ensure and maintain, by means of a specially appointed person, a permanent relation with BVB, for the purpose of successfully solving possible technical problems occurring in the use of the trading system.

Art. 13 Abusive use by the derivatives agents of the electronic trading system is forbidden, by employment of any of the following practices, without however being limited to these:

   a) deliberate forcing of the technical capacity or of the security elements of the electronic systems, by performing operations such as:
      1. placement of a great number of orders in a very short period of time, which is not justified from the point of view of the market administration of stock exchange orders;
      2. attempt to detect and/or unauthorized use of codes and/or user’s passwords;

   b) abusive use of the electronic systems or in such a manner which might lead to the artificial reduction of its performances and/or might affect the security and integrity of the BVB system and of the trading members.
Art. 14 BVB takes no responsibility for the trading members or third parties in case of technical 
malfunctions in the performance of electronic systems used by BVB and/or the Bucharest 
Clearing House for carrying out of market operations involving FD on the Derivatives Market, 
of connected computer applications, of communication lines or other hardware and/or software 
components.

Section 2 
FD negotiation methods

Art. 15 (1) FD trading on the Derivatives Market may be carried out by means of one or several 
quote negotiation methods for a FD series, in a similar way with the mechanisms used on 
the spot regulated market administrated by BVB, in accordance with FD specifications:
   a) order driven;
   b) public sale;
   c) direct negotiation;
   d) hybrid methods;
   e) other negotiation methods, according to the trading system used.
(2) The BVB Board may decide on the modification of the negotiation methods used in the 
various segments of the Derivatives Markets, according to the respective FD, such 
modifications needing to be previously notified to RNSC, the trading members on the 
Derivatives Market and the general public, and to be published on the BVB website as well.

Section 3 
The Trading Session

Art. 16 (1) The trading session may consist of one or several stages or market states, according 
to the technical characteristics of the electronic system used by BVB, as follows:
   a) Pre-opening;
   b) Opening;
   c) Open (continuous market);
   d) Pre-closure;
   e) Closure;
   f) Closed.
(2) In case of operations that may be carried out during the stages (market states) mentioned in 
par. (1), the provisions of Book I shall apply accordingly in relation to the components of the 
trading system.
(3) Repealed
(4) The provisions of Chapter II – The trading session. Suspension of the trading session, from 
Title III, Book I – Trading and monitoring, shall apply accordingly to the Derivatives Market 
in this regulation.
(5) For the purpose of enforcing in a suitable way the provisions mentioned in the previous 
paragraph, the replacement of the word “member” with “trading member on the Derivatives 
Market” shall be necessary.
Art. 17 (1) The contract specifications for each FD also contain the stages (market statuses), and also their succession and duration for each market segment or FD.

(2) The BVB General Manager may decide the modification of trading hours (reduction or extension of the trading session duration) and/or market statuses, for a certain market segment or FD / FD series, in the following situations:
   a) Listing of a new series, for the purpose of establishing a market price;
   b) Trading restarting for a FD/FD series;
   c) corporate events;
   d) special volatility conditions on the market;
   e) upon the RNSC or the Bucharest Clearing House request;
   f) for the purpose of maintaining the security and integrity of the derivatives regulated market.

(3) The modifications regarding trading hours mentioned in the previous paragraph shall be previously notified to RNSC, trading members and the general public, such modifications entering into force 24 hours after publication thereof on the BVB website at the earliest.
CHAPTER IV
STOCK EXCHANGE ORDERS AND FD TRANSACTIONS

Section 1
General framework

Art. 18 (1) The purchase and sales instructions received by trading members from clients shall be transmitted immediately to be carried out in accordance with the principle of best execution.
(2) Before each FD is admitted for trading, BVB shall establish under the decision of the General Manager, parameters regarding stock exchange orders and transactions, according to the market segment/ FD specifications, such as: minimum block/ trading standard, price variation limit for a stock exchange order, minimum/ maximum volume.

Art. 19 (1) BVB may carry out operations relative to the suspension and withdrawal of stock exchange orders or invalidation of transactions in the name and in the account of a trading member as well as in the account of a client, in accordance with the provisions hereof.
(2) BVB may grant to the Bucharest Clearing House access to the trading system for administrating stock exchange orders and/or transactions, for the purpose of adjusting/ liquidating open positions existing in the name and in the account of the trading members or clients thereof.

Art. 20 In case due to technical reasons or because of the impossibility to access the system, a trading member shall not be able to administrate stock exchange orders existing in the trading system, BVB may suspend or withdraw the respective stock exchange orders pursuant to the written request of the respective member.

Section 2
Stock exchange orders

Art. 21 (1) The types of stock exchange orders that may be used for trading FD on the Derivatives Market shall be the ones used on the spot regulated market, as follows, as applicable: limit orders, market orders (MKT), Hidden orders, orders lacking the price, deals, firm purchase-sales quotations, orders bearing other special execution types or characteristics, as well as other types of instructions used for placing in the trading system FD purchase or sales offers.
(2) BVB shall establish the types of stock exchange orders and the parameters thereof to be used for each market segment / FD, as applicable.
(3) The provisions applicable to the spot regulated market in Book I, Title III – Trading and monitoring, Chapter IV “Stock exchange orders” shall apply accordingly to the Derivatives Market in this regulation.
(4) For the purpose of enforcing in a suitable way the provisions mentioned in the previous paragraph the replacement of the following terminology shall be necessary:

a) “Member” shall become “Trading Member on the Derivatives Market”;
b) “stock exchange agent ” shall become “derivatives agent”;
c) “reference price ” shall become “daily settlement price”;
d) “shares” shall become “FD contracts”;
e) display and execution of the stock exchange orders in accordance with the provisions of Book I.

Section 3
FD Transactions

Art. 22 (1) BVB shall not acknowledge or operate FD transactions which were not carried out on the Derivatives Market.
(2) Stock exchange transactions involving FD shall be considered closed only after the confirmation thereof by BVB through the trading report issued after closing the trading session.

Art. 23 (1) BVB shall charge commissions and/or trading fees relative to transactions with the FD concluded on the Derivatives Market, in accordance with the BVB List of fees and commissions.
(2) BVB may establish a trading commissions and/or fees reduction policy in respect of FD transactions concluded on the Derivatives Market, in accordance with the BVB List of fees and commissions.
(3) The provisions applicable to the spot regulated market in Book I, Title III – Trading and monitoring, Chapter V “Stock exchange transactions” shall apply accordingly to the Derivatives Market in this regulation, with the exception of the following sections:
   a) “Excepted Transactions”;
   b) “Margin purchase transactions”;
   c) “Short selling transactions”.
(4) For the purpose of enforcing in a suitable way the provisions mentioned in the previous paragraph the replacement of the following terminology shall be necessary:
   a) “Member” shall become “Trading Member on the Derivatives Market”;
   b) “stock exchange agent ” shall become “derivatives agent”
   c) “shares” shall become “FD contracts”.

Pag. 289 / 338
CHAPTER V  
TRANSACTIONS’ RECTIFICATION AND INVALIDATION

Section 1  
Transactions’ Rectification

**Art. 24 (1)** BVB shall not rectify the transactions resulted pursuant to the incorrect placement of one or several stock exchange orders on the Derivatives Market by a trading member.

(2) In case of having carried out incorrect transactions in the client’s account, it is mandatory for the trading member to carry out opposite transactions on the Derivatives Market, for the same number of FD contracts.

(3) Possible losses, as well as commissions relative to the transactions carried out according to par. (2) shall be paid by the respective member.

Section 2  
Transactions’ invalidation

**Art. 25 (1)** The invalidation of a transaction involving FD is a stock exchange operation consisting in the retroactive cancellation of a transaction at least in the following situations:

a) malfunctions occurring in the operation of the electronic systems employed on the Derivatives Market and/or the distance communication systems and/or errors in the administration of the Derivatives Market;

b) flagrant violation of the regulations of the Derivatives Market;

c) upon the justified request of the Bucharest Clearing House, in accordance with its own regulations;

d) upon the RNSC request;

e) in force majeure cases.

(2) The BVB General Manager shall decide on the invalidation operations for a FD transaction, pursuant to the previous consultation of the Bucharest Clearing House, in case such operation:

a) is possible from the technical and operational / administrative point of view;

b) does not affect the market integrity as a consequence of the potential implications on the other trading members or the BVB and/or the Bucharest Clearing House;

c) does not entail significant risks of any kind or that may not be quantified accordingly.

(3) BVB may ask trading members who are to blame for an invalidation operation in respect of one or several FD transactions, to pay a commission or a fee for each invalidated transaction, in accordance with the BVB List of fees and commissions.

**Art. 26 (1)** BVB may perform the invalidation of one or several transactions concluded in a trading session for one or several FD, until the time limit established in agreement with the Bucharest Clearing House, at the latest.
(2) BVB shall submit a notification to the Bucharest Clearing House regarding the transaction / transactions that were invalidated according to the provisions hereof.

(3) BVB shall not be held responsible for any claim, loss, damage, financial or any kind of expenses brought about directly or indirectly by the invalidation of a stock exchange transaction involving FD.

**CHAPTER VI**

**DERIVATIVES MARKET MONITORING**

Art. 27 (1) The provisions referring to the monitoring of the spot regulated market included in Book I, Title, III Chapter XIV “Spot market monitoring”, with the exception of the provisions included in art. 242, shall apply accordingly in this regulation to the Derivatives Market.

(2) The enforcement in a suitable way of the provisions mentioned in the previous paragraph implies the replacement of the following terminology:

a) “Member” shall become “Trading member on the Derivatives Market”;

b) “stock exchange agent ” shall become “derivatives agent”
TITLE VI
THE FUTURES MARKET

CHAPTER I
GENERAL PROVISIONS

Section 1
Futures contracts specifications

Art. 1 (1) The standard clauses regarding the characteristic elements of futures contracts ("futures contracts specifications") approved by BVB’s General Manager present the methodology for their establishment, measures and values in respect of the following characteristic elements, as applicable, without limitation to:

a) the symbol;
b) the underlying asset;
c) measure of the object of the contract ("multiplier");
d) quotation;
e) the tick size;
f) starting months ("listed series");
g) delivery months and delivery date;
h) the negotiation method corresponding to the market / markets employed for FD trading;
i) first and last trading day;
j) means of establishing the daily settlement price ("daily settlement price");
k) means of establishing the final settlement price ("final settlement price");
l) means of carrying out the daily obligations regarding cash settlement during the contract existence ("daily settlement");
m) means of carrying out the final obligations regarding cash settlement and/or physical delivery pursuant to the closure of positions remaining open upon delivery ("final settlement");
n) trading hours;
o) other characteristic elements of futures contracts.

(2) BVB’s General Manager may decide on the further amendment of the specifications in respect of futures contracts registered with RNSC, as provided in the previous paragraph, with the exception of letter b) and c), such modifications needing to be notified to RNSC prior to the publication thereof on the BVB website.

(3) The amendment of the characteristic elements in par. (1) letter. e) and n) provided in the specifications of futures contracts shall enter into force 24 hours after the publication thereof on the BVB website at the earliest.
Art. 2 (1) After consulting with the Bucharest Clearing House, the BVB General Manager may establish a daily variation limit for the futures contracts quotation in respect of each FD separately, according to the characteristics of the respective instrument and/or market conditions.

(2) The BVB General Manager may decide on the suspension / subsequent modification of the daily variation limit of the futures contracts quotation, the respective modifications needing to be notified to RNSC and subsequently disseminated to the public in situations such as:
   a) listing new futures series, for the purpose of establishing a market price;
   b) trading restarting for a futures contract / futures series;
   c) corporate events;
   d) special market volatility conditions;
   e) upon the RNSC or the Bucharest Clearing House request;
   f) for the purpose of maintaining the safety and integrity of the derivatives regulated market.

(3) The modification of the daily variation limit of the futures contracts quotation provided in par. (2) shall enter in force 24 hours after the publication thereof on the BVB website, at the earliest.

Art. 3 (1) The delivery months corresponding to a futures contract shall be established in accordance with the specifications of the futures contracts registered with RNSC.

(2) The delivery date of a futures series shall be the 3rd Friday of the futures contract delivery month, in case the specifications of the respective contract do not provide otherwise.

(3) In case of a new futures contract listing, the number of series available for trading at the same time shall be of minimum 2, unless otherwise provided in the respective contract specifications.

Art. 4 (1) The first trading day for the series corresponding to a new futures contract shall be the listing date of the respective contract.

(2) In case of a new series listing, corresponding to a new delivery month, the First Trading Day shall be the trading session immediately following the closest delivery date when the current series expires, except for the cases when the specifications of futures contracts otherwise state.

Art. 5 (1) The last trading day coincides with the delivery date of the expiring futures contract series, except for the cases when the specifications of futures contracts otherwise state.

(2) In case the delivery date is not a work day or the BVB does not organize a trading session for the Derivatives Market during the respective day, the last trading day shall correspond to the last trading date preceding the delivery date.

(3) BVB may decide on the modification of the date representing the last trading day, subject to previous notification of RNSC, trading members and the public, the respective modification needing to be also published on the BVB website.
Section 2
The daily and final settlement process

Art. 6 (1) During the term of a futures contract, the open positions resulting pursuant to transactions carried out on the Futures Market shall make the object of the mark-to-market process and daily cash settlement.
(2) Upon the delivery date of a futures series, the positions remaining open shall make the object of the mark-to-market process and final settlement by either cash or physical delivery, according to the contract specifications.
(3) The methodology for establishing the daily settlement price and the final settlement price shall be set by BVB through specifications of futures contracts, in accordance with the provisions hereof.

Section 3
Corporate events

Art. 7 (1) In case of futures contracts having as an underlying asset shares issued by companies which are confronted with corporate events, BVB may adjust such futures contracts, as applicable, subject to previously consulting the Bucharest Clearing House, so that the contract’s notional value will not be artificially modified.
(2) The adjustment of futures contracts having company shares as an underlying asset may be carried out, as applicable, in the following situations, without being limited to them:
   a) shares split;
   b) cross-split of the shares’ nominal value;
   c) modification of the issuer’s share capital;
   d) payment of dividends by the issuer.
CHAPTER II
MANAGEMENT OF OPEN POSITIONS

Section 1
Stock exchange orders administration

Art. 8 (1) The placement by a trading member of a stock exchange order for the purchase or sales of a futures contract shall be carried out in accordance with the regulations issued by the Bucharest Clearing House.
(2) BVB may grant the Bucharest Clearing House access to the trading system for the purpose of administrating stock exchange orders and/or transactions for the initiation, modification or liquidation of open positions registered in the position accounts of clearing or non-clearing members and/or clients thereof.

Section 2
Initiation or modification of open positions

Art. 9 (1) The initiation of a Long or Short open position, for a certain position account and FD series, shall be achieved by conclusion of one or several transactions pursuant to the execution of a purchase or sales stock exchange order in the trading system.
(2) For the purpose of initiating a position on the Futures Market, a margin is necessary irrespective if the position is Long or Short, in accordance with the Bucharest Clearing House regulations.
(3) Trading members need to make sure, prior to placing a stock exchange order for the purpose of initiating a Long or Short position, that they observe provisions hereof and the Bucharest Clearing House regulations.

Art. 10 The modification of an open position registered in a certain position account and FD series, shall be achieved mainly as follows:
   a) increase of the open position:
      1. by carrying out one or several transactions of the same type as the position opened initially;
      2. by retroactive cancellation of a transaction involving FD, etc.
   b) decrease of the open position:
      1. by carrying out one or several opposite transactions as compared to the previously opened positions, the traded volume being lower than the number of contracts of the initially opened position;
      2. by retroactive cancellation of a transaction with FD, etc.

Art. 11 Trading members and clients shall be held responsible for their obligations deriving from holding a Long or Short open position until the moment when the respective positions are liquidated by means of one of the following methods:
a) **Before delivery:**
   1. positions closed by the trading member by conclusion of an opposite transaction on the market;
   2. positions decreased or closed by the Bucharest Clearing House.

b) **Upon delivery**, the Bucharest Clearing House shall close positions by carrying out the final cash settlement or physical delivery process.

**Section 3**

**Liquidation and transfer of open positions**

**Art. 12 (1)** The operations regarding the liquidation and transfer of open positions shall be carried out in accordance with the Bucharest Clearing House regulations.

**(2)** If it is impossible for the Bucharest Clearing House to carry out operations for the forced liquidation of the respective positions, BVB may proceed, upon request thereof, to carry out the respective operations in accordance with instructions of the Bucharest Clearing House.

**(3)** In case of forced liquidation operations mentioned in par. (2), BVB may charge trading members a fee for each futures contract traded as a result of the process for BVB closing the respective positions, in accordance with the List of BVB fees and commissions.
CHAPTER III
MARK-TO-MARKET AND SETTLEMENT PRICES

Section 1
The daily settlement price

Art. 13 (1) The open positions are reevaluated daily by the Bucharest Clearing House through the mark-to-market of positions opened with futures contracts at the quotation price, established in accordance with the Bucharest Clearing House regulations, as follows:

a) **Daily settlement price**: after the closing of the trading session;

b) **The price of the lastly concluded transaction on the Futures Market**: during the trading session;

c) **Another price** established by the Bucharest Clearing House in accordance with its own regulations (e.g.: theoretical price).

(2) The daily settlement price shall be established by BVB after closing each trading session, during the entire term of the futures contracts, with the exception of delivery date.

Art. 14 (1) The method of establishing the daily settlement price for each futures contract shall be provided in the contract specifications and shall apply to all listed series.

(2) Futures contracts specifications shall contain detailed provisions regarding the establishment of the daily settlement price based on one of the following methods, without limitation:

a) in case **transactions are concluded** during the current trading session on the Futures Market, the daily settlement price may be established, as applicable, as follows:

1. **the weighted average price of the futures contract** – the average price weighted by the volume traded on the Futures Market, calculated based on a certain number of transactions concluded during the respective session and/or corresponding to a certain period of time from the current trading session;

2. **the closing price of the futures contract** – the price of the last transaction concluded during the current trading session on the Futures Market;

3. **the tender price of the futures contract** – the price established based on the fixing algorithm.

b) in case **no transaction is concluded** during the current session in the Futures Market, the daily settlement price may be established based on stock exchange orders existing in the market.

(3) In case establishing a daily settlement price is not possible for the current session, the daily settlement price corresponding to the previous trading session shall be taken into consideration, unless specifications of FD contracts provide otherwise.

Art. 15 In case the Bucharest Clearing House decides on a different price than the daily settlement price to be used for the mark-to-market of open positions after closing the trading session or during such session, BVB shall take all the necessary technical measures and shall inform the trading members accordingly.
Art. 16 (1) Upon the Bucharest Clearing House justified request, BVB may decide on the organization of distinct trading stages, within the same trading session, for establishing several daily settlement prices.

(2) In the cases mentioned in par. (1), the daily settlement price established by BVB during a distinct trading stage shall be employed by the Bucharest Clearing House for the mark-to-market and shall become the price based on which daily trading limits shall be established for the transactions that will be concluded in the following trading stage during the respective day.

Section 2
Final settlement price

Art. 17 (1) Upon the delivery of a futures contract, the Bucharest Clearing House shall reevaluate for the last time the open positions by final mark-to-market and shall close the respective positions at the:

a) final settlement price;

b) another price established by the Bucharest Clearing House in accordance with its own regulations (e.g.: theoretical price).

(2) the final settlement price shall be established by BVB after closing the last trading session upon delivery date.

Art. 18 (1) The methodology for establishing the final settlement price for each futures contract shall be provided in the contract specifications and shall apply to all series listed.

(2) The futures contracts specifications shall contain detailed provisions regarding the establishment of the daily settlement price based on the following methods, without limitation:

a) in case of futures contracts based on an underlying asset which is traded on a regulated/organized market:

1. the weighted average price of the underlying asset – the average price weighted by the volume traded on the underlying asset market, corresponding to a certain period of time in the trading session during the last trading day for the expiring series;

2. the closing price of the underlying asset – the price of the last transaction concluded on the underlying asset market during the last trading day for the expiring series;

3. the tender price of the underlying asset – the price of the underlying asset established based on the fixing algorithm.

b) in case of futures contracts having as underlying asset a stock exchange/foreign currency index, etc.:

1. the underlying asset values average – the average of values calculated for the underlying asset for a certain period of time during the last trading day for the expiring series;

2. the underlying asset closing value – the last value calculated for the underlying asset during the last trading day for the expiring series, in case of futures contracts having as underlying asset a stock exchange/foreign currency index, etc.
(3) In case during the last trading day no transaction is concluded in the underlying asset market or an underlying asset value cannot be established with the purpose of setting the final settlement price, BVB shall use the data registered during the last trading session in which final settlement price may be established.

Art. 19 In case the Bucharest Clearing House decides on the employment of another price than the final settlement price, to be used for the mark-to-market of open positions after closing the trading session or during thereof, BVB shall take all the technical measures necessary and shall inform the trading members accordingly.

Art. 20 In case BVB decides to withdraw from trading a futures series before delivery, closure of open positions shall be carried out in accordance with provisions of art. 10 par.(2) Title V, Chapter II “Admission/Suspension / Withdrawal of FD from trading”.
CHAPTER IV
ADJUSTING FUTURES CONTRACTS
AS A RESULT OF CORPORATE EVENTS

Section 1
Adjusting futures contracts

§1
General Framework

Art. 21 (1) The General Manager of the BVB has the right to decide whether to adjust a futures contract as a result of corporate events connected to the issuer of the shares that constitute the underlying asset, depending on the possible effect on the market price and/or the notional value of the respective futures contract.

(2) The BVB shall determine the potential impact on the market price and/or the notional value of the futures contract within no more than 10 work days from the moment when the BVB is informed of the decision of the company’s General Shareholders Assembly that issued the shares constituting the underlying asset for the futures contracts listed on the Derivatives Market.

(3) The BVB shall make a public announcement on its own website on whether the potential impact of the respective corporate event is significant, as well as whether there will be adjustments to the FD that has these shares as its underlying asset.

(4) The General Manager of the BVB has the right to decide whether to suspend the futures contracts’ trade in order to make the necessary adjustments following the corporate events, in the following situations, without being limited to them:

   a) at least one of the conditions mentioned in art. 7, para. (1) from Title V is met – market operations, as applicable;

   b) suspending the trade of the futures contracts is necessary as a result of the complexity and/or technical and operational implications of the adjustment process for the respective contracts.

(5) The BVB will make public announcements on its website with regard to the adjustment respectively the suspension from trade of these contracts.

(6) The series corresponding to the futures contracts mentioned in para. (1) to be listed by the BVB after the adjustment will contain the multiplier and the other elements from before the adjustment, as they are registered with the RNSC, with the exception of the situations mentioned in para. (7).

(7) In cases when, after completing the adjustment, modifications have been made to the characteristic elements of the FD contracts that have been notified by the BVB or approved by the RNSC, as applicable, (for instance: the method of determining the daily settlement price, the trading schedule), upon issuing the new FD series the effective provisions regarding the respective elements will be taken into account.

(8) The General Manager of the BVB has the right to decide whether the elements of a futures contract that have been adjusted will be taken and adequately adapted to the series listed after
the adjustment procedure, while observing the provisions of Instruction no. 03/2006 regarding the registration of financial instruments derived at the RNSC.

Art. 22 (1) In case a corporate event occurs, the BSE establishes, under the decision of the General Manager and after consulting with the Bucharest Clearing House selected by the BSE, the main elements of the futures contracts that are to be adjusted.

(2) The BSE establishes, through the General Manager’s decision, the characteristic elements of the futures contract and the trading parameters that are to be adjusted in accordance with the provisions of this chapter.

(3) The BSE will notify the BSE-selected Bucharest Clearing House regarding the adjusted elements of the futures contracts, and it will proceed to register the respective adjustments into its own registers.

(4) The BSE will publish all the elements of the futures contract that are to be adjusted before the trading session at the ex-right date or, as applicable, the date of resuming the respective futures contract’s trade.

(5) In the case of corporate events other than those presented in this title, the BSE will proceed to adjust the futures contracts accordingly, with the exception of the cases when the Bucharest Clearing House decides closing all the open positions before the expiration date in accordance with its own regulations.

§2
Methods of adjusting futures contracts

Art. 23 (1) The futures contracts are adjusted using the proportional adjustment method (“Ratio Method”).

(2) In case the issuer of the shares constituting the underlying asset incurs multiple corporate events capable of influencing the market price of the shares at the same time, the BSE will proceed to adjust the futures contracts accordingly.

Art. 24 (1) The main elements to be considered when adjusting a futures contract are the following:

   a) technical characteristics of the respective futures contracts according to FD specifications:
      1. the symbol;
      2. the daily settlement price/theoretic price;
      3. the size of the contractual object (multiplier).

   b) the market characteristics of the respective futures contracts in accordance with the BSE specifications:
      1. the orders existing on the market;
      2. the notional value of the futures contracts corresponding to the open positions;
      3. the trading parameters corresponding to the symbol and/or symbol-market entity, such as the daily variation limit.

(2) Adjusting the futures contract implies completing the following operations, regardless of the corporate event:
a) modifying the technical characteristics mentioned in para. (1), letter a);
b) canceling the orders mentioned in para. (1), letter b);
c) adjusting the notional value corresponding to the open positions mentioned in para. (1), letter b);
d) modifying the trading parameters corresponding to the symbol and/or symbol-market entity mentioned in para. (1), letter b);

(3) The unexecuted orders for all the series of a futures contract, regardless of their type and status, will be canceled by the BSE before the beginning of the trading session on the ex-right date or, as applicable, before the moment of resuming the futures contract’s trade, respectively due to implementation of the adjustment procedure for the futures contract.

(4) The adjusted level of the characteristic elements and the trading parameters of the futures contract enter into force automatically and become effective at the trading session on the ex-right date or, as applicable, upon resuming the futures contract’s trade, after the BSE notification of the participants on the Derivatives Market.

(5) The adjustment of the futures contracts will be made for all active FD series (delivery months), regardless of whether there have been any transactions and regardless of whether there are any open positions in the respective FD series.

§3 Adjusting the symbol of the futures contract

Art. 25 (1) The symbol that corresponds to a FD series will be modified every time a futures contract is adjusted to underline the series on which no adjustments were made.

(2) Adjusting the symbol of a FD series is done by configuring a new symbol whose code is established by the BSE, having the following main elements, as applicable:
   a) the daily settlement price/ theoretic price;
   b) the size of the contract object;
   c) the daily limit of variation.

(3) The ISIN code, the date of execution, the underlying asset, as well as the other characteristic elements corresponding to the initial series before adjustment and which are not to be adjusted will be used in the configuration of the new symbol without going through any modifications.

Art. 26 Adjusting the symbol of a FD series is done by completing the following operations, without being limited to them:

a) deactivating the symbol corresponding to the futures contract that is to be adjusted within the electronic system;
b) configuring a new symbol with the adjusted main elements within the electronic system;
c) adjusting the notional value of the open positions;
d) having the trading members on the Derivatives Market forward the corresponding reports on the adjusting operations;
e) canceling the orders that have not yet been delivered for the series of futures contract that is to be adjusted, regardless of their type or state;
f) notifying the RNSC with regard to the adjustment of the futures contract before publishing it on the BSE website.
§4
Adjusting the notional value of the open positions

Art. 27 (1) The notional value corresponding to a Long or Short open position before the adjusting operation is the value that corresponds to the last marking-to-market of the respective open position and is determined as follows:

\[ VN_{old} = NET \times \text{Settle}_{old} \times M_{old} \]

Where:

- \( VN_{old} \) = the notional value corresponding to the open position, calculated prior to adjustment;
- \( NET \) = the number of contracts from the Long/Short open position
- \( \text{Settle}_{old} \) = the daily settlement price before the adjustment or, as applicable, the theoretic price before the adjustment on the date of the last marking-to-market
- \( M_{old} \) = the size of the contract’s object before the adjustment

(2) The notional value that corresponds to a Long or Short open position after the adjusting operation is calculated as follows:

\[ VN_{new} = NET \times \text{Settle}_{new} \times M_{new} \]

Where:

- \( VN_{new} \) = the notional value corresponding to the open position, calculated after the adjustment;
- \( NET \) = the number of contracts from the Long/Short open position
- \( \text{Settle}_{new} \) = the daily settlement price after the adjustment or, as applicable, the theoretic price after the adjustment
- \( M_{new} \) = the size of the contract’s object after the adjustment

§5
The adjustment factor

Art. 28 (1) Adjusting a futures contract using the ratio method implies establishing an adjustment factor \( F_A \) (“Ratio factor”) that will be applied to the characteristic elements and trading parameters of the futures contract to be adjusted.

(2) The adjustment factor is determined for each corporate event, in accordance with the provisions of section 2 of this chapter.
Section 2
Determining the adjustment factor
and adjusting the characteristic elements and trading parameters

§1
Adjusting the characteristic elements and the trading parameters

Art. 29 (1) In case a futures contract has as an underlying asset shares issued by companies and the respective issuers incur corporate events that can significantly influence the shares’ price, the BSE will determine an adjustment factor for each corporate event, according to the provisions of this article.

(2) The BSE can decide to apply the corresponding calculation formulas described in this section in case the issuer of the shares that constitute the underlying asset establishes a certain rate of share allocation, depending on the respective corporate event.

(3) When the BSE determines a correction factor following a corporate event connected to the shares issued by an issuer in order to adjust a BSE index, in accordance with the provisions of the BSE Indexes Handbook, the value of the adjustment factor is equal to the value of the correction factor.

(4) When the BSE does not determine a correction factor in accordance with the provisions of the BSE Index Handbook, the adjustment factor is determined by applying the calculation formulas presented in this section.

(5) The adjustment factor is rounded down or up to the closest 6th decimal.

(6) The BSE can round the adjustment factor to a larger number of decimals than described in para. (5), in special situations, such as: modifying the number of decimals used to calculate the correction number, some corporate events where the necessity of using a different number of decimals is determined (ex. the 6th decimal counts), etc.

§2
Splitting/Cross-splitting shares

Art. 30 In case a futures contract is adjusted following a splitting/cross-splitting operation of the shares issued by the issuer of the underlying asset corresponding to the futures contract, the BSE will determine the adjustment factor using the following formula:

\[
F_A = \frac{N_{\text{new}}}{N_{\text{old}}}
\]

Where:
\(N_{\text{old}}\) = the number of shares before splitting/cross-splitting the shares
\(N_{\text{new}}\) = the number of shares after splitting/cross-splitting the shares
§3

Increasing the share capital by issuing and granting free shares

Art. 31 In case a futures contract has as an underlying asset shares issued by an issuer undergoing an increase of share capital by issuing and granting free shares, the BSE will determine the adjustment factor using the following formula:

$$F_a = \frac{N_{old} + N_{bonus}}{N_{old}}$$

Where:
- $N_{old}$ = the number of shares before increasing the share capital
- $N_{new}$ = the number of shares that are to be issued and granted to shareholders for free

§4

Increasing the share capital by giving shareholders the right to a preferential price lower than the market price

Art. 32 (1) In case a futures contract has as an underlying asset shares issued by an issuer that is undergoing an increase in the share capital by giving shareholders the right to a preferential price ($P_s$) lower than the market price, the BSE will determine the adjustment factor using the following formula:

$$F_a = \frac{(N_0 + N_S) \times P_0}{(N_0 \times P_0) + (N_S \times P_s)}$$

Where:
- $P_0$ = the closing price of the share traded on the main market, on the spot market under BSE, recorded on the last cum-right date
- $P_s$ = the preferential price of the new shares
- $N_0$ = number of initial shares (before increasing the share capital)
- $N_S$ = number of shares that are to be registered at a preferential price as a consequence of increasing the share capital

(2) The operation of determining the adjustment factor described in para. (1) is executed in case the closing price of the shares traded on the main market, on the spot market under BSE, recorded on the last cum-right date, ($P_0$), is higher than the preferential price of the new shares ($P_s$).
§5
Increasing the share capital by simultaneously granting free shares and the right to register at a preferential price

Art. 33 (1) In case a futures contract has as an underlying asset shares issued by an issuer that is undergoing an increase in the share capital by issuing new shares, granting free shares and giving shareholders the right to a preferential price \( P_s \), the BSE will determine the adjustment factor using the following formula:

\[
F_A = \frac{(N_0 + N_s + N_{\text{bonus}}) \times P_0}{(N_0 \times P_0) + (N_s \times P_s)}
\]

Where:
- \( P_0 \) = the closing price of the share traded on the main market, on the spot market under BSE, recorded on the last cum-right date
- \( P_s \) = the preferential price of the new shares
- \( N_0 \) = number of initial shares (before increasing the share capital)
- \( N_s \) = number of shares that are to be issued and registered at a preferential price as a consequence of increasing the share capital
- \( N_{\text{bonus}} \) = the number of shares that are to be issued and granted for free to existing shareholders upon the registration date

(2) The operation of determining the adjustment factor described in para. (1) is executed regardless of the closing price of the shares traded on the main market, on the spot market under BSE, recorded on the last cum-right date, \( P_0 \).

§6
Paying cash dividends

Art. 34 (1) In case a futures contract has as an underlying asset shares issued by an issuer that is paying cash dividends, the BSE will determine the adjustment factor using the following formula:

\[
F_A = \frac{P_0}{P_0 - \text{DIV}}
\]

Where:
- \( P_0 \) = the closing price of the share traded on the main market, on the spot market under BSE, recorded on the last cum-right date
- \( \text{DIV} \) = the gross value of dividends per share
§7
Adjusting the characteristic elements and trading parameters

Art. 35 (1) The daily settlement price or, as applicable, the theoretic price of the futures contract after the adjustment will be determined by applying the following formula:

\[
\text{Settle}_{\text{new}} = \frac{\text{Settle}_{\text{old}}}{F_A}
\]

Where:
- Settle\(_{\text{new}}\) = the daily settlement price or, as applicable, the theoretic price of the futures contract after the adjustment determined by a corporate event
- Settle\(_{\text{old}}\) = the daily settlement price or, as applicable, the theoretic price of the futures contract before the adjustment determined by a corporate event, at the last marking-to-market
- \(F_A\) = the adjustment factor calculated according to this chapter for the respective corporate event

(2) The daily settlement price or, as applicable, the theoretic price of the futures contract, given in RON and determined according to the calculation formula from para. (1), is rounded up or down to the closest multiple of the quotation step.

Art. 36 (1) The size of the contractual object (multiplier) after the adjustment is determined by applying the following formula:

\[
M_{\text{new}} = M_{\text{old}} \times F_A
\]

Where:
- \(M_{\text{new}}\) = the size of the contractual object after the adjustment determined by a corporate event
- \(M_{\text{old}}\) = the size of the contractual object before the adjustment determined by a corporate event
- \(F_A\) = the adjustment factor calculated according to this chapter for the respective corporate event

(2) The size of the contractual object (multiplier), given in number of shares and determined according to the calculation formula from para. (1), is rounded up or down to a whole number, so that the notional value and the profit/loss determined based on the adjusted multiplier will be expressed with a maximum of two decimals, without executing a prior operation of rounding the respective values.

Art. 37 (1) In case the daily limit of variation is expressed by absolute value, such as: its value in RON, the adjustment is done as follows:
\[ LZV_{\text{new}} = \frac{LZV_{\text{old}}}{F_A} \]

Where:
- \( LZV_{\text{new}} \) = the daily limit of variation after the adjustment determined by a corporate event
- \( LZV_{\text{old}} \) = the daily limit of variation before the adjustment determined by a corporate event
- \( F_A \) = the adjustment factor calculated according to this chapter for the respective corporate event

(2) The daily limit of variation, given in absolute value and determined according to the calculation formula from para. (1), is rounded down the closest multiple of the quotation step.

(3) The adjustment of the daily limit of variation does not happen when it is expressed in percentage points.
TITLE VI¹
THE OPTIONS MARKET

CHAPTER I
GENERAL PROVISIONS

Section 1
Specifications of options contracts

Art. 1 (1) The standard clauses regarding the characteristic elements of options contracts ("options contracts specifications") approved by BSE’s General Manager present the methodology for their establishment, measures and values in respect of the following characteristic elements, as applicable, without limitation to:

a) the symbol;
b) the type of option ("Call Options" and/or "Put Options");
c) the underlying asset;
d) measure of the object of the contract ("multiplier");
e) means of establishing the exerting price;
f) minimum number of listed series and means of characterizing a series;
g) quotation;
h) the tick size;
i) the first day of trading;
j) the last day of trading;
k) delivery months and delivery date;
l) the negotiation method corresponding to the market / markets employed for FD trading;
m) the option style;
n) date of exerting, function of the option style;
o) means of determining the reference value of the underlying asset;
p) means of determining the price at which the daily mark-to-market is realized;
q) means of exerting the option;
r) means of settlement at exerting, respectively at fund or physical settlement;
s) trading hours;

p) other characteristic elements of options contracts.

(2) BSE’s General Manager may decide on the further amendment of the specifications in respect of options contracts registered with RNSC, as provided in the previous paragraph, with the exception of the underlying and the multiplier, such modifications needing to be notified to RNSC prior to the publication thereof on the BSE website.

(3) Changing the price tick and the trading hours provided in the options contracts’ specifications shall enter into force 24 hours after the publication thereof on the BSE website at the earliest.
Art. 2(1) Options contracts having identical elements as they are mentioned in art.1 para. (1) regarding the type, the underlying asset, the multiplier, the style and means of settlement when exercised, form a class of options contracts (“options class”).

(2) Options contracts, belonging to one class, having the same exerting price and expiry month or date form a series of options contracts (“options series” or “FD series”).

(3) Function of the positioning of the exerting price, as compared to the reference value of the underlying asset, the options series may be classified as follows:
   a) “on the money” options series, represents the options series with the exerting price equal or the closest to the reference value of the underlying asset;
   b) “in the money” options series represent:
      1. for Call options, the options series having the exerting price smaller than the reference value of the underlying asset, without including the “on the money” series, if it is the case;
      2. for Put options, the options series having the exerting price greater than the reference value of the underlying, without including the “on the money” series, if it is the case;
   c) “out of the money” options represent:
      1. for Call options, the options series having the exerting price greater than the reference value of the underlying, without including the “on the money” series, if it is the case;
      2. for Put options, the options series having the exerting price smaller than the reference value of the underlying, without including the “on the money” series, if it is the case.

Art. 3 (1) The expiration months corresponding to the options series are established according to the specifications of the options contracts recorded at RNSC.

(2) The expiration date for all option series is the 3rd day of Friday of the expiration month, if not stipulated otherwise in the specifications of that contract.

(3) The minimum number of options series, from one options class, which have the same expiration month and which are available for trading, comprised in the specifications of the contract is of three, so as for at least one “on the money”, “in the money” and “out of the money” series to be available.

Art. 4(1) On the first trading day of an options contract, the minimum number of options series provided in the contract’s specifications shall be available for trading, for each expiry month.

(2) If during the trading period of the options contracts, after the closing of the trading session, the number of options series, having the same expiry month, is smaller than the minimum number of options series provided in the specifications of that contract, BVB shall launch, starting with the next trading session, an additional number of series, so as for the condition regarding the minimum number of options series available for trading to be fulfilled.

(3) The additionally launched options series, according to the provisions of para. (2), shall have as strike prices those prices which are the closest to the options series already available for trading, determined according to the specifications of that options contract.

Art. 5 (1) The last trading day of all options series having the same expiry month, coincides with the expiry date provided in the specifications of that options contract, except for the cases in which the options contracts’ specifications provide otherwise.
(2) If the expiry date is not a BSE working day or if BSE does not organize a trading day for the Derivatives Market for that day, the last trading day shall correspond to the trading day preceding the expiry date, except for the cases in which the specifications of the options contract provide otherwise.

(3) BVB may decide to change the date representing the last trading day, with prior notice of RNSC, the participants of the Derivatives Market and the general public, those changes being published on the BSE website.

Section 2
Rights and obligations corresponding to options contracts

Art. 6 (1) The rights and obligations corresponding to options contracts are the following:

a) The buyer of a trade with options contracts, no matter the type of contract, has the obligation to pay the negotiated premium;

b) The seller of a trade with options contracts, no matter the type of contract, has the right to receive the negotiated premium;

c) for Call options:

1. the owner of a long position has the following rights:
   i. to buy the underlying asset through exerting the option, if it is settled through physical delivery. This right may be exercised during the period mentioned in the specifications of that options contract;
   ii. to receive the intrinsic value through exerting the option, if it is settled in funds;
   iii. to close or diminish the position, through a sell transaction in the same series of options.

2. the owner of a short position has the right to close or diminish the position through a buy transaction in the same series of options;

3. the owner of a short position has the following obligations:
   i. to sell the underlying asset through designation in exerting the option, if they are settled through physical delivery. This obligation is executed on demand from an owner of a long position in the period mentioned in the specifications of that options contract;
   ii. to pay the intrinsic value through designation in exerting the option, if they are settled through funds. This obligation is executed on demand from an owner of a long position in the period mentioned in the specifications of that options contract.

d) for Put options

1. The owner of a long position has the following rights:
   i. to sell the underlying asset through exerting the option, if it is settled through physical delivery. This right may be exercised in the period mentioned in the specifications of that options contract;
ii. to cash in the intrinsic value through exerting the option, if it is settled in funds. This right may be exercised in the period mentioned in the specifications of that options contract;

iii. to close or diminish the position through a sell transaction in the same series of options.

2. The owner or a short position has the right to close or diminish the position through a buy transaction in the same series of options;

3. The owner of a short position has the following obligations:
   i. to buy the underlying asset through designation in exerting the option, if they are settled through physical delivery. This obligation is executed on demand from an owner of a long position in the period mentioned in the specifications of that options contract;
   ii. to pay the intrinsic value through designation in exerting the option, if they are settled in funds. This obligation is executed on demand from an owner of a long position in the period mentioned in the specifications of that options contract.

(2) The rights and obligations corresponding to exerting/designating the option contracts having as underlying futures contracts, are classified in the provisions applicable to options contracts which are settled through physical delivery.

(3) The rights and obligations mentioned in para. (1) are acquired, assumed, maintained, exercised and/or executed with respect to the provisions of this rulebook and of the regulations of the BSE designated Clearing House.

Section 3
Trading options contracts

Art. 7(1) Concluding a trade with options contracts implies the cumulative fulfillment of the following conditions, without confining to this enumeration:
   a) there are two opposite active orders for the same options series;
   b) the bid quotation is at least equal with the ask quotation. Function of the order type, the quotation may be explicitly displayed or may be determined;
   c) the conditions mentioned at a)-b) are fulfilled during the period when the market status allows concluding trades.

(2) The orders’ quotations for any of the options series is negotiated for one unit of the underlying asset of the options contract or of the futures contract for which it is underlying asset.

Section 4
Settling trades with options contracts

Art. 8 Settling trades with options contracts is realized by the BSE designated Clearing House, based on the provisions of its regulations, and presumes the payment of the premium
from the margin account of the clearing member, acting as buyer and cashing it in the margin account of the clearing member, acting as seller.

**Art. 9** The BSE designated Clearing House is entitled to use risk management models which imply, if it is the case, retaining as collateral the premium cashed by the sellers of the options contracts.

**Section 5**

**Exerting the options contracts**

**Art. 10 (1)** The exerting operations of the options contracts shall be performed by the BSE designated Clearing House, based on the provisions comprised in their regulations, function of the underlying asset, type, style and means of settlement when exercised and implies:

a. **for options contracts having funds settlement**, the BSE designated Clearing House realizes the corresponding operations so as to ensure the payment of the intrinsic value corresponding to the options series for which has been processed the exerting from the margin account of the clearing member designated to participate in exerting and cashing it in the margin account of the clearing member demanding the exerting;

b. **for options having physical delivery, other than those having as underlying asset futures contracts**, the BSE designated Clearing House carries out the corresponding operations so as for the following to be fulfilled, without the enumeration to be limitative:

1. the price paid from the from the margin account of the clearing member acting as buyer of the underlying asset and cashed in the margin account of the clearing member acting as seller of the underlying asset is the exerting price of the options series for which the exerting has been done, multiplied by the size of the object of the options contract and the number of exercised options contracts;

2. the volume of the settled underlying is the size of the object of the options contract, multiplied by the number of exercised options contract;

3. the information regarding parties of the operations, as follows:

   i. information regarding the buyer are those corresponding to the client, participant of the Derivatives Market and/or clearing member in the account of whom have been marked out the options contracts from the Call class for which the exerting has been demanded, respectively those from the Put class which have been designated to be part of the exerting;

   ii. information regarding the seller are those corresponding to the client, participant of the Derivatives Market and/or clearing member in the account of whom have been marked out the options contracts from the Call class which have been designated to be part of the exerting, respectively those from the Put class for which the exerting has been demanded;

   iii. the BSE designated Clearing House is counterparty in the settlement operation with physical delivery both for the compensation member acting as...
buyer of the underlying asset, and for the compensation member acting as seller of the underlying asset.
4. carrying out the operations for finalizing the settlement, and also the corresponding clearing – settlement operations, are subject of the rules and procedures corresponding to payments and transfer of ownership with the underlying asset, as they are agreed by the Clearing House and the settling agent and/or the Depository of the underlying asset, based on the provisions of the incident law in force.

c. for options contracts having as underlying futures contracts, the BSE designated Clearing House realizes the corresponding operations so as for the following to be fulfilled, without the enumeration to be limitative:
1. the price at which is realized the buying/selling of the futures contract which is underlying asset is the exerting price of the options series for which the exerting has been performed;
2. following the exerting for one options contract, the buying/selling corresponding to the volume of one underlying futures contract takes place, except for the situations in which the specifications of the options contract provide otherwise;
3. the series of the futures contract for which the buying/selling is executed has the maturity date identical with the expiration date of the series of options contract for which the exerting has been performed;
4. the information regarding the parties of the operations, as follows:
   i. information regarding the buyer are those corresponding to the client, participant of the Derivatives Market and/or clearing member in the account of whom have been marked out the options contracts from the Call class for which the exerting has been demanded, respectively those from the Put class which have been designated to be part of the exerting;
   ii. information regarding the seller are those corresponding to the client, participant of the Derivatives Market and/or clearing member in the account of whom have been marked out the options contracts from the Call class which have been designated to be part of the exerting, respectively those from the Put class for which the exerting has been demanded;
   iii. the BSE designated Clearing House is counterparty in the settlement operation with physical delivery both for the compensation member acting as buyer of the underlying asset, and for the compensation member acting as seller of the underlying asset.
5. carrying out the operations for finalizing the settlement, and also the corresponding clearing – settlement operations, are subject of the rules and procedures of the BSE designated Clearing House.

(2) The intrinsic value based on which is realized the exerting settlement process of the options contracts with funds settlement, is determined by BSE for each options series by utilizing the exerting prices and the reference value of the underlying asset determined according to the specifications of the options contract.
(3) The BSE designated Clearing House is entitled to utilize the risk management models, which imply, without the enumeration to be limitative:
   a) elaborating rules and procedures regarding exerting the options contracts;  
   b) imposing conditions to clearing members who request or are designated to take part in exerting the options contracts, both on their own account, and on the clients’ account;  
   c) retaining as collateral of the intrinsic value cashed by clearing members requesting the exerting of the options contracts, both on their own account, and on the clients’ account, as appropriate;  
   d) retaining as collateral of the underlying assets of the options contracts owned by the clearing members requesting the exerting of the options contracts, both on their own account, and on the clients’ account, as appropriate;  
   e) utilizing the intrinsic value of an options series in order to determine the margin requirement for clearing members having open positions in the series of options contracts, both for their own account, and for their clients’ accounts.  

(4) The measures mentioned in art. (3) which inclusively refer to the exerting program and the criteria for designating the settlement members owning short positions and which are designated to take part in the exerting process, and these shall be utilized by the Clearing House after consultation with BSE.

Section 6
Corporate events

Art. 11 (1) For options contracts having as underlying asset shares issued by companies which record corporative events, BSE, following the consultation with the Clearing House, may adjust the options contracts, so as for the intrinsic value or the exerting price of the options contract not to be artificially modified, by correspondingly applying the provisions of Chapter IV Adjusting futures contracts following corporate events, of Title VI Futures Market of this Book, except art. 24, para. (1), letter b) point 2, 24 para (2) letter c), art. 27 and art. 37.

(2) Correspondingly applying the provisions mentioned in the previous paragraph implies replacing the following terms:
   a) “futures contract” with “options contract”
   b) “futures series” with “options series”
   c) “daily settlement price” with “exerting price”.
CHAPTER II
MANAGING OPEN POSITIONS

Section 1
Managing orders

Art. 12 (1) A Derivatives Market participant may introduce a buy or sell order of an options contract with respect to the provisions of the present rulebook and with the regulations of the Clearing House.
(2) BSE may grant the Clearing House the right to access the trading system for administering orders and/or trades in order to initiate, modify or liquidate the open positions recorded in the position accounts of the clearing or non-clearing members and/or their clients.

Section 2
Initiating or modifying open positions

Art. 13 (1) Initiating a Long or Short open position, for a certain account and options series, is realized through executing one or more buy or sell trades in the trading system.
(2) In order to initiate a position in the Options Market, the deposit of the margin and/or the premium is realized according to the regulations of the Clearing House.
(3) Participants of the Derivatives market have the obligation to ensure that the provisions of this rulebook and the regulations of the Clearing House are respected, before introducing an order for initiating a Long or Short position.

Art. 14 Modifying an open position recorded on a certain account and options series, is realized, mainly as follows:
  a) increasing the open position:
    1. by execution of one or more trades on the same side with that of the initial open position recorded in the same options series;
    2. by retroactive liquidation of a trade with options contracts having opposite direction than that of the open position previously recorded, etc.
  b) diminishing the open position:
    1. by executing one or more opposite direction trades with that of the open position previously recorded in the same options series, the volume traded being smaller than the number of contracts from the initially open position;
    2. by exerting the option;
    3. by retroactively liquidating of an options contracts trade having the same direction with that of the open position previously recorded, etc.

Art. 15 Participants of the Derivatives Market, both for the trades performed on their account, and for the trades on their clients’ account, benefit of the rights resulting from owning an open Long position or are held responsible regarding the obligations resulting from owning an open Short position till the moment the position is closed, operation which may be performed through one of the following methods:
a) before the expiration of the options contract:
   1. execution by the Derivatives Market participant of one opposite direction trade for the options series and for the account in which the open position is recorded;
   2. the participant, both for its own account, and for their clients’ accounts in which the open position is recorded, requests or is designated by the Clearing House to take part in exerting the options contracts;
   3. the Clearing House may perform an opposite direction trade in order to force close/diminish the open position.

b) at the date of expiration of the options contract:
   1. by applying of the automatic exerting procedure by the Clearing House or on request of the participants, both for their own account and for the clients’ accounts, according to the specifications of the contract;
   2. by radiating them form the records of the Clearing House, if the options contract has reached the expiry date and has not been subject of exertion.

Section 3
Liquidating and transferring open positions

Art. 16 (1) Operations regarding liquidation and transfer of the open positions are realized according to the regulations of the Clearing House.
(2) If the Clearing House finds itself in the situation of not being able to realize the operations regarding the forced liquidation of the positions, BSE may proceed, if requested, to carry out the respective operations according to the instructions of the Clearing House.
(3) For the forced liquidation operations comprised in para. (2), BSE may apply a fee for the Derivatives Market participants for each options contract traded following the process of closing those positions by BSE, according to the List of fees practiced by BSE.
CHAPTER III
THE REFERENCE PRICE OF OPTIONS CONTRACTS AND THE REFERENCE VALUE OF THE UNDERLYING ASSET

Section 1
The reference price of the options contracts

Art. 17 (1) The reference price of the options contracts is determined on a daily basis by BSE, according to the provisions of the options contracts’ specifications regarding the means of determining the price at which the daily mark to market is realized, for each options series, after the closing of each trading session for the entire lifetime of the options contracts, with the exception of the expiry date.

(2) The specifications of the options contracts shall refer to the means of determining the price at which the daily mark-to-market is realized, in order to manage the assumed risks by the owners of Short positions for the options contracts, based on one of the following means, without the enumeration to be limitative:

a) if trades are concluded during the current trading session for the Options Market, the reference price of an options series may be determined in one of the following ways:

1. the weighted average price of the options contract – the average price weighted with the traded volume in the Options Market, computed based on a certain number of concluded trades and/or corresponding to a certain period of time from the current trading session;

2. the closing price of the futures contract – the price of the last trade in the current trading session in the Options Market;

3. the auction price of the options contract – the price determined based on applying the fixing algorithm.

b) if no trade is concluded during the current trading session in the Options Market, the reference price may be determined based on the orders existing in the market.

(3) If determining a reference price is not possible to be determined for the current trading session, the reference price of the previous trading session will be taken into consideration, if not stipulated otherwise in the specifications of the options contract.

(4) If the Clearing House decides regarding utilizing another price than the reference price, used for the mark-to-market process in order to manage the risks assumed by the owners of the Short positions of the options contracts, after the closing or during the trading session, BSE shall take the necessary technical measures and shall inform the participants of the Derivatives Market, accordingly.

Section 2
The reference value of the underlying asset
Art. 18 (1) The reference value of the underlying asset represents the price/unitary value (price, index points, currency, interest rate, etc.) used for determining the intrinsic value corresponding to each options series.

(2) When exerting an options contract, the Clearing House establishes the intrinsic value based on which the settlement process is realized at the moment of exerting, for options contracts settled in funds, function of:
   a) the reference value of the underlying;
   b) other price determined by the Clearing House according to its regulations (ex: theoretical price).

(3) The reference value of the underlying asset is determined by BSE according to the specifications of the options contract, after the closing of the trading session, for each working day.

Art. 19 (1) The means for determining the reference value of the underlying asset comprised in the specifications of the contract shall apply to all listed series of that options contract.

(2) The specifications of the options contract shall comprise detailed provisions for determining the reference value of the underlying asset, based on one of the following means, without confining to:
   a) for options contracts having as underlying an instrument traded on a regulated/organized market:
      1. the reference price communicated by the administrator or organizer of that market;
      2. the average weighted price of the underlying – the average price weighted with the volume traded in the market of the underlying asset, corresponding to a certain period of time from the trading session;
      3. the closing price of the underlying asset – the price of the last trade concluded in the market of the underlying asset;
      4. the auction price of the underlying asset – the price of the underlying asset determined based on applying the fixing algorithm.
   b) for options contracts having as underlying a stock exchange index:
      1. average of the values of the underlying asset – the average of the values computed for that underlying asset for a certain period of time;
      2. the closing value of the underlying asset – the last computed value for the underlying asset
   c) for options contracts having other underlying assets than those mentioned at letters a) and b), the values or reference prices are those communicated by the entity responsible for determining them.

(3) If no trade is concluded in the market of the underlying or if a value can’t be determined for the underlying asset in order to determine the reference value of the underlying asset, BSE shall utilize the data recorded from the most recent trading session in which this value may be determined.

Art. 20 If the Clearing House decides upon utilizing another price than the reference value of the underlying asset, BSE shall take the necessary technical measures and shall inform accordingly the participants of the Derivatives Market.
Art. 21 IF BSE decides upon withdrawing from trading of an options series before its expiration, exerting the options contracts shall be performed according to the provisions of art. 10, para. 2, Title V, Chapter II “Admission/Surveillance/ Withdrawal from trading of FD”.
TITLE VII
ILLEGAL ACTS
AND STOCK EXCHANGE PENALTIES

CHAPTER I
GENERAL FRAMEWORK

Art. 1 (1) Illegal acts in respect of the relevant Derivatives Market legislation are the ones breaching the provisions hereof and which, according to specific conditions, do not observe the elements provided by the law or other norms carrying a higher legal force, to be considered offences, civil trespassing, market abuse or fraudulent practices.
(2) The act committed due to physical or moral constraint shall not be considered in breach of the stock exchange legislation.
(3) Trading members shall answer for acts in breach of the stock exchange legislation committed by their own derivatives agents.

Art. 2 The provisions of this Chapter shall be completed accordingly by the provisions on the organization and functioning of the Appeal Commission contained by the BSE Organization and Functioning Regulations.

CHAPTER II
ILLEGAL ACTS

Art. 3 The following acts shall be considered in breach of the legal framework applicable to the Derivatives Market:

a) failure to observe the provisions of art. 2 par. (3) from Title I, Chapter I “General Provisions” on the interdiction for a trading member to conclude transactions in its own name and account on the Derivatives Market through another trading member;
b) failure to observe the provisions of art. 3 par. (4) from Title I, Chapter I “General Provisions” on informing the clients regarding and them signing the “Document regarding the risks associated with financial derivative instruments”; 
c) failure to observe the provisions of art. 4 par. (1) from Title I, Chapter I “General Provisions” on the prompt and adequate transmission of any document, financial report or information requested by BSE;
d) obtaining of the trading member or derivatives agent status based on incorrect information, a fact which had a significant influence on obtaining the respective status;
e) failure of the trading member to notify, or delayed notification regarding changes occurred in the information provided in the documents taken into account upon obtaining the respective status, as well as any significant event regarding the respective company,
with the failure to observe the provisions of **art. 10 par. (2)** from Title I, Chapter II “The Trading Member Status”;

f) omission of the trading member to notify or delayed notification regarding:
   1. termination of the contractual relation with the Bucharest Clearing House / general clearing/non-clearing member, as applicable;
   2. termination of the membership status with the Investors’ Clearing Fund;
   3. existence of less than 2 derivatives agents in the company.

f) Failure to observe the provisions of **art. 19 par. (8) and (9)** from Title I, Chapter III “Access of trading members to the trading system” on prohibiting the performance of market operations on the spot regulated market administrated by BSE by trading members, in case they do not hold the necessary status in order to carry out operations on such market, as well as vice versa;

h) Failure to observe the provisions of **art. 5 par. (1)** from Title III, Chapter I “The derivatives agent status” regarding the obligation of derivatives agents to maintain the confidentiality of the username and password for the electronic systems and the information on the activity of the trading member in the name of which it is performing the trading as well as clients thereof;

i) Omission of the trading member or the derivatives agent to notify, or delayed notification regarding the ceasing of the contractual relation between the derivatives agent and the respective member, in accordance with the provisions of **art. 5 par. (2)** from Title III, Chapter I “The derivatives agent status”;

j) Failure to observe the provisions of **art. 7 par. (3)** and **(4)** from Title III, Chapter I “The derivatives agent status” on prohibiting performance of market operations on the spot regulated market administrated by BSE by derivatives agents, in case they do not hold the necessary status in order to carry out operations on such market, as well as vice versa;

k) Failure to observe the provisions of **art. 12 par. (2)** from Title V, Chapter III “The trading system” on the observance hereof and the BSE regulations relevant in the process of placing stock exchange orders and concluding FD transactions;

l) Failure to observe the provisions of **art. 13 par. (1)** from Title V, Chapter III “The trading system” on the forbidden actions regarding the use of the electronic system by derivatives agents
CHAPTER III
STOCK EXCHANGE PENALTIES

Art. 4 (1) Willingly committing an illegal action in breach of the relevant Derivatives Market legislation shall entail enforcement of stock exchange, administrative and/or patrimonial penalties.
(2) Stock exchange penalties shall apply to legal persons holding the status of a trading member and/or derivatives agents thereof who committed acts in breach of the stock exchange legislation applicable to the Derivatives Market.

Art. 5 The provisions regarding the sanction of illegal acts from Book I, Title I, Chapter V “Sanction of acts in breach of the stock exchange legislation committed by participants to the BSE trading system and stock exchange agents” shall apply accordingly to the Derivatives Market in respect of the following sections:

a) “Stock exchange sanctions”;
b) “Procedure for disclosing, ascertaining and investigating illegal acts in breach of the stock exchange legal system. Individualization and enforcement of stock exchange penalties. Contesting the penalty decision”;
c) “Execution of stock exchange penalties”;
d) “Stock exchange criminal records”;
e) “Rehabilitation”;
f) “Preventive measures”.

Pag.323 / 338
TITLE VIII
FINAL PROVISIONS

Art. 1 (1) Book II, as well as any amendment thereof, shall enter into force upon receipt by BSE of the approval decision issued by RNSC, if such decision does not provide otherwise.

(2) Book II shall consist of:
   a) **Appendix no.1** “Application for admission as a trading member and registration in the Trading Members’ Registry”;
   b) **Appendix no. 2** “Personal data form”;
   c) **Appendix no. 3** “Specimen signatures”;
   d) **Appendix no. 4** “Document regarding the risks of financial derivatives instruments”;

Art. 2 (1) In case clarifications are necessary regarding the joint application of provisions in Book I and Book II, as well as procedures and/or other documents issued by BSE, the BSE General Manager may issue technical instructions regarding the application of the BSE legal framework.

(2) For the purpose hereof, force majeure event and unforeseeable circumstances shall mean an event which is not predictable, leading to consequences which cannot be eliminated and which are beyond the control of the invoking party. Such unpredictable events are: natural disasters, wars, terrorist attacks, strikes, legal restrictions and any other similar events which are beyond the control of the invoking party.

Art. 3 BSE shall issue specific regulations for the execution of market operations with options contracts on the Options Market, such regulations entering into force after their approval by RNSC.
APPENDIX No. 1

APPLICATION FOR THE ADMISSION AS A TRADING MEMBER
AND REGISTRATION IN THE TRADING MEMBERS’ REGISTRY

FOR THE PURPOSE OF BEING ADMITTED AS A TRADING MEMBER ON THE
DERIVATIVES MARKET AND FOR REGISTRATION IN THE TRADING
MEMBERS’ REGISTRY OF THE FINANCIAL INVESTMENTS SERVICES
COMPANY/ CREDIT INSTITUTION/ INVESTMENTS COMPANY/ TRADER

__________________________________________________
(name of the FISC/ credit institution / investments company /trader)

1 INSTRUCTIONS FOR FILLING IN THE FORM:
This form shall be filled in 2 ORIGINAL counterparts; the form shall be edited on a computer.
Filling in all the form entries shall be compulsory. In case certain provisions are not applicable, the note: NOT
APPLICABLE shall be filled in.
Failure to fill in all the form entries shall entail reassessment of the respective company documents and receipt
of the resolution: INCOMPLETE FILE.
All signatures in the above mentioned form shall be original.

WE SUBMIT THE FOLLOWING INFORMATION:

1. IDENTIFICATION DATA:
REGISTERED OFFICE / HEADQUARTERS:_________________________________________
ADDRESS: _________________________________________________________________
TEL: __________________________________________________________________FAX:
E-MAIL ______________________ WEB PAGE ____________________________
COMPANY REGISTERED WITH THE TRADE REGISTRY OF THE CITY/COUNTY
_____________________________ UNDER NO.____________________
SOLE REGISTRATION CODE ________________

2. CONTACT PERSONS FOR THE RELATION WITH BSE

NAME/SURNAME TELEPHONE FAX POSITION
__________________________________________________________________________

__________________________________________________________________________
3. SUBSIDIARIES AND OFFICES OF THE FISC/ CREDIT INSTITUTION /INVESTMENTS COMPANY /TRADER

A. SUBSIDIARIES

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>TEL</th>
<th>FAX</th>
<th>AFISC</th>
<th>RCCI</th>
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B. OFFICES

<table>
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<tr>
<th>LOCATION</th>
<th>TEL</th>
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<th>AFISC</th>
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</table>

4. AUTHORIZATION OF THE FISC / CREDIT INSTITUTION / INVESTMENTS COMPANY /TRADER

A. NUMBER AND DATE OF THE AUTHORIZATION ISSUED BY RNSC/N.B.R/THE COMPETENT AUTHORITY OF A MEMBER STATE: _____________________________

B. NO. AND DATE OF THE RNSC APPROVAL FOR THE REGISTRATION IN THE RNSC REGISTRY ________________________________________________

5. OBJECT OF ACTIVITY AUTHORISED BY RNSC:

<table>
<thead>
<tr>
<th>ACTIVITIES</th>
<th>AUTHORIZATION DATE</th>
<th>ACTIVITIES CARRIED OUT AT PRESENT YES/NO</th>
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</table>

6. BANK ACCOUNTS OF THE FISC / CREDIT INSTITUTION /INVESTMENT COMPANY /TRADER USED IN THE RELATION WITH BSE

A. CURRENT ACCOUNT

<table>
<thead>
<tr>
<th>NAME OF THE BANK</th>
<th>ADDRESS</th>
<th>IBAN</th>
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<tbody>
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</table>
B. CLIENTS ACCOUNT

NAME OF THE BANK                      ADDRESS                      IBAN
________________________________________________________________________

C. ACCOUNT FOR PAYMENTS TO BSE

NAME OF THE BANK                      ADDRESS                      IBAN
________________________________________________________________________

7. FINANCIAL AUDITOR / INTERNAL AUDITORS

NAME AND SURNAME                      ADDRESS                      TELEPHONE                      CONTRACT NO.
________________________________________________________________________

8. HAS THE COMPANY CONCLUDED BROKERAGE CONTRACTS FOR OTHER INTERMEDIARIES AUTHORISED BY RNSC?

YES ____/NO ____.

IF YES, PLEASE ATTACH A COPY THEREOF.

9. SHARE CAPITAL

INITIAL CAPITAL: __________________________

SHARE CAPITAL SUBSCRIBED AD FULLY PAID: __________________________

NUMBER OF SHARES: ________________ NOMINAL VALUE: ________________

SHAREHOLDERS:

NAME AND SURNAME                      NO. OF SHARES HELD                      VALUE(% of the capital)
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
IN CASE OF PARTICIPATION IN KIND TO THE CAPITAL, PLEASE PROVIDE DETAILS.

10. BOARD MEMBERS, MANAGERS, AGENTS FOR FINANCIAL INVESTMENTS SERVICES AGENCIES, DELEGATE AGENTS, DERIVATIVES AGENTS, INTERNAL CONTROL REPREZENTATIVES

A. BOARD MEMBERS

<table>
<thead>
<tr>
<th>NAME AND SURNAME</th>
<th>POSITION</th>
<th>RNSC DECISION</th>
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B. MANAGERS

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<tr>
<th>NAME AND SURNAME</th>
<th>POSITION</th>
<th>RNSC DECISION</th>
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</table>

C. AGENTS FOR FINANCIAL INVESTMENTS SERVICES

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<thead>
<tr>
<th>NAME AND SURNAME</th>
<th>POSITION</th>
<th>RN.S.C. DECISION</th>
<th>N.S.C. REGISTRATION NO.</th>
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TOTAL:
D. DERIVATIVES AGENTS

<table>
<thead>
<tr>
<th>NAME AND SURNAME</th>
<th>RNSC DECISION</th>
<th>DEPARTMENT</th>
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</table>

E. DELEGATE AGENTS

<table>
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<tr>
<th>NAME AND SURNAME</th>
<th>RNSC DECISION</th>
<th>RNSC REGISTRATION NO.</th>
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</table>

F. REPRESENTATIVES OF THE COMPLIANCE DEPARTMENT

<table>
<thead>
<tr>
<th>NAME AND SURNAME</th>
<th>RNSC DECISION</th>
<th>RNSC REGISTRATION NO.</th>
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</table>

11. HAS THE COMPANY ISSUED GUARANTEES FOR NATURAL OR LEGAL PERSONS?

YES__/NO__. IF YES, PROVIDE DETAILS.

12. DOES THE COMPANY OR A SIGNIFICANT SHAREHOLDER THEREOF HOLD SHS IN ANOTHER INTERMEDIARY/ANOTHER INVESTMENTS COMPANY /ANOTHER TRADER?

YES__/NO__. IF YES, PROVIDE DETAILS.

13. DOES THE COMPANY HOLD IN POSSESSION SHARES FOR A RATE HIGHER OR EQUAL TO 5% IN A COMPANY TRADED ON THE REGULATED MARKET?

YES__/NO__. IF YES, PROVIDE DETAILS.
14. DENIAL. SUSPENSION. PENALTIES

LIST CASES OF COMPANY AUTHORIZATION DENIAL, SUSPENSION OR PENALTIES ENFORCED BY RNSC AGAINST THE COMPANY.

___________________________________________________________________________
___________________________________________________________________________

15. PAYMENT OF ADMISSION / TRANSMISSIBLE LICENCE / ANNUAL FEE

THE FEE OF __________ WAS PAID WITH PAYMENT ORDER NO. __________.

PLEASE PROVIDE A COPY OF THE FEE PAYMENT ORDER.

DATE WHEN THE ANNEX WAS FILLED IN: _________________

NAME AND SURNAME NAME AND SURNAME

CHAIRMAN GENERAL MANAGER
BOARD OF ADMINISTRATION (SIGNATURE) (SIGNATURE)

COMPANY SEAL
APPENDIX NO.2

Photograph

PERSONAL DATA FORM²

FISC/ CREDIT INSTITUTION / INVESTMENTS COMPANY / TRADER

___________________________________________________

(NAME)

NEW FORM ____ AMENDED ____

² INSTRUCTIONS FOR FILLING IN THE FORM:
This form shall be filled in 2 ORIGINAL counterparts; the form shall be edited on a computer.
Filling in all the form entries shall be compulsory. In case certain provisions are not applicable, the note: NOT
APPLICABLE shall be filled in.
Failure to fill in all the form entries shall entail reassessment of the respective company documents and receipt
of the resolution: INCOMPLETE FILE. All signatures in the above mentioned form shall be original.

1. NAME AND SURNAME _______________________________________________________
PERSONAL IDENTIFICATION CODE : _________________________________

ADDRESS: _______________________________________________________________________
E-MAIL: ______________________________

DEPARTMENT WHERE YOU CARRY OUT YOUR ACTIVITY
___________________________________________________________________________

POSITION IN THE COMPANY
___________________________________________________________________________

TELEPHONE: ___________________ OFFICE _____________ HOME ________________

DO YOU CARRY OUT A PERMANENT ACTIVITY IN THE COMPANY?
YES ___ NO ___
IF YES – EMPLOYMENT DATE: ___________________
IF NO – THE COMPANY WHERE YOU DEVELOP YOUR PERMANENT ACTIVITY:
NAME ______________________________________________________________
ADDRESS __________________________________________________________________
TELEPHONE_________________________POSITION HELD___________________________

2. DATE AND NO. OF THE RNSC AUTHORIZATION AS A ______________________
   (FSIA, DELEGATE AGENT, ICC REPRESENTATIVE, ETC)
   REGISTRATION NO. IN THE RNSC REGISTRY _________________________________

3. DATE AND PLACE OF BIRTH ___________________________________________
   CITIZENSHIP ___________________

4. STUDIES – PLEASE GIVE DETAILS
___________________________________________________________________________
___________________________________________________________________________
___________________________________________________________________________

5. PREVIOUS WORK PLACES, DURING THE LAST 5 YEARS (COUNTING BACK)

NAME OF THE INSTITUTION           POSITION          PERIOD: FROM-TO
___________________________________________________________________________
___________________________________________________________________________
___________________________________________________________________________

6. NAME CHANGES (MARRIAGE, DIVORCE, etc.)

PERIOD                                           NAME
___________________________________________________________________________

7. LIST CASES OF AUTHORIZATION DENIAL, SUSPENSION, PENALTIES
   ENFORCED AGAINST YOU BY REGULATION AND MARKET SUPERVISION
   INSTITUTIONS
___________________________________________________________________________

8. IF YOU ARE ENGAGED IN ACTIVITIES OTHER THAN THE SECURITIES
   INTERMEDIATION, PLEASE PROVIDE THE FOLLOWING DETAILS:

   COMPANY NAME
ADDRESS__________________________________________________________________

___________________________________________________________________________

NATURE OF THE ACTIVITY _________________________________________________

POSITION HELD____________________________________________________________

TIME THAT YOU ASSIGN TO SUCH ACTIVITY ________________________________

9. DO YOU HOLD SHARES (EITHER INDIVIDUALLY OR CUMULATED) IN ANOTHER INTERMEDIARY AUTHORISED BY RNSC/INVESTMENTS COMPANY/TRADER? YES__/NO____. IF YES, PLEASE GIVE DETAILS.

___________________________________________________________________________

10. DO YOU HOLD SHARES IN A COMPANY ADMITTED TO TRADING ON THE SPOT REGULATED MARKET ADMINISTRATED BY BSE FOR A RATE HIGHER THAN 5%? YES__/NO___. IF YES, PLEASE GIVE DETAILS.

___________________________________________________________________________

I hereby declare on my own responsibility that the information provided is true, correct and complete and I undertake to notify to BSE, in writing, regarding any changes to this form, upon the terms provided by the regulations in force.

I undertake to be aware of and observe the legislation regarding the capital market, as well as all regulations issued by BSE and RNSC.

Failure to observe the above-mentioned statements shall entail my legal responsibility according to Law 297/2004, BSE and RNSC regulations.

Signature:______________________________ Date:_______________

THE UNDERSIGNED __________________________________ BOARD CHAIRMAN

___________________________________________ (name of the company)

I HEREBY DECLARE THAT THE INFORMATION PROVIDED BY MR./MRS. ____________________________________________________________________________

___________________________________________ (name and surname)

IN THIS FORM ARE TRUE, CORRECT AND COMPLETE.

Signature ______________________________ Date _________________
APPENDIX No. 3

Name of the Trading Member

Registration No. /Date

SPECIMEN SIGNATURES

We hereby submit the list of persons authorized to sign the correspondence sent to BSE and to legally represent the company in the relation with BSE, as follows:

<table>
<thead>
<tr>
<th>No.</th>
<th>Name and surname</th>
<th>Position</th>
<th>Aria of Responsibility</th>
<th>Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td>Relation with the Members’ Department and the Department for the Admission to the Regulated Markets</td>
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<td>Relation with the Economic-Administrative Department</td>
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<td>Relation with the Trading Systems Department and Regulated Market Supervision</td>
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<td>Relation with the Department for the Administration of the Information System</td>
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<td>Relation with the Department for the Development of the Information System</td>
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</tbody>
</table>

Also, we bound ourselves to notify BSE within 2 working days, when modifications occur with regard to the abovementioned.

Company

Chairman /General Manager

Signature /Seal
APPENDIX NO. 4
Appendix to the service provision contract

DOCUMENT REGARDING THE RISKS OF DERIVATIVE FINANCIAL INSTRUMENTS

I. General regards

This document does not present all the risks or other relevant aspects regarding investment in financial derivatives ("FD"). In order to take investment decisions with complete information, potential investors must make sure that they understand the main characteristics of these instruments, as well as the current legislation, regulations and market mechanisms of the BSE and the Bucharest Clearing House.

Trading derivative financial instruments may not be appropriate for all investors. Taking into account that the risk of financial loss following the trade of FDs can be significant, it is necessary to thoroughly research the opportunities of completing operations on the Derivatives Market. Before opening a margin account, one must take into consideration aspects such as: the current financial situation, risk aversion, the level of financial knowledge and prior experience on the capital market, investing goals, as well as any other relevant circumstances.

The clients of a trading member on the Derivatives Market must not risk amounts of money that they cannot afford to lose through FD transactions. Such funds may include those necessary in order to cover daily living expenses, health and education, fulfilling the obligations regarding the repayment of a bank loan, as well as financial reserves for unpredictable emergencies.

Potential investors must take utmost caution with regard to the advertising declarations or announcements that inform of the very high profits that can be made from trading FDs. The high degree of “leverage” of these instruments can lead to earning significant profits, but also to very high losses in a very short time, that may be higher than the initial investments.

In what regards the evaluation of the implications of an FD investment, the decisions on trading these instruments must follow the net effect on the entire portfolio, including the market positions of the underlying asset. Also, the investors must analyze the impact of the current legislation and fiscal aspects that can affect the net result of FD investments.

As a result of the high degree of leverage, investors can immediately notice the effect of losses resulting from open positions on the Derivatives Markets. Profits and losses resulting from trading FDs are registered at least daily in the client’s margin account. In case the exposure corresponding to the open positions held increases, it is possible to have to deposit extra guarantees (collateral) in the margin account. Otherwise, there is a risk of the open positions being forcefully closed at a loss. Under such circumstances, the respective investor is responsible for covering the existing deficit in the margin account.

Positive results obtained in the past do not constitute a guarantee to the future...
performance of a certain FD or trading strategy. Similarly to other financial instruments, there is no certainty of making a profit from trading FDs.

II. Futures contracts

1. The leverage effect and the margin system
Transactions involving futures contracts have a high degree of risk. It is possible for an investor to record a very high financial loss in a very short period of time. As a consequence of the high leverage of futures contracts, the loss that an investor can suffer is technically unlimited, significantly exceeding the value of the collateral initially deposited in order to meet the margin requirements.

The quantum of the initial margin is relatively small compared to the notional value of the futures contract, so that a position for these contracts can be opened using a relatively small amount of money. A comparatively minor modification in the market price, when it is in the direction that does not favor the investor, can generate a loss equal or greater than the initial margin and it becomes necessary to deposit extra amounts of money in order to maintain the respective position open.

In special situations, such as the significant increase in the market volatility, there is a risk that the minimum level of the margins established for the futures contracts would be increased by the Bucharest Clearing House, thus increasing the probability for the investor to unexpectedly receive a margin call to deposit extra funds and/or other eligible assets to constitute a collateral.

In case an FD investor does not respond to a margin call or does not have the necessary resources to add to the margin account within the specified time, there is the risk of his positions to be forcefully closed by the participant on the Derivatives Market where he had opened an account, by his clearing member or by the Bucharest Clearing House.

2. Orders or risk reduction strategies
Introducing certain instructions to contain the loss (for instance: “stop-loss” or “stop-limit”) can be less efficient when the market conditions do not allow the accurate execution of such orders. Using trading strategies (for instance: combinations of “spread” positions) can be just as risky as opening “long” or “short” positions.

III. Options contracts

1. Different degrees of risk
The transactions with options contracts hold a high degree of risk. Investors in options must become familiar with every type of contract (“put” or “call”), as well as with the risk involved depending on the position taken as either buyer (“long”) or seller (“short”).

Investors in options contracts must determine how much the value of the position has to increase in order for it to become profitable, taking into account the option’s bonus and the trading costs.

2. Buyers of options contracts
Positions held by the buyers of options contracts can be closed by executing an reversed
transaction, through the execution or expiration of the option owned. The exertion of an option by its owner can be done either by charging the favorable difference in case of cash settlements, or by buying or delivering the underlying asset.

In case the option being exercised is based on a futures contract (“options on futures”), the buyer of the option will have a long or short position in the respective futures contract, which will represent the object for determining the necessary margins and the marking-to-market process.

In circumstances when the options contract expires at delivery without value (“out-of-the-money”), the owner of the respective option will register a total loss equal to the bonus paid and the trading commissions. The investors that intend to buy futures contracts that are deep-out-of-the-money must take into account that the probability of these options becoming profitable is generally low.

3. Sellers of futures contracts
Selling options contracts generally involves a higher degree of risk than buying options. Depending on the evolution of the price of the underlying asset, the options seller can suffer significantly losses higher that the fixed bonus received. When an investor sells an option that is “covered” (“covered option”) with a position in the underlying asset or in another futures or options contact, the seller’s risk can be reduced. If the options contract being sold is not “covered”, then the seller’s risk of loss can be unlimited.

The seller has the obligation to deposit the additional margin in order to maintain the position open, in case the market price takes an unfavorable turn. Moreover, the seller of an options contract is exposed to the risk of the buyer exerting the options, case in which the seller has the obligation to either proceed with a cash settlement, or with buying and delivering the underlying asset. In case the option being exercised is based on a futures contract (“options on futures”), the seller of the option will open a long or short position for the respective futures contract, which will represent the object for determining the necessary margins and the process of marking to market.

IV. Other common FD risks

1. Characteristics and market mechanisms
Investors must make sure that they fully understand the terms and conditions regarding the trade of FD, as well as the obligations arising thereof, such as: the circumstances under which it is mandatory to add to the funds in the margin account, takeovers or delivery, etc. Also, the possibility of modifying the specifications of the FD contracts by the BSE and/or the Bucharest Clearing House in order to accurately reflect the existing conditions at a given point on the Derivatives Market, and the market of the corresponding underlying asset, must be taken into account.

2. Opening and closing positions
The market circumstances at a given moment (for instance: low liquidity) and/or trading rules (for instance: suspending the trade of an FD contract following the suspension from trade of the underlying asset due to the evolution of the market price or to other extraordinary circumstances), can lead to an increase in the risk of financial loss as a consequence of the
difficulty or impossibility to open new positions and/or close open positions.

Under such extraordinary circumstances, even if it may be possible for the investors to close the market positions, there is the risk of the respective transactions leading to significant loss. In case an investor has sold options contracts, the risk of loss is significantly greater.

3. FD Evaluation

Investors must be aware of the fact that there is the possibility for the market price of a FD to be significantly different from the theoretical prices determined based on the known evaluation methods.

4. The electronic platform

Under exceptional circumstances, performing market operations with FD via an electronic platform can lead to technical difficulties at any of the following levels: trading member on the Derivatives Market, clearing member, company offering communications services, Bucharest Clearing House or the BSE, with regards to the hardware components, the operating system or the modules of the software application.

In the case of such system deficiencies, there is a risk that an investor’s order will not be executed in accordance with his instructions or not to be executed at all.

5. Commissions, taxes and margins

Prior to opening a margin account, the investors must make sure that they have understood the commission, taxes and margins system, as well as any other financial obligations that can result from trading on the Derivatives Market. These obligations may have effects on the result obtained from FD operations, meaning they could reduce the net profit or increase the total loss.

I HEREBY DECLARE THAT I HAVE READ AND UNDERSTOOD THE TEXT OF THE DOCUMENT WITH REGARD TO THE RISKS OF FDs,

Client name: ..................................................

Client signature: ..........................................

Date: ..........................................................