

FINANCIAL SUPERVISORY AUTHORITY

REGULATION No. 11/2015 amending and supplementing certain legislative acts

In accordance with the provisions of Art. 1 (2), Letters a) and d) of Art. 2 (1), Letter b) of Art. 3 (1), Art. 6 (2) and Art. 14 of Government Emergency Ordinance No. 93/2012 on the establishment, organisation and operation of the Financial Supervisory Authority, approved as amended and supplemented by Law No. 113/2013, as subsequently amended and supplemented,

Having regard to the provisions of TITLE IV – Markets regulated by Financial Instruments and Central Depository, TITLE V – Market Operations, TITLE VI – Issuers, TITLE VII – Market Abuse and TITLE VIII – Financial Audit of Capital Market Law No. 297/2004, as subsequently amended and supplemented,

further to the deliberations held in the meeting of the Financial Supervisory Authority’s Board of 22 september 2015,

the Financial Supervisory Authority hereby issues this regulation:

Art. I. – CNVM Regulation No. 13/2005 on the authorisation and operation of the central depository, clearing houses and central counterparties, approved by CNVM Order No. 60/2005, in the *Official Journal of Romania*, Part I, No. 983 of 4 November 2005, as subsequently amended and supplemented, is hereby amended and shall be supplemented as follows:

1. Under Article 12 Letters g) and h) are hereby amended and shall read as follows:

“g) supply, together with or in the name of the issuer, of the services for the fulfilment of the issuer’s obligations in connection with or towards the holders of financial instruments;

h) services in connection with the exercise of the pre-emptive right and other rights associated with the holding of such financial instruments;”

2. Under Article 30 Paragraph (1), Letter d) is hereby amended and shall read as follows:

“d) issuers and participants’ possibility of electronic transmission of messages and reports to strengthen the shareholding structure of an issuer and process corporate events;”

3. Under Article 36, Paragraph (1) is hereby amended and shall read as follows:

“**Art. 36.** - (1) All financial instruments admitted to trading on a regulated market or in an alternative trading system shall be registered in the system of the central depository ensuring the support for the processing of corporate events in accordance with the legal provisions, rules issued by it and contracts concluded with the issuer and participants in its

system.”

4. Under Article 40 after Letter e) of Para (1) a new letter, Letter f), is hereby inserted and shall read as follows:

“f) option collection in the case of corporate events where holders of financial instruments shall have the right to opt for the results which they would receive as a result of the corporate events.”

5. Under Article 40, after Paragraph (1) a new paragraph, Paragraph (2) is hereby inserted and shall read as follows:

“(2) In applying the provisions of Art.146 (5)¹ of Law No. 297/2004, the central depository shall be responsible for paying any dividends and any other amounts due to the securities holders to the participants in the clearing-settlement and registry system, and the participants shall be responsible for transferring the same to securities holders.”

6. Under Article 63, Paragraph (1), Letter e) is hereby amended and shall read as follows:

“e) information on the payment of dividends, interest or other amounts distributed, indicating the registration date, value of the dividend or amount distributed, amount of withholding tax, as appropriate, and the payment date.”

7. Under Article 81¹, after Paragraph (3) a new paragraph, Paragraph (4), is hereby inserted and shall read as follows:

“(4) In exceptional and duly justified circumstances, the central depository may make direct transfers of ownership over the securities erroneously registered in its records from one holder to another. The central depository shall be responsible for making those direct transfers of ownership, with an obligation to report every direct transfer made for that purpose to ASF, within 3 working days after registration.”

8. Under Article 98 the introductory part and Letter g) are hereby amended and shall read as follows:

“**Art. 98.** - The central securities depository shall issue regulations and procedures comprising at least the following:

.....
g) means of meeting its obligations towards holders of financial instruments, under the services supply agreement concluded with the issuer and participants, as appropriate, including means of processing and registering the corporate events as defined in Letter f²) of Art. 2 (2) of CNVM Regulation No. 1/2006;”

Art. II. – Under Article106 Paragraph (1) and the introductory part of Paragraph (2) of Regulation No. 32/2006 on financial investment services, approved by CNVM Order No. 121/2006, published in the Official Journal of Romania, Part I, No. 103bis of 12 February 2007, as subsequently amended and supplemented, is hereby amended and shall read as follows:

“**Art. 106.** - (1) Intermediaries shall inform clients through a durable medium in connection with any corporate event, as such is defined in Letter f²) of Art.2(2) of Regulation No. 1/2006, in connection with the financial instruments held in portfolio by them, and in connection with any right they may claim.

(2) Intermediaries may, either on their own initiative, or at the request of a client

concerned, deem:”

Art. III. – Article 3 of Regulation No. 5/2010 on the use of global accounts system, implementation of mechanisms with and without pre-validation of financial instruments, performance of securities lending operations, operations of establishing guarantees associated therewith and short selling, approved by CNVM Order No. 10/2010, published in the *Official Journal of Romania*, Part I, No. 169 of 16 March 2010, as subsequently amended and supplemented, is hereby amended and shall be supplemented as follows:

1. The introductory part is hereby amended and shall read as follows:

“**Art. 3.** – The global accounts system and the mechanism with and without pre-validation of financial instruments for trading and record-keeping financial instruments registered in the central depository’s system shall be used subject to the cumulative fulfilment of the following conditions:”

2. After Letter d) a new letter, Letter e), is hereby inserted, and shall read as follows:

“e) the intermediaries participating in the central depository’s system, and any other intermediary in the case of a chain of custody, and participants in the central depository or other indirect participants, shall be responsible for debiting/crediting the securities and/or cash accounts of their clients in their own records, corresponding to the corporate events in connection with the securities entered in these accounts and instructions received from clients, where appropriate.”

Art. IV. – Regulation No. 1/2006 on issuers of and operations with securities, approved by CNVM Order No. 23/2006, published in the *Official Journal of Romania*, Part I, Nos. 312 and 312 bis of 6 April 2006, as subsequently amended and supplemented, is hereby amended and shall read as follows:

1. Under Article 2 Paragraph (2), after Letter d¹) two new letters, Letters d²) and d³), are hereby inserted and shall read as follows:

“d²) *allotment rights* – means the financial right issued at the end of the period for the exercise of options within a corporate event such as the distribution with options or of the period for the conduct of any primary initial sale public offering, as appropriate, for the admission of shares on a regulated market or in an alternative trading system, based on which its holder shall receive a share which shall be assigned to such holder upon registration with the securities depository of the corporate event/increase of the share capital as a result of the initial primary offering in connection with which it was issued. The allotment rights admitted to trading on a regulated market or in an alternative trading system are short-term securities.

d³) *guaranteed participation date* – means the last day on which a financial instrument may be bought together with the rights attached to it, for participating in a distribution with options, mandatory reorganisation with options or voluntary reorganisation, as appropriate, as set out in Annexe No. 37;”

2. Under Article 2 Paragraph (2), after Letter f¹) a new letter, Letter f²), is hereby inserted and shall read as follows:

“f²) *corporate events* – means any events referring to certain financial instruments, initiated by the issuer of those financial instruments as a result of a resolution of the corporate bodies or by the offeror, as those set out in Annexe No. 37.”

3. Under Article 2 Paragraph (2), after Letter g¹) a new letter, Letter g²), is hereby inserted and shall read as follows:

“g²) *management of results* – means a set of process management rules and operations whereby:

1. in the case of corporate events resulting in the cash distribution and/or distribution of financial instruments, the result of the corporate event shall be attributed either to the seller or to the buyer of the financial instruments, according to their will;
2. in the case of corporate events resulting in the modification of the characteristics of financial instruments, the transactions in the course of settlement on or after the registration date, having as their object those financial instruments, shall be replaced with new transactions in accordance with the details of the corporate event;
3. in the case of the corporate events with options, the buyer of a transaction in the course of settlement shall instruct the seller on the exercise of the option, so that the buyer would receive at the time of payment the result of its option;”

4. Under Article 69, Paragraphs (1), (2) and (4) are hereby amended and shall read as follows:

“**Art. 69.** - (1) The authorised valuer provided for in Art. 204 of Law No. 297/2004 shall be registered with ASF and shall meet the following professional requirements:

- a) to be a legal person, a corporate member and appoint as its representative in order to carry out valuations in accordance with the capital market provisions, an authorised valuer, a natural person accredited member, specialised in the valuation of undertakings, or a member of certain professional assessment bodies affiliated to the European Group of Valuers’ Association (TEGoVA) or of other international organisations acknowledged by ANEVAR;
- b) to be a natural person accredited member, specialised in the valuation of undertakings or a member of certain professional assessment bodies affiliated to the European Group of Valuers’ Association (TEGoVA) or of other international organisations acknowledged by ANEVAR;”
- c) the legal person referred to in Letter a), and the natural person referred to in Letter b) must work in a team with a financial auditor active member of the Chamber of Financial Auditors of Romania (CAFR) and an investment adviser authorised by CNVM, with which such person established contractual relationships in order to carry out the valuation activity;
- d) to have a professional indemnity insurance of minimum EUR 10,000 (natural person) and EUR 50,000 (legal person).

(2) Registration of valuers authorised by ASF shall be made based on:

- a) submission, in the case of legal persons, of the affidavit concerning the person appointed as representative in accordance with Letter a) of Para (1), and of the documents attesting to the fulfilment of the requirements referred to in Letter c) of Para (1);
- b) confirmation by ANEVAR of:
 - (i) the membership and category referred to in Point 1 of Letter a) for the legal person applicant and its representative, and in Letter b) for the natural person applicant;
 - (ii) the fulfilment of the conditions referred to in Letter d) of Para (1) and of payment obligations of the dues in accordance with the regulations of ANEVAR.”

.....
(4) For the purpose of determining the price, the authorised valuer referred to in Para (1) shall meet the following independence requirements:

- a) the valuer or any person involved with it must not be the shareholder, associate or a person involved with the party concerned or persons involved with it;
- b) the valuer’s fees must not depend in any manner whatsoever on any agreement,

arrangement or understanding conferring the valuer or any person involved with it a financial incentive for the conclusions expressed in the valuation or for the finalisation of the transaction;

c) the valuer or any person involved with it must not be a shareholder holding a significant position, director or must not hold any other decision-making position in an intermediary interested in the transaction;

d) the valuer must not be the financial auditor of the offeror or the person involved with the auditor;

e) the valuer or any person involved with it must not have any financial interest in the finalisation of the transaction;

f) the valuer or any person involved with it must not carry out or should not have carried out in the last 24 months other commercial activities with the issuer, offeror or persons involved.”

5. After Article 69, a new article, Article 69¹, is hereby inserted and shall read as follows:

“**Art. 69¹** - (1) Valuers may be deregistered by ASF from ASF through the withdrawal of the act of registration in ASF’s Register in the following situations:

a) the valuer no longer meets the professional requirements for registration, provided for in Art. 69 (1);

b) the valuer is sanctioned by the Management Board of ANEVAR, as provided by its regulations, by suspension of its membership or withdrawal of membership;

c) there is reasonable indication that the valuer failed to meet the requirement of acting in an impartial, objective and unbiased manner towards all of the persons concerned when determining the price resulting from the valuation;

d) there is reasonable indication that the valuer failed to meet the independence requirements referred to in Art. 69 (4) and/or it provided, in its statements, false information on the fulfilment of the independence requirements;

e) the valuer breaches the applicable legal provisions of the capital market legislation.

(2) Deregistration of valuers in the situations referred to in Letters a) and b) of Para (1) shall be made after a confirmation from ANEVAR of the fulfilment of those requirements.”

6. Under Article 87, Paragraph (3) is hereby amended and shall read as follows:

“(3) Any decision for suspension, made in accordance with Para (2), and also the reasons of such decision, shall be immediately made public. In the case of ASF’s Decision, such decision shall be published in ASF’s Bulletin.”

7. Under Article 87, Letter b) of Paragraph (4) is hereby repealed.

8. Under Article 87, Letter d) of Paragraph (4) is hereby amended and shall read as follows:

“d) as a result of ASF’s decision, if it is considered that, due to certain special circumstances, the orderly market may no longer be maintained for those securities, including in the case of the EGMS resolution for withdrawal from trading, subject to the following requirements which must be cumulatively met:

(i) in the last 12 months prior to the publication date of the EGMS call:

1. no more than 50 transactions in the shares of that issuer must have been registered, except for the transactions between persons involved or closely linked persons or persons of the same group; and

2. the number of traded shares must be maximum 1% of the total shares representing

the issuer's share capital;

(ii) granting to the shareholders disagreeing with the resolution of the general meeting the right to withdraw from the company and to obtain the counter value of the shares, subject to the following procedures:

1. to resolve on the withdrawal from trading, companies shall include in the EGMS call, as a distinct item on the agenda, the submission of the report drawn up by an independent authorised valuer on the price per share which shall be paid if shareholders withdraw from the issuer. The price must be established in accordance with international valuation standards by an independent authorised valuer registered with ASF. The costs with the preparation of the report by the independent valuer shall be incurred by the company concerned. If EGMS was called due to a request made by a shareholder/group of shareholders acting in concert which hold a significant position, the costs with the preparation of the valuation report shall be incurred by them;

2. the independent authorised valuer is selected by the issuer from among the valuers registered with ASF in accordance with Art. 69 (2);

3. for the purpose of determining the price, the independence requirements which must be met by the authorised valuer shall be the following:

a. to act in an impartial, objective and unbiased manner towards all persons interested in determining the price;

b. the valuer or any person involved with it must not be a shareholder, associate or person involved with the issuer or persons involved with it;

c. the valuer's fees must not depend in any manner whatsoever on any agreement, arrangement or understanding conferring the valuer or any person involved with it a financial incentive for the conclusions expressed in the valuation or for the finalisation of the withdrawal procedure;

d. the valuer or any person involved with it must not be a shareholder holding a significant position, director or must not hold any other decision-making position in an intermediary interested in the withdrawal procedure;

e. the valuer must not be the financial auditor of the issuer or the person involved with the auditor;

f. the valuer or any person involved with it must not have any other financial interest in the finalisation of the withdrawal procedure;

g. the valuer or any person involved with it must not carry out or should not have carried out in the last 24 months other commercial activities with the issuer, or persons involved.

h. valuers are bound not to use in their own interests or in the interests of any third party the privileged information to which they have access as a result of the preparation of the valuation report, otherwise they shall face the full force of the law;

4. in EGMS, directors shall also submit to shareholders the conclusions of the independent authorised valuer registered with ASF on the price per share, representing the minimum price that may be obtained by the shareholders disagreeing with the resolution for withdrawal and which may be adopted by EGMS. The price shall be included in the text of the EGMS resolution which shall be published;

5. registration date set in accordance with Law No. 297/2004 shall follow by at least 90 days but no more than 120 days the date of EGMS when the withdrawal from trading was resolved;

6. the shares of that issuer shall be suspended from trading on the capital market one working day prior to the registration date;

7. EGMS resolution shall also be published in at least two national newspapers and on ASF's webpage and the webpage of the market where those securities are traded. Moreover,

the issuer must inform by registered letter with acknowledgment of receipt all shareholders registered at the reference date that did not participate in EGMS when the withdrawal from trading was resolved of EGMS resolution, including the price per share which shall be paid if the shareholders withdraw from the issuer. The letter shall be sent to the shareholder's address existing in the company's records where the issuer's shareholder register is kept;

8. the shareholders that disagree with the resolution for withdrawal from trading may request withdrawal from the company within 45 days after registration through a written application in that regard. Such application shall indicate the intended payment modality in compliance with the payment modality provided for in Art. 106¹;

9. the right referred to in Point 8 may be exercised by the shareholders existing at the time of registration provided that they held that stock also at the reference date of EGMS resolving on the withdrawal from trading;

10. the issuer shall pay the shareholders requesting the withdrawal the counter value of the shares within maximum 15 working days after receipt of the application."

9. Under Article 87, Paragraphs (5)–(10) are hereby repealed.

10. Under Article 88, Paragraph (3) is hereby amended and shall read as follows:

"(3) Any decision for suspension made in accordance with Para (2), and the reasons of such decision shall forthwith be made public and, in the case of ASF's decision, such decision shall be published in ASF's Bulletin."

11. Under "Title III – Admission to trading on a regulated market of securities", the name is hereby amended and shall read as follows:

"Title III
Registration of securities for trading"

12. Under Title III, after Chapter I, a new chapter, Chapter I¹ comprising Articles 96¹ and 96² is hereby inserted and shall read as follows:

**"Chapter I¹
Special requirements on trading allotment rights"**

Art. 96¹. – (1) The allotment rights may be issued and traded on a regulated market/in an alternative trading system if the issuer's corporate body adopted a resolution for that purpose.

(2) Allotment rights shall be admitted to trading on a regulated market based on an admission prospectus, in accordance with the applicable legal provisions.

(3) Allotment rights on a regulated market shall be admitted to trading/traded in an alternative trading system based on an application to the operator of the regulated market/alternative trading system together with the registration certificate with ASF of the allotment rights, and other documents requested by the market/system operator in accordance with its own regulations and, in the case of the admission to trading on a regulated market, also by the admission prospectus approved by ASF.

Art. 96². - (1) The allotment ratio shall be 1 share to 1 allotment right.

(2) In the case of the admission of allotment rights on a regulated market/trading of allotment rights in an alternative trading system, as a result of an initial public offering throughout the trading of allotment rights, the issuer must prepare current reports in

accordance with the provisions of Art.113 Letter A and B, and Art. 123² Letter A.

(3) Allotment rights shall be issued attached to shares and belong to the persons to whom shares shall be granted as a result of a distribution of options, and to those persons who fully paid and subscribed shares, in the case of an initial offer.”

13. Under Article 100, Paragraph (6) is hereby repealed.

14. Under Title IV, Chapter III, the name of Section 1, is hereby amended and shall read as follows:

“Section 1

General provisions applicable to the issuers whose securities are admitted to trading on a regulated market or are traded, with their consent, in an alternative trading system”

15. Under Article 105, Paragraphs (1) and (9) are hereby amended and shall read as follows:

“Art. 105. (1) Issuers of the securities registered with ASF must make public and simultaneously send ASF and the regulated market/system operator the reports established by this regulation, in electronic form, in accordance with the applicable regulations, and/or on paper.

.....
(9) In the case of the depositary receipts admitted to trading on a regulated market, the term *issuer* provided for in this chapter shall refer to the issuer of underlying securities.”

16. Under Article 112, Paragraph (2) is hereby amended and shall read as follows:

“(2) Issuers may not charge any fee for making public the reports drawn up in accordance with the provisions of Law No. 297/2004 and regulations of CNVM/ASF, except where the issuer issues copies of those reports, in which case the fees charged to investors shall not exceed the costs necessary for copying the same.”

17. Under Article 113 Letter A, the introductory part of Paragraph (1) is hereby amended and shall read as follows:

“(1) These reports shall be drawn up in accordance with the template set out in Annexe No. 29, and shall be sent to ASF and operator of the regulated market where the shares issued to that company are traded, without delay, however without exceeding 24 hours after the occurrence of such event or after the date such information is brought to the attention of the issuer. The category of such information shall include, without limitation, the following:”

18. Under Article 113 Letter G, Paragraphs (2), (3), (4) and (6) are hereby amended and shall read as follows:

“(2) If the extraordinary general meeting of shareholders/board of directors approves the issue of new shares, the related resolutions shall also give details on the distribution, subscription, renunciation or conversion, period for time related to the subscription, payment modalities, ex date, registration date, payment date, guaranteed participation date, other elements specific to those operations, including details on the paying agent, and the place where those operations are carried out.

(3) The reports drawn up by the directors of a company admitted to trading on a regulated market in accordance with the provisions of Art. 25 of Law No. 297/2004 shall be drawn up in accordance with the template set out in Annexe No. 29. These reports shall be sent to the market operator and ASF within maximum five days after the conclusion of the

legal act forming the object of the report.

(4) The issuers that conclude legal acts on a regular basis similar to those referred to in Para (3) with persons of the group previously registered with ASF, of which the issuer belongs, may draw up a monthly report where they shall indicate, for each transaction, the elements requested in Annexe No. 29. The report shall be sent to the market operator and ASF within maximum 15 days after the end of the month for which the reporting is made.

.....
(6) At the end of each semester, the financial auditor shall review the transactions reported in accordance with Art. 225 of Law No. 297/2004 and shall draw up a report which shall indicate whether the price, together with the rights and obligations assumed by the parties, is correct by reference to the other offers existing in the market. If transactions are not carried out at the market price, the causes of such derogation and pricing policies shall be specified. The report shall be sent to the market operator and ASF by the issuer, within maximum 30 days after the end of the reporting period.”

19. Under Article 117, Letter D, after Paragraph (1), a new paragraph, Paragraph (1¹), is hereby inserted and shall read as follows:

“(1¹) In the case of payment of floating-rate interest, the press releases referred to in Para (1) shall be published at least 3 working days before the payment dates.”

20. Under Article 117, Letter D, Paragraph (2) is hereby amended and shall read as follows:

“(2) Press releases shall be sent to ASF, operator of the regulated market on which those bonds are traded and also to the central depository.”

21. Under Article 120, after Paragraph (2) a new paragraph, Paragraph (2)¹, is hereby inserted and shall read as follows:

“(2¹) In the case of floating-rate interest, the press releases referred to in Para (2) above shall be published at least 3 working days before the payment dates.”

22. Under Article 120, Paragraph (3) is hereby amended and shall read as follows:

“(3) Press releases shall be sent to ASF, operator of the regulated market on which those bonds are traded and also to the central depository.”

23. Under Title IV Chapter III, the name of Section 6 is hereby amended and shall read as follows:

“Section 6
Cross-border operations applicable to the issuer whose securities are admitted to trading on a regulated market.”

24. Under Title IV, Chapter III, after Section 7, a new section, Section 8 comprising Article 123², is hereby inserted and shall read as follows:

“Section 8
Obligations of the companies whose shares are traded, with their consent, in an alternative trading system

Art. 123² The issuers, whose shares are admitted to trading, with their consent, in an alternative trading system, shall prepare, make public and send the following reports to the

operator and ASF:

A. Current reports

The current reports shall be drawn up in accordance with the template set out in Annexe No. 29, shall be made available to the public and sent to the system operator and ASF within 24 hours after the occurrence of the following events or after the date when the information referring to the following events is disclosed to the issuer:

- a) call of the general meeting of shareholders;
- b) failure to adopt, due to lack of quorum or non-fulfilment of the majority requirements, a resolution by the general meeting of shareholders or board of directors/executive board to which duties were delegated, in accordance with Art. 114 of Law No. 31/1990, republished, as subsequently amended and supplemented;
- c) resolutions of the general meetings of shareholders or board of directors made in carrying out the duties delegated by EGMS, in accordance with art. 114 of Law No. 31/1990, republished, as subsequently amended and supplemented;
- d) changes in the control of the company, including changes in the control of the entity controlling the company;
- e) changes in the management of the company (registration with the office of the trade register of that change or entry into force of that change);
- f) change of the auditor of the company and causes of such change (registration with the office of the trade register of that change or entry into force of that change);
- g) termination or reduction of contractual relationships generating at least 10% of the company's income in the previous financial year;
- h) publication of the drafts terms of merger/division in the *Official Journal of Romania*;
- i) changes in the particulars and/or rights attached to various classes of securities including changes in the rights attached to the derivatives issued by the issuer conferring rights over the shares issued by it (registration with the office of the trade register of that change or entry into force of that change);
- j) litigation in which the company is involved;
- k) initiation of the cessation or resumption of the activity, initiation or termination of dissolution, judicial reorganisation or bankruptcy proceedings;
- l) off-balance sheet operations having significant effects on the financial results of the issuer.

B. Half-yearly reports

Half-yearly reports shall be drawn up for the first semester of the year, made available to the public and sent to the system operator and ASF within maximum two months after the end of the reporting period and shall comprise:

- a) half-yearly accounting reporting prepared in line with the applicable regulations;
- b) report of the board of directors or equivalent competent body comprising all information set out in Annexe 31;
- c) statement of the responsible persons of the issuer, whose name and functions shall be explicitly indicated, attesting that, to the best of their knowledge, the half-yearly accounting regulation was prepared in line with the applicable accounting regulations, offer an accurate and complete image of assets, liabilities, financial position, profit and loss account of the issuer or its subsidiaries included in the consolidation process and that the report referred to in Letter b) provides accurately and completely the information on issuer;
- d) report of the financial auditor or censor, as appropriate, and their full comments, if the half-yearly accounting report was audited by a financial auditor and reviewed by a censor. If the half-yearly financial reporting was not audited/reviewed by a financial auditor/censor, the issuer shall expressly provide such in the half-yearly report.

C. Annual reports

(1) The annual reports shall be made available to the public and sent to the system operator and ASF within maximum four months after the end of the reporting period which shall comprise:

a) annual financial statements audited by a financial auditor or reviewed by a censor, as appropriate, drawn up in line with the applicable accounting regulations, approved by the competent corporate body;

b) report of the board of directors or other competent equivalent body which shall contain information equivalent to that set out in Annexe No. 32;

c) statement of responsible persons of the issuer whose name and functions shall be explicitly referred, attesting, to the best of their knowledge, that the annual financial-accounting situation prepared in line with the applicable accounting standards offers a correct image true to the reality of the assets, liabilities, financial position, profit and loss account, of the issuer or subsidiaries included in the consolidation process of financial statements and that the report referred to in Letter b) provides a correct analysis of the development and performance of the issuer, and a description of the main risks and uncertainty specific to the activity carried out.

d) report of the financial auditor, executed by the person(s) responsible for auditing financial statements or the censor's report, as appropriate, and their full comments.

(2) If the issuer must prepare consolidated accounts, the audited financial statements provided for in Letter a) of Para (1) shall comprise such consolidated accounts prepared in line with the applicable accounting regulations, and also the annual accounts of the parent company, prepared in line with the national regulations of the Member State where the parent company is registered.

If the issuer is not required to prepare consolidated accounts, the audited financial statements, referred to in Letter a) of Para (1), shall comprise the accounts prepared in line with the national regulations of the Member State where the company is incorporated.”

25. Under Title IV, the name of Chapter IV is hereby amended and shall read as follows:

“Chapter IV

Special provisions applicable to the issuers whose securities are admitted to trading in a regulated market”

26. Under Title IV, Chapter IV, the name of Section 1 is hereby amended and shall read as follows:

“Section 1

Application of the cumulative voting method for the election of the board of directors of the companies admitted to trading on a regulated market”

27. Under Title IV, Chapter IV, the name of Section 1¹ is hereby amended and shall read as follows

“Section 1¹

Special provisions on corporate bodies' resolutions”

28. Under Article 129², Paragraph (1) is hereby amended and shall read as follows:

“Art. 129².- (1) The issuer, through its corporate bodies, shall establish, together with the approval of any corporate event, details on the performance of such event, including, as appropriate, *ex date*, the guaranteed participation date, registration date, payment date, period

of exercise of options and price of compensation of the fractions of financial instruments resulting from the application of the algorithm specific to the event and rounding up the results of the corporate event which shall always be made at the inferior integer.”

29. Under Article 129², after Paragraph (2) a new paragraph, Paragraph (3), is hereby inserted and shall read as follows:

“(3) The information referred to in Para (1) comprising narrative texts shall also be sent in the English language.”

30. Under Article 129³, after Paragraph (3) a new paragraph, Paragraph (4), is hereby inserted and shall read as follows:

“(4) In the case of the corporate events the results of which are the financial instruments, the general meeting of shareholders shall set the payment date on the working day following the registration date having regard also to the time limits provided by law for the registration of the events with the office of the trade register and ASF.”

31. After Article 129³, a new article, Article 129⁴, is hereby inserted and shall read as follows:

“Art. 129⁴. - (1) The securities depository shall provide the support for processing the corporate events in accordance with the legal provisions, the rules issued by it and the contracts concluded with the issuers and participants in its system.

(2) The rules of the securities depository on processing the corporate events shall comprise at least the following:

a) the processing and registration modality of corporate events in the individual securities accounts and global accounts opened in its system;

b) the time limits and modalities of receiving and sending information and instructions concerning corporate events so that communication among issuers, participants and investors is facilitated and participants in the system are properly informed so that they perform the corporate events in the clients’ accounts of their own records;

c) the formats of the received and sent message concerning corporate events and the general meetings, which must be standardised and allow for the unaltered transmission of the information to third parties;

d) description of the processing modality of corporate events within which the issuer and offeror have cash payment obligations towards holders of financial instruments whose holdings are recorded in the securities accounts opened by participants, which shall be similar to the settlement of transactions;

e) description of mechanisms applicable within the management of results.”

32. Under Title IV, Chapter IV, the name of Section 2 is hereby amended and shall read as follows:

“Section 2

Increase of the share capital of the companies admitted to trading on a regulated market”

33. Under Article 132, Paragraphs (2) and (3) are hereby repealed.

34. Under Article 132, Paragraphs (4) and (5) are hereby amended and shall read as follows:

“(4) The board of directors, in the case of the monistic system, and the executive board, in the case of the dualistic system, shall take the necessary steps referred to in Art. 134

(4) of Law No. 31/1990, republished, as subsequently amended and supplemented, so that the price to be paid by the company for the shares of the persons exercising their right to withdraw from the company be explicitly indicated in the draft terms of merger to be published in accordance with Art. 242 of Law No. 31/1990, republished, as subsequently amended and supplemented.

(5) The shareholders that disagree with that merger operation and those that did not vote for the merger resolution shall inform the issuer of their withdrawal from the company within 30 days after the adoption of the resolution of the extraordinary general meeting which has as its object the merger. The notification may also be sent by the securities depository and shall indicate the total number of shares held by that shareholder, and also the modality intended by such shareholder for the payment of the counter value of shares, in compliance with the manner of payment established in accordance with the provision of Art. 106¹.”

35. Under Article 132, Paragraph (6) is hereby repealed.

36. Under Article 132, Paragraph (7) is hereby amended and shall read as follows:

“(7) If the merger is approved, the shares for which the withdrawal was requested shall be paid to the shareholders entitled in accordance with the modality indicated by them within maximum 7 working days after the expiry of the time limit referred to in Para (5).”

37. Under Article 132, after Paragraph (7) a new paragraph, Paragraph (7)¹, is hereby inserted and shall read as follows:

“(7)¹ The shares issued by that company shall be suspended from trading on the regulated market concerned on the date the EGMS referred to in Para (5) is convened and until the completion of all merger-related procedures.”

38. Under Article 133, Paragraphs (3) and (4) are hereby repealed.

39. Under Article 133, Paragraphs (5) and (6) are hereby amended and shall read as follows:

“(5) The board of directors, in the case of the monistic system, and the executive board, in the case of the dualistic system, shall take the steps referred to in Art. 134 (4) of Law No. 31/1990, republished, as subsequently amended and supplemented, so that the draft terms of division to be published in accordance with Art. 242 of Law No. 31/1990, republished, as subsequently amended and supplemented, indicate the price to be paid by the company to the shareholders that did not agree with that division operation and to those that did not vote for the division resolution, and requested the withdrawal from the company. The draft terms of division shall also provide for criteria to establish the share-exchange ratio and the modality such exchange is made.

(6) The shareholders that disagree with that division operation and those that did not vote for the division resolution shall inform the issuer of the withdrawal from the company within 30 days after the adoption of the resolution of the extraordinary general meeting which has as its object the division. The notification may also be sent by the securities depository and shall indicate the number of shares for which the withdrawal is requested, and also the modality intended for the payment of the counter value of shares, in compliance with the payment modality established in accordance with the provision of Art. 106¹.”

40. Under Article 133, Paragraph (7) is hereby repealed.

41. Under Article 133, Paragraph (8) is hereby amended and shall read as follows:

“(8) If division is approved, the shares for which the withdrawal was requested shall be paid in accordance with the modalities indicated by them within maximum 7 working days after the expiry of the time limit referred to in Para (6).”

42. Under Article 133, after Paragraph (8) a new paragraph, Paragraph (9), is hereby inserted and shall read as follows:

“(9) The shares issued by the company concerned shall be suspended from trading on the regulated market on the date the EGMS referred to in Para (6) is convened and until the completion of all division-related procedures.”

43. Under Title IV, after Chapter IV, a new chapter, Chapter V comprising Article 140¹, is hereby inserted and shall read as follows:

“CHAPTER V

Special Provisions applicable to the issuers whose securities are traded in an alternative trading system

Art. 140¹- (1) The provisions of Articles 236, 238, 239, 240, 240¹ and 241 and of Law No. 297/2004, and Section 1¹ and Section of Chapter IV of Title IV shall apply accordingly also to the issuers whose securities are traded in an alternative trading system.

(2) The provisions of Article 237 and Art. 259 of Law No. 297/2004 shall apply accordingly also to the companies referred to in Para (1) which must audit the financial statements in accordance with the applicable accounting legislation or applicable specific legislation, as appropriate.

(3) The financial auditors of the companies referred to in Para (3) must comply with the provisions of Art. 113 Letter F of CNVM Regulation No. 1/2006. To ensure that the financial auditors comply with their obligations, the directors of the company concerned must send the required documents to the financial auditors, in accordance with Letter F of Art. 113(2) of CNVM Regulation No. 1/2006. The companies must send the report drawn up by the financial auditor to the operator of the alternative trading system.”

44. The name of Title V is hereby amended and shall read as follows:

“TITLE V –

Regime of privileged information in connection with the regulated market”

45. After Annexe No. 36, a new annexe, Annexe No. 37, is hereby inserted and shall read as follows:

“

No	Category of corporate events	Description	Key dates of the corporate event
1.	Cash distribution	Corporate events where the issuer delivers cash results to holders of financial instruments, without affecting their holdings (e.g. cash dividends, payment of coupon, etc.)	Ex dates, registration date, payment date
2.	Distribution of financial instruments	Corporate events where the issuer delivers results in the form of financial instruments, rights, etc. to holders of financial instruments, without affecting the same (e.g. stock dividends, issue of pre-emptive rights, etc.).	Ex dates, registration date, payment date
3.	Option distribution	Corporate events where holders of underlying financial instruments may choose the results related to the distribution (e.g. share capital increase with subscription in cash, optional dividends, etc.).	Key dates of the two events composing this category: (1) distribution of financial instruments and (2) option mandatory reorganisation/voluntary reorganisation
4.	Mandatory reorganisation	Corporate events where underlying financial instruments (those forming the object of the corporate event) must be replaced with the reorganisation results (e.g. splitting/consolidating the nominal value of shares, redemption of bonds on maturity, etc.).	Last trading day of underlying financial instruments, registration date, payment date.
5.	Options mandatory reorganisations	Corporate events where holders of underlying financial instruments may choose the results to replace the underlying financial instruments (e.g. conversion of bonds into shares or cash, depending on the options exercised by holders)	Date of commencement of the period when options may be exercised, guaranteed participation date, last day of transmission of option and time of that day, if appropriate, payment date.
6.	Voluntary reorganisations	Corporate events where participation of holders of underlying financial instruments is optional (e.g. public offer).	Date of commencement of the period when options may be exercised, guaranteed participation date, last day of transmission of option and time of that day, if appropriate, publication date of results, payment date.

”

Art. V – Regulation No. 6/2009 on the exercise of certain rights of shareholders in the general meetings of trading companies, approved by CNVM Order No. 44/2009, published in the *Official Journal of Romania*, Part I, No. 588 of 25 August 2009, as subsequently amended and supplemented, is hereby amended and shall read as follows:

1. Under Article 2, after Letter f) a new letter, Letter f¹), is hereby inserted and shall read as follows:

“f¹) *guaranteed participation date* – means the last day on which a financial instrument may be bought with rights attached to it, for participating in a distribution with options, mandatory reorganisation with options or voluntary reorganisation, as appropriate, within the meaning assigned to these terms in CNVM Regulation No. 1/2006;”

2. Under Article 5, Point 11 is hereby amended and shall read as follows:

“11. the proposal for the registration date and the *ex date* proposal, as appropriate, payment date, guaranteed participation date and the period for the exercise of options.”

3. Under Article 11³, Paragraph (3) is hereby amended and shall read as follows:

“(3) The shareholders holding individual accounts managed by the central depository must resend the central depository, directly or through intermediaries, the documents provided for in Art. 146 (4¹) of Law No. 297/2004, as subsequently amended and supplemented, including, where appropriate, for legal persons, the details of the legal representative, whenever the documents previously sent were modified.”

4. Under Article 20, after Paragraph (4), a new paragraph, Paragraph (5), is hereby inserted and shall read as follows:

“(5) The provisions of Art. 243 of Law No. 297/2004 and those of this regulation shall also apply accordingly to the companies the shares of which are traded in an alternative trading system.”

Art. VI – CNVM Regulation No. 4/2009 on the Public Register of the National Securities Commission, approved by CNVM Order No. 26/2009, published in the *Official Journal of Romania*, Part I, No.343/22.05.2009, as subsequently amended and supplemented, is hereby amended and shall read as follows:

1. Under Article 5, Paragraph (1), Points 7¹ and 8 are hereby amended and shall read as follows:

“7¹. Section 7¹. – Alternative Investment Fund Managers

a) Subsection 1 - Alternative Investment Fund Managers of other Member States pursuing business in Romania directly (AFIASMD).

b) Subsection 2 – Branches of Alternative Investment Fund Managers of other Member States pursuing business in Romania through branches (AFIASMS).

c) Subsection 3 - Alternative Investment Fund Managers authorised with ASF (AFIAA).

d) Subsection 4 - Alternative Investment Fund Managers registered with ASF (AFIAD).

e) Subsection 5 - Alternative Investment Fund Managers of third countries pursuing business in Romania (AFIASS).

8. Section 8 – Closed-end investments/Alternative investment funds:

- a) Subsection 1 - Closed-end investments funds of Romania supervised by ASF (FIIRS);
- b) Subsection 2 - Closed-end investments funds of Romania not supervised by ASF (FIIRN);
- c) Subsection 3 - Alternative investment funds of other Member States (FIAM);
- d) Subsection 4 - Alternative investment funds of third countries (FIAT);
- e) Subsection 5 - Alternative investment funds authorised with ASF (FIAA);
- f) Subsection 6 - Alternative investment funds registered with ASF (FIAD).”

2. Under Article 5 Paragraph (1), after Point 13¹, a new point, Point 13², is hereby inserted and shall read as follows:

“13². Section 13² – Responsible for risk management of AIFM/SAI (RARA).”

3 Under Article 5 Paragraph (1), after Point 23, a new point, Point 24, is hereby inserted and shall read as follows:

“24. Section 24 – UCI unit distributors (DIST)”

4. Under Article 9, Paragraph (3) is hereby amended and shall read as follows:

“(3) Entities shall be registered in ASF’s Register – Financial Investment and Instruments Sector by the Operations and IT Department and:

- a) Directorate for Regulation and Authorisation of the Financial Investment and Instruments Sector, in the case of the entities provided for in Sections 1-13, 16-24;
- b) Legal Department, in the case of the entities provided for in Sections 14 and 15.”

Art. VII. Point 13 of Article I of ASF Regulation No. 3/2015 is hereby amended and shall read as follows:

“13. Under Article 21, Paragraphs (3) and (5) are hereby amended and shall read as follows:

(3) Where the final terms of the offer are neither included in the base prospectus, nor in a supplement, they shall be made available to investors in accordance with the provisions of Art. 175 of Law No. 297/2004. The final terms shall be filed with ASF, if Romania is the home Member State, and communicated by ASF to the competent authority of the host Member State(s) as soon as practicable upon the making of a public offer and, where possible, before the beginning of the public offer or admission to trading. ASF shall communicate the final terms to ESMA. The final terms shall contain only information that relates to the securities note and shall not be used to supplement or amend the base prospectus”.

.....
(5) The final terms of an offer shall be sent to ASF in accordance with Para (3) also if Romania is a host Member State.”

Art. VIII – Central securities depositories must modify or correlate accordingly their own regulations in line with the modifications and supplementations made to the legislative acts by this regulation, within 12 months after the entry into force hereof.

Art. IX – (1) This regulation shall be published in the *Official Journal of Romania*, Part I, in ASF’s Bulletin, and on its website, and shall enter into force on the date of publication in

the *Official Journal of Romania*, Part I except for:

a) Points 1-3, Point 4, Point 6 and Point 8 of Art. I, Art. II, Art. III, Points 1-3, Points 11 and 12, Points 19-22, Points 25-32, Point 45 of Art. IV, Point 1 and 2 of Article V, Letter b) of Article X, which shall enter into force on 1 February 2017;

b) Art. VII which shall enter into force on 1 January 2016

(2) The notification provided for in Art. 132 (5) second sentence and Art. 133 (6) second sentence of Regulation No. 1/2006, as subsequently amended and supplemented, and those provided for in this regulation, may also be sent through the securities depository as of 1 February 2017.

Art. X. – On the date of entry into force of this regulation, the following shall be repealed:

a) CNVM Executive Order No. 8/2006;

b) CNVM Approval No. 45/2008.

c) CNVM Executive Order No. 16/2009¹

**President of the Financial Supervisory Authority,
Mișu Negrițoiu**

Bucharest, 7 October 2015

No. 11

¹ CNVM Approval No. 45/2008 and CNVM Executive Orders Nos. 8/2006 and 16/2009 were not published in the *Official Journal of Romania*, Part I.