



**Prague Stock  
Exchange**

# **Conditions for Admission of Bonds to Trading on the Official Market of the Exchange**

---

**EXCHANGE RULES, SECTION VIII.**

---



## Table of Contents

Article 1 – Introductory Provisions	3
Article 2 – Application for Admission	3
Article 3 – Admission of Bond Issue	6
Article 4 – Application for Admission	6
Article 5 – Prospectus	7
Article 6 – Issuer’s Duties	7
Article 7 – Suspension and Exclusion of a Bond issue from Trading	9
Article 8 – Elimination of a bond issue from Trading	10
Article 9 – Transfer to Another Exchange Market	11
Article 10 – Sanctions in the Event of Issuer’s Non-Fulfilment of Obligations Sanctions in the Event of Issuer’s Non-Fulfilment of Obligations	11
Article 11 – Sanctions Procedure	12
Article 12 – Responsibility	13
Article 13 – Effectiveness	13



## Article 1 – Introductory Provisions

- (1) (1) These rules regulate the conditions for the admission of bonds for trading on the Official Market of the Burza cenných papírů Praha, a.s., Id.No. 47115629, registered office at Rybná 14/682, 110 05 Prague 1, website [www.pse.cz](http://www.pse.cz) (hereinafter the “Exchange”). The admission of bonds for trading on the Official market according to these rules is hereinafter referred to as the “admission”. The Official Market is the official securities market<sup>1</sup> operated by the Exchange.
- (2) (2) Bonds traded on the Official Market of the Exchange are those that have been issued in compliance with the generally binding legal regulations, are transferable without limitation and have been duly paid up. Bonds admitted for trading on the Official Markets are listed bonds.
- (3) (3) Bonds are admitted according to the individual issues. An issue means mutually interchangeable bonds. An issue may be released all at once or in tranches. A tranche means bonds that are interchangeable with the original issue, differing from the original issue by the date of issue.
- (4) (4) There is no legal entitlement to admission.

## Article 2 – Application for Admission

- (1) An application and a prospectus are required for the admission of each issue, according to the applicable laws, unless the present Rules stipulate different conditions.
- (2) Issuers of bonds or a trading member authorized by an issuer on the basis of a power of attorney apply for admission on the Exchange.
- (3) The application must apply to all of the bonds in an issue.
- (4) The application must contain:
  - a) the issuer’s identification information:
    - i) the name or registered business name, registered office of the issuer, identification number, LEI (Legal Entity Identifier) code;
    - ii) amount of the equity capital, or the amount of the issued and approved capital as regards international issuers;
    - iii) identification of the issuer according to NACE (Nomenclature générale des Activités économiques dans les Communautés Européennes);
    - iv) as regards a foreign issuer, it is necessary to submit a statement declaring that the issuer’s legal status is compliant with the legal code of the country where the issuer has its registered office and that the bonds comply with the legal code of the country according to which they have been issued;
    - v) as regards issues admitted for trading in multiple European regulated markets (dual listing), the name and address of the relevant capital market supervision authority that approved the prospectus of bonds (hereinafter the “supervisory authority of the home state”);
    - vi) codes of corporate control and management, which are mandatory or voluntarily complied with, or information pursuant to which no Code is followed.

---

<sup>1</sup> Art. 64 of Act 256/2004 Coll., on Undertaking on the Capital Market, as amended.



- b) data regarding the bonds:
  - i) ISIN and FISN<sup>2</sup>;
  - ii) class and type of the bonds;
  - iii) information, whether the bonds are in a book-entry or immobilised form;
  - iv) volume of the issue to be traded;
  - v) nominal value;
  - vi) identification of the investment security according to ISO 10962<sup>3</sup>;
  - vii) specification of the domestic or foreign regulated market on which the issue is traded or on which an application was filed for admission to trading, including the date of admission;
  - viii) reference price<sup>4</sup>.
- (5) The application shall have the following appendices:
  - a) certification of ISIN allocation;
  - b) power of attorney by the issuer, if a current trading member requests admission on behalf of the issuer (original or certified copy);
  - c) a prospectus stating the date, manner and place of its publication, and – if the prospectus is not approved by the supervisory authority as of the date of the application – the draft prospectus or a similar document which according to a decision of the supervisory authority comprises data equivalent to the data from a prospectus. However, the prospectus is not required if an exception from the obligation to publish the prospectus applies<sup>5</sup> or a different document pursuant to the present rules is needed. Regional authorities will submit an information document comprising data equivalent to those in the prospectus and reflecting the specific nature of the issuer and the bond issue<sup>6</sup>;
  - d) the unconsolidated or consolidated regular financial statements of an issuer for the last three fiscal years before the submission of the application, or both unconsolidated and consolidated regular financial statements of an issuer, depending on which of them the issuer produces, compiled in compliance with valid, generally binding legal regulations;
  - e) if the issuer has been in existence in its current legal form for less than three years, it shall submit financial statements of its legal predecessor or statements from the time of the company's founding;
  - f) if this concerns a foreign issuer that compiles its financial reports in accordance with the accounting standards other than IFRS, together with such reports it always presents an overview of the relevant differences between such accounting standards and IFRS;
  - g) a document proving the entry of the bonds in the register of securities maintained by the central depository, or four sample printouts of a security, with a description of the technical design thereof. Security must be issued in accordance with the Exchange Rules, Section

<sup>2</sup> Financial Instrument Short Name fully compliant with the standard ISO 18774.

<sup>3</sup> International standard defining the classification of the types of securities and other financial instruments (so-called CFI codes).

<sup>4</sup> Article 6 of the Exchange Rules – Section I. Trading rules for Automated Trading System XETRA® Praha.

<sup>5</sup> Art. 1 (5) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

<sup>6</sup> Especially identification of the issuer, audited financial statements, risk factors related to the issuer and issue, information regarding all admitted loans, credit lines, guarantees and other forms of security granted in connection herewith, and regarding other facts that may significantly affect the issuer's ability to fulfil obligations arising from issued bonds.



#### XIV – Specific Details of Technical Design of Securities Admitted to Trading on the Exchange Markets;

- h) in the case of collection bonds, the affidavit of the person authorized to maintain records on the owners in the collection bonds on the establishment of the record of owners in the collection bonds;
  - i) confirmation that the issuer has published financial statements for at least three consecutive years preceding the year the application is submitted, if so required by applicable legislation (e.g. the collection of documents);
  - j) in the case of foreign issuers, an extract from a public registrar of legal persons maintained in the country where the issuer has its registered office (original or authenticated copy);
  - k) the complete text of the terms of the issue, and if the obligations of the issuer are guaranteed by a third party, the contract of guarantee;
  - l) two originals of the Framework Agreement for Admission of Investment Instruments for Trading on the Market of the Exchange signed by the issuer.
- (6) The application, including enclosures, shall be sent to the Exchange in writing and in electronic form, if the nature of the documents so permits. The Exchange has a right to refuse the application that is not complete or that is submitted after 15:30 of respective working day.
- (7) The following declarations by the issuer must be contained in the application for admission of a bond program or bond issue:
- a) the issuer admits all obligations arising from the admission of the bonds for trading on the Official Market as established by the Exchange Rules and by generally binding legislation;
  - b) the issuer declares that all conditions for admission of the issue for exchange trading as required by the Exchange Rules and by law<sup>7</sup> have been met (or shall be met no later than upon admission of the issue for exchange trading);
  - c) the issuer declares that all annexes, documents and information that are a part of the application pursuant to the Exchange Rules or have been requested in accordance with the Exchange Rules have been provided or will be provided before the beginning of trading with the issue;
  - d) the issuer agrees to the publication of all information it provides to the Exchange in connection with the application or otherwise after the possible admission of the bonds on the Official Market (with the exception of any information regarding which the Exchange and the issuer may agree otherwise);
  - e) the issuer declares that the information contained in the application, documents and attachments is true, up-to-date and complete;
  - f) the issuer complies with the conditions of the official market stipulated by generally binding legislation.
- (8) The application including annexes may be submitted in English or Slovak.

---

<sup>7</sup> Act 256/2004 Coll., on Undertaking on the Capital Market, as amended.



## Article 3 – Admission of Bond Issue

- (1) The Chief Executive Officer decides about the admission on the Official Market, within 10 business days of the application delivery. The decision on the admission of issue to trading on the Official Market may be also made by an appointed deputy of the Chief Executive Officer.
- (2) If the issue subject to admission is issued within a bond programme, the issuer must at first ask for the admission of such a bond programme, in accordance with Article 4 (2).
- (3) For the purposes of making its decision, the Exchange may request missing or other supplementary information from the issuer. Such a request temporarily suspends the deadline set forth in paragraph 1.
- (4) The issuer must be advised of the ruling in writing. As regards a decision concerning the issuer's application, the Exchange has the right to establish disclosure duties at variance with Article 6, provided that the applicable legal regulations must be complied with. The decision on admission shall also specify the amount of fees for admission on the Official Market in accordance with the Tariff of Exchange Fees.
- (5) The ruling on admission shall become effective on the day of delivery. If the issuer fails to settle the stipulated fees or fails to comply with the conditions according to paragraph 9, the ruling shall be deemed ineffective.
- (6) No later than one day before the beginning of trading, the issuer shall provide the Exchange with the final version of the prospectus in hard copy and electronic form.
- (7) If the issue subject to admission or the issuer do not meet the conditions stipulated by the generally binding legislation or these Rules, or if there is justified concern that their admission to the Exchange would be at variance with the principle of protecting investors and other participants of the Exchange market, the Chief Executive Officer shall reject the application.
- (8) The issuer may not re-file an application for the admission of the same issue on the Official Market earlier than 1 year following the effective date of the decision regarding the non-admission of the bonds concerned for trading.
- (9) The Exchange may decide on the admission of an issue for trading on the Official Market even before it has been issued. In such a case, condition precedents are stated in the ruling for that ruling to take effect (including the condition that the issue will actually be released).
- (10) Issues of state bonds and issues for which generally binding legislation or an international treaty so stipulate are admitted without an application and without a prospectus.
- (11) Upon meeting all the provisions of the relevant legal regulations, the Exchange may in cases deserving special attention and based on an issuer's application decide to grant an exception to any requirement identified herein if it believes that the interests of investors or transparent functioning of the Exchange market will not be affected.
- (12) The Exchange shall announce the basic information regarding the bonds admitted to the Official Market in the Exchange Bulletin (*Věstník burzy*) before the commencement of trading with bonds on the Official market.

## Article 4 – Application for Admission

- (1) For the individual tranches of an issue that is already traded on the Official Market an application is required to the extent specified in Article 2 (4) (a) (i), (iv) and (b) (i), (iv) of the conditions.



Increasing the number of bonds in a traded issue to a volume that has already been admitted by a decision of the Exchange is effected on the basis of a notification. The issuer shall furthermore submit to the Exchange a supplement of prospectus if so required by law.

- (2) In the case of establishing a bond programme, the issuer may, based on the application and to the extent of the relevant data listed in Article 2, ask the Exchange to admit the bond programme. The submission of the annexes listed in Article 2 (5) a), g), h) and k), is not required. The decision on admission of a bond programme is made by the Chief Executive Officer, or alternatively by an appointed deputy of the Chief Executive Officer. The Exchange may decide on the admission of a bond programme even prior to the approval of its base prospectus by the supervisory authority. In such a case, conditions precedent shall be stated in the ruling for the ruling to take effect, along with the deadline by which the conditions must be fulfilled.
- (3) If an issue that is issued within the framework of a bond programme is admitted, an application is required to the extent set forth in Article 2 (4) herein. If the Exchange has previously approved the bond programme pursuant to paragraph 2, the issuer shall only submit a final terms and conditions and base prospectus with all supplements (if any have been made up). The application shall include a document confirming the approval of the supplement to the prospectus by the supervisory authority and annexes pursuant to Article 2, paragraph 5, letters a), g), h) and k) shall be included as an annex to the application.

## Article 5 – Prospectus

- (1) A prospectus must be approved by the competent supervisory authority. If an issuer has its registered office in a different EU Member State, the prospectus must be approved by the supervisory authority for the state where the issuer has its registered office and must be provided to the Czech National Bank together with certification of its preparation in compliance with the laws of the European Union, except for the bonds specified in the Article 2 (m) (ii) of the Regulation of the European Parliament and Council (EU) 2017/1129.
- (2) If the issuer in question has its registered office in a country that is not an EU Member State, the prospectus must be approved by Czech National Bank or it must be approved by the supervisory authority of another EU Member State and be provided to the Czech National Bank together with certification of its preparation in compliance with European Union law.
- (3) The prospectus must be compiled in the language required by the relevant legislation<sup>8</sup> and published in accordance with the legislation 1 day prior to admission to trading at the latest.
- (4) In the case that legal requirements have been met, the issuer may publish in place of the prospectus a summary document including the summary of the prospectus and information on where to get the last prospectus and where financial data published by the issuer is available.
- (5) The minimum requirements for the prospectus are defined by a generally binding regulation.

## Article 6 – Issuer’s Duties

- (1) If any of the specifications provided in the prospectus are significantly changed after a prospectus is approved (prior to the commencement of the trading), or if any significant inaccuracy is identified, and if such a change or inaccuracy may affect the evaluation of the bond, the issuer

---

<sup>8</sup> Art. 27 Regulation (EU) 2017/1129 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.



must issue an addendum to the prospectus and submit it immediately to the Exchange. In compliance with the law, the addendum to the prospectus must be approved by the relevant supervisory authority. Upon approval the issuer shall immediately publish the addendum without any undue delay.

- (2) The issuer may not use untruthful or misleading information or conceal facts of importance for deciding on the acquisition of bonds during the promotion of the issue of such bonds or when performing other disclosure duties, and, in particular, shall not offer advantages whose reliability cannot be guaranteed, or provide untruthful data about its financial situation.
- (3) The issuer of bonds admitted to the Official Market of the Exchange shall make use of the recommended Exchange standards for exercising the rights connected with bonds.
- (4) The issuer of bonds admitted to the Official Market of the Exchange shall submit the following to the Exchange, via the [pxportal.pse.cz](http://pxportal.pse.cz) web application:
  - a) a calendar of disclosure obligations within the dedicated section of the [pxportal.pse.cz](http://pxportal.pse.cz) application, always before the commencement of trading and thereafter, always within 30 days of the beginning of the fiscal year for that fiscal year, but always before the publication of the first information from that calendar. The issuer shall keep the calendar updated and shall fulfil its disclosure duties in accordance with the known deadlines. This calendar in particular contains data on the publication of preliminary financial results, the annual report and the semi-annual report.
  - b) preliminary financial results to the extent of selected indicators from the balance sheet and profit/loss statement or to the extent of the complete balance sheet and profit/loss statement if the company compiles them;
  - c) an annual report and consolidated annual report, no later than 4 months after the end of each fiscal year;
  - d) a semi-annual report or consolidated half-yearly report, if the issuer is obliged to compile consolidated semi-annual reports, within 3 months following the end of the first 6 months of each fiscal year (the consolidated semi-annual report must be compiled in accordance with IAS34);
  - e) if applicable, report on remuneration paid to a state no later than 6 months after the end of each fiscal year (Art. 119a of Act 256/2004 Coll., on Undertaking on the Capital Market);
  - f) quarterly financial results as soon as they have been compiled, a maximum of two months after the end of the quarter;
  - g) without undue delay information about the exercising of rights from convertible or priority bonds and the exercising of subscription rights;
  - h) without undue delay a draft resolution for an increase or decrease of registered capital
  - i) without undue delay personnel changes to the board of directors, supervisory board, top management;
  - j) without undue delay changes to the entry in the Commercial Register involving the issuer;
  - k) without undue delay all changes to rights relating to the listed bonds;
  - l) without undue delay all information required for the protection of investors or for securing the smooth functioning of the market (e.g. legal and commercial disputes, new patents and licenses, closure or cancellation of new contracts, appointment of a new auditor).





- m) without undue delay information regarding a change in the terms of issue, convocation of bond owners' meetings, execution of rights arising from convertible or priority bonds, payment of yields and repayment of bonds;
  - n) without undue delay information regarding all admitted loans, credit lines, guarantees and other forms of security granted in connection herewith, and regarding other facts that may significantly affect the issuer's ability to fulfil obligations arising from issued bonds;
  - o) in the case of convertible and priority bonds, it is necessary to submit without undue delay information regarding any changes to the rights relating to shares that may be acquired on the basis of those bonds;
  - p) as regards variable bonds, it is necessary to provide information regarding a change in the exchange rate on the date of the determination thereof according to the terms of issue.
- (5) If bonds are issued by a regional authority, the issuer shall also submit to the Exchange financial statements, no later than within six months of the end of the fiscal year.
  - (6) The issuer is furthermore required to submit an application for admission to trading for new bonds which the issuer is issuing and that are of the same kind as the bonds which the issuer has issued and which were admitted to the market, in compliance with Article 4 (1) of the Rules, i.e. prior to the issuer. As regards dual listing, the issuer shall file an application for the admission of newly issued bonds on the Official Market of the Exchange prior to the issue.
  - (7) The issuer of bonds admitted for trading on the Official Market of the Exchange shall notify the Exchange about any significant changes that are not publicly known and that relate to the financial situation of the issuer, changes to the data specified in the prospectus, and also about other facts that could directly or indirectly cause changes to the prices of the admitted bonds or could restrain the ability of the issuer to fulfil obligations arising from the bond issue, without any undue delay.
  - (8) In case of dual listed issue, the issuer is required to always submit to the Exchange all documents, data and information to the same extent and at the same moment as when such documents, data and information are submitted to the other regulated market(s).
  - (9) The issuer may fulfil its disclosure duty also entirely in English or Slovak. The Exchange may determine what documents, data and information submitted by the issuer in English or Slovak are subsequently to be provided to the Exchange in Czech as well.
  - (10) The Exchange shall publish the information provided to it on the basis of the performance of the issuer's duties.
  - (11) In compliance with the relevant laws, the Exchange is obliged to conduct specific inspection activities in relation to the suspicion of the market manipulation or of the abuse of inside information, alternatively in order to ensure a transparency of the market. Every issuer is obliged to provide the necessary cooperation to the Exchange for these inspection activities.

## **Article 7 – Suspension and Exclusion of a Bond issue from Trading**

- (1) The Exchange may decide on suspension or exclusion of a bond issue from trading on the Official Market under the following circumstances:
  - a) in case of the issuer's dissolution or winding-up with liquidation or when a resolution with the same or similar effect has been adopted;



- b) the issuer or the issues have ceased to satisfy conditions established by generally binding legislation, the Exchange Rules<sup>9</sup> and/or by the Exchange Chamber<sup>10</sup>;
  - c) for other extraordinary reasons (e.g. a decision of the supervisory authority, execution of a stock event).
- (2) The provisions of paragraph 1 a) are not used if the company has been dissolved without liquidation and if the legal successor of the dissolved issuer has assumed the obligations of those bonds.
- (3) If a court issues a decision declaring the issuer's insolvency, or if such a decision is adopted by a foreign competent authority with the same or similar legal effect with respect to the issuer, the Exchange will suspend the trading of all the issuer's bonds on the Official Market for the necessary period of time in order to duly inform the market of this fact and/or will suspend trading for an indefinite period of time if serious reasons exist for this (e.g. together with the issue of a decision on insolvency, the corresponding authority will issue a non-effective bankruptcy decision).
- (4) Together with the suspension of trading according to the previous paragraph, the Exchange shall always transfer all the issuer's bonds from the Official Market to the Regulated market. If a decision regarding the issuer's insolvency or a decision with the same or similar effect is cancelled and such cancellation is legally effective, the Exchange will decide to transfer the bonds back to the Official Market. During the period the issuer's bonds are being traded on the Regulated market, the rights and responsibilities of the issuer and the Exchange shall be governed by the part of the Exchange Rules regulating trading on the Regulated market.
- (5) The trading of bonds will be terminated or suspended on the day established in the ruling on the exclusion or suspension of bonds from trading.
- (6) The Exchange shall publish the decision on suspension or exclusion from trading on the Official Market in accordance with the relevant laws and also the Exchange Bulletin; subsequently, the Exchange shall inform the issuer in writing about the ruling and its justification. For the avoidance of any doubt, publication or delivery of the decision to the issuer is not a prerequisite for the decision to become effective.
- (7) The suspension or exclusion of a bond issue from trading and/or transfer of bonds to another market will be based on the decision by the Chief Executive Officer. A decision of this type may also be issued by a deputy Chief Executive Officer.

## Article 8 – Elimination of a bond issue from Trading

- (1) The Exchange shall eliminate the bonds from trading if the issuer so requests and fulfils its duties as set forth in the Exchange Rules and the applicable legal regulations. The following documents shall be attached to the request:
- a) a document showing that the issuer or another authorized person decided on the elimination from trading in compliance with generally binding legal regulations of the country in which the issuer has its registered office;
  - b) documents proving that the issuer has complied with the conditions for the elimination of bonds from trading set forth in the relevant legal regulation.

---

<sup>9</sup> Trading Rules and Special Stock Events involving Securities.

<sup>10</sup> The Exchange Chamber defines the condition of trouble-free trading.



- c) other documents as may be reasonably required by the Exchange in order for the Exchange to proceed in compliance with the applicable laws (e.g. an opinion of a reputable international law firm proving that the decision has been adopted in accordance with the applicable laws).
- (2) The trading in bonds will be terminated on the day established in the decision on elimination of the bonds from trading (hereinafter “Termination Date”). The decision on elimination must designate the Termination Date in accordance with the present rules and applicable legislation. For other cases not regulated herein or by law, the Termination Date may not be earlier than 1 month and not later than 3 months after the delivery of the request with all the prescribed documents; however, to the extent permitted by law the Exchange and the issuer may agree on a different Termination Date.
- (3) The last trading day of issues of bonds shall be the second trading day prior to their date of record for the determination of the persons who are entitled to a payout of the nominal value of the bond or to its last unpaid portion, unless otherwise established by a special regulation, the ruling of a relevant Exchange body or the conditions of issue. In such a case, prior to the last trading day, the issuer shall request elimination of bonds from trading due to the redemption of the issue; no documents have to be attached to the request. The same applies to early redemption specified in the issue conditions. In justified cases the Exchange and the issuer may agree on a different day of elimination of bonds from trading.
- (4) The Exchange shall publish the decision on the elimination of bonds from trading in accordance with the relevant laws and also the Exchange Bulletin, the Exchange shall inform the issuer in writing of this fact and its justification. For the avoidance of any doubt, publication or delivery of the decision to the issuer is not a prerequisite for the decision to become effective.
- (5) The elimination of bonds from trading will be based on the decision by the Chief Executive Officer. A decision of this type may also be issued by a deputy Chief Executive Officer.

## **Article 9 – Transfer to Another Exchange Market**

- (1) The issuer may request a transfer to another regulated market of the Exchange. To maintain the continuity of information, the issuer is obliged to fulfil the disclosure duty established for the Official Market for the period of 12 months from the day of transfer, unless the Exchange establishes otherwise.
- (2) If the Exchange decides during the course of a calendar year to transfer any issues of bonds to the Regulated market, the transfer shall not affect the issuer’s duty to pay the annual fee for the trading and settlement of bonds on the Official Market of the Exchange for the calendar year in question.

## **Article 10 – Sanctions in the Event of Issuer’s Non-Fulfilment of Obligations**

- (1) If the issuer fails to fulfil the conditions established by the Exchange Rules, the Chief Executive Officer may impose any of the following sanctions, whether once or repeatedly:
  - a) a written reprimand;



- b) public announcement of the fact that the obligation to disclose information has been breached (in the Exchange Bulletin, on the Exchange's website, newspaper and/or using any other means);
  - c) a penalty of up to CZK 5,000,000;
    - i) for the first breach up to CZK 300,000
    - ii) for the second breach up to CZK 1,000,000
    - iii) for the third breach up to CZK 2,500,000
    - iv) for the fourth breach up to CZK 5,000,000
  - d) suspension of bonds from trading, for the period necessary for remedial actions;
  - e) exclusion of the bonds from trading.
- (2) The issuer will only be imposed a stricter measure if a less strict measure is insufficient to achieve the purpose thereof. The Chief Executive Officer shall impose the measures while observing the adequacy principle. The issuer shall submit to the sanctions imposed in accordance with the Exchange Rules.
- (3) Multiple sanctions listed in the previous paragraph may apply to a single violation.
- (4) Imposing a sanction shall not affect the fulfilment of the issuer's obligations set forth in the Exchange Rules.
- (5) Sanctions may be imposed within six months of the day on which the Chief Executive Officer learns about the facts critical for the imposing thereof; however, not later than one year following the occurrence of such facts.

## Article 11 – Sanctions Procedure

- (1) In the event of the issuer's failure to fulfil its obligations where a sanction may be imposed on the issuer a written notice will be sent to the issuer's registered office or registered branch in the Czech Republic.
- (2) The written communication according to paragraph 1 comprises:
- a) a specification of the reasons for which sanctions may be imposed;
  - b) sanctions that may be applied vis-à-vis the issuer;
  - c) a request asking the issuer to remedy the breach, to submit a comment and/or to provide all details significant for the case including the due date to comply with the request.
- (3) For the purpose of sanction procedure, the Exchange is entitled to request information, documents or other materials from the issuer that could help determine the true state of affairs.
- (4) The issuer is obliged to comply with the request contained in the notice.
- (5) Decisions on imposed sanctions will be delivered to the issuer's registered office or registered branch in the Czech Republic. The decision shall include due date for the maturity of financial sanction if applicable.
- (6) The decision on the application of a measure can be appealed within 15 calendar days of the delivery thereof to the issuer.



## **Article 12 – Responsibility**

By admitting bonds for trading, the Exchange does not assume any liability related to these bonds and is not liable for any damage that occurs as a result of trading with these bonds.

## **Article 13 – Effectiveness**

This part of the Exchange Rules, “Conditions for Admission of Bonds to Trading on the Official Market of the Exchange” was approved by the Exchange Chamber per rollam and takes effect from 1<sup>st</sup> January 2025.