



PUBLIC

Resolution No. 22/2017. of the Board of Directors of the Budapest Stock Exchange Ltd.

The Board of Directors of the Budapest Stock Exchange Ltd. adopts the amendment of the General Terms of Services of the Budapest Stock Exchange (hereinafter referred to as: General Terms) as follows:

Section 5 „Definitions” of the First, “Introductory and Interpretative Provisions” of the General Terms is supplemented with the following paragraph:

„Company Act” Act V of 2006 on Public Company Information, Company Proceedings and Final Settlement Procedures”

Paragraph Section 5 „Definitions” of the First, “Introductory and Interpretative Provisions” of the General Terms is amended as follows:

„Negotiable Series of Securities: is a series of securities free of a full ban or any restriction imposed by the issuer, the Holders or a provision of law in respect of transfer for the entire series of securities, such ~~securities~~ series of securities may not be subject to cancellation by a notary or a destruction procedure nor is the full series subject to any right that would limit free trading thereof.”

Sections 5.2.10 and 5.2.10.2 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms are amended as follows:

5.2.10 Whenever securities are listed ~~provisionally~~ as set forth in Section 15.5.6.2.2:

5.2.10.2 When securities are listed ~~provisionally~~ provisionally according to Section 15.5.6.2.2, the features listed in sub-sections 5.2.2 a) - f) of the Product List shall be specified and completed by:

- a) Sub-sections 5.2.3 b), and d) for equities;
- b) Sub-sections 5.2.3./A b)-d) for securities described in Section 5.2.3./A;
- c) Sub-sections 5.2.4 c) – f) for investment notes, and Sub-sections 5.2.4 c), d) and f) for investment notes issued on an investment fund of indefinite maturity;
- d) Features selected from Section 5.2.5 by the CEO, for Structured Products;
- e) Section 5.2.6 for debt securities.

All other features of the given security series may be specified after Listing Date, but shall be given no later than the First Day of Trading, taking into account the provisions in Section 5.2.9.

Section 5.4.7 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

5.4.7 Unless otherwise regulated by a provision of law or an Exchange Rule, Applicants shall submit to the Exchange and publish the Prospectus in due time as set out in Section 15.4.2.4 b), base prospectus and relevant final terms – as an appendix to their request for listing – as set out in Section 5.4.2. b) (hereinafter: Exchange Prospectus).

The Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended with Section 6.3.8 as follows:

6.3.8 By the Issuers, whose series of securities is already listed on one or more regulated markets the Exchange may dispense with criteria prescribed for Public Transactions in order to be assigned to Equities Premium.

The Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended with Sections 6.7 and 6.7.1 as follows:

6.7 Assigning common share series issued by the same Issuer

6.7.1 Common share series issued by the same Issuer may jointly fulfill the requirements set out in Sections 6.3 and 6.4.

Section 15.4.2.4. g) of The Second Book, “Regulations on Listing and Continued Trading” of the General Terms is repealed

15.4.2.4

~~g) The Issuer shall meet all obligations regarding regular, extraordinary and other announcements provided for in the Regulations on Listing and Continued Trading from the date of the submission of the application for listing to the Exchange.~~

Section 15.4.3.2 b) of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

15.4.3.2

b) With the exception of the Issuers, whose series of securities is already listed on one or more regulated markets, in the case of an application for the listing of a share, legal status record of the Issuer, not older than thirty days or a decision on the modification of the form of operation; **court order on the conversion from private to public form of operation regarding Section 52 (2) of the Company Act, or the official copy of the company records with the fact of the modification of the form of the operation, not older than thirty days.**

Section 15.5.3 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

15.5.3 In the case of an ordinary listing procedure, the application for listing shall include the documents specified in Section 15.4.3, taking into account the provisions of Section 5.2.9. This does not apply to decisions on ~~provisional~~ listing as defined in Section 15.6.2.2.

Section 15.5.6.2.1.1 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

15.5.6.2.1.1 No more than ~~forty-five~~ ninety (45) 90 days may elapse between the Listing Date and the First Day of Trading. The earliest possible date for the First Day of Trading may be the first Exchange Day which follows the publication of the decision on listing in line with the provisions of the Regulations on Official Publications.

Sections 15.5.6.2.2, 15.5.6.2.2.1, 15.5.6.2.2.2 and 15.5.6.2.2.3 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms are amended as follows:

- 15.5.6.2.2 In the event that an Applicant cannot attach to its application the information and documents specified in Section 15.4.3, the CEO may issue a decision on the **provisional** listing of the affected series of securities by setting the Listing Date. **The security series is added to the Product List according to the Section 5.2 based on the decision on listing, without the commencement of the trading, therefore First Day of Trading is not set.**
- 15.5.6.2.2.1 A decision on **provisional** listing shall identify all the requirements to be fulfilled before trading may start in the given series.
- 15.5.6.2.2.2 Once the requirements **for the commencement of trading** are fulfilled, the CEO of the Exchange will set the First Day of Trading in a decision to be published in line with the provisions of the Regulations on Official Publications.
- 15.5.6.2.2.3 A maximum of ~~sixty (60)~~ **ninety (90)** days may be allowed for the fulfilment of the terms **of the commencement of trading laid down in a decision on provisional listing.**

Section 15.5.7.2 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

- 15.5.7.2 Decision on the listing of shares issued by an Issuer who is a private company limited by shares at the time of submission of the application for listing, and the decision on the commencement of trading in these shares, **– with the exception provided in Section 15.5.7.16 –** happens in two separate procedures, by issuing two separate CEO resolutions. In the first step, the Issuer who is a private company limited by shares may apply for the Exchange listing of its shares. Then, the Issuer may apply for the commencement of trading in its shares only after the CEO resolution on Exchange listing has been issued, within 90 (ninety) days after the Listing Date, in a separate procedure, provided the Issuer complies with the additional requirements detailed below. In cases that deserve exceptional consideration, the CEO may extend the 90 (ninety)-day deadline mentioned above.

Section 15.5.7.14 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

- 15.5.7.14 ~~Provisional~~ Listing as specified in Section 15.5.6.2.2 is not possible with respect to the shares of an Issuer who is a private company limited by shares at the time of submission of the application for listing.

Section 15.5.7.15 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is repealed.

- 15.5.7.15 ~~The Issuer shall meet all obligations regarding regular, extraordinary and other announcements provided for in the Regulations on Listing and Continued Trading from the Listing Date.~~

The Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended with Section 15.5.7.16 as follows:

- 15.5.7.16 Instead of Section 15.5.7.2 – 15.5.7.14, general listing procedure set out in Sections 15.4 - 15.5.6.5 shall be applied, if an Issuer who is a private company limited by shares at the time

of submission of the application for listing submits the court order on the conversion from private to public form of operation regarding Section 52 (2) of the Company Act, or the official copy of the company records containing the fact of the modification of the form of the operation, not older than thirty (30) days, upon and with the application for listing and commencement of trading. In this latter case, the Issuer shall submit the documents stipulated by Section 52 (3) of the Company Act immediately after the Listing Date and publish the court order regarding Section 52 (3) of the Company Act. in line with the rules of Regulations of Official Publications.

Sections 17.1 and 17.1.1 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms are amended as follows:

17.1 Relations with the Exchange **and the investors**

17.1.1 Issuers shall send documents and notices by mail/courier delivery or as a facsimile or e-mail to the Exchange, unless otherwise provided in an Exchange Rule. In justified cases, the Exchange may require that certain documents or notices be sent to the Exchange in original copies or signed electronically. **The Issuer shall continuously ensure their availability on the contacts they have specified. The Issuer shall publish any modification regarding the contacts on the Website with an immediate effect but not later than one (1) Exchange Day. The Issuer shall answer the emails of the Exchange – emails from bse.hu domains – within the period the Exchange set out or, failing this, not later than eight (8) Exchange Days, furthermore the Issuer shall receive the phone calls of the Exchange to the number they specified during the Exchange Days and shall also take care about the continuous receipt of the mails sent to their official postal address.**

Section 17.2.4 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

17.2.4. Unless otherwise provided in the Exchange Rules **or by law**, the Issuer shall abide by the disclosure obligations as soon as the decision on listing is **received published by the Exchange** and until Delisting Date.

Section 18.2 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

18.2 Corporate Governance Report:

Issuers of equities **falling within the scope of the Civil Code** shall publish in accordance with the Regulations on Official Publications the Corporate Governance Report consistent with the “Corporate Governance Recommendations” issued by the Exchange along with the publication of their annual report. In accordance with Section 6.3, Issuers seeking admission to Equities Prime Market must disclose their Corporate Governance Report prior to listing in accordance with the provisions contained in Section 15.4.2.4 f).

The Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended with Section 18.5 as follows:

18.5 Other provisions

Issuers, whose series of securities is already listed on one or more regulated markets may apply that/those other market(s) provisions concerned to satisfy requirements set out in Sections 18.2 and 18.3.

Section 22.2.3 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

22.2.3. In case of reclassification into a higher category pursuant to Sections 22.2.1 and 22.2.2 above, the date of reclassification shall be the ~~first~~ **second** Exchange Day from the day of the publication of the CEO's resolution approving reclassification.

The Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended with the following Sections 22.9; 22.9.1 and 22.9.2 as follows:

22.9 Assigning common share series issued by the same Issuer to market

22.9.1. Common share series issued by the same Issuer may jointly fulfill the requirements of this Section 22.

22.9.2. Common share series issued by the same Issuer shall not be assigned to different categories.

Section 26.1.2 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

26.1.2. In the case of Sections 23 a), ~~and m)~~ **and p)** delisting takes place without a decision by the CEO.

Section 26.1.6 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

26.1.6 A series of securities will get removed from the Product List in the cases and among the conditions set forth below in this section:

- a) when securities issued for a specific term reach maturity;
- b) if the Issuer verifies the repurchase, recall, redemption or withdrawal of a complete series of fixed term securities before maturity and applies for delisting;
- c) upon conversion of a series of securities if the rights associated with the series are modified, at the request of the Issuer;
- d) if the Issuer winds up or is liquidated with or without legal successor, except in the case provided herein;
- e) in case of equity series as set forth in Section 26.2;
- f) when delisting is applied as a sanction as set forth in Section 28.4.5;
- g) At the Issuer's request, when the Underlying Product of a Structured Product ceases to exist; or if the Issuer verifies the repurchase of a complete series before maturity and applies for delisting;
- h) for Structured Products, in the occurrence of the termination cases defined in the final terms; at the request of the Issuer;
- i) At the Issuer's request, on the ground of reaching the barrier set in Subsection 5.2.5. k);
- j) when the Underlying Product of a Depository Receipt ceases to exist, at the request of the Issuer;
- k) upon noncompliance with a decision on ~~provisional~~ listing **referred in Section 15.5.6.2.2;**
- l) when the settlement of the exchange transactions in the given security is not ensured and the settlement is not ensured until the expiry of the suspension of the given security;
- m) the temporary differentiation of the security is terminated;

- n) in the case of investment notes issued by open-end investment funds, upon the final termination of continuous issue, based on the notification by the fund manager or the depository describing the circumstances of the termination of continuous issue;
- o) in the case of investment notes issued by open-end investment funds, if it is requested by the fund manager, on the date specified in the request, except if listing on the regulated market is mandatory by law; ;
- p) **if the Supervision provides the removal of the shares concerned from the Product List;**
- q) **upon the adoption of the court order regarding Section 52 (6) of the Company Act.**

The Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended with Section 26.1.6.3 as follows:

26.1.6.3 Upon the adoption of the court order regarding Section 52 (6) of the Company Act, the Issuer shall request the Exchange to remove its securities series from the Product List within 3 (three) Exchange Days from the reception of the court order.

Section 26.1.8 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

26.1.8 The Delisting Date shall be determined, contrary to the provisions in Section 26.1.3, according to the following:

- a) in the case of open-end investment funds, the day following the receipt of the notification in Section 26.1.6 n) by the Exchange.
- b) in the case described in sub-section 26.1.6 i), the Delisting Date shall be the Last Trading Day as set forward in sub-section 26.1.7 f) b).
- c) In case of Translisting, the Delisting Date shall be the Translisting Day assigned by the Issuer with regard to Section 26.2.2.1.2.
- d) In case of Delisting, the Delisting Date shall be the Delisting Date assigned by the Issuer with regard to Section 26.2.3.1.2.
- e) In case of Automatic Delisting the day determined in KELER Rules.
- f) In the case of wind up or liquidation of the Issuer (with or without legal successor) the day determined by the CEO, which, in case of equity Delisting, may not be later than the invalidation day of the equity series.
- g) **In case of the adoption of the court order regarding Section 52 (6) of the Company Act, the day following the decision by the CEO on delisting.**

Section 26.2.1 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

26.2.1 Cases of equity Delisting

- a) Translisting;
- b) Delisting;
- c) Extraordinary procedure;
- d) Automatic Delisting of equity series;
- e) Delisting of equity series in case of the wind up or liquidation (with or without legal succession), **or the adoption of the court order regarding Section 52 (6) of the Company Act**
- f) Delisting due to the non-compliance with conditions necessary for the commencement of trading, defined in the decision on listing.

Sections 26.2.6 and 26.2.6.1 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms are amended as follows:

26.2.6 Delisting of equity series in case of the wind up or liquidation (with or without legal succession) **and upon the adoption of the court order regarding Section 52 (6) of the Company Act.**

26.2.6.1 In case of wind up or liquidation (with or without legal succession) of equity Issuers, **and upon the adoption of the court order regarding Section 52 (6) of the Company Act,** the provisions contained in Sections 26.1.6.1, **and 26.1.6.2 and 26.1.6.3** shall be adequately applied.

Annex 3 of the Second Book, “Regulations on Listing and Continued Trading” of the General Terms is amended as follows:

THE PRINCIPLES OF THE ANALYSIS REGARDING THE CLASSIFICATION OF EQUITIES

1. When reviewing whether or not a series of securities belong to Equities Prime Market, the following ratios shall be examined:
 - 1.1. Frequency of turnover: the number of days in the most recent six months when the particular series of securities were traded / the number of trading days in the most recent six month period (a trading day shall be each exchange day when trades could be concluded in the particular equities /the number of trading days shall be reduced by suspensions/);
 - 1.2. Average capitalization: the product of multiplying the turnover weighted market price of a series of securities with the number of securities that are listed from the series on the last day of the period under review.
2. For securities series in Equities Prime Market, the following ratios shall be examined:
 - 2.1. Frequency of turnover, minimum limit value: 90%;
 - 2.2. Average capitalization: 5 billion forints.

The Equities Prime Market series tested may remain in Equities Prime Market upon meeting the limit values of the ratios set forth in Section 2.

In the case of the Issuer, whose equity series is also listed on other market than the Exchange, the equity series concerned remains also in the Equities Premium, even if the criteria set above are jointly met via taking into account the performance on the other regulated market(s) and on the Exchange.

These modifications of the General Terms enter into force after the approval of the Magyar Nemzeti Bank, on the date determined by the CEO resolution.

Budapest, 18 April 2017

Richárd Végh
Chairman of the Board