**Law no. 24/2017**

**on issuers of financial instruments and market operations**

**In force since April 1, 2017**

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The Parliament of Romania adopts this law.

## TITLE I
## General Provisions

Art. 1. – (1) This law lays down the legal framework applicable to the market operations concerning financial instruments admitted or soon to be admitted for trading on a regulated market or traded on a multilateral trading system or on an organized trading system supervised by the Financial Supervisory Authority, hereinafter referred to as A.S.F., as well as issuers of such financial instruments, public offers for securities and operations regarding market abuse.

(2) This law shall apply to the activities of the issuers and operations referred to in Para (1), carried out in the territory of Romania, and to certain situations expressly provided herein and of the regulations issued for its application, in which the activities and operations referred to in Para (1) are carried out in the territory of another state.

(3) A.S.F. is the competent authority which shall apply the provisions of this law, by exercising the powers set by Government Emergency Ordinance No. 93/2012 on the establishment, organization and operation of the Financial Supervisory Authority, approved as amended and supplemented by Law No. 113/2013, as subsequently amended and supplemented.

(4) The provisions of this law shall not apply to the money market instruments, which are regulated by the National Bank of Romania and government securities which are issued by the Ministry of Public Finance, in the event that the issuer chooses to trade them in a trading venue other than that defined under Art. 2(1), item 21.

(5) The provisions of this law shall not apply in case of management of public debt, including operations for contracting public debt and management of risks associated to the debt portfolio, in which the Ministry for Public Finances, N.B.R, ministries for finances, agencies of management of public

debts and central banks of member states and other national entities from member states, with similar functions and other national entities from member states, as well as other public entities are involved.

Art. 2. – (1) For the purposes of this law, the terms and expressions below shall have the following meanings:

1. shareholder – means any natural person or legal entity governed by private or public law, who holds, directly or indirectly:

(i) shares of the issuer in its own name and on its own account;

(ii) shares of the issuer in its own name, but on behalf of another natural person or legal entity;

(iii) certificates of deposit representing securities, in which case the holder of the certificate of deposit shall be considered the holder of the shares represented by the depository receipts;

2. significant shareholder – means the person or group of persons acting in concert and directly or indirectly holding at least 10% of the share capital of an undertaking or of the voting rights;

3. formal agreement – means an agreement which is binding under the applicable law;

4. electronic means – are means of electronic equipment for the processing (including digital compression), storage and transmission of data, employing wires, radio, optical technologies, or any other electromagnetic means;

5. emission allowance – means greenhouse gas emission allowances as defined in Article 3 Letter b) of Government Decision No. 780/2006 on establishing the greenhouse gas emission allowance trading scheme, as subsequently amended and supplemented.

6. spot commodity contract – means a contract as defined in Article 3(1) item (15) of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, hereinafter referred to as Regulation (EU) No 596/2014;

7. legal entity – means any legal person and any business association without legal personality, registered under the law;

8. ESMA – means the European Securities and Markets Authority, established by Regulation (EU) no. 1.095/2010 of the European Parliament and Council from November 24, 2010 of establishing the European Supervisory Authority (European Securities and Markets Authority), of amendment of Decision no. 716/2009/EC and of repeal of Decision 2009/77/EC of the Commission, hereinafter referred to as Regulation (EU) no. 1.095/2010;

9. subsidiary undertaking – means an undertaking controlled by a parent undertaking, including any subsidiary undertaking of an ultimate parent undertaking;

10. investment firm – means any legal person whose main business is the provision of one or more investment services to third parties and/or the performance of one or more investment activities on a professional basis, including any investment firm authorized by ASF;

11. market maker – person continuously available on the financial markets for trading in an own account, selling and buying financial instruments through equity, at prices fixed by it;

12. group – means a parent undertaking and all its subsidiary undertakings;

13. benchmark – means a benchmark as defined in art. 3, para. (1), item 29 of Regulation (EU) No 596/2014;

14. regulated information – means all information which the issuer, or any other person who has applied for the admission of securities to trading on a regulated market without the issuer's consent, is required to disclose under this law and regulations issued by ASF for its application;

15. key information – means essential and appropriately structured information which is to be provided to investors with a view to enabling them to understand the nature and the risks of the issuer, guarantor and the securities that are being offered to them or admitted to trading on a regulated market and, without prejudice to Art. 17(4) Letter b), to decide which offers of securities to consider further. In light of the offer and securities concerned, the key information shall include the following elements:

a) a short description of the risks associated with and essential characteristics of the issuer and any guarantor, including the assets, liabilities and financial position;

b) a short description of the risk associated with and essential characteristics of the investment in the relevant security, including any rights attaching to the securities;

c) general terms of the offer, including estimated expenses charged to the investor by the issuer or the offeror;

d) details of the admission to trading;

e) reasons for the offer and use of proceeds;

16. credit institution – entity defined according to the provisions of art. 4 para. (1) item 1 of Regulation (EU) no. 575/2013 of the European Parliament and Council from June 26, 2013 on the prudential requirement for credit institutions and investments undertakings and amendment of Regulation (EU) no. 646/2012, hereinafter referred to as Regulation (EU) no. 575/2013;

17. financial instruments:

a) transferable securities;

b) money–market instruments;

c) units in collective investment undertakings;

d) options, futures, swaps, forward rate agreements and any other derivative contracts relating to securities, currencies, interest rates or yields, emission allowances or other derivatives instruments, financial indices or financial indicators which may be settled physically or in cash;

e) options, futures, swaps, forwards and any other derivative contracts relating to commodities that must be settled in cash or may be settled in cash at the option of one of the parties (other than by reason of default or other termination event);

f) options, futures, swaps, and any other derivative contract relating to commodities that can be physically settled provided that they are traded on a regulated market, a MTF, or an OTF, except for wholesale energy products traded on an OTF that must be physically settled;

g) options, futures, swaps, forwards and any other derivative contracts relating to commodities, that can be physically settled not otherwise mentioned in letter f) and not being for commercial purposes, which have the characteristics of other derivative financial instruments;

h) derivative instruments for the transfer of credit risk;

i) financial contracts for differences;

j) Options, futures, swaps, forward rate agreements and any other derivative contracts relating to climatic variables, freight rates or inflation rates or other official economic statistics that must be settled in cash or may be settled in cash at the option of one of the parties other than by reason of default or other termination event, as well as any other derivative contracts relating to assets, rights, obligations, indices and measures not otherwise mentioned in this definition, which have the characteristics of other derivative financial instruments, having regard to whether, inter alia, they are traded on a regulated market, OTF, or an MTF;

k) emission allowances as defined in item 5;

18. derivative instruments – means the instruments defined in item 16 letters d)-j);

19. capital-market instruments – categories of instruments that are traded normally on the monetary market, as well as treasury bills, deposit certificates and commercial bills, with the exception of payments instruments;

20. intermediaries – means the investment firms authorized by ASF, credit institutions authorized by the National Bank of Romania, in accordance with the applicable banking legislation, and similar entities authorized in Member or non–Member States to carry out investment services and activities;

21. qualified investors – means the persons who, in accordance with ASF"s regulations:

a) fall within the category of professional clients;

b) are, on request, treated as professional clients or recognized as eligible counterparties, except where they requested not to be treated as professional clients. The investment firms and credit institutions shall inform the issuer, on request, of their classification, without prejudice to the relevant legislation on data protection;

22. trading place – a regulated market, a multilateral trading system or an organized trading system.

23. public offer of securities - means a communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the securities to be offered, so as to enable an investor to decide to purchase or subscribe to these securities. This definition shall also be applicable to the placing of securities through financial intermediaries;

24. takeover bid – means a public offer, whether mandatory or voluntary, other than by the offeree company itself, made to the holders of the securities of a company to acquire all or some of those securities, which follows or has as its objective the acquisition of more than 33% of the voting rights of the company, in accordance with the applicable legislation;

25. offeror or person making an offer – means the natural person or legal entity which offers securities to the public or offers to purchase securities;

26. collective investment undertaking other than the closed–end type – means the open–ended funds and investment companies:

a) the object of which is the collective investment of funds provided by the public, and which operate on the principle of risk spreading; and

b) the units of which are, at the request of the holder of such units, repurchased or redeemed, directly or indirectly, out of the assets of those undertakings;

27. parties to the bid – means the offeror, the members of the offeror's board if the offeror is a company, the offeree company, holders of securities of the offeree company and the members of the board of the offeree company, and persons acting in concert with such parties;

28. person – means the natural person or legal entity;

29. controlled undertaking – means any legal person:

a) in which a natural person or legal entity has a majority of the voting rights; or

b) of which a natural person or legal entity has the right to appoint or remove a majority of the members of the administrative, management or supervisory body and is at the same time a shareholder in, or an associate of, the undertaking in question; or

c) of which a natural person or legal entity is a shareholder or associate and alone controls a majority of the shareholders" or associates" voting rights, respectively, pursuant to an agreement entered into with other shareholders or associates of the undertaking in question; or

d) over which a natural person or legal entity has the power to exercise, or actually exercises, dominant influence or control;

30. *persons acting in concert* – means the natural persons or legal entities who cooperate on the basis of an agreement, either express or tacit, either oral or written, aimed at achieving a common policy in connection with the issuer.

31. regulated market – a multilateral system, operated and/or managed by a market operator, that reunites or facilitates the reunion, within the system and according to its non-discretionary rules, of multiple third-party buying and selling interests in financial instruments, in a way in which this leads to the conclusion of contract with financial instrument admitted for trading under its rules and/or systems, and which is authorized and functions regularly;

32. accepted market practices – certain commercial practices that are accepted by the competent authorities of a member state according to the provisions of art. 13 of Regulation (EU) no. 596/2014;

33. wholesale energy products – a wholesale energy product such as defined at art. 2, item 4 of Regulation (EU) no. 1.227/2011 of the European Parliament and Council from October 25, 2011 on the integrity and transparency of the whole energy market;

34. offering program – means a plan which would permit the issuance of non–equity securities having a similar type and/or class, in a continuous or repeated manner during a specified issuing period;

35. buy–back program – means trading in own shares in accordance with the national legislation applicable in the field;

36. multilateral trading facility, hereinafter referred to as MTF – means a multilateral system operated by an investment firm or a market operator which brings together, within the system and according to its non-discretionary rules, multiple third-party buying and selling interests in financial instruments, in a way in which this results to the conclusion of contracts;

37. organized trading facility, hereinafter referred to OTF - means a multilateral system which is not a regulated market or an MTF and in which multiple third–party buying and selling interests in bonds, structured finance products defined according to art. 2, para. (1), item 28 of Regulation (EU) no.

600/2014 of the European Parliament and Council from May 15, 2014 on the market of financial instruments and of amendment of Regulation (EU) no. 648/2012, emission allowances or derivatives of third parties, in a way that results in the conclusion of contracts;

38. investment management company – means the company the object of which is mainly the management of undertakings for collective investment;

39. offeree company – means a company, the securities of which are the subject of a takeover bid;

40. parent undertaking – means an undertaking which controls one or more subsidiary undertakings;

41. stabilization – means stabilization as defined in Article 3(2)(d) of Regulation (EU) No 596/2014;

42. Member States – means the European Union Member States and the other states of the European Economic Area;

43. equity securities – means shares and other transferable securities equivalent to shares in companies, as well as any other type of transferable securities giving the right to acquire any of the aforementioned securities as a consequence of their being converted or the rights conferred by them being exercised, provided that securities of the latter type are issued by the same issuer or by an entity belonging to the group of the said issuer;

44. securities, other than equity securities – all securities that are not equity securities;

45. debt securities – means bonds or other forms of transferable securitized debts, with the exception of securities which are equivalent to shares in companies or which, if converted or if the rights conferred by them are exercised, give rise to a right to acquire shares or securities equivalent to shares;

46. securities of a collective investment undertaking - means securities issued by a collective investment undertaking and representing rights of the participants in such an undertaking over its assets;

47. algorithmic trading – means the trading of financial instruments based on a computer algorithm that automatically establishes, with minimal human intervention or no human intervention, some individual parameters of the orders, as well as the initiation of the order, the moment of initiation, the price or quantity of the order or the way in which the order was managed after its transmission, and does not include systems used for directing orders to one or more trading places, of processing orders that don't involve the establishment of certain trading parameters, of confirmation of orders or post-trading procession of the performed transactions.

48. high frequency trading – an algorithm trading technique characterized by:

a) Infrastructure meant to minimize the latency periods of the network or other types, that has at least one of the following facilities associated to the algorithm insertion of the orders: co-location, proximity hosting or high-speed direct electronic access;

b) establishment through an initiation, generation, direction and execution system of orders, without human intervention for transactions or individual orders; and

c) intraday rates of messages that constitute orders, quotations or annulments;

49. Treaty – Treaty on the functioning of the European Union (TFUE), published in the Official Journal of the European Union, series C no. 326 from October 26, 2012;

50. securities – those classes of financial instruments which are negotiable on the capital market, with the exception of payment instruments, such as:

a) shares in companies and other securities equivalent to shares in companies and depositary receipts in respect of shares;

b) bonds or other forms of securitized debt, including depositary receipts in respect of such securities;

c) any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement determined by reference to transferable securities, currencies, interest rates or yields, commodities or other indices or measures;

51. multiple–vote securities – means securities included in a distinct and separate class and carrying more than one vote each;

52. securities issued in a continuous or repeated manner – means debt securities of the same issuer on tap or at least two separate issues of securities of a similar type and/or class.

(2) When applying the provisions of para. (1), item 30, in the absence of evidence to the contrary, must be regarded as acting in concert:

a) controlled undertakings with the person(s) exercising the control and the controlled undertakings with one another;

b) the parent undertaking together with its subsidiary undertakings, any of the subsidiary undertakings of the same parent undertaking between them, as well as a legal person and a natural person or other legal person that is in a relationship similar to that between a parent undertaking and a subsidiary undertaking. Any subsidiary undertaking of a subsidiary undertaking shall be considered a subsidiary undertaking of the parent undertaking.

c) an undertaking with the members of its Management board/supervisors, with persons responsible for management or control within it and with controlled undertakings and these undertakings between them;

d) collective investment undertakings with the investment management company and with the parent company of the investment management company, as well as collective investment undertakings managed by the same management company between them;

e) pension funds with the management company of these funds and with the parent company of the management company of these funds, as well as those entities between them;

f) persons carrying out together the following operations:

1) persons who, when carrying out economic operations, use the financial resources having the same source or originating from different entities in a control relationship. For the purposes of this letter, the terms same source and different entities which are controlled do not include the credit institutions or other institutions which carry out lending activities on a professional basis, under the terms established by law;

2) persons who, when carrying out economic operations, directs benefits thus obtained to the same recipient or recipients who are persons under the same control;

3) legal persons the ownership, management or administrative structures of which have mainly the same membership;

4) persons who have adopted or adopt a similar investment policy, through the acquisition of financial instruments issued by the same legal persons or by persons in a control relationship with the same legal persons;

5) persons who, for the exercise of the voting rights attaching to the financial instruments held, have appointed or appoint as proxy(ies), the same persons(s) who are controlled undertakings, and these persons with the proxy(ies) concerned, where those persons did not give specific voting instructions to the proxy(ies) concerned;

6) persons who formed an association in any form permitted by law, and the purpose or objective of the association consists of operations in connection with one or several issuers;

7) persons who hold at the same time shares/social parts in one or several legal persons in connection with which they exercise joint control and carry out a joint policy;

8) persons who have carried out or carry out together, including through controlled undertakings, various economic operations, connected or unconnected with the capital market;

g) spouses, relatives and affines up to the second degree of the natural persons referred to in Letters a) through c) and f) with those natural persons, and these persons between them;

h) spouses, relatives and affines up to the second degree of natural person other than that referred to in Letter g) with such natural person, and these persons between them;

(3) Shareholder cooperation on any of the activities listed below shall not lead by itself to the conclusion that these shareholders act in concert:

a) discussions among those shareholders on possible issues which must be resolved with the management board/supervisory board/management of the undertaking;

b) submission of views to the management board/supervisory board/management of the undertaking concerning the policies, practices and certain actions of the undertakings which could be considered by it;

c) exercise of the shareholders‟ legal rights, other than those referring to the appointment of the members of the management board/supervisory board:

(i) to put items on the agenda of the general meeting;

(ii) to table draft resolutions for items included or to be included on the agenda of a general meeting; or

(iii) to call a general meeting, other than the annual general meeting, which shall happen, according to the law, at least once a year;

d) consent to vote in the same manner on a certain resolution of the general meeting of shareholders (except for that on the appointment of the management board/supervisory board), in order, for example, to:

A) approve or reject:

(i) a proposal on the remuneration of the members of the management board/supervisory board;

(ii) an acquisition or assignment of assets;

(iii) a decrease in the share capital and/or repurchase of shares;

(iv) an increase in the share capital;

(v) the distribution of dividends;

(vi) the appointment, replacement or remuneration of auditors;

(vii) the appointment of a special investigator;

(viii) the financial statements of the undertaking; or

(ix) the undertaking's policy with regard to the environment or any aspect referring to the social responsibility or compliance with recognized standards or codes of conduct; or

B) reject a transaction with controlled undertakings.

(4) Where the shareholders engage in any of the activities provided at para. (3), which is, in fact, cooperation in order to exercise a common policy in the undertaking, those shareholders shall be deemed persons acting in concert.

(5) For the purposes of para. (1) item 29, the holder's rights in relation to voting, appointment and removal shall include the rights of any other undertaking controlled by the shareholder and those of any natural person or legal entity acting, albeit in its own name, on behalf of the shareholder or of any other undertaking controlled by the shareholder.

(6) In the case of the two–tier administration system, references to the management board herein shall be read as referring to the management board.

(7) ASF may issue, *ex officio,* or at the request of any part concerned, administrative acts which shall comprise reasoned opinions on the qualification of a person, institution, situation, information, operations, legal acts or negotiable instruments in connection with the inclusion in, or exclusion from, the scope of the terms and expressions having the meanings provided in para (1).

(8) ASF may exercise its duties and powers under this law in any of the following ways:

a) directly;

b) in collaboration with other market authorities or entities;

c) under its responsibility, by delegation to other market authorities or entities;

d) by application to the competent judicial authorities.

(9) ASF shall have, with a view to the application of this law, the following duties and powers:

a) to verify the manner of fulfilment of the legal duties and obligations of the administrators or, if the case, of the members of the management board, directors, general directors, executive directors, members of the supervisory board or members of directorate or legal representative, as well as of other persons in relation with operations of the issuers regulated by this law;

b) to request the management board of the issuers to call its members or the general meeting of shareholders, as appropriate, agreeing on the issues to be entered on the agenda;

c) to request the competent tribunal to order the call of the general meeting of shareholders if the provisions of letter a) are not complied with. The court shall settle these requests as a matter of urgency and with precedence;

d) to hear any person and request information in connection with the activities carried out by such person on the capital market and/or in connection with any requests for assistance made by authorities similar to ASF, on the basis of the international agreements to which ASF is party;

e) to seal the premises of any persons carrying out activities or operations related to the capital market where the documents or other records of their activity are stored, throughout the inspection and in so far as this measure is necessary;

f) to take all appropriate measures so as the persons carrying out activities or operations related to the capital market and also to financial instruments comply with the provisions of this law, of ASF"s regulations and other legislative acts on the capital market;

g) to request the cessation of any activity which is contrary to the provisions of this law, ASF"s regulations and other legislative acts on the capital market;

h) to request information from the auditors of the entities carrying out activities or operations related to the capital market and to the financial instruments;

i) to refer the matter to competent judicial bodies;

j) to request issuers and those persons carrying out activities or operations related to the capital market and to the financial instruments to allow auditors or experts to perform verifications, at their reasoned request;

k) to request and be entitled to receive from the credit institutions authorized by the National Bank of Romania the information necessary for the inspections performed, and to respond to requests for assistance received, on the basis of the international agreements to which it is a party.

## TITLE II
## Public offer

### CHAPTER I
### General provisions

Art. 3. - This title lays down the applicable legal framework in the case of initiation and development of public offers for sale and public offers for the purchase of securities.

Art. 4. - The following terms used in this title shall have the following meanings:

a) *issuer* – means a legal entity which issues or proposes to issue securities;

b) home Member State:

(i) for any issuer of securities which are not mentioned in item (ii), the Member State where the issuer has its registered office;

(ii) for any issues of non-equity securities whose denomination per unit amounts to at least EUR 1000, and for any issues of non-equity securities giving the right to acquire any transferable securities or to receive a cash amount, as a consequence of their being converted or the rights conferred by them being exercised, provided that the issuer of the non-equity securities is not the issuer of the underlying securities or an entity belonging to the group of the latter issuer, the Member State where the issuer has its registered office, or where the securities were or are to be admitted to trading on a regulated

market or where the securities are offered to the public, at the choice of the issuer, the offeror or the person asking for admission, as the case may be. The same regime shall be applicable to non-equity securities in a currency other than euro, provided that the value of such minimum denomination is nearly equivalent to EUR 1000;

(iii) for all issuers of securities incorporated in a third country, which are not mentioned in item (ii), the Member State where the securities were offered to the public for the first time after November 26, 2013 or the State where the first application for admission to trading on a regulated market is made, at the choice of the issuer, the offeror or the person asking for admission, as the case may be, subject to a subsequent election by issuers incorporated in a third country, under the following circumstances:

1. if the home Member State was not determined by their choice; or

2. in accordance with Art. 42(3), letter b), item (iii).

Art. 5. - (1) The provisions of this title shall not apply in case of sale or admission to trading on a regulated market of:

a) Equity securities issued by collective investment undertakings other than the closed-end type.

b) non-equity securities issued by a Member State or by one of a Member State's regional or local authorities, by public international bodies of which one or more Member States are members, by the European Central Bank or by the central banks of the Member States;

c) shares in the capital of central banks of the Member States;

d) securities unconditionally and irrevocably guaranteed by a Member State or by one of a Member State's regional or local authorities;

e) securities issued by associations incorporated under the law or non-profit-making bodies, recognized by a Member State, with a view to their obtaining the means necessary to achieve their non-profit-making objectives;

f) non-equity securities issued in a continuous or repeated manner by credit institutions provided that these securities:

(i) are not subordinated, convertible or exchangeable;

(ii) do not give a right to subscribe to or acquire other types of securities and that they are not linked to a derivative instrument;

(iii) materialize reception of repayable deposits;

(iv) are regulated by a deposit guarantee system according to the provisions of Directive 84/19/EC of the European Parliament and Council from May 30, 1994 on deposit guarantee systems;

g) non-fungible participations, whose main purpose is to provide the holder with a right to occupy an apartment, or other form of immovable property or a part thereof and where the shares cannot be sold on without this right being given up;

h) securities included in an offer where the total consideration of the offer in the European Union is less than EUR 5,000,000, which limit shall be calculated over a period of 12 months;

i) “bostadsobligationer” issued repeatedly by credit institutions in Sweden whose main purpose is to grant mortgage loans, provided that:

(i) the “bostadsobligationer” issued are of the same series;

(ii) the “bostadsobligationer” are issued on tap during a specified issuing period;

(iii) the terms and conditions of the "bostadsobligationer" are not changed during the issuing period;

(iv) the sums deriving from the issue of the said “bostadsobligationer”, in accordance with the articles of association of the issuer, are placed in assets which provide sufficient coverage for the liability deriving from securities;

j) non-equity securities issued in a continuous or repeated manner by credit institutions where the total consideration of the offer in the European Union is less than EUR 75,000,000, which limit shall be calculated over a period of 12 months, provided that these securities:

(i) are not subordinated, convertible or exchangeable;

(ii) do not give a right to subscribe to or acquire other types of securities and that they are not linked to a derivative instrument.

(2) Notwithstanding para. (1) letters b), d), h), i) and j), an issuer, an offeror or a person asking for admission to trading on a regulated market shall be entitled to draw up a prospectus in accordance with this title when securities are offered to the public or admitted to trading.

(3) The provisions of this title shall not apply in case of public offers of money market instruments with a maturity smaller than 12 months.

Art. 6. – (1) Any person intending to make a public offer shall submit ASF a request for approval of the prospectus, in the case of the public sale offer, or of the offer document, accompanied by a notice, in the case of the public purchase offer, in accordance with the regulations issued by ASF.

(2) Once approved, the prospectus/offer document shall be made available to the public, at the latest at the beginning of the offer to the public.

Art. 7. – (1) The public offer conducted without approval of the prospectus/offer document or in breach of the conditions established by the approving decisions shall be deemed legally unenforceable and shall result in the imposition of sanctions provided by law on those guilty.

(2) The offeror must reimburse good-faith investors for any payments and damages resulting from the nullity of the transactions concluded on the basis of such offer.

Art. 8. – (1) The public offer notice may be launched after the issuance of the decision approving the offer document by ASF and must be published in accordance with the regulations issued by ASF

(2) The public offer notice shall comprise information on how the offer document has been made available to the public.

(3) The prospectus/offer document shall be deemed available to the public, in any of the following situations:

a) by insertion in one or more newspapers, either printed or online, in accordance with the applicable European regulations on content and publication of prospectuses, and dissemination of advertisements;

b) by obtaining it from a potential investor, free of charge, on paper, at least the premises of the offeror and intermediary of that offer, or at the premises of the operator of the regulated market on which the securities are admitted to trading;

c) by publication in electronic form on the offeror's website or of the offeror's intermediary, as appropriate;

d) by publication in electronic form on the website of the market operator where the admission of the securities is sought;

e) by publication in electronic form on ASF"s website, if it has decided to offer this service.

(4) The offeror or the persons responsible for drawing up the prospectus, publishing the prospectus in accordance with the modalities referred to in para. (3) letters a) or b), must publish the prospectus also in electronic form as provided by para. (3) letter c).

(5) Where the prospectus/offer document is made available by publication in electronic form, a paper copy must be delivered, at the request of any investor, free of charge, by the issuer, the offeror or the intermediary of the offer.

Art. 9. – (1) The public purchase offer becomes mandatory once the notice and offer document are published, and in the case of the public sale offer of securities, once the prospectus is published, in accordance with the regulations issued by ASF.

(2) The prospectus or offer document shall be made available to the public after its approval by ASF, in the approved form and content.

Art. 10. – (1) The period for the conduct of the offer shall be that provided for in the prospectus, in the case of the public offers for the sale of securities, or in the notice or offer document, in the case of the public offers for the purchase of securities, and it may not exceed the time limits set by regulations issued by ASF. At the expiry of the period for the conduct of the offer, the public offer shall lapse.

(2) The public offer may be closed in advance according to the provisions of A.S.F. regulations and prospectus, respectively of the offer document.

Art. 11. – (1) Any advertisement relating to a public offer of securities or an admission to trading on a regulated market shall comply with the provisions of this article. Paras (2) through (5) shall not apply where the public offer of securities is not subject to the obligation to publish a prospectus.

(2) Advertisements shall state that a prospectus/offer document has been or will be published and indicate where investors are or will be able to obtain it.

(3) The dissemination of advertisements, prior to the issuance of the decision approving the offer document/prospectus, shall be prohibited.

(4) The information contained in an advertisement shall be accurate, complete and not misleading. This information shall also be consistent with the information contained in the prospectus/offer document, if already published, or with the information required to be in the prospectus, if the prospectus/offer document is published afterwards.

(5) Any information disclosed in an oral or written form, including by electronic means, concerning the offer to the public or the admission to trading on a regulated market, 18
even if not for advertising purposes, shall be consistent with that contained in the prospectus/ offer document.

(6) Any form of advertising which incites to accepting the public offer, made by presenting the offer as advantageous or with other qualities deriving from ASF"s decision to approve the offer document/prospectus, shall be deemed deceit by abusive or misleading advertising, which vitiate the transactions proved as being motivated by such presentation.

(7) When according to this law no prospectus is required, material information provided by an issuer or an offeror and addressed to qualified investors or special categories of investors, including information disclosed in the context of meetings relating to offers of securities, shall be disclosed to all qualified investors or special categories of investors to whom the offer is exclusively addressed. Where a prospectus is required to be published, such information shall be included in the prospectus or in a supplement to the prospectus in accordance with Art. 12.

(8) ASF shall control whether the advertising activity relating to the public offer or admission to trading on a regulated market of securities is compliant with the provisions of Paras (2) through (5) and Para (7).

Art. 12. – (1) Every significant new factor, material mistake or inaccuracy relating to the information included in the prospectus which is capable of affecting the assessment of the securities and which arises or is noted between the time when the prospectus is approved and the final closing of the offer to the public or, as the case may be, the time when trading on a regulated market begins, shall be mentioned in a supplement to the prospectus.

(2) The supplement referred to in Para (1) shall be approved by ASF within 7 working days from its submission in accordance with the same arrangements as were applied when the prospectus was approved, and shall be disclosed to the public in the same way the prospectus was disclosed to the public.

(3) The summary, and any translations thereof, shall be amended and/or supplemented, if necessary, to take into account the new information included in the supplement.

Art. 13. – (1) Notwithstanding the powers referred to in Art. 2, para. 6, which shall apply accordingly, ASF may, if it has received an application for approving a prospectus/offer document:

a) require issuers, offerors or persons asking for admission to trading on a regulated market to include in the prospectus/offer document supplementary information, if necessary for investor protection;
b) require issuers, offerors or other persons involved in the offer, persons asking for admission to trading on a regulated market, and the persons that control them or are controlled by them, to provide information and documents;
c) require auditors and managers of the issuer, offeror or person asking for admission to trading on a regulated market, as well as intermediaries commissioned to carry out the offer to the public or ask for admission to trading, to provide information;
d) suspend a public offer or admission to trading for a maximum of 10 consecutive working days on any single occasion if it has reasonable grounds for suspecting that the provisions of this title and of the regulations issued by ASF for its application have been infringed;
e) prohibit or suspend advertisements related to a public offer, for a maximum of 10 consecutive working days on any single occasion if it has reasonable grounds for suspecting that the provisions of this title and of the regulations issued by ASF for its application have been infringed;
f) prohibit a public offer:

(i) by revocation of the approval of the prospectus/offer document, if it finds that the public offer is carried out in breach of the provisions of this law, regulations issued by ASF for its application, and also in the following situations:

1. if it considers that the circumstances following the approving decision lead to fundamental changes of the elements and data motivating the decision;

2. when the offeror informs ASF that it withdraws the offer, prior to launching the offer notice;

(ii) by cancellation of the approval of the prospectus/offer document, where it has been obtained on the basis of false or misleading information;

g) suspend or ask the relevant regulated markets to suspend trading on a regulated market for a maximum of 10 consecutive working days on any single occasion if it has reasonable grounds for believing that the provisions of this title and of the regulations issued by ASF for its application have been infringed;

h) prohibit trading on a regulated market if it finds that the provisions of this title and of the regulations issued by ASF for its application have been infringed;

i) make public the fact that an issuer is failing to comply with its obligations.

(2) ASF may also, once the securities have been admitted to trading on a regulated market:

a) require the issuer to disclose all material information which may have an effect on the assessment of the securities admitted to trading on regulated markets in order to ensure investor protection or the smooth operation of the market;

b) suspend or ask the relevant regulated market to suspend the securities from trading if, in its opinion, the issuer's situation is such that trading would be detrimental to investors' interests;

c) ensure that issuers whose securities are traded on regulated markets provide equivalent information to all investors and apply an equivalent treatment to all securities holders who are in the same position, in all Member States where the offer to the public is made or the securities are admitted to trading;

d) carry out on-site inspections in the territory of Romania in accordance with national law, in order to verify compliance with the provisions of this title. ASF may use this power by applying to the relevant judicial authority and/or in cooperation with other authorities.

Art. 14. – (1) The suspension of the public offer shall interrupt the offer period. After the suspension is lifted or ends, the conduct of the offer shall be resumed.

(2) The revocation of the decision approving the prospectus/offer document, throughout the conduct of the public offer, shall render ineffective the subscriptions made until the revocation.

(3) The cancellation of the decision approving the prospectus/offer document shall render ineffective the transactions concluded prior to the date of cancellation, giving rise to 21
the return of the equity securities, and of the funds received by offerors, voluntarily or based on a court ruling.

Art. 15. – (1) The responsibility for infringement of the legal provisions on the accuracy, consistency and correctness of the information contained in the prospectus/offer document and notice, as appropriate, shall attach to the following persons:

a) the issuer;

b) the members of the issuer’s management board;

c) the offeror, in case it is different that the issuer;

d) the members of the offeror's management board;

e) the founders, in case of public subscription;

f) the person that request the admission to trading, in case it is different than the issuer or the offeror;

g) the financial auditor who certified the financial statements, whose information were taken over to the prospectus;

h) the intermediary of the offer or, as the case may be, the member of the responsible intermediation syndicate;

i) any other person, including the intermediaries of the offer, that has accepted in the prospectus the responsibility for any information, study or assessment inserted or mentioned in the prospectus. In this case, that person is responsible only of the reality, exactness and accuracy of the information, study or assessment indicated expressly by it and only to the extent in which the information, study or assessment was included in the prospectus in the form and context expressly agreed by the responsible person.

(2) The following persons shall be held jointly and severally liable, irrespective of the guilt:

a) the issuer, if any of the entities referred to in Para (1) Letters d) through f) is liable;

b) the offeror, if any of the entities referred to in Para (1) Letters b), g) and h) is liable;

(3) The provisions of this article are not interpreted, meaning that a person responsible for the reality, exactness, accuracy of the information in the prospectus/offer document and notice, exclusively on the basis of the fact that have granted assistance in processional capacity during the process of drafting the prospectus/offer document.

(4) The right to compensation must be exercised within maximum 6 months from the date it becomes aware of the shortcomings in the prospectus/offer document, but not later than 1 year from the closing of the public offer.

**CHAPTER II**
**Public sale offer**

Art. 16. - (1) No public sale offer shall be made without the publication of a prospectus approved by ASF.

The paragraph was derogated by Law no. 24/2017 on 01.04.2017

(2) The public sale offer shall be made through an intermediary authorized to provide investment services and activities.

(3) By way of derogation from the provisions of Para (1), the obligation to draw up and publish a prospectus shall not apply in the following cases:

a) for the following types of offer:

1. an offer of securities addressed solely to qualified investors; and/or

2. an offer of securities addressed to fewer than 150 natural or legal persons, per Member State, other than qualified investors; and/or

3. an offer of securities addressed to investors who acquire securities for a consideration of at least the RON equivalent of EUR 100,000, for each separate offer; and/or

4. an offer of securities whose denomination per unit amounts to at least the RON equivalent of EUR 100,000; and/or

5. an offer of securities with a total consideration in the European Union of less than the RON equivalent of EUR 100,000, which limit shall be calculated over a period of 12 months;

b) for the following types of securities:

1. shares issued in substitution for shares of the same class already issued, if the issuing of such new shares does not involve any increase in the issued capital;

2. securities offered in connection with a public purchase offer/takeover bid by means of an exchange offer, provided that a document is available containing at least the information laid down in Regulation (EC) No 809/2004 of the Commission from April 29, 2004 of applying Directive 2003/71/EC of the European Parliament and Council regarding the information contained in the prospectus, inclusion of information by transmission, publishing of the prospects and distribution of the press releases with advertising purposes, depending the type of issuer and securities provided for exchange purposes;

3. securities offered, allotted or to be allotted in connection with a merger or division, provided that a document is available containing at least the information laid down in the regulations issued by ASF;

4. dividends paid out in the form of shares of the same class as the shares in respect of which such dividends are paid, provided that a document is made available containing at least the information laid down in the regulations issued by ASF;

5. securities offered, allotted or to be allotted to existing or former members of the management or employees by their employer or by the parent undertaking or by an affiliated undertaking, provided that the undertaking has its head or registered office in the European Union and that a document is made available containing at least the information laid down in the regulations issued by ASF.

(4) any subsequent resale of securities which were previously the subject of one or more of the types of offer mentioned in Para (3) Letter (a), shall be regarded as a separate offer and the provisions of Art. 2, para. 1, item 23 shall apply for the purpose of deciding whether that resale is an offer of securities to the public.

Art. 17. – (1) The prospectus shall contain all information which, according to the particular nature of the issuer and of the securities offered to the public is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses, and prospects of the issuer and of any entity guaranteeing the fulfilment of the obligations assumed by the issuer, and of the rights attaching to such securities, as appropriate.

(2) A prospectus shall be valid for 12 months after its approval by ASF, and may be used for several issues of securities, during this period, provided that such prospectus is updated in accordance with Art. 12.

(3) The summary shall, in a brief manner and in non-technical language, contain essential information in the language in which the prospectus was originally drawn up. The format and content of the summary of the prospectus shall provide, in conjunction with the prospectus, appropriate information about

essential elements of the securities concerned in order to aid investors when considering whether to invest in such securities.

(4) The summary shall be drawn up in a common format in order to facilitate comparability of the summaries of similar securities and its content should convey the key information of the securities concerned in order to aid investors when considering whether to invest in such securities. The summary shall also contain a warning to potential investors that:

a) it should be read as an introduction to the prospectus;

b) any decision to invest should be based on the information contained in the prospectus, regarded as a whole;

c) where a claim relating to the information contained in a prospectus is brought before a court, the plaintiff investor must bear the costs of translating the prospectus into Romanian;

d) if the summary is misleading, inaccurate or inconsistent or contradictory to the other parts of the prospectus, civil liability shall attach to those persons who drew up the summary, including those who translated it, and those who notified any cross-border public offers.

(5) Where the prospectus relates to the admission to trading on a regulated market of non-equity securities having a denomination of at least the RON equivalent of EUR 100,000, there shall be no requirement to provide a summary except when requested by a Member State as provided for in the applicable legislation of that Member State. Where admission occurs on a regulated market of Romania, a summary in the Romanian language shall be drawn up.

(6) The provisions on the public subscription of Company Law no. 31/1990, republished, as further amended and supplemented, hereinafter referred to as Law no. 31/1990, shall not apply to a public sale offer developed following the increase of the share capital of the issuer.

Art. 18. – (1) The prospectus may be drawn up as a single document or separate documents, as follows:

a) the presentation sheet of the issuer, containing information concerning the issuer;

b) the securities note containing information concerning the securities offered or to be admitted to trading on a regulated market;

c) the prospectus summary.

(2) The presentation sheet of the issuer approved by ASF shall be valid for a period of up to 12 months. The presentation sheet, updated in accordance with Art. 12 or Para (4), together with the securities note and summary shall be considered to constitute a valid prospectus.

(3) An issuer which already has the presentation sheet approved by ASF may draw up and send for approval only the documents referred to in para. (1) letters b) and c), where it intends to launch a public offer or for admission of those securities to trading on a regulated market.

(4) In the situation referred to in Para (3), the securities note shall provide information that would normally be provided in the issuer's presentation sheet, if there has been a material change or recent development which could affect investors" assessments since the latest updated presentation sheet approved, except where such information is provided in a supplement as laid down in Art. 12. The securities note and summary shall be subject to a separate approval by ASF.

Art. 19. – (1) Information may be incorporated in the prospectus by reference to one or more previously or simultaneously published documents that has been approved by ASF or filed with it in accordance with the provisions of Chapter I and of this title, and of Chapter II Section 1 and Chapter IV Section 1, of Title III. This information shall be the last available to the issuer.

(2) When information is incorporated in the prospectus in accordance with Para (1), a cross-reference list must be provided in order to enable investors to identify easily specific items of information.

(3) The summary of the prospectus shall not incorporate information by reference to other documents in accordance with Para (1).

Art. 20. – The prospectus shall contain information concerning the issuer and the securities to be offered to the public or to be admitted to trading on a regulated market. The minimum information which must be incorporated in the prospectus, the format used, given the type of the securities of the offer and the documents which must accompany the prospectus, the conditions of the issuance of securities in an offer program shall be established by applicable European regulations on the content and publication of prospectuses, and dissemination of advertisements or by ASF‟s regulations, as appropriate.

Art. 21. (1) A.S.F. shall take position regarding the approval of the offer prospectus, within 10 working days from the registration of the request.

(2) The time limit referred to in Para (1) may be extended to 20 working days, if the securities are issued by an issuer which request for the first time admission to trading on a regulated market and which has not previously offered securities to the public.

(3) If ASF fails to give a decision on the prospectus within the time limits laid down in Paras (1) and (2), this shall not be deemed to constitute tacit approval of the prospectus.

(4) Any request for supplementary information or amending that initially incorporated in the prospectus, made by ASF or by an offeror, shall interrupt the time limits, which shall apply again only from the date on which such information or amendment is provided.

Art. 22. – (1) Where the final offer price and the amount of securities which will be offered to the public cannot be included in the prospectus, upon its approval, the prospectus shall contain:

a) the criteria, and/or the conditions in accordance with which the final offer price and the amount of securities which offered to the public will be determined or, in the case of price, the maximum price; or

b) the possibility of withdrawal of the subscriptions made within at least two working days after the final offer price and amount of securities which will be offered to the public have been filed with ASF and published in accordance with Art. 8(3).

(2) Where the prospectus refers to an offer of securities to the public, investors who have already agreed to subscribe for the securities before the supplement is published shall have the right, exercisable within a time limit which shall not be shorter than two working days after the publication of the supplement, to withdraw their subscriptions, provided that the new factor, mistake or inaccuracy referred to in Art. 12 has arisen before the closing of the offer to the public and transfer of securities. Such time frame may be extended by the issuer or offeror, in accordance with ASF's regulations. The final date prior to which the right of withdrawal may be exercised must be incorporated in the supplement.

(3) Investors shall exercise their right to withdraw their subscriptions subject to the terms and time limits incorporated in the prospectus, and the offeror shall have the possibility to establish that

subscriptions may be withdrawn only in the situations referred to in Para (1) and/or Para (2), as appropriate.

Art. 23. – Activities to request the intention to invest in order to assess the success of a future offer shall only be permitted subject to the terms laid down in ASF‟s regulations.

Art. 24. – ASF shall issue regulations on cross-border public offers, in line with the applicable European legislation.

**CHAPTER III**
**Public purchase offer**

Art. 25. – (1) The public purchase offer means the offer made to the holders of securities by a person to acquire those securities, disseminated through the mass media or communicated by other media, subject to the equal possibility of reception by the holders of those securities.

(2) The public purchase offer shall be made by an intermediary authorized to provide investment services and activities.

(3) The price offered within the purchase offers shall be established in accordance with ASF‟s regulations.

Art. 26. – (1) ASF shall notify its decision regarding the approval of the offer document, within maximum 10 working days after registration of the request.

(2) If ASF fails to give a decision on the prospectus within the time limits laid down in (1), this shall not be deemed to constitute tacit approval of the prospectus.

(3) Any request for supplementary information or amending that initially incorporated in the prospectus, made by ASF or by an offeror, shall interrupt the time limit, which shall apply again only from the date on which such information or amendment is provided.

Art. 27. – (1) The public purchase offer shall be made in such a way so as to ensure an equal treatment for all investors.

(2) The minimum information which must be incorporated in the offer document shall be established ASF's regulations.

**CHAPTER IV**
**Takeover bid**

**SECTION 1**
**General Provisions**

Art. 28. – The provisions of Sections 2 and 4 shall apply to the issuers whose securities are admitted to trading on a regulated market.

Art. 29. – The provisions of Sections 2 and 4 shall not apply to:

a) public purchase offers of securities issued by collective investment undertakings. Actions taken to ensure that the net asset value does not vary significantly from the market value of the units issued by those undertakings shall be regarded as equivalent to the repurchase or redemption by those undertakings at the request of unit holders;

b) public purchase offers of securities issued by the Member States' central banks;

c) in the case of instruments, powers and resolution mechanisms of credit institutions and investment firms.

**SECTION 2**
**Voluntary takeover bid**

Art. 30. – (1) The voluntary takeover bid shall mean a public purchase offer made to all holders of securities, for all their holdings, by a person who does not have such obligation, to acquire more than 33% of the voting rights.

(2) The person seeking to carry out a voluntary takeover bid shall send ASF a preliminary notice, for approval thereof. The minimum information which must be incorporated in the preliminary notice shall be established by ASF"s regulations.

(3) After approval by ASF, the preliminary notice shall be sent to the offeree company, regulated market on which the securities shall be traded and published in at least one national newspaper and one local newspaper within the administrative-territorial area of the issuer.

Art. 31. – (1) The management board of the offeree company shall send ASF, offeror and the regulated market on which the securities are traded, within maximum 5 days after receipt of the preliminary notice, a document setting out its opinion on the bid, the reasons on which it is based and the effects of implementation of the bid on the company's interests and employment, and on the offeror's strategic plans for the company and their likely repercussions on employment and the locations of the company's places of business.

(2) The management board may call the extraordinary general meeting of shareholders, to inform shareholders of the positions of the management board with respect to such bid. If the request for meeting is made by a significant shareholder, the call of the general meeting shall be mandatory, and the convening notice shall be published within maximum 5 days after the date of the request. By way of derogation from the provisions of Company Law No. 31/1990, republished, as subsequently amended and supplemented, hereinafter referred to as Law No. 31/1990, the general meeting shall be held within 5 days after the publication of the convening notice in a national newspaper.

(3) During the period between receiving the preliminary notice and closing of the offer, the management board of the offeree company may not conclude any act or take any action which could affect the financial situation or result in the frustration of the takeover bid, except for acts of management of a purely day-to-day nature.

The paragraph was derogated by Law 24/2017 on 01/04/2017.

(4) Within the meaning of para. (3), the operation including, but not limited to, share capital increases or issuance of securities entitling to subscription or conversion into shares, encumbrance or transfer of

assets accounting for at least 1/3 of the net assets in accordance with the latest annual balance sheet of the company shall be regarded as affecting the financial situation.

(5) By way of derogation from the provisions of Para (3), the operations likely to affect the financial situation of the offeree company or the objectives of the takeover bid including those resulting from decisions made prior to the period referred to in Para (3) and not yet implemented/partially implemented, may only be carried out with the express consent of the extraordinary general meeting of shareholders, particularly convened after the preliminary notice.

(6) The provisions of Para (2) on convening and holding the general meeting of shareholders shall also apply to the extraordinary general meeting of shareholders referred to in Para (5).

(7) The management board shall inform ASF and the regulated market of the operations carried out by the members of the management board and of the executive management concerning such securities.

(8) The offeror shall be liable for all damages caused to the offeree company, if it is proved that it was launched exclusively to place the company in a situation where some of the measures referred to in Para (4) are not taken or certain operations are carried out, expressly approved by the extraordinary general meeting of shareholders, particularly convened after the notice.

(9) For the application of the provisions of Para (3), where a company has a two-tier board structure, references to the management board shall be read as referring both to the management board and to the supervisory board.

Art. 32. – (1) The publication of the preliminary notice shall impose on the offeror the obligation to submit to ASF, within maximum 30 days, the documentation corresponding to the takeover bid, on terms not less favorable than those set out in the preliminary notice.

(2) ASF shall notify its decision regarding the approval of the offer document, within the time frame laid down in Art. 26.

(3) The price offered in the voluntary takeover bids shall be established in accordance with ASF"s regulations.

Art. 33. – The offeror or the persons acting in concert may no longer launch, for one year after closing the previous takeover bid, another takeover bid concerning the same issuer.

**SECTION 3**
**Competing public offers**

Art. 34. – (1) Any person may make a counteroffer aiming at the same securities, subject to the following conditions:

a) to have as its objective at least the same amount of securities or to aim at achieving at least the same holding in the share capital;

b) to offer a price by at least 5% higher than that in the first offer.

Art. 35. - (1) The counteroffer shall be made by submitting the necessary documentation to ASF within maximum 10 working days as of the date on which the first offer has become public.

(2) ASF shall issue a decision on these bids in accordance with Art. 26 para. 1.

(3) ASF shall, through the decision approving the counteroffers, establish once the same closing date for all offers and a deadline prior to which the supplements on the price increase of the competing bids may be submitted for authorization.

Art. 36. - The single closing date of the competing bids may not exceed 60 working days from the date when the first offer was made.

**SECTION 4**
**Mandatory takeover public offers**

Art. 35. – (1) Where a natural or legal person, as a result of his/her own acquisition or the acquisition by persons acting in concert with him/her, holds securities of an issuer which, added to any existing holdings of those securities of his/hers and the holdings of those securities of persons acting in concert with him/her, directly or indirectly give him/her more than 33% of voting rights in that issuer, such a person is required to make a bid at the earliest opportunity addressed to all the holders of those securities for all their holdings at the equitable price, but not later than two months after that holding has been acquired.

(2) Prior to the conduct of the bid referred to in Para (1), the voting rights attaching to the securities exceeding 33% of the voting rights in the issuer shall be suspended, and that shareholder and the person acting in concert with him/her may no longer acquire, by other operations, shares of the same issuer.

(3) The provisions of para. (1) shall not apply to the persons who, prior to the entry into force of this law, have acquired the position of holders of over 33% of the voting rights, in compliance with the legal provisions applicable at that time.

Art. 38. - (1) The price of the mandatory takeover public offer shall be at least equal to the highest price paid by the offeror or by the persons acting in concert with him/her over the twelve-month period prior to the submission of the offer documentation to ASF.

(2) The provisions of Para (1) shall not apply where the offeror or the persons acting in concert with him/her have not acquired shares of the offeree company over the twelve-month period preceding prior to the submission of the offer documentation to ASF, or where ASF considers on grounded reasons *ex officio* or following a complaint in this respect that the operations whereby shares were acquired are likely to influence the correct pricing

(3) Under the conditions set out in Para (2) and provided that the deadlines referred to in Art. 35(1) and Art. 37(4) concerning the submission of the offer documentation to ASF are complied with, the price offered within the takeover bid shall be at least equal to the highest price of the following values established by an authorized valuer, according to law, and appointed by the offeror:

a) the weighted average trading price, corresponding to the last 12 months prior to the submission of the offer documentation to ASF;

b) the net asset value of the company, divided by the total number of shares in circulation, as shown by the latest audited financial statements;

c) the value of the shares resulting from an expert valuation conducted based on international valuation standards.

(4) Where the deadlines laid down in Art. 35(1) or Art. 37(4), as appropriate, are not complied with and the offeror or persons acting in concert with him/her has/have not acquired shares of the offeree company over the twelve-month period prior to the submission of the offer documentation to ASF, or where ASF considers on grounded reasons *ex officio* or following a complaint that the operations whereby shares were acquired are likely to influence the correct pricing, the price offered within the mandatory takeover bid shall be at least equal to the highest price of the following values established by an authorized valuer, according to law, and appointed by the offeror, as follows:

a) the weighted average trading price, corresponding to the last 12 months prior to the submission of the offer documentation to ASF;

b) the weighted average trading price, corresponding to the last 12 months prior to the date when the position exceeding 33% of the voting rights was reached;

c) the highest price paid by the offeror or persons acting in concert with him/her in the last 12 months prior to the date when the position exceeding 33% of the voting rights was reached;

d) the net asset value of the company, divided by the total number of shares in circulation, as shown by the latest financial statements prior to the submission of the offer documentation to ASF;

e) the net asset value of the company, divided by the total number of shares in circulation, as shown by the latest audited financial statements preceding the date when the position exceeding 33% of the voting rights was reached;

f) the value of the shares resulting from an expert valuation conducted based on international valuation standards.

(5) Where the provisions of Para (2) do not apply and the deadlines laid down in Art. 37 para. (1) or, as appropriate, in art. 39 para. (4), are not complied with, the price offered within the mandatory takeover bid shall be at least equal to the highest price of the following values:

a) the highest price paid by the offeror or persons acting in concert with him/her over the twelve-month period prior to the submission of the offer documentation to ASF;

b) the highest price paid by the offeror or persons acting in concert with him/her in the last 12 months prior to the date when the position exceeding 33% of the voting rights was reached;

c) the weighted average trading price, corresponding to the last 12 months prior to the submission of the offer documentation to ASF;

d) the weighted average trading price, corresponding to the last 12 months prior to the date when the position exceeding 33% of the voting rights was reached.

(6) Where ASF considers based on grounded reasons, ex officio or following a complaint, that the price established by the authorized valuer, according to law, in any of the situations set out in Para (4), is not likely to lead to an equitable price within the mandatory takeover bid, then ASF may request a re-valuation.

(7) The valuation report on the pricing of mandatory takeover bids shall be made available to the shareholders of the offeree company, under the same conditions as the offer document.

Art. 39. - (1) The provisions of art. 37 shall not apply where the holding representing more than 33% of the voting rights in the issuer has been acquired following an exempt transaction.

(2) For the purposes hereof, “exempt transaction” means that such position was acquired:

a) within the privatization process;

b) by acquiring shares from the Ministry of Public Finance or from other entities legally authorized, within the budget claims collection procedure;

c) following the transfer of shares between the parent undertaking and its subsidiary undertakings or among the subsidiary undertakings of the same parent undertaking;

d) following a voluntary takeover bid addressed to all holders of the securities and for all their holdings.

(3) If the position exceeding 33% of the voting rights in the issuer is acquired unintentionally, the holder of such position shall have one of the following alternative obligations:

a) to make a public offer, subject to the conditions and at the price laid down in Art. 35 and Art. 36;

b) to alienate a number of shares, corresponding to the loss of the position acquired without intention.

(4) Any of the obligations referred to in Para (3) shall be fulfilled within maximum 3 months from acquiring such position.

(5) The position exceeding 33% of the voting rights in the issuer shall be deemed unintentionally acquired provided that it was reached as a result of operations such as:

a) the reduction of the capital through the redemption by the company of its own shares, followed by their annulment;

b) exceeding the threshold, as a result of the exercise of the pre-emptive right, subscription or conversion of the initially allotted rights, and conversion of preferred shares into common shares;

c) merger/division or succession.

**SECTION 5**
**Removal of restrictions**

Art. 40. - (1) Issuers which have their registered office in the territory of Romania may decide, by the general meeting of shareholders, to apply the following provisions, which shall become applicable where a takeover bid is made public and which shall be complied with without prejudice to other rights and obligations provided for in the national legislation implementing the provisions of the European legislation, as follows:

a) any restrictions on the transfer of securities provided for in the instruments of incorporation of the offeree company shall not apply vis-à-vis the offeror during the time allowed for subscription within the bid;

b) any restrictions on the transfer of securities provided for in contractual agreements between the offeree company and holders of its securities, or between holders of such securities, entered into after the adoption of this law, shall not apply vis-à-vis the offeror during the time allowed for subscription within the bid;

c) any restrictions on voting rights provided for in the instruments of incorporation of the offeree company shall not have effect at the general meeting of shareholders which decides on any defensive measures in accordance with Art. 31 para. (5);

d) any restrictions on voting rights provided for in contractual agreements between the offeree company and holders of its securities, or between holders of the offeree company's securities, entered into after the adoption of this law, shall not have effect at the general meeting of shareholders which decides on any defensive measures in accordance with Art. 31, para. 5;

e) multiple-vote securities shall carry only one vote each at the general meeting of shareholders which decides on any defensive measures in accordance with Art. 31, para. 5;

f) Where, following a bid, the offeror holds 75 % or more of the total shares carrying voting rights, no restrictions on the transfer of securities or on voting rights referred to in Letters a) – e) nor any extraordinary rights of shareholders concerning the appointment or removal of board members provided for in the instruments of incorporation of the offeree company shall apply; multiple-vote securities shall carry only one vote each at the first general meeting of shareholders following closure of the bid, called by the offeror in order to amend the instruments of incorporation or to remove or appoint board members. To that end, the offeror shall have the right to convene a general meeting of shareholders at short notice, provided that the meeting is held at least two weeks after the publication of the notice to attend;

g) where rights are removed on the basis of the decision of the general meeting of shareholders concerning the application of Letters a) – f), equitable compensation shall be provided for any loss suffered by the holders of those rights. The terms for determining such compensation and the arrangements for its payment shall be set in the offer document;

h) Letters c) – f) shall not apply to securities where the restrictions on voting rights are compensated for by specific pecuniary advantages.

(2) The provisions of Para (1) shall not apply either where Member States hold securities in the offeree company which confer special rights on the Member States which are compatible with the Treaty, or to special rights provided for in national law which are compatible with the Treaty.

Art. 41. - (1) The decision provided at art. 40 para. (1) shall be adopted in the general meeting of shareholders, according to the national legislation applicable to amendment of the instruments of incorporation. The decision shall be communicated to ASF and to all supervisory authorities of the Member States in which the securities of the offeree company are admitted to trading on regulated markets or where such admission has been requested.

(2) The extraordinary general meeting of shareholders may decide at a later stage not to take the measures decided upon in accordance with art. 40, para. (1).

**SECTION 6**
**Withdrawal of shareholders from company**

Art. 42. - (1) Following a public purchase offer made to all shareholders and all their holdings, an offeror is able to require the shareholders of the remaining shares to sell him/her those shares at a fair price, if in any of the following situations:

a) he/she holds shares representing not less than 95% of the total number of shares in the share capital carrying voting rights and not less than 95% of the voting rights which may be actually exercised;

b) he/she has acquired, within the public purchase offer made to all shareholders and for all their holdings, shares representing not less than 90% of the total number of shares in the share capital carrying voting rights and not less than 90% of the voting rights comprised in the offer.

(2) The offeror may exercise the right referred to in Para (1) within 3 months from the closing date of the public offer.

(3) Where the company has issued more than one class of shares, the provisions of Para (1) shall apply separately for each class.

(4) The consideration offered in the public offer for purchase/voluntary takeover bid, in which the offeror has acquired shares representing not less than 90% of the total number of shares of the share capital carrying voting rights comprised in the bid, shall be presumed to be fair price. Following a mandatory takeover bid, the consideration offered in the bid shall be presumed to be fair.

(5) In case of an optional public purchase/sale offer that does not fulfil the condition provided at para. (4), the price shall be determined by an authorized evaluator, according to the law, according to the international evaluation standards.

(6) Where ASF considers on grounded reasons, *ex officio* or following a complaint in this respect, that the price established by the authorized valuer, according to law, in accordance with Para (4), is not likely to lead to an equitable price, then ASF may request a re-valuation.

(7) The price established in accordance with para. (4) or (5) shall be made public through the market where transactions are carried out, by publication in the Bulletin of ASF, on ASF"s website and in two national financial newspapers, within maximum 5 days from the preparation of the report.

(8) Following the finalization of the procedure for the exercise of the right referred to at para. (1), the securities subject to the takeover public offer shall be withdrawn from trading.

Art. 43. - (1) Following a bid made to all holders for all their holdings, a minority shareholder shall have the right to request the offeror in any of the situations referred to in art. 42 para. (1) to purchase his/her shares at a fair price, in accordance with art. 42 para. (4) and (5).

(2) Where the company has issued more than one class of shares, the provisions of para. (1) shall apply separately for each class.

(3) The price shall be established in accordance with art. 42 para. (4) and (5). Where the appointment of an independent valuer is required, the related costs shall be borne by the minority shareholder.

Art. 44. - ASF shall issue regulations on the application of this section.

## TITLE III
## Issuers whose securities are admitted to trading on a regulated market

### CHAPTER I
### General provisions

Art. 45. - (1) The provisions of this title establish the legal framework applicable to the admission of securities to trading on a regulated market, and that of reporting and transparency requirements of issuers whose securities are admitted to trading on a regulated market.

(2) This title shall not apply to units issued by collective investment undertakings, other than the closed-end type.

(3) The following terms when used in this title shall have the following meaning:

a) issuer – means a natural person, or a legal entity governed by private or public law, including a State, whose securities are admitted to trading on a regulated market. In the case of depository receipts admitted to trading on a regulated market, the issuer means the issuer of the securities represented, whether or not those securities are admitted to trading on a regulated market;

b) home Member State:

(i) in the case of an issuer of debt securities the denomination per unit of which is less than EUR 1 000 or an issuer of shares:

1. where the registered office of the issuer is seated in the European Union, the Member State in which it has its registered office;

2. where the issuer is incorporated in a third country, the Member State chosen by the issuer from amongst the Member States where its securities are admitted to trading on a regulated market. The choice of home Member State shall remain valid unless the issuer has chosen a new home Member State and has disclosed the choice under item (iii). The definition of „home" Member State shall be applicable to debt securities in a currency other than Euro, provided that the value of such denomination per unit is, at the date of the issue, less than EUR 1 000, unless it is nearly equivalent to EUR 1 000;

(ii) for any issuer not covered by item (i), the Member State chosen by the issuer from among the Member State in which the issuer has its registered office, where applicable, and those Member States where its securities are admitted to trading on a regulated market. The issuer may choose only one Member State as its home Member State. Its choice shall remain valid for at least three years unless its securities are no longer admitted to trading on any regulated market in the European Union or unless the issuer becomes covered by Points (i) or (iii) during the three-year period;

(iii) for an issuer whose securities are no longer admitted to trading on a regulated market in its home Member State as defined by the second indent of item (i) or item (ii), but instead are admitted to trading in one or more other Member States, such new home Member State as the issuer may choose from amongst the Member States where its securities are admitted to trading on a regulated market and, where applicable, the Member State where the issuer has its registered office;

An issuer shall disclose its home Member State as referred to in Points (i), (ii) and (iii) to the competent authority of the Member State where it has its registered office, where applicable, to the competent authority of the home Member State and to the competent authorities of all host Member States.

In the absence of disclosure by the issuer of its home Member State as defined by the second indent of item (i) or (ii) within a period of three months from the date the issuers" securities are first admitted to trading on a regulated market, the home Member State shall be the Member State where the issuer's securities are admitted to trading on a regulated market. Where the issuer's securities are admitted to trading on regulated markets situated or operating within more than one Member State, those Member States shall be the issuer's home Member States until a subsequent choice of a single home Member State has been made and disclosed by the issuer.

For an issuer whose securities are already admitted to trading on a regulated market and whose choice of home Member State as referred to in the second indent of item (i) or item (ii), has not been

disclosed prior to the entry into force of this law, the period of three months shall start on the date of entering into force of this law.

An issuer that has made a choice of a home Member State as referred to in the second indent of item (i) or item (ii) and (iii) and has communicated that choice to the competent authorities of the home Member State prior to the date of entering into force shall be exempted from the requirement under the second paragraph of this item (i), unless such issuers chooses another home Member State after the date of entering into force of this law.

c) host Member State – means a Member State in which securities are admitted to trading on a regulated market, if different from the home Member State.

Art. 46. - (1) Issuers must register with ASF and collect the certificate issued which attests the registration of the securities, meet the reporting requirements established by law and ASF"s regulations, and those of the regulated markets in which the securities issued by them are traded.

(2) The issuer of shares admitted to trading on a regulated market shall ensure equal treatment for all holders of shares of the same type and class/who are in the same position.

(3) The holders of securities shall exercise the rights conferred by them in good-faith, respecting the rights and legitimate interests of the other holders and the issuer's best interest, otherwise they shall be liable for any damages caused.

(4) The abuse of the position held by shareholders or of the capacity as director or employee of the issuer, through recourse to unfair or deceptive acts, aimed at or resulting in the harming of the rights on securities and other financial instruments, or causing prejudice to their holders, shall be prohibited.

(5) Provisions of art. 47, 48, 61-97, of art. 99 para. (4), as well as those of art. 100 shall not apply in case of instruments of the monetary market with a maturity smaller than 12 months.

**CHAPTER II**
**Admission and withdrawal to trading on a regulated market**

Art. 47. - (1) Securities shall be admitted to trading on a regulated market only after publication of a prospectus approved by ASF.

(2) The provisions of Chapter I and Chapter II of Title II shall apply accordingly also in the case of the prospectus drawn up for the admission to trading.

(3) The obligation to publish a prospectus shall not apply to the admission to trading of the following securities:

a) shares representing, over a period of 12 months, less than 10 per cent of the number of shares of the same class already admitted to trading on the same regulated market;

b) shares issued in substitution for shares of the same class already admitted to trading on the same regulated market, if the issuing of such shares does not involve any increase in the issued capital;

c) securities offered in connection with a public purchase offer/takeover bid by means of an exchange offer, provided that a document is available containing at least the information set out in Regulation (EC) 809/2004, taking into account the type of issuer and securities exchanged;

d) securities offered, allotted or to be allotted in connection with a merger or division, provided that a document is available containing at least the information laid down in ASF‟s regulations;

e) shares offered, allotted or to be allotted free of charge to existing shareholders, and dividends paid out in the form of shares of the same class as the shares in respect of which such dividends are paid, provided that the said shares are of the same class as the shares already admitted to trading on the same regulated market and that a document is made available containing at least the information laid down in ASF‟s regulations;

f) securities offered, allotted or to be allotted to existing or former members of the management or current or former employees by their employer or by the parent-undertaking or a subsidiary undertaking, provided that the said securities are of the same class as the securities already admitted to trading on the same regulated market and that a document is made available containing at least the information laid down in ASF‟s regulations;

g) shares resulting from the conversion or exchange of other securities or from the exercise of the rights conferred by other securities, provided that the said shares are of the same class as the shares already admitted to trading on the same regulated market;

h) securities already admitted to trading on another regulated market, on the following conditions:

1. that these securities, or securities of the same class, have been admitted to trading on that other regulated market for more than 18 months;

2. that the prospectus based on which the securities were first admitted to trading was made available to the public in conformity with Art. 8(3);

3. that, for securities first admitted to trading, the prospectus drawn up for the admission to trading was approved in conformity with the applicable national legislation;

4. that the undertaking fulfilled its reporting obligations resulting from the fact that securities are admitted to trading on that regulated market;

5. that the person seeking the admission of securities to trading on a regulated market in Romania makes a summary document available to the public in the Romanian language, except where ASF agrees that the document is made available in a commonly understood language in the international financial field, containing at least the information set out in item 7;

6. that the summary document referred to in item 5 is made available to the public in Romania, in the manner set out in Art. 8, paras. (3) and (4);

7. that the summary document referred to in item 5 shall contain the information which must be incorporated in the summary of the public offer prospectus, and shall state where the most recent prospectus can be obtained and where the financial reports published by the issuer pursuant to his reporting obligations are available.

Art. 48. - (1) When submitting the application for approval of the prospectus for admission to trading on a regulated market to ASF, the person seeking the admission to trading on a regulated market shall send the prospectus also to the operator of the regulated market, with the provisional application for admission to trading on a regulated market and all other documents required by the regulations issued by the operator of the regulated market.

(2) The final application for admission to trading on a regulated market shall be submitted to the operator of the regulated market after the issuance by ASF of the decision approving the prospectus for admission to trading.

(3) The securities of the issuer shall not be admitted to trading on a regulated market, if, further to the analysis of the situation of that issuer, it is deemed that it would be detrimental to investors‟ interests.

Art. 49. - (1) For the shares of an undertaking to be admitted to trading on a regulated market, the undertaking must fulfil the following conditions:

a) the undertaking must be incorporated and carry out its activity in accordance with the legal provisions in force;

b) the foreseeable capitalization of the undertaking must be at least the RON equivalent of EUR 1,000,000 or, if this cannot be assessed, its capital and reserves, including profit or loss from the last financial year, must be at least the RON equivalent of EUR 1,000,000, calculated at the reference exchange rate communicated by the National Bank of Romania, at the date of the application for admission to trading;

c) the undertaking must carry out activity in the last 3 years preceding the application for admission to trading and draw up and submit the financial statements corresponding to that period, in accordance with the legal provisions.

(2) The condition set out in Para (1) Letter b) shall not be applicable for the admission to trading of a further block of shares of the same class as those already admitted.

Art. 50. - Subject to the approval of A.S.F., on a regulated market, undertakings that do not fulfil the conditions of art. 49 para. (1) letter b) and c), may be admitted to trading, provided that:

a) there will be an adequate market for the shares concerned;

b) the issuer is capable of meeting the requirements on periodic and ongoing information resulting from the admission to trading, and investors have the information necessary to come to an informed judgement on the undertaking and shares for which the admission to trading is sought.

Art. 51. - The shares for which admission to trading is sought must be freely negotiable and fully paid up.

Art. 52. - Where public issue precedes admission to trading, admission may be made only after the end of the subscription period.

Art. 53. - (1) So that the shares of an undertaking are admitted to trading on a regulated market, a sufficient number of shares must be distributed to the public.

(2) A sufficient number of shares shall be deemed to have been distributed in the following situations:

a) the shares in respect of which application for admission has been made are in the hands of the public to the extent of a least 25 % of the subscribed capital represented by the class of shares concerned;

b) in view of the large number of shares of the same class and the extent of their distribution to the public, the market will operate properly with a lower percentage than that referred to in Letter a).

(3) The condition set out in Para (1) shall not apply where shares are to be distributed to the public through trading in that regulated market. In that event, admission to trading may be granted if ASF is

satisfied that a sufficient number of shares will be distributed to the public, through the regulated market, within a short period.

Art. 54. - Where admission to trading on a regulated market is sought for a further block of shares of the same class as those already admitted, ASF may assess whether a sufficient number of shares has been distributed to the public in relation to all the shares issued and not only in relation to this further block.

Art. 55. - The application for admission to trading on a regulated market must cover all the shares of the same class already issued.

Art. 56. - (1) So that the debt securities issued by undertakings, public authorities and international bodies are admitted to trading on a regulated market, the issuer must be incorporated and pursue business in accordance with the legal provisions in force.

(2) The debt securities for which admission to trading is sought must be freely negotiable and fully paid up.

(3) Where public issue precedes admission to trading, admission may be made only after the end of the subscription period.

(4) The provisions of Para (3) shall not apply in the case of tap issues of debt securities when the closing date for subscription is not fixed.

Art. 57. - The application for admission to trading on a regulated market must cover all debt securities of the same class already issued.

Art. 58. - (1) The amount of the loan may not be less than the RON equivalent of EUR 200,000. This provision shall not be applicable in the case of tap issues where the amount of the loan is not fixed.

(2) Subject to ASF‟s approval, debt securities for which the condition set out in Para (1) is not fulfilled may be admitted on a regulated market, where ASF is satisfied that there will be a regularly market for the debt securities concerned.

Art. 59. - (1) Convertible debt securities may be admitted to trading on a regulated market, only if the securities in which they may be converted are listed on a regulated market.

(2) Convertible debt securities may, by way of derogation from Para (1), be admitted to trading on a regulated market, if ASF is satisfied that investors have at their disposal all the information necessary to form an opinion concerning the value of the shares subject to conversion.

Art. 60. - The securities admitted to trading on a regulated market are withdrawn from trading in the following cases:

a) as a result of the finalization of the withdrawal procedure of shareholders from an undertaking, started in accordance with Art. 42;

b) as a result of ASF‟s decision where it is considered that, due to social circumstances, a regularly market for the securities concerned may no longer be maintained;

c) as a result of a decision of the extraordinary general meeting of shareholders to withdraw from trading, subject to the conditions set out in ASF‟s regulations;

d) provided that the conditions set out in the specific regulations of the regulated market concerned, approved by ASF, are fulfilled.

## CHAPTER III
## Periodic information

### SECTION 1
### General provisions

Art. 61. - (1) Issuers shall draw up, publish and submit to ASF and market operator quarterly, half-yearly and yearly reports.

(2) Reports shall be made available to the public in writing or in any other manner approved by ASF. The issuer shall publish a press release in a national newspaper whereby investors are informed of the availability of those reports which are sent for publication within maximum 5 days of the approval date.

(3) The report shall include any significant information so that investors may correctly assess the activity of the undertaking, profit or loss, and shall state any special factor which influenced those activities. The financial situation shall be presented as compared to the financial situation existing in the same period of the previous financial year. ASF shall issue regulations on the contents of these reports.

(4) If the issuer draws both separate and consolidated annual financial statements, they shall be made available to the public.

(5) The directors, managers and/or executive director must provide the shareholders with accurate financial statements and true information on the undertaking's financial situation.

Art. 62 – Members of the administrative, management and supervision bodies of the issuer are liable to present to the holders of securities accurate financial statements and real information on the economic conditions of the issuer.

### SECTION 2
### Annual Report

Art. 63. - (1) The issuer shall make public its annual financial report at the latest four months after the end of each financial year and shall ensure that it remains publicly available for at least 10 years.

(2) The annual financial report shall comprise:

a) the audited annual financial statements;

b) the report of the management board;

c) the statement made by the persons responsible within the issuer, whose names and functions shall be clearly indicated, to the effect that, to the best of their knowledge, the annual financial and accounting statement prepared in accordance with the applicable set of accounting standards give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer or its subsidiary undertakings included in the consolidation of the financial statements and that the report referred to in

Letter b) includes a fair review of the development and performance of the issuer, as well as a description of the principal risks and uncertainties specific to the business pursued;

d) the full report of the financial auditor.

(3) Where the issuer is required to prepare consolidated accounts, the audited financial statements, referred to in para. (2) Letter a), shall comprise such consolidated accounts drawn up in accordance with Regulation (EC) No 1606/2002 of the European Parliament and Council from July 19, 2002 on the application of the international accounting standards, as well as the annual accounts of the parent undertaking, drawn up in accordance with the national law of the Member State in which the parent undertaking is incorporated.

Where the issuer is not required to prepare consolidated accounts, the audited financial statements shall comprise the separate financial statements of the issuer.

(4) The financial statements, including those consolidated, of issuers shall be audited by financial auditors, in accordance with the regulations on the financial audit.

Art. 64. - (1) Issuers active in the extractive or logging of primary forest industries shall prepare on an annual basis, in accordance with the secondary regulations issued by ASF, a report on payments made to government. The report shall be made public at the latest six months after the end of each financial year and shall remain publicly available for at least 10 years. Payments to governments shall be reported at consolidated level.

(2) Issuer active in the extractive industry means an issuer with any activity involving the exploration, prospection, discovery, development, and extraction of minerals, oil, natural gas deposits or other materials, within the economic activities listed in Section B, Divisions 05 to 08 of Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council of December 20, 2006 establishing the statistical classification of economic activities NACE second review and amendment of Regulation (EEC) no. 3037/90 of the Council, as well as certain EC regulations on specified statistical areas.

(3) Issuer active in the logging of primary forests means an issuer with activities as referred to in Section A, Division 02, Group 02.2 of Annex I to Regulation (EC) No 1893/2006, in primary forests.

**SECTION 3**
**Half-yearly report**

Art. 65. (1) - The issuer of shares or debt securities shall make public a half-yearly financial report covering the first six months of the financial year as soon as possible after the end of the relevant period, but at the latest three months thereafter. The issuer shall ensure that the half-yearly financial report remains available to the public for at least 10 years.

(2) The half-yearly financial report shall comprise:

a) the half-yearly accounting report;

b) the report of the management board;

c) the statement made by the persons responsible within the issuer, whose names and functions shall be clearly indicated, to the effect that, to the best of their knowledge, the half-yearly financial and accounting statement prepared in accordance with the applicable set of accounting standards give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer or its

subsidiary undertakings included in the consolidation of the financial statements and that the report referred to in Letter b) includes a fair review of the information concerning the issuer;

d) the full report of the financial auditor, if the financial statements were audited.

If the financial statements have not been audited or reviewed by the financial auditor, the issuer shall make a statement to that effect in the half-yearly report.

Art. 66. - (1) Where the issuer is required to prepare consolidated accounts, the half-yearly accounting report shall be prepared in accordance with the international accounting standard applicable to the interim financial reporting adopted pursuant to the procedure provided for under Article 6 of Regulation (EC) No 1606/2002.

(2) Where the issuer is not required to prepare consolidated accounts, the half-yearly accounting report shall contain a condensed balance sheet and a condensed profit and loss account, and explanatory notes on these accounts. In preparing the condensed balance sheet and the condensed profit and loss account, the issuer shall follow the same principles, as when preparing annual financial reports.

**SECTION 4**
**Quarterly report**

Art. 67. - (1) The issuer of shares drafts a quarterly report for the first and third trimester of the year, which shall be published within 45 days from the end of the reporting period. This shall include:

a) loss and profit account drafted according to the applicable regulations, as well as economic-financial indicators mentioned in the regulations issued by A.S.F. The financial statements will be accompanied by the report of the financial auditor in case these were audited. In case that the financial information was not audited, the issued shall expressly mention this in the quarterly report;

b) optionally, the report of the management board/directorate, in the format described by the regulations issued by A.S.F.

(2) Quarterly reports shall be public for at least 5 days.

Art. 68. - (1) Provisions of art. 63-67 shall not apply in case of the following issuers:

a) a state, regional or local authority of a state, an international public organism of which a member state is part of, European Central Bank, European Fund for Financial Stability, hereinafter referred to as FESF, created by the framework agreement on FESF and any other mechanism established with the purpose of maintaining financial stability of the European monetary union by supplying temporary financial assistance to member state that have the currency in EUR and national central banks of member states, regardless if they issue or not share or other securities; and

b) entities that issue exclusively debt titles admitted to trading on a regulated market, with nominal unitary value equivalent with at least 100.000 EUR or, for debt titles expressed in other currency than EUR, with nominal unitary value equivalent with at least 100.000 EUR on the date of issuance.

(2) the provisions of art. 63-67 shall not apply in case of issuers that issue exclusively debt titles with a nominal value of at least 50.000 EUR and, in case of debt titles expressed in other currency than EUR, with nominal value, on the date of issuance, equivalent with at least 50.000 EUR, which were already

admitted to trading on a regulated market by the European Union before December 31, 2010, as long as these debt titles are in circulation.

## CHAPTER IV
## Ongoing information

### SECTON 1
### Reporting of major holdings

Art. 69. - (1) Where a shareholder acquires or disposes of shares of an issuer whose shares are admitted to trading on a regulated market and to which voting rights are attached, such shareholder notifies the issuer of the proportion of voting rights of the issuer held by the shareholder as a result of the acquisition or disposal where that proportion reaches, exceeds or falls below the thresholds of 5 %, 10 %, 15 %, 20 %, 25 %, 33 %, 50 % and 75 %. The voting rights shall be calculated on the basis of all the shares to which voting rights are attached even if the exercise thereof is suspended. Moreover, this information shall also be given in respect of all the shares which are in the same class and to which voting rights are attached.

(2) The shareholders must notify the issuer of the proportion of voting rights, where that proportion reaches, exceeds or falls below the thresholds provided for in Para (1), as a result of events changing the breakdown of voting rights, and on the basis of the information disclosed pursuant to para. (4). Where the issuer is incorporated in a third country, the notification shall be made for equivalent events.

(3) The provisions of this article shall not apply:

a) to shares acquired for the sole purpose of clearing and settling within the usual short settlement cycle, or to custodians holding shares in their custodian capacity provided such custodians can only exercise the voting rights attached to such shares under instructions given in writing or by electronic means;

b) to the acquisition or disposal of a major holding reaching or crossing the 5 % threshold by a market maker acting in its capacity of a market maker, provided that:

1. it is authorized to operate as market maker under the applicable national legislation

and

2. it neither intervenes in the management of the issuer concerned nor exerts any influence on the issuer to buy such shares or back the share price;

c) the voting rights included in the trading portfolio, within the meaning of art .4, para. (1), item 86 of Regulation (EU) no. 575/2013, if:

1. the voting rights held in the trading book do not exceed 5 %; and

2. the voting rights attaching to shares held in the trading book are not exercised nor otherwise used to intervene in the management of the issuer;

d) the voting rights associated to shares acquired for stabilization purposes according to Regulation (EU) no. 596/2014 and with delegated Regulation (EU) 2016/1052 of the Commission from March 8, 2016 of supplementing Regulation (EU) 596/2014 of the European Parliament and Council with regards

to regulating technical standards for conditions applicable to buy-back programs and stabilization measures, provided the voting rights attached to those shares are not exercised or otherwise used to intervene in the management of the issuer.

(4) For the purpose of calculating the thresholds provided for in Para (1), the issuer shall disclose to the public the total number of voting rights attaching to them at the end of each calendar month, if an increase or decrease of the share capital or number of voting rights has occurred.

(5) Issuers may not establish other thresholds in their articles of incorporations other than those provided at para. (1).

Art. 70. - For the purposes of the notification provided at art. 69 para. (1), the voting rights held by a person shall be calculated considering the following:

a) voting rights held by a third party with whom that person has concluded an agreement, which obliges them to adopt, by concerted exercise of the voting rights they hold, a lasting common policy towards the management of the issuer in question;

b) voting rights held by a third party under an agreement concluded with that person, providing for the temporary transfer for consideration of the voting rights in question;

c) voting rights attaching to shares which are lodged as collateral with that person, provided the person controls the voting rights and declares its intention of exercising them;

d) voting rights attaching to shares in which that person has the life interest;

e) voting rights which are held, or may be exercised within the meaning of Letters a)–d) by an undertaking controlled by that person;

f) voting rights attaching to shares deposited with that person, which the person or can exercise at its discretion in the absence of specific instructions from the shareholders;

g) voting rights held by a third party in its own name on behalf of that person;

h) voting rights which that person may exercise as a proxy where the person can exercise the voting rights at its discretion in the absence of specific instructions from the shareholders;

i) voting rights held by a third party other than that referred to in Letters a) and e), acting in concert with that person.

Art. 71. - (1) Provisions of art. 69 and art. 70 letter c) shall not apply in case of shares offered to or by members of the European System of Central Banks, hereinafter referred to as, ESCB, in carrying out their functions as monetary authorities, including shares provided to or by members of the ESCB under a pledge or repurchase or similar agreement for liquidity granted for monetary policy purposes or within a payment system.

(2) The provisions of Para (1) shall apply to the above transactions lasting for a short period and provided that the voting rights attaching to such shares are not exercised.

Art. 72. - (1) The notification provided according to the provisions of art. 69, shall include the following information:

a) the resulting situation in terms of voting rights;

b) the chain of controlled persons through which voting rights are effectively held, if applicable;

c) the date on which the threshold was reached or crossed;

d) the identity of the shareholder, even if that shareholder is not entitled to exercise voting rights under the conditions laid down in Art. 70, and of the person entitled to exercise voting rights on behalf of that shareholder.

(2) The notification to the issuer shall be made in hard copy or via e-mail, with incorporated extended electronic signature, to the address specified by the issuer, in Romanian or another language, used in the international financial sector, promptly, but not later than 4 trading days since the date on which the shareholder or the person mentioned at art. 70:

a) learns of the acquisition or disposal or of the possibility of exercising voting rights, or on which, having regard to the circumstances, should have learned of it, regardless of the date on which the acquisition, disposal or possibility of exercising voting rights takes effect; or

b) is informed about the event mentioned in Art. 69, para. 2.

(3) An undertaking shall be exempted from making the required notification in accordance with Para (1), if the notification is made by the parent undertaking or, where the parent undertaking is itself a controlled undertaking, by its own parent undertaking.

(4) The parent undertaking of an investment management company shall not be required to aggregate the holdings of undertakings for collective investment managed by the investment management company provided such management company exercises its voting rights independently from the parent undertaking.

However, Arts. 69 and 70 shall apply where the parent undertaking, or another controlled undertaking of the parent undertaking, has invested in holdings managed by such management company and the management company has no discretion to exercise the voting rights attached to such holdings and may only exercise such voting rights under direct or indirect instructions from the parent or another controlled undertaking of the parent undertaking.

(5) The parent undertaking of an investment firm shall not be required to aggregate its holdings under Arts. 69 and 70 with the holdings which such investment firm manages on a discretionary basis, provided that:

a) the investment firm is authorized to provide such portfolio management on a discretionary basis;

b) it may only exercise the voting rights attached to such shares under instructions given in writing or by electronic means or it ensures that individual portfolio management services are conducted independently of any other services by putting into place appropriate mechanisms;

c) the investment firm exercises its voting rights independently from the parent undertaking.

However, the provisions of art. 69 and 70 shall apply where the parent undertaking, or another controlled undertaking of the parent undertaking, has invested in holdings managed by such investment firm and the investment firm has no discretion to exercise the voting rights attached to such holdings and may only exercise such voting rights under direct or indirect instructions from the parent or another controlled undertaking of the parent undertaking.

(6) Within 3 working days of receipt of the notification under Para (1), the issuer shall make public all the information contained in the notification.

Art. 73. - (1) The notification requirements laid down in Art. 69 shall also apply to a person who holds, directly or indirectly:

a) financial instruments that, on maturity, give the holder, under a formal agreement, either the unconditional right to acquire or the discretion as to his right to acquire, shares to which voting rights are attached, already issued, of an issuer whose shares are admitted to trading on a regulated market;

b) financial instruments which are not included in Letter a), but which are referenced to shares referred to in that letter and with economic effect similar to that of the financial instruments referred to in that letter, whether or not they confer a right to a physical settlement.

(2) The notification provided at para. (1) shall include the breakdown by type of financial instruments held in accordance with the provisions of para. (1) letter a) and financial instruments held according to the provisions of para. (1) letter (b) , distinguishing between the financial instruments conferring rights to physical settlement and financial instruments conferring rights to cash settlement.

(3) The number of voting rights shall be calculated by reference to the full notional amount of shares underlying the financial instrument, except where the financial instrument provides exclusively a cash settlement, in which case the number of voting rights shall be calculated according to the secondary regulations issued by A.S.F. For this purpose, the holder shall aggregate and shall notify all financial instruments relating to the same underlying issuer. Only long positions shall be taken into account for the calculation of voting rights. Long positions shall not be netted with short positions relating to the same underlying issuer. Within the meaning of this paragraph, long positions relating to voting rights of an issuer are those positions on financial instrument relating to an issuer to which voting rights correspond or derivatives that include in their object voting rights upon the issuer of support asset and which confers voting rights to the holder of that financial instrument.

Short positions relating to voting rights upon an issuer are those positions on financial instruments related to the issuer to which voting rights correspond or on derivatives that include in their object voting rights upon the issuer of the support asset and which restrain the voting rights of the holder of that financial instruments.

(4) For the purposes of Para (1), the following shall be considered to be financial instruments, provided they satisfy any of the conditions set out in Para (1) Letter a) or b):

a) transferable securities;

b) options;

c) futures;

d) swaps;

e) forward rate agreements;

f) contracts for differences; and

g) any other contracts or agreements with similar economic effects which may be settled physically or in cash

(5) The exemptions provided at art. 69 para. (3) and art. 72 para. (3), (4) shall apply *mutatis mutandis* to the notification requirements under this article.

Art. 74. - (1) The notification requirements laid down in art. 69, 70 and shall also apply to a person, when the number of voting rights held directly or indirectly by such person under art. 69 and 70,

aggregated with the number of voting rights relating to financial instruments held directly or indirectly under art. 73, reaches, exceeds or falls below the thresholds set out in art. 69 para. (1).

(2) The notification under para. (1) shall include a breakdown of the number of voting rights attached to shares held in accordance with art. 69 and 70 and voting rights relating to financial instruments within the meaning of art. 73.

(3) Voting rights relating to financial instruments that have already been notified in accordance with art. 73 shall be notified again when the person has acquired the shares to which voting rights are attached, and such acquisition results in the total number of voting rights attached to shares issued by the same issuer reaching or exceeding the thresholds laid down by art. 69 para. (1).

Art. 75. - (1) Where an issuer of shares admitted to trading on a regulated market acquires or disposes of its own shares, either directly or indirectly, the issuer makes public the proportion of its own shares as soon as possible, but not later than 4 working days following such acquisition or disposal where that proportion reaches, exceeds or falls below the thresholds of 5 % or 10 % of the voting rights. The proportion shall be calculated on the basis of the total number of shares to which voting rights are attached.

(2) The dispositions of art. 73 shall apply accordingly in case of publishing obligations provided in this article.

Art. 76. (1) The issuer of shares admitted to trading on a regulated market shall make public without delay any change in the rights attaching to the various classes of shares, including changes in the rights attaching to derivative securities issued by the issuer itself and giving access to the shares of that issuer.

(2) The issuer of securities, other than shares admitted to trading on a regulated market, shall make public without delay any changes in the rights of holders of securities other than shares, including changes in the terms and conditions of these securities which could indirectly affect those rights, resulting in particular from a change in loan terms or in interest rates.

**SECTION 2**
**Information for holders of securities admitted to trading on a regulated market**

Art. 77. - (1) The issuer shall ensure that all the facilities and information necessary to enable shareholders to exercise their rights are available in the home Member State and that the integrity of data is preserved. Shareholders shall not be prevented from exercising their rights by proxy, subject to the law of the country in which the issuer is incorporated. In particular, the issuer shall:

a) provide information on the place, time and agenda of meetings, the total number of shares and voting rights and the rights of holders to participate in meetings;

b) make available a proxy form, on paper or, where applicable, by electronic means, to each person entitled to vote at a shareholders' meeting, together with the notice concerning the meeting or, on request, after an announcement of the meeting;

c) designate as its agent a financial institution through which shareholders may exercise their financial rights;

d) publish notices concerning the allocation and payment of dividends and the issue of new shares, including information on any arrangements for allotment, subscription, cancellation or conversion.

(2) For the purposes of conveying information to shareholders, issuers may use the electronic means, provided such a decision is taken in a general meeting and meets the conditions set out in ASF"s regulations.

Art. 78. - (1) The issuer of debt securities admitted to trading on a regulated market shall ensure that all holders of debt securities ranking pari passu are given equal treatment in respect of all the rights attaching to those debt securities.

(2) The issuer shall ensure that all the facilities and information necessary to enable debt securities holders to exercise their rights are publicly available in the home Member State and that the integrity of data is preserved. Debt securities holders shall not be prevented from exercising their rights by proxy, subject to the law of country in which the issuer is incorporated. In particular, the issuer shall:

a) publish notices concerning the place, time and agenda of meetings of debt securities holders, the payment of interest, the exercise of any conversion, exchange, subscription or cancellation rights, and repayment, as well as the right of those holders to participate therein;

b) make available a proxy form on paper or, where applicable, by electronic means, to each person entitled to vote at a meeting of debt securities holders, together with the notice concerning the meeting or, on request, after an announcement of the meeting; and

c) designate as its agent a financial institution through which debt securities holders may exercise their financial rights.

(3) If only holders of debt securities whose denomination per unit amounts to at least EUR 100 000 or, in the case of debt securities denominated in a currency other than Euro whose denomination per unit is, at the date of the issue, equivalent to at least EUR 100 000, are to be invited to a meeting, the issuer may choose as venue any Member State, provided that all the facilities and information necessary to enable such holders to exercise their rights are made available in that Member State.

(4) The choice referred to in Para (3) shall also apply to holders of debt securities, whose denomination per unit amounts to at least EUR 50 000 or, in the case of debt securities denominated in a currency other than Euro whose denomination per unit is, at the date of the issue, equivalent to at least EUR 50 000, which have been already admitted to trading on a regulated market in the European Union prior to 31 December 2010, as far as these debt securities are not due, provided that all the facilities and information necessary to enable such holders to exercise their rights are made available in the Member State chosen by the issuer.

(5) Issuers may use electronic means for the transmission of information to holders of debt titles, with the condition that this decision to be taken in the general meeting and the conditions established by A.S.F. regulations shall be fulfilled.

**SECTION 3**
**General information obligations**

Art. 79. - Whenever the issuer, or any person having requested, without the issuer's consent, the admission of its securities to trading on a regulated market, discloses regulated information regulated in accordance with the obligations imposed by this law, it shall at the same time file that information with the market operator and ASF which may decide to publish such information on its website.

Art. 80. - (1) Information to be notified to the issuer in accordance with art. 69, 70, 72 and 73 shall be submitted at the same time to A.S.F.

(2) ASF shall issue regulations in the language in which the information regulated in accordance with the obligations imposed by this law is disclosed.

Art. 81. - (1) The issuer, or the person who has applied for admission to trading on a regulated market without the issuer's consent, shall disclose the regulated information which must be disclosed in accordance with the obligations imposed by this law in a manner ensuring fast access to such information on a non-discriminatory basis and shall make it available for storage in an official storage system.

(2) The official storage system referred to in Para (1) shall comply with minimum quality standards of security concerning the certainty of the information source, time recording when reports are filed, and easy access by end users.

(3) The access to the official storing mechanism mentioned at para. (1) and interconnection with official storing mechanisms from other member states shall be made through a web portal that functions as a European electronic access point.

Art. 82. (1) The directors of the issuers whose securities are admitted to trading on a regulated market must forthwith report any legal act concluded by the issuer with the directors, employees, controlling shareholders, and persons involved with them, whose aggregate value represents at least the RON equivalent of EUR 50,000.

(2) Where the company concludes legal acts with the persons referred to in Para (1), its interests shall be respected, taking into account offers of the same type existing on the market.

(3) The reports referred to in Para (1) shall indicate, in a special chapter, the legal acts concluded or any amendments thereto, and specify the following elements: the parties to the legal act, date of conclusion and nature of the act, description of its object, its total value, reciprocal claims, collateral lodged, deadlines and payment modalities.

(4) Reports shall also indicate any other information necessary to determine the effects of those legal acts on the company’s financial situation.

Art. 83. - SF shall issue regulations for the application of the provisions of this chapter.

**CHAPTER V**
**Special provisions on the corporate events of the issuers whose securities are admitted to trading on a regulated market**

Art. 84. - (1) The members of the management board of the issuers whose shares are admitted to trading on a regulated market may be elected by cumulative vote. At the request of any significant shareholder, the election based on such method shall be mandatory.

(2) If the election through the cumulative vote is not applied further to a request by a significant shareholder, such shareholder shall have the right to request in court the immediate call of a general meeting of shareholders.

(3) Any issuer where the cumulative vote method is applied shall be managed by a management board consisting of at least 5 members. No provision of the instruments of incorporation of the issuers whose

shares are admitted to trading on a regulated market may cancel, modify or restrict the right of shareholders to request and obtain the application of the cumulative voting method under this law and the regulations issued by ASF in its application. Any provision from the act of incorporation that has as an object the restrain of the rights of the shareholders to request, under the law, the application of the cumulative voting method for the appointment of administrators, are considered unwritten.

(4) The provisions of Paras (1) – (3) shall also apply accordingly in the case of election of the members of the supervisory board, if the issuer is managed under a two-tier system.

(5) ASF shall issue regulations on the application of the cumulative vote method.

Art. 85. - (1) Any increase in the share capital shall be decided by the extraordinary general meeting of shareholders.

(2) The instruments of incorporation or resolution of the extraordinary general meeting may authorize the increase in the share capital up to a maximum level. Within the limits of the indicated level, the management board may decide, following the delegation of duties, the increase in the share capital. Such competence shall be granted to directors for maximum 3 years and may be renewed by the general meeting for a period which may not exceed three years for each renewal.

(3) The resolutions adopted by the management board of an issuer in the exercise of the duties delegated by the extraordinary general meeting of shareholders shall have the same regime as the resolutions of the general meeting of shareholders as regards their disclosure and the possibility to be challenged in court.

(4) The fees charged to the shareholders requesting copies of the documents issued for the application of Para (3) shall not exceed the costs necessary for duplication.

Art. 86. - (1) By way of derogation from the provisions of Law No. 31/1990, the identification of the shareholders which shall benefit from dividends or other rights and which are affected by the resolutions of the general meeting of shareholders shall be established by it. Such date shall be at least 10 working days subsequent to the date of the general meeting of shareholders.

(2) After the establishment of dividends, the general meeting of shareholders shall also establish the term within which they shall be paid to the shareholders. Such term shall not exceed 6 months from the date of the general meeting of shareholders establishing the dividends.

(3) Where the general meeting of shareholders does not establish the date for the payment of dividends, in accordance with Para (2), they shall be paid within maximum 30 days from the date of publication of the resolution of the general meeting of shareholders establishing the dividends in the Official Journal of Romania, Part IV. After such date, the company shall be deemed in delay as of right.

(4) The resolution of the general meeting establishing the dividends shall be submitted within 15 days to the office of the registry of commerce for registration and publication in the Official Journal of Romania, Part IV. The resolution is an enforceable title, based on which the shareholders may initiate the forced execution against the company under the law.

(5) Issuers may make the payment of dividends and other amounts due to holders of securities through the central depository of the respective securities, as well as those of the participants to this system.

Art. 87. - (1) If the share capital is increased by cash contribution, the annulment of the shareholders' pre-emptive right to subscribe new shares must be decided in the extraordinary general meeting of

shareholders attended by shareholders representing at least 85% of the subscribed share capital, and with the vote of the shareholders representing at least ¾ of the voting rights. Following the annulment of the shareholders' pre-emptive right to subscribe new shares, these may be offered for subscription to the public respecting the dispositions on public sale offers from Title II and the regulations issued for their applications.

(2) The share capital increase by in kind contribution shall be approved by the extraordinary general meeting of shareholders attended by shareholders representing at least ¾ of the subscribed share capital, and with the vote of the shareholders representing at least 2/3 of the voting rights. The in kind contributions may consist only of efficient assets necessary to carry out the main object of activity of the issuing company.

(3) The in kind contribution shall be evaluated by independent experts, in accordance with Art. 215 of Law No. 31/1990.

(4) The number of shares allotted as a result of the in kind contribution shall be determined as a ratio between the value of the contribution, established in accordance with Para (3), and the highest value of the market price of a share, the value per share calculated based on the net asset book value or the face value of the share.

(5) If the pre-emptive right is annulled, in accordance with Para (1), the number of shares shall be determined according to the criterion referred to in Para (4).

Art. 88. - (1) The share capital increase through the conversion of receivables certain, of a fixed amount and payable is equivalent to the share capital increase by cash contribution and it is made by granting the pre-emptive right to all shareholders of the issuer and in the conditions established by this article.

(2) For the purposes of granting the pre-emptive right, the extraordinary general meeting of shareholders shall decide to increase the share capital by the amount resulting from the conversion of the receivable certain, of a fixed amount and payable as well as by an additional amount representing a cash contribution of other shareholders who may subscribe shares in proportion to the share held by them at the time of registration to be determined by the general meeting of shareholders.

(3) The quorum of the meeting for the adoption of the decision to increase the share capital by converting receivables certain, of a fixed amount and payable, granting the pre-emptive right, shall be that provided by Law No. 31/1990.

(4) The pre-emptive right in the case of the share capital increase through conversion of receivables certain, of a fixed amount and payable shall be annulled in strict compliance with the conditions laid down in Art. 81(1).

Art. 89. - (1) The resolutions of the general meeting, contrary to law or to the instruments of incorporation, resulting in the modification of the share capital may be challenged in court, within 15 days from the publication date in the Official Journal of Romania, Part IV, by any of the shareholders that did not attend the general meeting or voted against and requested that such be mentioned in the minutes of the meeting.

(2) The actions for annulment referred to in Para (1) shall be settled as a matter of urgency and with priority by tribunals, in the court chamber, within maximum 30 days from the date the legal action was filed.

(3) The resolutions issued by the tribunal may be challenged by appeal within maximum 15 days from the communication date.

(4) The appeal shall be settled as a matter of urgency by the courts of appeal within 30 days from the registration date of the file on the dockets of the court.

Art. 90. - (1) Any acts acquiring, alienating, exchanging or lodging as collateral certain assets included in the category of the issuer's non-current assets, whose value exceeds, individually or cumulatively, over a fiscal year, 20% of the total non-current assets, except for receivables, shall be concluded by the directors or managers of the issuer only subject to the prior approval by the extraordinary general meeting of shareholders.

(2) Any leases of tangible assets for a period exceeding 1 year whose individual or cumulated value in connection with the same co-contractor or persons involved or acting in concert exceeds 20% of the total value of non-current assets, less the receivables on the conclusion date of the legal act, and any associations for a period longer than 1 year, exceeding the same value, shall be previously approved by the extraordinary general meeting of shareholders.

(3) If the provisions of Paras (1) and (2) are not complied with, any shareholder may request the court to annul the legal act concluded and to prosecute the directors for the recovery of the prejudice caused to the company.

(4) In case of a corporate event within which, following the application of the algorithm specific to the respective event, fractions of financial instrument result, the rounding of the results shall be made at the lower whole.

Art. 91. - (1) By way of derogation from the provisions of art. 134 of Law no. 31/1990, the price paid by an issuer to a shareholder that exercises its right to withdraw from the company, is established by an independent evaluator registered with A.S.F. and in accordance with the international evaluation standards.

(2) The issuer has the liability to pay the counter value of the shares held by the shareholders that have exercised the right to withdraw from the company within 4 months since the submission of the request regarding withdrawal.

Art. 92. - (1) The management board or the directorate, as applicable, shall call the general meeting within the timeframe provided for in Art. 117, para. 2 of Law No. 31/1990.

(2) The timeframe referred to in Para (1) shall not apply for the second or any further call of the general meeting caused by the fact that the quorum necessary for the meeting called for the first time was not formed, provided that:

a) this article was complied with at the first call;

b) new item was added to the agenda; and

c) at least 10 days have lapsed between the final call and the date of the general meeting.

(3) One or more shareholders representing, individually or collectively, at least 5% of the share capital shall have the right:

a) to put items on the agenda of the general meeting, provided that each such item is accompanied by a justification or a draft resolution to be adopted in the general meeting; and

b) to table draft resolutions for items included or to be included on the agenda of a general meeting.

(4) The rights referred to in Para (3) may be exercised only in writing, submitted by postal services or electronic means.

(5) Shareholders may exercise the rights referred to in Para (3) within maximum 15 days after the date of publication of the call.

(6) In the cases in which the exercising of the right provided at para. (3) letter a) determines the modification of the agenda of the general meeting already communicated to the shareholders, the company shall make available a revised agenda, using the same procedure as the one used for the previous agenda, before the reference date of the general meeting of the shareholders, as defined in the regulations of A.S.F., as well as respecting the term provided at art. 1171, para. (3) of Law no. 31/1990, in a way in which this allows the other shareholders to designate a representative or, if the case, to vote by correspondence.

(7) The access of the shareholders entitled to participate, on the record date, in the general meeting of the shareholders shall be allowed by simply proving their identity in the case of natural person shareholders by their identity document, or, in the case of legal person and natural person shareholders represented, by the proxy granted to the natural person representing them, in line with the applicable legal provisions.

(8) The reference date shall be established the issuer and may not be not lie more than 30 days before the date of the general meeting to which it applies.

(9) If a shareholder who meets the legal requirements is prevented from participating in the general meeting of shareholders, any person concerned shall have the right to request the court to annul the resolution of the general meeting of shareholders.

(10) Shareholders may be represented in the general meeting of shareholders also by persons other than the shareholders, based on a limited or general proxy.

(11) In case a shareholder is represented by a credit institution that provides custody services, he may vote in the general meeting of the shareholders based on the voting instructions received by means of electronic communication, without being necessary the drafting of a special or general proxy. The custodian votes in the general meeting of shareholders exclusively according to and within the limits of the instructions received by the shareholder clients on the reference date.

(12) The limited proxy may be granted to any person for representation in a single general meeting and shall comprise specific voting instructions from the shareholder, with a clear indication of the voting option for each item on the agenda of the general meeting. In this situation, the provisions of art. 125 para. (5) of Law no. 31/1990 shall not apply. In the case of discussing within the general meeting of shareholding, according to the legal provisions, of certain items that are not included on the published agenda, the empowered person may vote according to the interest of the represented shareholder.

(13) The shareholder may grant a valid proxy for a period which shall not exceed 3 years, allowing such shareholder's representative to vote on all issues debated by the general meeting of shareholders of one or more issuers identified in the proxy, including acts of disposition, provided that the proxy is granted by the shareholder, as client, to an intermediary defined in accordance with art. 2 para. (1) item 20 or to an attorney.

(14) Proxies shall, before their first use, be submitted to the company 48 hours before the general meeting or within the time frame set out in the issuer's instruments of incorporation, as copy, being

certified as true to the original by the representative's signature. Certified copies of the proxies shall be kept by the company, which shall be mentioned in the minutes of the meeting.

(15) Shareholders may not be represented in the general meeting of shareholders on the basis of a proxy as indicated in Para. (13) by a person in a conflict of interest which may in particular arise where such person:

a) is a majority shareholder of the issuer, or is another entity controlled by such shareholder;

b) is a member of the administrative, management or supervisory body of the issuer, or of a controlling shareholder or controlled entity referred to in Letter a);

c) is an employee or an auditor of the company, or of a controlling shareholder or controlled entity referred to in Letter a);

d) is the spouse, relative or affine up to the fourth degree of any of the natural persons referred to in Letters a)–c).

(16) The proxy may be substituted by another person only if this right was conferred to him/her expressly by the shareholder in a power of attorney. If the proxy is a legal person, this may exercise the received mandate through any person that is part of his administration or management body or from its employees. The provisions of this paragraph do not affect the right of the shareholder to designated by a power of attorney one or more alternate proxies, to ensure his/her representation in the general meeting, according to the regulations issued by A.S.F. when applying these dispositions.

(17) Issuers may offer to their shareholders any form of participation in the general meeting by electronic means of data transmission.

(18) Shareholders may appoint and revoke their representative by electronic means of data transmission.

(19) Issuers have the liability to draft procedures that give the shareholders the possibility to vote in the general meeting, both by participating personally or by a representative in the general meeting and by representation, respectively by correspondence. In case that on the agenda of the general meeting of the shareholders there are resolutions that require the secret vote, the vote of the participant shareholders, personally or by a representative, as well as the vote of those voting by correspondence, shall be expressed by means that do not allow his exposing, except the members of the secretariat involved in the counting of the secret votes and only in the moment in which the other votes expressed secretly by the shareholders or representatives of the shareholders are known. In case of voting through a representative, the disclosure of the vote, before the general meeting, does not represent a breach of the requirement regarding the secret character of the vote.

(20) Where the shareholder who has cast his vote by correspondence attends in person or through a representative the general meeting, the vote by correspondence cast for that general meeting shall be annulled. In this case, only the vote cast personally or by representative shall be taken into account.

(21) If the person who represents the shareholder through personal participation in the general meeting is other than that who cast the vote by correspondence, then, for the validity of his vote, such person shall submit in the meeting a written revocation of the vote by correspondence signed by the shareholder or by the representative who cast the vote by correspondence. This shall not be necessary if the shareholder or its legal representative is present at the general meeting.

(22) With at least 30 days before the date of the general meeting of the shareholders, the undertaking puts at the disposal of the shareholders the document and information relating to the problems enlisted on the agenda, on its website, including the annual financial statement, the annual report of the management board, respectively the report of the directorate and that of the supervisory board, as well as the proposal on the distribution of dividends.

(23) The management board, or the directorate, must call the general meeting at the request of the shareholders referred to in Art. 119, para. 1 of Law No. 31/1990, if the request includes provisions falling within the competence of the meeting so that the meeting is held at the first or second call, within maximum 60 days of the date of the request.

(24) This article and the A.S.F. regulations issued in its application shall not apply in case of the use of the instruments, competences or resolution mechanisms provide by the legislation on redressing and resolution of credit institutions and investment firms;

(25) Within the meaning of the provisions of the legislation on redressing and resolution of the credit institutions and investment firms, the general meeting may, with a majority of two thirds from the valid votes expressed, decide or amend the statute in order to provide that a convocation of the general meeting, in order to decide on the capital increase, shall be made within a shorter term than that provided at para. (1), given the condition that between the date of convocation and the date of the general meeting there should be at least 10 calendar days, the conditions regarding the early intervention measures to be fulfilled or the conditions regarding the designation of the temporary administrator provided by the legislation on the redressing or resolution of credit institutions or investment firms, and the capital increase to be necessary in order to avoid the conditions of triggering the resolution procedure provided by the legislation on the redressing and resolution of credit institutions and investment firms.

(26) Within the meaning of para. (25), the obligation to establish one deadline for exercising the rights of the shareholders to introduce items on the agenda on the general meeting or to present decision projects for the items included or proposed to be included on the agenda of the general meeting, according to the provisions of para. (5), the obligation to ensure on time the availability of a revised agenda according to the provisions of para. (6), as well as the obligation that all the issuers to establish a single reference date according to the provisions of the regulations of A.S.F., shall not apply.

(27) A.S.F. shall issue regulations in applying the provisions of this chapter.

## CHAPTER VI
## Financial auditors

Art. 93. - Financial and accounting statements and those regarding the operations of the issuers whose securities are admitted to trading on a regulated market shall be drawn up in accordance with the specific requirements established by the Ministry of Public Finance and shall be audited by financial auditors, members of the Chamber of Financial Auditors of Romania.

Art. 94. - (1) The financial auditor:

a) shall draw up a financial audit report in compliance with the auditing standards issued by the Chamber of Financial Auditors of Romania;

b) shall draw up, within 30 days, based on the information submitted by the directors, additional reports in compliance with the financial auditing standards and the reporting framework defined by the international accounting standards and ASF‟s regulations on the operations required by the shareholders representing at least 5% of the total voting rights. Directors shall provide auditors with all requested information. The additional report shall be made public on ASF‟s website;

c) shall provide additional services in compliance with the principle of independence.

(2) If the directors and auditors referred to in Para (1) Letter b) fail to comply with the request within the indicated time limit or if the published report does not contain the information included in the reporting framework, the shareholders may refer the matter to the court within whose territorial area the company's headquarters are located to appoint another financial auditor or expert for the purpose of resuming the procedure of drawing up and submitting an additional report, which shall be subsequently filed with the court and communicated to the parties, and the opinion of the financial auditor or the expert shall be published in ASF‟s Bulletin.

Art. 95. - (1) Financial auditors shall report to ASF, without breaching the provisions of the Code of Ethical and Professional Conduct and the Financial Auditing Standards, within 10 days, any fact or act concerning the activity of the issuers whose securities are admitted to trading on a regulated market of which knowledge was acquired in the exercise of their specific duties and which:

a) constitutes a serious infringement of the legislation governing the conditions for the operation of the audited issuer;

b) is likely to affect the continuity of the audited issuer's activity;

c) may lead to a qualified audit opinion, to the impossibility to voice an opinion or to a contrary opinion.

(2) Financial auditors shall immediately report to ASF any fact or act as those referred to in Para (1), of which knowledge was acquired during the course of the audit in connection with an entity controlled by the issuer.

(3) At the written request of ASF, financial auditors shall:

a) submit to ASF any report or document which was brought to the attention of the audited issuer;

b) submit to ASF any statement indicating the reasons for the termination of the audit contract, irrespective of their nature;

c) submit to ASF any report or document of observations brought to the attention of the management of the audited issuer.

Art. 96. - ASF shall ensure the confidentiality of the information received, in accordance with the provisions of Art. 89, except for that of a criminal nature.

Art. 97. - If significant inconsistencies are identified in the professional activity of a financial auditor in connection with the issuers whose securities are admitted to trading on a regulated market ASF shall notify the Chamber of Financial Auditors of Romania (CFAR) and shall request that appropriate measures be taken in accordance with the regulations in force.

**CHAPTER VII**
**Attributions and competences of A.S.F.**

Art. 98. - (1) Notwithstanding the powers set out in Art. 2(6), which shall apply appropriately, ASF shall have the following powers necessary for the performance of its functions for the application of this title:

a) to require auditors, issuers, holders of shares or other financial instruments, or persons or entities referred to in Art. 70 or 73, and the persons that control them or are controlled by them, to provide information and documents;

b) to require the issuer to disclose the information required under Letter a) to the public by the means and within the time limits ASF considers necessary. It may publish such information on its own initiative in the event that the issuer, or the persons that control it or are controlled by it, fail to do so and after having heard the issuer;

c) to require managers of the issuers and of the holders of shares or other financial instruments, or of persons or entities referred to in Art. 70 or 73 to notify the information required under this law or under ASF‟s regulations and, if necessary, to provide further information and documents;

d) to suspend, or request the relevant regulated market to suspend, trading in securities for a maximum of 10 days, if it has reasonable grounds for suspecting that the provisions of this title or of ASF‟s regulations have been infringed by the issuer, or if it considers that the situation of the issuer is such that trading would be detrimental to investors;

e) to prohibit trading on a regulated market if it finds that the provisions of this title or of ASF‟s regulations have been infringed, or if it has reasonable grounds for suspecting that the provisions of this title have been infringed;

f) to monitor that the issuer discloses timely information with the objective of ensuring effective and equal access to the public in all Member States where the securities are traded and take appropriate action if that is not the case;

g) to make public the fact that an issuer, or a holder of shares or other financial instruments, or a person referred to in Art. 70 or 73, is failing to comply with its obligations;

h) to examine that the obligations to report and send information set out in this title are fulfilled following the formats and conditions imposed by law and take appropriate measures in case of discovered infringements; and

i) to carry out on-site inspections in its territory, in order to verify compliance with the provisions of this title and of ASF‟s regulations issued for its application. ASF may use this power by applying to the relevant judicial authority and/or in cooperation with other authorities;

j) to decide that the securities admitted to trading on a regulated market be withdrawn from trading, provided that it considers that, due to particular circumstances, no orderly market may be maintained for securities.

(2) Without prejudice to Para (1) ASF shall be given all investigative powers that are necessary for the exercise of its functions.

(3) The disclosure to ASF by an auditor of any information and/or documents related to the requests made by ASF under Para (1) Letter a) shall not constitute a breach of any restriction on disclosure of information imposed by contract or by any law or administrative act and shall not involve such auditor in liability of any kind.

Art. 99. - (1) The obligation of professional secrecy shall apply to all persons who work or who have worked for ASF and for entities to which ASF may have delegated certain tasks. Information covered by professional secrecy may not be disclosed to any other person or authority except by virtue of the national law and applicable administrative acts.

(2) ASF shall cooperate with the competent authorities of the other Member States whenever necessary, for the purpose of carrying out their duties and making use of their powers set out in this title and shall render assistance to those competent authorities.

(3) In the exercise of their sanctioning and investigative powers, ASF shall cooperate with the competent authorities of the other Member States to ensure that sanctions or measures produce the desired results, and shall coordinate their action when dealing with cross-border case.

(4) ASF may inform ESMA of the situations in which a request for cooperation was rejected or was not complied with within a reasonable time and shall cooperate with it in accordance with Regulation (EU) No 1095/2010 and shall provide it with all necessary information for the performance of the tasks incumbent on ESMA under this regulation.

(5) The provisions of Para (1) shall not preclude the exchange of confidential information between ASF and other competent authorities. Such an exchange of information is subject to guarantees of professional secrecy incumbent on the current or former employees of the competed authorities receiving such information.

(6) ASF may conclude cooperation agreements providing for the exchange of information with the competent authorities or bodies of third countries enabled by their respective legislation to carry out any of tasks similar to those referred to in the legal provisions governing ASF‟s powers on monitoring compliance of transparency obligations by issuers whose securities are admitted to trading on a regulated market. Such an exchange of information is subject to guarantees of professional secrecy at least equivalent to those referred to in this Article. Such exchange of information shall be intended for the performance of the supervisory task of the authorities or bodies mentioned. Where the information originates in another Member State, it may not be disclosed without the express agreement of the competent authorities which have disclosed it and, where appropriate, solely for the purposes for which those authorities gave their agreement.

Art. 100. - (1) Where ASF, as competent authority of a host Member State of an issuer whose securities are admitted to trading on a regulated market, finds that the issuer or the holder of shares or other financial instruments, or the person referred to in Art. 71 has committed irregularities or infringed its obligations, it shall refer its findings to the competent authority of the home Member State and ESMA.

(2) If, despite the measures taken by the competent authority of the home Member State, or because such measures prove inadequate, the issuer or the security holder persists in infringing the its obligations, ASF, as competent authority of the host Member State shall, after informing the competent authority of the home Member State, take all the appropriate measures in order to protect investors, in accordance with the legal provisions concerning reporting and transparency obligations related to the issuers whose securities are admitted to trading on a regulated market. The European Commission and ESMA shall be informed of such measures at the earliest opportunity.

**TITLE IV**
**Issuers whose securities are admitted to trading, or are traded, on multilateral trading facilities or organized trading facilities**

**CHAPTER I**
**General provisions**

Art. 101. - (1) The provisions of this title lay down the legal framework applicable to issuers whose securities are admitted to trading, or are traded, with their consent, on multilateral trading facilities or organized trading facilities, and those issuers' reporting and transparency obligations.

(2) The provisions of this title shall not apply to units issued by collective investment undertakings other than the closed-end type.

Art. 102. - For the purposes of this title, issuer means a legal person or other legal entity governed by private or public law, including a State, whose securities are admitted to trading, or are traded, with its consent, on multilateral trading facilities or organized trading facilities.

**CHAPTER II**
**Admission, registration and withdrawn of securities from trading on multilateral trading facilities or organized trading facilities**

Art. 103. - Admission, or where appropriate, registration of securities to trading on multilateral trading facilities or organized trading facilities shall be made in accordance with the regulations of the system operator running that multilateral trading facility or organized trading facility, approved by ASF.

Art. 104. - The conditions for the withdrawal of securities from trading on a multilateral trading facility or organized trading facility shall be set by ASF‟s regulations and shall be specified within the regulations of the system operator running that multilateral trading facility or organized trading facility.

**CHAPTER III**
**Periodic and continuous information**

Art. 105. - Issuers must register with ASF and collect the certificate proving the registration of securities, meet the reporting requirements set by ASF‟s regulations and those of the operator of the trading systems on which the securities issued by them are traded.

Art. 106. - The provisions of art. 46 para. (2)-(4), art. 62, art. 69- 76, art. 77 para. (1), art. 78 para. (1) and (2), art. 85-98 and art. 99 para. (1)-(3), (5) and (6) shall apply accordingly and in case of issuers whose securities are traded within a multilateral trading system or an organized trading system, respecting the provisions of art. 46, para. (5).

Art. 107. - ASF shall issue regulations for the application of this title on the transparency and reporting obligations of the issuers whose securities are admitted to trading on a multilateral trading facility or organized trading system.

**TITLE V**
**Market abuse**

**CHAPTER I**
**General provisions**

Art. 108. - (1) This title lays out the legal framework of the abusive use of inside information, unauthorized disclosure of inside information and of market manipulation, as well as the measures for preventing market abuse.

(2) A.S.F. shall inform the European Commission, by amending the national legislation, when an extension of the competences regarding offences provided at art. 134, para. (2)-(5), of tentative provided at art. 135, para. (1), as well as the instigation and complicity to the deeds provided at art. 134, para. (2), (4) and (5), which were committed outside of Romania take place, if:

a) the offender is a habitual resident in Romania; or

b) the offence is committed for the benefit of a legal person established in Romania.

(3) For the purposes of this title, issuer means a legal entity governed by private or public law, which issues or proposes to issue financial instruments, the issuer being, in case of depository receipts representing financial instruments, the issuer of the financial instrument represented.

Art. 109. - The provisions of this title shall apply to:

a) financial instruments admitted to trading on a regulated market or for which a request for admission to trading on a regulated market has been made;

b) financial instruments traded on a multilateral trading facility (MTF), admitted to trading on an MTF or for which a request for admission to trading on an MTF has been made;

c) financial instruments traded on an organized trading facility (OTF);

d) financial instruments not covered by Letter a), b) or c), the price or value of which depends on, or has an effect on, the price or value of a financial instrument referred to in those points, including, but not limited to, credit default swaps and contracts for difference;

e) behavior or transactions, including bids, relating to the auctioning on an auction platform authorized as a regulated market of emission allowances or other auctioned products based thereon, including when auctioned products are not financial instruments, pursuant to Commission Regulation (EU) No 1031/2010 on the timing, administration and other aspects of auctioning of greenhouse gas emission allowances pursuant to Directive 2003/87/EC of the European Parliament and of the Council establishing a scheme for greenhouse gas emission allowances trading within the Community. Without prejudice to any specific provisions referring to bids submitted in the context of an auction, any provisions in this title referring to orders to trade shall apply to such bids.

Art. 110. - (1) The provisions of art. 120 shall apply, as well:

a) spot commodity contracts that are not wholesale energy products, where the transaction, order or behavior has, is likely to have or intended to have, an effect on the price or value of a financial instrument referred to in Art. 109;

b) types of financial instruments, including derivative contracts or derivative instruments for the transfer of credit risk, where the transaction, order, bid or behavior has, or is likely to have, an effect on the price or value of a spot commodity contract where the price or value depends on the price or value of those financial instruments;

c) behavior in relation to benchmarks.

(2) This title shall apply to any transaction, order or behavior concerning any financial instrument as referred to in Art. 109 and Para (1), irrespective of whether or not such transaction, order or behavior takes place on a trading venue.

Art. 111. - Interdictions provided in this title shall not apply if:

a) trading in own shares in buy-back programs, where such trading is carried out in accordance with art. 5 para. (1), (2) and (3) of Regulation (EU) no. 596/2014;

b) trading in securities or associated instruments as referred to in art. 3 para. (2) letter a) and b) of Regulation (EU) no. 596/2014 on the stabilization of securities, where such trading is carried out according to Art. 5 para. (4) and (5) of that Regulation;

c) transactions, orders or behaviors carried out in pursuit of monetary, exchange rate or public debt management policy in accordance with art. 6 para. (1) of Regulation (EU) no. 596/2014, transactions orders or behaviors carried out in accordance with the provisions of art. 6 para. (2) of the same Regulation, activities in pursuit of the Union's climate policy in accordance with art. 6 para. (3) thereof or activities in pursuit of the Union's Common Agricultural Policy or of the Union's Common Fisheries Policy in accordance with art. 6 para. (4) thereof.

Art. 112. - The interdictions of this title shall not apply to transactions carried out in the context of monetary and currency policies or public debt management policy, by: competent authorities of Romania, of the other Member States, European Central Bank or national central bank, ministry, agency or special purpose vehicle for a Member State or more Member States or a person acting in its name, and in the case of a Member State which is a federal state, a member of the federation.

Art. 113. - (1) A.S.F. is the competent authority to ensure that the provisions of this title are applied.

(2) A.S.F. shall delegate to NBR the competences regarding the supervision of the market abuse regarding instruments of the monetary and exchange market which are regulated and supervised by NBR, as well at the indexes published by NBR.

## CHAPTER II
## Inside information

### SECTION 1
### General provisions

Art. 114. - (1) Inside information means information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments.

(2) in relation to commodity derivatives, inside information means information of a precise nature, which has not been made public, relating, directly or indirectly to one or more such derivatives or relating directly to the related spot commodity contract, and which, if it were made public, would be likely to have a significant effect on the prices of such derivatives or related spot commodity contracts, and where this is information which is reasonably expected to be disclosed or is required to be disclosed

in accordance with the applicable legislation at the Union or national level, market rules, contract, practice or custom, on the relevant commodity derivatives markets or spot markets.

(3) In relation to emission allowances or auctioned products based thereon, inside information means information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more such instruments, and which, if it were made public, would be likely to have a significant effect on the prices of such instruments or on the prices of related derivative financial instruments.

(4) For persons charged with the execution of orders concerning the trading of financial instruments, inside information also means information conveyed by a client and relating to the client's pending orders in financial instruments, which is of a precise nature, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments, the price of related spot commodity contracts, or on the price of related derivative financial instruments.

(5) *Information of a precise nature* means that information which indicates a set of circumstances which exists or which may reasonably be expected to come into existence, or an event which has occurred or which may reasonably be expected to occur, where it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event on the prices of the financial instruments or the related derivative financial instrument, the related spot commodity contracts, or the auctioned products based on the emission allowances. In this respect in the case of a protracted process that is intended to bring about, or that results in, particular circumstances or a particular event, those future circumstances or that future event, and also the intermediate steps of that process which are connected with bringing about or resulting in those future circumstances or that future event, may be deemed to be precise information.

(6) An intermediate step in a protracted process shall be deemed to be inside information if, by itself, it satisfies the criteria of inside information as referred to in this article.

(7) Information which "if it were made public, would be likely to have a significant effect on the prices of financial instruments, derivative financial instruments, related spot commodity contracts, or auctioned products based on emission allowances" means information a reasonable investor would be likely to use as part of the basis of his or her investment decisions.

Art. 115. - In the case of participants in the emission allowance market with aggregate emissions or rated thermal input at or below the threshold set in accordance with the second subparagraph of art. 17 para. (2) of Regulation (EU) no. 596/2014, information about their physical operations shall be deemed not to have a significant effect on the price of emission allowances, of auctioned products based thereon, or of derivative financial instruments.

**SECTION 2**
**Abusive use of inside information**

Art. 116. - (1) The abusive use of inside information takes place when a person holds inside information and uses these information for purchasing or leasing financial instruments that refer to that information, in own name or in the name of a third party, directly or indirectly.

(2) This article shall apply to any person that holds inside information following the fact that that person:

a) is an administrator, member of the management board, director, general director, member of the supervisory board, member of the directorate or legal representative, or, if the case, is a member in the administrative, management or supervision organs of the issuer or of the participant on the market of issuance certificates;

b) holds a part of the capital of the issuer or of the participant on the market of emission certificates;

c) has access to the information through the occupied job, profession or professional duties; or

d) has obtained the information, directly or indirectly, following the commitment of a crime.

(3) This article shall apply as well to any other person that has obtained inside information through other means than those mentioned at para. (2), in case that the person knows or should know that those are inside information.

(4) The use of inside information through the annulment or amendment of an order regarding a financial instruments to which the information relates, in case that that order was issued before that person knew the inside information, is considered as well an abusive use of inside information.

(5) The use of recommendations or acting based on incentives provided at art. 117, para. (1) will become abusive use of inside information in case the person that uses the recommendation or follows the incentive know that these are based on inside information.

(6) In case of auctions for emission certificate or other products auctioned based on these that are organized based on Regulation (EU) no. 1031/2010, the use of inside information mentioned at para. (4) consists in the presentation, amendment or withdrawal of a bid by a person in its own behalf or on the behalf of a third party.

(7) Within the meaning of this article, by the fact that a person holds or has held inside information, it is not considered that that person has used that information and that it could be involved in the abusive use of the inside information by a purchase or transfer act, when its behavior is qualified as legitim behavior according to the provisions of art. 9 of Regulation (EU) no. 596/2014.

Art. 117. - (1) Recommending or determining other person to participate in practices of abusive use of inside information takes places when the person holds inside information and:

a) based on that information, recommends to another person to buy or to transfer the financial instruments to which the information is referring or determines that person to perform such purchase or transfer operation; or

b) based on that information, recommend to another person to annul or to amend an order regarding a financial instrument to which that information is referring or convinces that person to perform the that annulment or amendment.

(2) The provisions of art. 116 para. (2), (3) and (7) shall apply accordingly.

**SECTION 3**
**Unlawful disclosure of inside information**

Art. 118. - (1) For the purposes of this title, unlawful disclosure of inside information arises where a person possesses inside information and discloses that information to any other person, except where the disclosure is made in the normal exercise of an employment, a profession or job duties, including

where the disclosure qualifies as a market sounding made in compliance with art. 11 para. (1) - (8) of Regulation (EU) no. 596/2014.

(2) This article applies to any person in the situations or circumstances referred to in art. 116 para. (2) and (3).

Art. 119. - For the purposes of this title, the onward disclosure of recommendations or inducements referred to in art. 117 para. (1) amounts to unlawful disclosure of inside information under this Article where the person disclosing the recommendation or inducement knows that it was based on inside information.

**CHAPTER III**
**Market manipulation**

Art. 120. - (1) For the purposes of this title, market manipulation shall comprise the following activities:

a) entering into a transaction, placing an order to trade or any other behavior which gives, or is likely to give, false or misleading signals as to the supply of, demand for, or price of, a financial instrument or a related spot commodity contract or an auctioned product based on emission allowances, or secures, or is likely to secure, the price of one or several financial instruments, a related spot commodity contract or an auctioned product based on emission allowances at an abnormal or artificial level, unless the reasons based on which the person entering into a transaction or placing an order to trade acted that way were legitimate, and such transaction or orders are in accordance with the practices accepted at the trading place, to the extent in which these were approved according to the provisions of art.13 of Regulation (EU) no. 596/2014;

b) entering into a transaction, placing an order or any other activity or behavior which affects or is likely to affect the price of one or several financial instruments, a related spot commodity contract or an auctioned product based on emission allowances, which employs a fictitious device or any other form of deception or contrivance;

c) disseminating information through the media, including the Internet, or by any other means, which gives, or is likely to give, false or misleading signals as to the supply of, demand for, or price of, a financial instrument, a related spot commodity contract or an auctioned product based on emission allowances or secures, or is likely to secure, the price of one or several financial instruments, a related spot commodity contract or an auctioned product based on emission allowances at an abnormal or artificial level, including the dissemination of rumors, where the person who made the dissemination derive for themselves or for another person an advantage or profit from the dissemination of the information in question and provided that such person knew, or ought to have known, that the information was false or misleading; or

d) transmitting false or misleading information or providing false or misleading inputs in relation to a benchmark where the person who made the transmission or provided the input knew or ought to have known that it was false or misleading.

(2) Within the meaning of para. (1), the following behavior shall, inter alia, be considered as market manipulation:

a) the conduct by a person, or persons acting in collaboration, to secure a dominant position over the supply of or demand for a financial instrument, related spot commodity contracts or auctioned products

based on emission allowances which has, or is likely to have, the effect of fixing, directly or indirectly, purchase or sale prices or creates, or is likely to create, other unfair trading conditions;

b) the buying or selling of financial instruments, at the opening or closing of the market, which has or is likely to have the effect of misleading investors acting on the basis of the prices displayed, including the opening or closing prices;

c) the placing of orders to a trading venue, including any cancellation or modification thereof, by any available means of trading, including by electronic means, such as algorithmic and high-frequency trading strategies, and which has one of the effects referred to in Letter a) or b) by:

(i) disrupting or delaying the functioning of the trading system of the trading venue or being likely to do so;

(ii) making it more difficult for other persons to identify genuine orders on the trading system of the trading venue or being likely to do so, including by entering orders which result in the overloading or destabilization of the order book; or

(iii) creating or being likely to create a false or misleading signal about the supply of, or demand for, or price of, a financial instrument, in particular by entering orders to initiate or exacerbate a trend;

d) the taking advantage of occasional or regular access to the traditional or electronic media by voicing an opinion about a financial instrument, related spot commodity contract or an auctioned product based on emission allowances or indirectly, about its issuer, while having previously taken positions on that financial instrument, a related spot commodity contract or an auctioned product based on emission allowances and profiting subsequently from the impact of the opinions voiced on the price of that instrument, related spot commodity contract or an auctioned product based on emission allowances, without having simultaneously disclosed that conflict of interest to the public in a proper and effective way;

e) the buying or selling on the secondary market of emission allowances or related derivatives prior to the auction held pursuant to Regulation (EU) No 1031/2010 with the effect of fixing the auction price for the auctioned products at an abnormal or artificial level or misleading bidders bidding in the auctions.

Art. 121. - Accepted market practice means the practices used on one or more regulated markets and accepted by ASF, in accordance with the European procedures.

**CHAPTER IV**
**Information obligations**

Art. 122. - (1) An issuer makes public, as soon as possible, the inside information that refer directly to that issuer.

(2) A participant on the market of emission certificates makes public, efficiently and rapidly, the inside information on emission certificates that he holds regarding its commercial activity;

(3) Fulfillment of the liabilities mentioned at para. (1) and (2) shall be made respecting the provisions of Regulation (EU) no. 596/2014.

Art. 123. - A.S.F. shall issue regulations when applying the provisions of this chapter.

**CHAPTER V**
**Competences of ASF**

Art. 124. - (1) ASF is the competent authority in accordance with the provisions of art. 22 of Regulation (EU) No 596/2014.

Art. 125. - (1) Without prejudice to the powers referred to in art. 2 para. (9), which shall apply appropriately, ASF shall have, in order to fulfil its duties, the powers referred to in art. 23 para. (2) of Regulation (EU) no. 596/2014 exercised in accordance with the provisions of such regulation.

(2) A.S.F. shall exercise the power referred to in art. 23, para. (2) letter e) of Regulation (EU) no. 596/2014, addressing the competent judicial authorities and/or in collaboration with other authorities.

**TITLE VI**
**Liabilities and sanctions**

**CHAPTER I**
**Conventional liabilities**

Art. 126. - (1) Are contraventions, to the extent that these are not committed in such way that are considered crimes according to the law, the deeds committed by:

a) entities authorized, regulated and supervised by ASF, issuers of securities and/or by the members of the management board or of the supervisory board, managers or members of the directorate of the authorized, regulated and supervised entity of issuers of securities, natural or legal persons holding *de jure* or *de facto* managerial positions or exercising, under a professional title, activities regulated by this law or in connection with the activity of the entities authorized, regulated and supervised by ASF and/or issuers of securities, as appropriate, in connection with:

1. the breach of the provisions on public offers and operations for the withdrawal of shareholders from a company referred to at art. 6 para. (2), art. 7 para. (2), art. 8 para. (1), (4) and (5), art. 9, art. 10, art. 11 para. (1)-(3), art. 12, art. 16 para. (1) and (2), art. 17, art. 18 para. (2) and (4), art. 19 para. (1) 2nd thesis, art. 20, art. 23, art. 25 para. (2), art. 27 para. (1), art. 30 para. (2) and (3), art. 31 para. (1)-(3), (6) and (7), art. 32 para. (1), art. 33, art. 38 para. (7), art. 40, art. 41 and art. 42 para. (7);

2. the breach of the provisions on the admission to and withdrawal from trading of securities referred to in art. 47 para. (1), art. 48, art. 51, art. 52, art. 53 para. (1), art. 55, art. 56 para. (1)-(3), art. 57, art. 58, art. 59 para. (1) and art. 60;

3. infringement of the obligations to report, carry out the operations and comply with the behavior and conditions referred to in art. 46 para. (1) and (4), art. 62, art. 77-79, art. 80 para. (1), art. 81, art. 82, art. 84 para. (1), (3) and (4), art. 85, art. 86 para. (3), art. 87 para. (3), art. 90 para. (1), (2) and (4), art. 91 and art. 92 para. (1), (6)-(8), (19), (20), (22) and (23);

4. the conduct of a public offer without ASF having first approved the prospectus/offer document, and the performance without ASF‟s approval of any activities or operations which, in accordance with this law, must be approved by ASF;

5. the breach of the provisions established by ASF‟s decision for approval of the prospectus/offer document, supplements thereto, and the notice/preliminary notice or marketing materials related to a public offer;

6. infringement of the obligations provided at art. 39 para. (3) and (4);

7. the breach of the provisions on the admission to, registration and withdrawal from trading of securities on a multilateral trading facility or organized trading facility, and of the obligations to report, carry out the operations and comply with the behavior and conditions referred to in art. 103-105;

b) issuer, in connection with the failure to meet the disclosure requirement, and send within the established deadline the reports and information to be incorporated in the reports referred to in art. 61-67, art. 72 para. (6), art. 75 and art. 76;

c) natural person or legal entity, in connection with the failure to meet the notification requirement, within the established deadline, of acquiring or disposing of a significant holding, in accordance with art. 69 para. (1) and (2), art. 70, art. 72-74;

d) issuer in relation with the infringement of provisions of art. 69 para. (5).

(2) The following deeds, to the extent that these were not committed in such conditions to be considered according to the law crimes, are considered contraventions:

a) breach of the measures established through authorization, supervisory and control acts, regulations or other measures issued by ASF;

b) infringement of the obligations referred to in art. 37 para. (1), referring to the initiation, within the period provided by law, of a compulsory public takeover offer;

c) breach of the provisions on the interdiction to acquire shares referred to in art. 37 para. (2);

d) breach of the provisions on the manner of preparation of the financial and accounting statements and their auditing, referred to in art. 93;

e) unlawful prevention from exercising the rights conferred on ASF by law, and any person's unjustified refusal to comply with ASF"s requests when carrying out its tasks according to law.

Art. 127. - (1) In case of finding contraventions provided at art. 126, the following administrative sanctions and measures may be applied:

a) a public declaration that indicates the responsible natural person or the legal entity and the nature of infringement;

b) an order by which it is requested to the responsible natural person or legal entity to quit the behavior that constitutes an infringement and to not repeat it;

c) fine, by derogation from the provisions of art. 8 of the Government Ordinance no. 2/2001 on the legal regime of contraventions, approved with amendment and supplements by Law no. 180/2002, as further amended and supplemented, hereinafter referred to as Government Ordinance no. 2/2001, between the following limits:

1. in case of the contraventions provided at art. 126 para. (1) letter a) item 4 and 5 and letter d) and para. (2) letter c) and e):

(i) for natural persons: by warning or fine ranging between RON 5,000 and RON 4,500,000 or twice the amount of the profits gained or losses avoided because of the breach, where those can be determined, whichever is higher;

(ii) for legal entities: by warning or fine ranging between RON 10,000 and RON 20,000,000 or 5% of the total annual turnover as provided by the last available annual financial statements approved by the

administrative body or twice the amount of the profits gained or losses avoided because of the breach, where those can be determined;

2. in case of the contraventions provided at art. 126 para. (1) letter a) items 1-3 and 7 and at para. (2) letters a) and d):

(i) for natural persons: by warning or fine ranging between RON 10,000 and RON 9,000,000 or twice the amount of the profits gained or losses avoided because of the breach, where those can be determined;

(ii) for legal entities: by warning or fine ranging between RON 15,000 and the highest value between RON 45,000,000 or 5% of the total annual turnover as provided by the last available annual financial statements approved by the administrative body or twice the amount of the profits gained or losses avoided because of the breach, where those can be determined;

3. in case of the contraventions provided at art. 126, para. (1), letter b) and c);

(i) for natural persons: by warning or fine ranging between RON 10,000 and RON 9,000,000 or twice the amount of the profits gained or losses avoided because of the breach, where those can be determined;

(ii) for legal entities: by warning or fine ranging between RON 15,000 and RON 45,000,000 or 5% of the total annual turnover as provided by the last available annual financial statements approved by the administrative body or twice the amount of the profits gained or losses avoided because of the breach, where those can be determined,

4. in case of contraventions provided at art. 126 para. (2) letter b):

(i) for natural persons:

1. fine ranging between RON 1,000 and RON 2,000,000 or twice the amount of the profits gained or losses avoided because of the breach, where those can be determined, whichever is higher, if the deadline provided by law for making the bid was exceeded by no more than 30 days;

2. fine ranging between RON 25,001 and RON 4,500,000 or twice the amount of the profits gained or losses avoided because of the breach, where those can be determined, whichever is higher, if the deadline provided by law was exceeded by no more than 60 days;

3. fine ranging between RON 50,001 up to the highest value of 4,500,000 or twice the amount of the profits gained or losses avoided because of the breach, in case that these value may be determined, if the legal term of launching the offer was exceeded with more than 60 days;

(ii) for legal entities:

1. fine ranging between RON 10,000 and RON 4,000,000 or 1% of the total annual turnover as provided by the last available annual financial statements approved by the administrative body or twice the amount of the profits gained or losses avoided because of the breach, where those can be determined, whichever is higher, if the deadline provided by law was exceeded by no more than 30 days;

2. fine ranging between RON 25,000 and RON 8,000,000 or 5% of the total annual turnover as provided by the last available annual financial statements approved by the administrative body or twice the amount of the profits gained or losses avoided because of the breach, where those can be determined, whichever is higher, if the deadline provided by law was exceeded by no more than 60 days;

3. fine ranging between RON 50,000 and RON 8,000,000 or 10% of the total annual turnover as provided by the last available annual financial statements approved by the administrative body or twice the amount of the profits gained or losses avoided because of the breach, where those can be determined, whichever is higher, if the deadline provided by law was exceeded by more than 60 days.

(2) The commitment of the contravention provided at art. 16, para (1), letter a), item 6 shall be sanctioned according to the dispositions of para. (1), letter c), item 4, which shall apply accordingly.

Art. 128. Where the legal entity referred to in Art. 127 is a parent undertaking or a subsidiary of a parent undertaking which has to prepare consolidated financial accounts pursuant to the applicable accounting regulations, the relevant total turnover shall be the total annual turnover or the corresponding type of income pursuant to the applicable accounting regulations, according to the last available consolidated annual accounts approved by the management body of the parent undertaking.

(2) Without prejudice to the powers of ASF set out by Government Emergency Ordinance No. 93/2012, approved as amended and supplemented by Law No. 113/2013, as subsequently amended and supplemented, and by this law, and the right of competent bodies to impose, where applicable, criminal sanctions, ASF may order the suspension of the exercise of the voting rights attached to shares in the event of breaches as referred to in Art. 117(1) Letter c) on the failure to fulfil the notification requirement where the 33% threshold of the issuer's voting rights is exceeded.

Art. 130. - (1) ASF shall publish every decision on sanctions and measures imposed in accordance with the provisions of art. 126-129, without undue delay, including at least information on the type and nature of the breach and the identity of natural persons or legal entities responsible for it. By way of exception, ASF competent authorities may delay publication of a decision, or may publish the decision on an anonymous basis in any of the following circumstances:

a) where, in the event that the sanction is imposed on a natural person, publication of personal data is found to be disproportionate by an obligatory prior assessment of the proportionality of such publication;

b) where publication would seriously jeopardize the stability of the financial system or an ongoing official investigation;

c) where publication would, in so far as can be determined, cause disproportionate and serious damage to the institutions or natural persons involved.

(2) If an appeal is submitted against the decision published under Para (1), ASF shall be obliged either to include information to that effect in the publication at the time of the publication or to amend the publication if the appeal is submitted after the initial publication.

Art. 131. - (1) ASF shall determine the type and level of administrative sanctions or measures according to the provisions of art. 126-129, taking into account all relevant circumstances, including, where appropriate:

a) the gravity and the duration of the breach;

b) the degree of responsibility of the natural person or legal entity responsible;

c) the financial strength of the natural person or legal entity responsible, for example as indicated by the total turnover of the legal entity responsible or the annual income of the natural person responsible, where those can be determined, or other relevant indicators;

d) the importance of profits gained or losses avoided by the natural person or legal entity responsible, in so far as they can be determined;

e) the losses sustained by third parties as a result of the breach, in so far as they can be determined;

f) the level of cooperation of the natural person or legal entity responsible with ASF;

g) previous breaches by the natural person or legal entity responsible.

(2) The processing of personal data collected in or for the exercise of the supervisory and investigatory powers in accordance with this law shall be carried out in accordance with the applicable national legislation and Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data.

Art. 132. - (1) ASF shall take appropriate administrative sanctions and other administrative measures in relation to the infringements referred to in art. 30 para. (1) letter a) and b) of Regulation (EU) no. 596/2014.

(2) The limits of the analyses established by this article shall derogate from the provisions of art. 8 of the Government Ordinance no. 2/2001.

(3) In case of infringements provided at art. 30, para. (1), letter a) of Regulation (EU) no. 596/2014, A.S.F. may apply the following civil sanctions and administrative measures:

a) sanctions and measures provided at art. 30, para. (2), letters a)-h) of Regulation (EU) no. 596/2014, temporary interdiction provided at art. 30, para. (2), letters e) and g) of Regulation (EU) no, 596/2014 may be disposed for a period between 90 days and 5 years. The limits of the sanctions provided at art. 30, para. (2), letter h) of Regulation (EU) no. 596/2014 are comprised between a date up to three times the value of the profits obtained or losses avoided following a breach, in case that these may be determined;

b) in respect of natural persons, administrative pecuniary sanctions as follows:

(i) fine from RON 10,000 up to RON 22,000,000 for infringements of Arts. 14 and 15 of Regulation (EU) No 596/2014, where deeds are not committed in a form of infringement provided by law so as to constitute criminal offences;

(ii) fine from RON 3,000 up to RON 4,500,000 for infringements of Arts. 16 and 17 of Regulation (EU) No 596/2014; and

(iii) fine from RON 1,000 up to RON 2,200,000 for infringements of Arts. 18, 19 and 20 of Regulation (EU) No 596/2014; and

c) in respect of legal persons, administrative pecuniary sanctions as follows:

(i) fine from RON 20,000 up to RON 66,000,000 or 15% of the total annual turnover of the legal person according to the last available financial statements approved by the management body for infringements of Arts. 14 and 15 of Regulation (EU) No 596/2014, where deeds are not committed in a form of infringement provided by law so as to constitute criminal offences;

(ii) fine from RON 10,000 up to RON 11,000,000 or 2% of the total annual turnover of the legal person according to the last available financial statements approved by the management body for infringements of Arts. 16 and 17 of Regulation (EU) No 596/2014; and

(iii) fine from RON 7,000 up to RON 4,500,000 for infringements of Arts. 18, 19 and 20 of Regulation (EU) No 596/2014.

(4) In respect of the infringements referred to in art. 30 para. (1) letter b) of Regulation (EU) no. 596/2014, ASF may apply the following administrative pecuniary sanctions as follows:

a) sanctions and measures provided at art. 30, para. (2) letters a), c)-e) and g) of Regulation (EU) no. 596/2014; dispositions of para. (3) letter a), 2nd thesis, shall apply accordingly;

b) for natural persons, notice or fine ranging between 1,000 RON and 2,000,000 RON;

c) for legal persons, notice or fine ranging between 7,000 lei to 4,000.000 RON.

(5) In case of applying the sanctions provided at para. (3), letter c), item (i) and (ii), the provisions of art. 30, para. (2) last paragraph of Regulation (EU) no. 596/2014 shall apply accordingly.

(6) When making a decision on the type and level of the administrative sanctions applied under this chapter, ASF shall take into account all relevant circumstances, in accordance with Article 31 of Regulation (EU) No 596/2014.

(7) ASF shall publish any decision imposing an administrative sanction or other administrative measure applied under this chapter, in accordance with the provisions of art. 34 of Regulation (EU) No 596/2014.

Art. 133. - (1) The commitment of contraventions provided in this chapter are found by A.S.F. through the specialized personnel empowered to exercise attributions on supervision, investigation and control of compliance with the legal dispositions and of regulations applicable to the capital market. If, in case of exercising supervision, investigation and control attributions of compliance with the legal provisions and of regulations applicable to the capital market, it is found the failure to comply with one of the legal dispositions whose breach is provided as contravention at art. 126, that person is granted with a term of 5 days from the date of communication of the findings, in which he/she may express objections on the committed breach.

(2) When receiving the document of verifications resulted following the authorization, supervision and control action, according to which it is found the commitment of one of the contraventions provided in this chapter, by derogation from the provisions of art. 15, para. (1) of the Government Ordinance no. 2/2001, A.S.F. shall dispose, by individual decision, the application of the corresponding sanctions.

(3) The decision to sanction provided at para. (2) must consist of the following elements: identification data of the offender, date when the deed was committed, description of the non-criminal deed and of the circumstances that may be taken into account when individualizing the deed, indication of the legal term according to which the contravention is established and sanctions, the principal sanction and the eventual complementary sanctions and applied administrative measures, the payment term and method of the fine and the term of exercising the means of appeal.

(4) By way of derogation from the provisions of Art. 13 of Government Ordinance No. 2/2001, the limitation period for the deeds representing minor offences, laid down in this law, is 3 years from the time when the offence was committed. In the case of continuous minor offences, the three-year limitation period shall start running from the time the offence was found.

(5) Where the deed was investigated as criminal offence and subsequently it was classified as minor offence, the limitation period for the imposition of the sanction shall not run for the period of time when the case was analyzed by the investigation or criminal prosecution bodies or before the court of law, provided that the referral was made within the deadline referred to in Para (4).

(6) By way of derogation from the provisions of art. 13, para. (3) of Government Ordinance No. 2/2001, where the deed was investigated as criminal offence and subsequently it was classified as minor offence, the limitation period for the imposition of the sanction shall run if the sanction was not applied within 4 years from the time the deed was committed, or found.

(7) The decision of sanctioning provided at para. (2), as well as the other administrative documents, adopted by A.S.F. according to the provisions of this law may be appealed at the Court of Appeal of Bucharest - contentious administrative and fiscal matters sector, according to the Law of contentious administrative no. 554/2004, as further amended and supplemented.

(8) The dispositions of this chapter shall be filled out according to the dispositions of the Government Ordinance no. 2/2001, to the extent that this law does not provide otherwise.

**CHAPTER II**
**Criminal liability**

Art. 134. - (1) Intentional presentation by the member of the management board, administrator, director, general director, member of the supervisory board, member of the directorate or legal representative, or, if the case, by the members of the administrative, management or supervision organs of the issuer to the holders of securities of inaccurate financial statements or unreal information regarding the economic conditions of the issuer is considered a criminal offence and shall be punished with prison from 6 months to 5 years and with the interdiction to certain rights.

(2) The abusive use of inside information, as provided at art. 116, constitutes criminal offence and shall be punished with prison from one to 5 years.

(3) Recommending or determining other person to participate at practices of abusive use of inside information provided at art. 117 constitutes criminal offence and shall be punished with prison from one to 5 years.

(4) The illegal disclosure of inside information provided at para. 118 and 119 constitutes criminal offence and shall be punished with prison from one to 5 years.

(5) Market manipulation, as provided at art. 120 constitutes criminal offence and shall be punished with prison from one to 5 years.

Art. 135. - (1) The attempt to criminal offences provided at art. 135 para. (2) and (5) is punished.

(2) By derogation from the provisions of art. 137 of Law no. 286/2009 on the Criminal Code, as further amended and supplemented, in case of criminal offences provided at art. 134, para. (2)-(5), the legal persons are sanctioned with a fine ranging between RON 167 – RON 275,000 per day.

(3) The provisions of Law no. 253/2013 on the enforcement of the sentence, of the educative measures and other measures non-custodial of liberty disposed by the judicial organs during the criminal process, as further amended and supplemented, shall be applied accordingly in case of enforcement of the fine sentence.

Art. 136. - The enforcement of the fine sentence provided at art. 135 para. (2) shall be made according to the provisions of Law no. 135/2010 on the Code of Criminal Procedure, as further amended and supplemented.

**CHAPTER III**
**Reporting mechanisms of breaches according to the provisions of art. 32 of Regulation (EU) no. 596/2014**

Art. 137. - This chapter provides rules that detail the procedures provided at art. 32, para. (1) of Regulation (EU) no. 596/2014, including:

a) reporting ways and ways referring to the developed activities, including in relation with the measures adopted following reporting;

b) measures for protection of persons working with an employment contract and measures on personal data protection.

Art. 138. – Within the meaning of this chapter, the expressions below have the following meanings:

a) person that performed the reporting – person that reports an effective or potential breach of Regulation (EU) no. 596/2014 to A.S.F.;

b) person subject of the reporting – person that is accused, by the person performing the reporting, that he/she has committed or intend to commit a breach of Regulation (EU) no. 596/2014;

c) reporting on a breach – reporting presented to A.S.F. by a person that performs reporting on an effective or potential breach of Regulation (EU) no. 596/2014.

Art. 139. - (1) A.S.F. has employees specialized in the management of reporting on breaches, whom are trained for this.

(2) The specialized employees have the following attributions:

a) to offer to each interested person information on the procedure of reporting breaches;
b) to receive reporting on breaches and to develop activities, including in relation with the adoption of measures, following these breaches;
c) to keep in touch with the person performing the reporting in case this identified itself;

Art. 140. - (1) A.S.F. shall publish on its own website, in a separate section, easily identifiable and accessible, the information on the receipt of reporting of breaches provided at para. (2).

(2) The information mentioned at para. (1) shall include all of the following elements:

a) communication channels for the receipt of reporting on breaches and the performed activities, including in relation with the measures adopted following these breaches and for contacting of the employees specialized according to the provisions of art. 142, para. (1), including:

1. phone numbers, mentioning if, when these phone lines are used, the conversations are registered or not;
2. addresses and emails, which are safe and ensure confidentiality, for contacting specialized employees;

b) procedures applicable to the reporting on breaches mentioned at art. 141;

c) confidentiality regime applicable to the reporting on breaches, according to the procedures applicable to the reporting on breaches mentioned at art. 141;

d) procedures for the protection of persons working based on an employment contract;

e) declaration that explains clearly that the persons putting information at the disposal of A.S.F., according to Regulation (EU) no. 596/2014, are not considered guilty of breaching any of the restrictions on the disclosure of information imposed by a contract or law, regulations or administrative documents and have no responsibility for that disclosure;

(3) A.S.F. shall publish on its website more detailed information than those provided at para. (2) with regards to the receipt of reporting on breaches and the development of activities, including those in relation with the measures adopted following these breaches.

Art. 141. - (1) The procedures applicable to reporting on breaches mentioned at art. 140, para. (2), letter b) indicate clearly the following information:

a) the fact that the reporting on breaches may be submitted anonymously as well;
b) the way in which A.S.F. may request the person performing the reporting to clarify the reported information or to supply additional information that he/she holds;
c) the type, content and calendar of the response on the result of the reporting on breaches that the person performing the reporting may need after reporting;
d) confidentiality regime applicable to reporting on breaches, including a detailed description of the circumstances in which the confidential data of the person performing the reporting may be disclosed according to the provisions of art. 27-29 of Regulation (EU) no. 596/2014.

(2) The detailed description mentioned at para. (1), letter d) ensures the fact that the person performing the reporting is informed on the exceptional cases in which the confidentiality of the data may not be assures, including regarding the cases in which the disclosure of the data is a necessary and proportional obligation imposed by the legislation of the European Union or by the national legislation in the context of investigations or ulterior judicial procedures or for the protection of the liberty of other persons, including the right to defense of the person subject of the reporting, being in each case subject to certain adequate guarantees provided in these legislations.

Art. 142. - (1) A.S.F. established the independent and autonomous communication channels, which are safe and ensure confidentiality, for the receipt of reporting on breaches and for the developed activities, including of measures adopted following these breaches, hereinafter referred to as dedicated communication channels.

(2) The dedicated communication channels are considered independent or autonomous, if these fulfill all of the following criteria:

a) are separate from the general communication channels of A.S.F., including those through which A.S.F. communicated internally and with third parties within its normal activity;

b) are made, established and sued in a way that guarantees the complete characters, integrity and confidentiality of the information and stops the access of unauthorized employees of A.S.F.;

c) allow the long-term storage of information, according to the provisions of art. 143, in order to the additional investigations.

(3) The communication channels allow the reporting of effective or potential breaches, at least in all of the following ways:

a) written reporting of breaches, hard or soft copy;

b) oral reporting of breaches through phone lines, regardless if this is registered or not;

c) meeting with specialized employees of A.S.F.

(4) A.S.F. shall supply the information mentioned at art. 140, para. (2) to the person performing the reporting before receiving the reporting on breaches or, the latest, when receiving it.

(5) A.S.F. shall ensure that a reporting on breaches received by other means than by the dedicated communication channels mentioned in this article is sent immediately, without amendments, to the specialized employees of A.S.F., using the dedicated communication channels.

Art. 143. - (1) A.S.F. shall keep the evidence of each received reporting on breaches;

(2) A.S.F. shall, without delay, confirm the receipt of written reporting on breaches to the postal address or electronic address, indicated by the person performing the reporting, exception being the case in which the person performing the reporting requests explicitly that he/she doesn't require a confirmation of receipt or if A.S.F. considers, reasonably, that the transmission of a confirmation of receipt of a written reporting could put in danger the protection of the identity of the person performing the reporting.

(3) If for the reporting of breaches a registered phone line is used, A.S.F. has the right to document the oral reporting as:

a) an audio registration of the conversation in a long-term and accessible form; or
b) a complete and accurate transcription of the conversation, prepared by the specialized employees of A.S.F. If the person performing the reporting has disclosed his/her identity, A.S.F. shall grant the possibility to verify, rectify and express its agreement on the transcription of the conversation, by signing it.

(4) If for the reporting of breaches is used an unregistered phone line, A.S.F. has the right to document the oral reporting as an exact protocol of the conversation, drafted by the specialized employees of A.S.F. If the person performing the reporting has disclosed his/her identity, A.S.F. shall grant the possibility to verify, rectify and express its agreement on the transcription of the conversation, by signing it.

(5) If a person requests a meeting with the specialized employees of A.S.F., for the reporting of a breach according to the provisions of art. 142, para. (3), letter c), A.S.F. shall ensure to keep a complete and exact evidence of the meeting in a long-term and accessible form. A.S.F. has the right to document the evidence of the meeting in the following ways:

a) an audio registration of the conversation in a long-term and accessible form; or
b) an exact protocol of the meeting, drafted by the specialized employees of A.S.F. If the person performing the reporting has disclosed his/her identity, A.S.F. shall grant the possibility to verify, rectify and express its agreement on the transcription of the conversation, by signing it.

Art. 144. - (1) The establishment of certain procedures that ensure an exchange of information and an efficient cooperation between A.S.F. and any other relevant authority involved in the protection of persons working based on an employment contract and whom report breaches of Regulation (EU) no. 596/2014 to A.S.F. or whom are accused by such breaches against reprisals, discrimination or other types of incorrect treatment, that are produced because or in relation with the reporting of breaches of Regulation (EU) np. 596/2014, shall be made based on bilateral protocols concluded between A.S.F. and the respective authorities.

(2) The procedures provided at para. (1) ensure at least the following:

a) persons performing reporting have access to information and complete counseling regarding ways of action and available procedures provided in the internal law in order to protect them against incorrect treatments, including to procedures of requesting cash settlements;

b) persons that perform reporting benefit of effective assistance from A.S.F. for every relevant authority involved in their protection against incorrect treatments, including by the certification, in work conflicts, of the situation of informant of the person that reports;

Art. 145. - (1) A.S.F. shall keep the evidences mentioned at art. 143 in a confidential and safe data base.

(2) The access to the data base mentioned at para. (1) is subject to some restriction that ensure the fact that the stored data are available only to the employees of A.S.F., that need access to that data base in order to fulfil his/her professional obligations.

Art. 146. - (1) A.S.F. shall adopt adequate measures for the transmission of personal data of the person that performs the reporting and of the person who is subject of the reporting within and outside of the competent authority.

(2) The transmission of the data relating to the reporting of a breach within and outside of A.S.F. shall be made without disclosing, directly or indirectly, the identity of the person performing the reporting or the person that is subject of the reporting without any other reference to the circumstances that could allow the identification of the identity of the person performing the reporting or of the person that is subject of the reporting, excepting the case in which such a transmission is made according to the confidentiality regime mentioned at art. 141, para. (1), letter d).

Art. 147. - (1) In case the identity of the persons that are subject of the reporting is not known publicly, their identity is protected at least in the same way as of those under investigation by A.S.F.

(2) The procedures provided at art. 145 shall apply for the protection of the persons that are subjects of the reporting as well.

Art. 148. - A.S.F. shall review the procedures regarding the receipt of reporting on breaches and developed activities, including measures adopted following these breaches, in regulated intervals and at least once in 2 years. When reviewing these procedures, A.S.F. shall take into account its own experience, as well as that of other competent authorities provided at art. 22 of Regulation (EU) no. 596/2014 and shall adapt its procedures accordingly, as well as depending on the evolution of the market and the technological evolutions.

Art. 149. - (1) ASF shall issue regulations on the reporting mechanisms to ASF of any infringements of Regulation (EU) No 596/2014.

(2) Personal data processing performed based on this law by authorities shall be made while respecting the dispositions of Law no. 677/2001 for the protection of persons regarding personal data processing and free movement of these data, as further amended and supplemented.

**TITLE VII**
**Transitional and final provisions**

Art. 150. - (1) The provisions of this law concerning the market abuse which refer to OTFs, emission allowances or products auctioned based on them which apply to OTFs, emission allowances or products auctioned based on them, from 3 January 2018;

(2) The provisions of art. 101-107 regarding OTF's shall apply from January 3, 2018.

Art. 151. - ASF shall issue regulations for the application of this law, within maximum 12 months after its entry into force.

Art. 152. - The terms and expressions used within Law no. 297/2004 on the capital market, as further amended and supplemented, whose definition shall be repealed according to the provisions of art. 155, para. (1), have the meaning provided at art. 2, para. (1).

Art. 153. - The annual financial reports laid down by this law shall be prepared in a single electronic reporting format subsequent to the issuance by ESMA of regulatory technical standards for that purpose, but not earlier than 1 January 2020.

Art. 154. – At the date of entering into force of this Law no. 297/2004 on the capital market, published in the Official Journal of Romania, Part I, no. 571 from June 29, 2004, as further amended and supplemented, shall be amended and supplemented as follows:

1. At article 1, after para. (31), a new paragraph shall be introduced, para. (32), with the following content:

" (32) A.S.F. is the competent authority within the meaning of:

a) art. 11 of Regulation (EU) no. 909/2014 of the European Parliament and Council from July 23, 2014 on the improvement of settlements of the securities in the European Union and on the central depositaries of securities and amendment of Directives 98/26/EC and 2014/65/EU and of Regulation (EU) no. 236/2012, published in the Official Journal of the European Union, series L, no. 257 from August 28, 2014, hereinafter referred to as Regulation (EU) no. 909/2014;

b) art. 4, item 8 of Regulation (EU) no. 1.286/2014 of the European Parliament and Council from November 26, 2014 on the document with essential information regarding the structured individual investment products and based on insurances (PRIIP), published in the Official Journal of the European Union, series L, no. 352 from December 9, 2014, hereinafter referred to as Regulation (EU) no. 1.286/2014."

2. At article 2, para. (1), after item 37, a new item shall be introduced, item 38, with the following content:

" 38. Structured individual investment product and based on insurances or PRIIIP – product defined at art. 4, item 3 of Regulation (EU) no. 1.286/2014."

3. At article 272, para. (1), at letter h), item 2 shall be amended and shall have the following content:

" 2. Non-compliance with the provisions on the regulations issued the market operators provided at art. 134, para. (1) and (2) and at art. 141;"

4. After article 272, two new articles shall be introduced, articles 2721 and 2722, with the following content:

" Art. 2721. - (1) Are contraventions, to the extent that these are not committed in such conditions to be considered according to the criminal law criminal offence, the deeds committed by the central depositary, responsible natural persons having a quality of members of the management boards, directors or, as appropriate, members of the supervisory board and members of the directorate, respectively representative of the internal control compartment of this, risk administrator in relation with:

a) procurement of authorizations provided at art. 16 and 54 of Regulation (EU) n. 909/2014 by false statements or by any other illegal means, as provided at art. 20 para. (1) letter b) and at art. 57 para. (1) letter b) of Regulation (EU) no. 909/2014;

b) Failure to keep by the central depositary of the necessary capital, according to the provisions of art. 47 para. (1) of Regulation (EU) no. 909/2014;

c) non-compliance by the central depositary of the organizational requirements, provided at art. 26-30 of Regulation (EU) no. 909/2014;

d) non-compliance by the central depositary of behavior rules, provided at art. 32-35 of Regulation (EU) no. 909/2014;

e) non-compliance by the central depositary of requirements applicable to the services of central depositaries, provided at la art. 37-41 of Regulation (EU) no. 909/2014;

f) non-compliance by the central depositary of prudential requirements, provided at art. 43-47 of Regulation (EU) no. 909/2014;

g) non-compliance by the central depositary of requirements applicable to connections between central depositaries, provided at art. 48 of Regulation (EU) no. 909/2014;

h) abusive refusal of the central depositary to grand different types of access, breaching the provisions of art. 49-53 of Regulation (EU) no. 909/2014;

i) non-compliance by the designated credit institutions with the prudential requirements relating to credit risks, provided at art. 59 para. (3) of Regulation (EU) no. 909/2014;

j) non-compliance by the designated credit institutions with the prudential requirements relating to liquidity risks, provided at art. 59 para. (4) of Regulation (EU) no. 909/2014.

(2) By derogation from the provisions of art. 8, para. (2) of the Government Ordinance no. 2/2001 n the legal regime of contraventions, approved with amendments and supplements by Law no. 180/2002, as further amended and supplemented, A.S.F., as competent authority for the central depositary, may apply sanctions and/or dispose administrative measures according to the provisions of art. 63, para. (2) of Regulation (EU) no. 909/2014 for breaches provided at para. (1):

a) a public statement in which the person responsible of the breach and the nature of the breach are indicated, according to art. 62 of Regulation (EU) no. 909/2014;

b) a decision by which it is requested to the person responsible of the breach to terminate that behavior and to restrain from repeating it;

c) Withdrawal of authorizations granted based on art. 16 or 54 of Regulation (EU) no. 909/2014, according to art. 20 or 57 of Regulation (EU) no. 909/2014, as appropriate;

d) sanctioning of each member of the management body of the central depositary or of any other natural person considered responsible, by temporary interdiction or, in case of repeated critical breaches, permanent interdiction of exercising management functions within the central depositary;

e) fines in quantum up to two time the quantum of the profit obtained as a result of a breach, when that quantum may be established;

f) in case of natural persons, fines ranging between RON 1,000 and RON 22,150,000;

g) in case of legal persons, fines ranging between RON 10,000 and RON 88,600,000 or up to 10% of the total annual turnover of the legal person, according to the last accounts available and approved by the management body; in case that the legal person is a parent undertaking or a branch of the parent undertaking that may draft consolidated financial accounts according to the accounting regulations in force, the total annual turnover applicable is the total annual turnover or the type of income, according to the relevant legal provisions, based on the last statement of consolidated accounts available, approved by the management body of the main parent undertaking;

(3) Reporting to A.S.F. of potential or real breaches of Regulation (EU) no. 909/2014 shall be made according to the regulations issued by A.S.F.

(4) A.S.F. shall establish, for the reporting of breaches established at para. (3), the efficient mechanisms that include at least the following:

a) Specific procedures for the receipt and investigation of reports on potential or real breaches and the measures taken as a reaction, including the establishment of safe communication channels for such reports;
b) Adequate protection for employees of entities that report potential or real breaches, committed within the entity, as least against reprisals, discrimination or other types of unfair treatment;
c) Personal data protection of the person that reports potential or real breaches, as well as of those of the natural person suspected for being responsible of a breach, according to the principles established in Law no. 677/2001 for the protection of persons regarding personal data processing and free movement of these data, as further amended and supplemented;
d) Protection of the identity of the person that reports breaches, as well as of the natural person suspected for being responsible of breaching, in all of the stages of the procedures, except the case in which the national legislation imposes the disclosure of his/her identity, in the context of certain investigations or ulterior judicial procedures.

(5) The central depositary and the participant at the system of the central depositary may hold adequate procedures on reporting by employees of real or potential breaches, on an internal level, through a specific channel, independent or autonomous.

Art. 2722. - (1) Non-compliance with the provisions of art. 5 para. (1), art. 6 and 7, art. 8 para. (1)-(3), art. 9, art. 10 para. (1), art. 13 para. (1), (3) and (4), as well as those of ale art. 14 and art. 19 of Regulation (EU) no. 1.286/2014 are considered contraventions.

(2) By derogation from the provisions of art. 8, para. (2) of Government Ordinance no. 2/2001, approved with amendments and supplements by Law no. 180/2002, as further amended and supplemented, in case of commitment of contraventions provided at para. (1), A.S.F. may apply sanctions and/or may dispose administrative measures, as follows:

a) interdiction of trading a PRIIP;
b) suspension of trading a PRIIP;

c) a public notice that indicates the responsible person and the nature of the breach;

d) interdiction of supplying a document with essential information that does not respect the requirements provided at art. 6-8 or 10, as appropriate, of Regulation (EU) no. 1.286/2014 and through which the publishing of a new version of the document with essential information is imposed;

e) fine:

(i) in quantum of RON 10,000 up to RON 22, 450, 000 or up to 3% of the total annual turnover of that entity, according to the last financial statement available approved by the management body or up to the double of the profits obtained or losses avoided following the breach, for legal persons;

(ii) in quantum of RON 1000 up to RON 3,150,000 or double of the profits obtained or losses avoided following the breach, for natural persons;

(3) In case that the entity mentioned at para. (2), letter e), item (i) is a parent undertaking or a branch of the parent undertaking, that has the liability to draft consolidated financial accounts in accordance with the accounting regulations in force, the relevant total annual turnover is the total annual turnover or the income type according to the applicable accounting regulations, as it is arising from the last consolidated accounts available approved by the statutory body of the main parent undertaking”

5. At article 273, para. (1), the introductive parts of letters a) and b) shall be amended and shall have the following content:

" a) in case of contraventions provided at art. 272 para. (1) letter a)-f), letter h), i), letter j) pct. 1-9 and 11-17, letter k) pct. 2 and 3 and la para. (2) letter e), h), i), k) and l):

. . . . . .

b) in case of contraventions provided at art. 272 para. (1) letter j) pct. 10, letter k) pct. 1 and para. (2) letter a), b), f) and j):".

6. Article 2731 shall be amended and shall have the following content:

" Art. 2731. - The performance without authorization of any activities or operations for which this law and Regulation (EU) no. 909/2014 request authorization, constitute criminal offences and shall be sanctioned according to the criminal law, excepting the investment activities and services provided at art. 5 para. (1) developed by de S.S.I.F. and credit institutions, case in which the provisions of art. 273 para. (1) letter a) are applicable."

Art. 155. - (1) At the date of entering into force if this law, art. 2 para. (1) pct. 1, 4, 6, 61, 9, 91, 10, 11, 12, 13, 14, 15, 17, 18, 19, 21, 23, 25, 26, 27, 33, 34 and 36, art. 146 para. (51), TITLE V "Operations on the market", comprising art. 173-208, TITLE VI "Issuers", consisting of art. 209-2431, TITLE VII "Market abuse", consisting of art. 244-257, art. 262 and art. 272 para. (1) letter g), art. 272 para. (2) letter c) and d), art. 273 para. (1) letter c), art. 2732 and art. 279 letter b) of Law no. 297/2004, as further amended and supplemented, shall be repealed.

(2) The regulations on issuers of financial instruments and market operations issued by A.S.F. until the entering into force of this law shall remain in force until the adoption of new regulations issued based on this, excepting the contrary dispositions.

(3) On the date provided at art. 69 para. (2) of Regulation (EU) no. 909/2014 of the European Parliament and Council of July 23, 2014 on the improvement of the reimbursement of securities in the European Union and on the central depositaries of securities and of amendment of Directives 98/26/CE and 2014/65/UE and of Regulation (EU) no. 236/2012, published in the Official Journal of the European

Union, series L, no. 257 of August 28, 2014, as further amended and supplemented, the provisions of art. 146 para. (2), art. 148, art. 151 para. (1) and (2) of Law no. 297/2004, as further amended and supplemented, shall be repealed.

Art. 156. - The provisions of art. 154, item 4 shall enter into force on the date provided at art. 69, para. (2) of Regulation (EU) no. 909/2014.

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This law transposes the provisions of the following acts of the European Union, as follows:

1. art. 11, 18, 42, 43 para. (1), (2), (4) and (6), art. 44, 45, 46 para. (1), art. 47, art. 48 para. (1) - (3) and (5), art. 49 para. (1), art. 52, 53, art. 54 para. (1), art. 55, 56, art. 58 para. (1), (2) and (4), art. 59, 60, 61 and 62 of Directive 2001/34/CE of the European Parliament and Council from May 28, 2001 on the admission of securities at the official quota of a stock exchange and information that shall be published with regards to these securities, published in the Official Journal of the European Communities (JOCE), series L, no. 184 from July 6, 2001;

2. art. 1 para. (2), art. 2 para. (1) letters b)-e), h), i), k), m) and s), art. 3 para. (1), (2) paragraphs 1 and 2, art. 4 para. (1) letters a)-e) and para. (2), art. 5 para. (1), (2) paragraphs 1-3 and para. (3), art. 6 para. (1), art. 7 para. (2), art. 8 para. (1), art. 9 para. (1) and (4), art. 11 para. (1) and (2), art. 12 para. (1) and (2), art. 13 para. (1), (2) paragraphs 1 and 2, para. (3) and (4), art. 14 para. (1)-(3) and (7), art. 15 para. (1)-(3), (5) and (6), art. 16 para. (1) and (2), art. 17 para. (1), art. 18 para. (1), art. 19 para. (1), art. 21 para. (1), (3) letters a)-i) and para. (4) letters a)-d) and annex no. 1 of the Directive 2003/71/EC of the European Parliament and Council from November 4, 2003 on the prospectus that shall be published in case of a public offer of securities or for admission to trading of securities and of amendment of Directive 2001/334/EC, published in the Official Journal of the European Union (JOUE), series L, no. 345 from December 31, 2003;

3. art. 1, art. 2 para. (1) letter a)-c), f) and g) and para. (2), art. 4 para. (5) last thesis, art. 5 para. (1)-(3) and (4) paragraphs 1 and 2, art. 6 para. (1)-(3) and (5), art. 7 para. (1), art. 8, 9 para. (2) paragraph 2, para. (3), (4), (5) paragraph 1 and para. (6), art. 11 para. (2)-(7), art. 12 para. (2), art. 13 letter a)-c), art. 15 para. (2), (3) paragraph 2, para. (4) and (5) and art. 16 para. (1) and (2) of Directive 2004/25/EC of the European Parliament and Council from April 21, 2004 on public purchase offers, published in the Official Journal of the European Union (JOUE), series L, no. 142 from April 30, 2004;

4. art. 1 para. (1), art. 2 para. (1) letter a), b), d), e), f), g), h), j), k), l), m), o), p), q) and para. (2), art. 4 para. (1)-(4), art. 5 para. (1)-(3) and (5), art. 6, 8 para. (1) and (4), art. 9 para. (1), (2), (4), (6) and (6a), art. 10, 11, art. 12 para. (1)-(6), art. 13 para. (1), (1a) paragraph 1, para. (1b) and (4), art. 13a, art. 14 para. (1), art. 15, 16, art. 17 para. (1)-(3), art. 18 para. (1)-(4), art. 19 para. (1) and (3), art. 20, art. 21 para. (1) thesis 1 and para. (2), art. 21a para. (2) and (3), art. 24 para. (1), (4), (4a), (4b) and (6), art. 25, 26, 28a, art. 28b para. (1) and (2), art. 28c and 29 of Directive 2004/109/EC of the European Parliament and Council from December 15, 2004, on the harmonization of the transparency obligations regarding the information referring to the issuers whose securities are admitted to trading on a regulated market and of amendment of Directive 2001/34/EC, published in the Official Journal of the European Union (JOUE), series L, no. 390 from December 31, 2004;

5. art. 5 para. (1) paragraph 3, art. 6 para. (1) paragraphs 1 and 3, para. (2)-(4), art. 7 para. (3) thesis 3 and para. (4), art. 8 para. (1) first thesis, art. 10 para. (3) paragraph 2, art. 11 para. (1) first thesis and art. 12 first thesis of Directive 2007/36/EC of the European Parliament and Council from July 11, 2007 on

exercising certain rights of shareholders within commercial companies listed on the stock exchange, published in the Official Journal of the European Union (JOUE), series L, no. 184 from July 14, 2007;

6. Directive 2013/50/EU of the European Parliament and Council from October 22, 2013 of amendment of the Directive 2004/109/EC of the European Parliament and Council on the harmonization of the transparency obligations with regards to the information regarding the issues whose securities are admitted to trading on a regulated market, of Directive 2003/71/EC of the European Parliament and Council on the prospectus that shall be published in case of a public offer of securities or for admission to trading of securities and of Directive 2007/14/EC of the Commission for establishing application rules of certain dispositions of Directive 2004/109/EC, published in the Official Journal of the European Union (JOUE), series L, no. 294 of November 6, 2013;

7. Directive 2014/57/EU of the European Parliament and Council from April 16, 2014 on the criminal penalties for market abuse, published in the Official Journal of the European Union (JOUE, series L, no. 173 from June 12, 2014;

8. Directive for implementing (EU) 2015/2.392 of the Commission from December 17, 2015 on the Regulation (EU) no. 596/2014 of the European Parliament and Council regarding the reporting to the competent authorities of effective or potential infringements of this regulation, published in the Official Journal of the European Union (JOUE), series L, no. 332 from December 18, 2015.

This law has been adopted by the Parliament of Romania, respecting the provisions of art. 75 and of art. 76, para. (1) of the Constitution of Romania, republished.

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| PRESIDENT OF THE CHAMBER OF DEPUTIES<br>NICOLAE-LIVIU DRAGNEA | PRESIDENT OF THE SENATE<br>CĂLIN-CONSTANTIN-ANTON POPESCU-TĂRICEANU |

Bucharest, March 21, 2017.

No. 24.