

burgundy[®]

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ISSUER AND PRODUCT RULES

WARRANTS, CERTIFICATES AND STRUCTURED PRODUCTS

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Definitions

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| BTS | The electronic trading system (Burgundy Trading System) in which the financial instruments admitted to trading on the Burgundy RM are traded. |
| Burgundy | Burgundy AB (Reg. no 556732-7217). |
| Burgundy News | Any notice or announcement published by Burgundy at Burgundy's website and/or distributed by Burgundy to subscribers on Burgundy News series. |
| Burgundy RM | The regulated market operated by Burgundy with the MIC <i>BURM</i> . |
| Burgundy Rulebook | Rules issued by Burgundy which stipulates the conditions for being a trading participant at Burgundy, conditions for trading in the BTS and the rules for accessing the BTS. |
| Central Securities Depository | An organization that handles clearing and/or settlement of transactions in securities. |
| Disciplinary Committee | A committee to which a disciplinary matter is referred for determination. |
| Finansinspektionen | The Swedish Financial Supervisory Authority. |
| Issuer | A company which has signed the Issuer Agreement for warrants, certificates and structured products and hence can issue Products to be admitted to trading on the Burgundy RM. |
| Issuer Agreement | The agreement between the Issuer and Burgundy and constitutes a part of the Issuer and Product Rules. |
| Issuer Application | The application form to be submitted by a company that wish to apply for becoming an Issuer. |
| Issuer and Product Rules | The Issuer and Product Rules for warrants, certificates and structured products and applicable supplementing documents referred to, which are binding to the Issuer upon signing the Issuer Agreement. |
| MIC | Market Identifier Code. |
| MTF | Multilateral trading facility as defined in art 4(1)(15) in MiFID and chapter 1 clause 5 (12) in the Swedish Securities Market Act (2007:528). |
| Product(s) | Warrant(s), certificate(s) and structured product(s), where applicable. |
| Product Application | The application form to be submitted by an Issuer that wish to apply for its Product(s) to be admitted to trading on the Burgundy RM. |



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| Trading Participant | A company which can participate in trading in the BTS upon signing the trading participant agreement with Burgundy. |
| Underlying Instrument | The asset that underlies and gives value to a Product in question. |

1 Introduction

1.1 Burgundy AB

1.1.1 Burgundy is an exchange operating a regulated market (Burgundy RM) and an MTF (Burgundy MTF). Burgundy is authorized and regulated by Finansinspektionen.

1.1.2 Burgundy is owned by Nordic banks and investment firms. The objective of Burgundy is to strengthen the Nordic region as a financial center and provide a fast, advanced and cost effective trading system for trading securities.

1.2 General about Products admitted to trading on the Burgundy RM

1.2.1 Burgundy may offer trading in Products that are listed and traded on a regulated market, an MTF or any equivalent marketplace established within the EEA or outside of the EEA. Such Products are eligible for trading on the Burgundy MTF. A Product may also be admitted to trading upon application by the Issuer in accordance with chapter 13 clauses 3-5 in the Securities Market Act (2007:528). Such Products are admitted to trading on the Burgundy RM.

1.2.2 In order for a Product to be admitted to trading on the Burgundy RM upon application by the Issuer, the Product must fulfill the Product requirements in chapter 3.

1.2.3 To approve an Issuer Application and a Product Application, Burgundy will assess whether a fair, orderly and efficient trading in the Product can be foreseen and whether relevant public information regarding the Issuer and the Product is available for Burgundy's Trading Participants and other investors.

1.3 Issuer and Product Rules

1.3.1 The Issuer and Product Rules are issued and published by Burgundy. The Issuer and Product Rules includes

- (i) conditions and requirements for being an Issuer, and
- (ii) Product requirements.

1.3.2 The Issuer and Product Rules are applicable to the Issuer and to the Products that are admitted to trading on the Burgundy RM upon application by the Issuer, or for which admission to trading is sought. The rules on the duty of the Issuer to disclose relevant information about the Issuer and the Product shall apply to the Issuer from the time the Product Application is submitted to Burgundy. The Issuer and Product Rules become binding to the Issuer upon signing the Issuer Agreement for warrants, certificates and structured products. The Issuer must comply with the Issuer and Product Rules, applicable laws, regulations and industry best practice. The latest version of the Issuer and Product Rules is to be found at Burgundy's website, www.burgundy.se.

1.3.3 The Issuer and Product Rules are applicable to the Issuer as long as the Issuer has Products admitted to trading on the Burgundy RM.

Amendments and additions

- 1.3.4 Burgundy may amend the Issuer and Product Rules and make additions to the Issuer and Product Rules as Burgundy deems necessary. Amendments and additions will normally be referred to Burgundy's Issuer Legal Group (reference group) for consideration and consultation before implementation. The Burgundy Issuer Legal Group consists of specialists from the owners' of Burgundy, also being Issuers.
- 1.3.5 Burgundy decides the date when the amendments or additions to the Issuer and Product Rules will enter into force. However, amendments and additions will not enter into force earlier than two (2) weeks after Burgundy has announced such amendments or additions to its Issuers. Amendments and additions may enter into force without prior consultation with the reference group should extraordinary events occur which may affect the trading in the Products in a material way or should the amendment or addition be of non-material importance or of an editorial nature in Burgundy's opinion. Such amendments and additions may enter into force earlier than mentioned above, and in special situations, with immediate effect, in Burgundy's sole determination.

Miscellaneous

- 1.3.6 Trading in the Product is carried out through the BTS and is therefore subject to the rules in the Burgundy Rulebook and applicable supplementing documents.
- 1.3.7 An Issuer's failure to comply with the Issuer and Product Rules may result in a sanction, termination and/or disciplinary proceedings as per sections 4.3-4.5.
- 1.3.8 In addition to the requirements in the Issuer and Product Rules, Burgundy reserves the right to impose additional requirements on the Products and the Issuer if Burgundy considers this necessary for the protection of investors.
- 1.3.9 As an exchange Burgundy shall monitor i.a. recurring financial information by an Issuer. Recurring financial information from all Issuers will be monitored by Burgundy.

2 Issuer

2.1 Eligibility Criteria

- 2.1.1 To become an Issuer of Products the applicant must at least satisfy the following criteria;
- (i) be a credit institute or investment firm authorised and regulated by Finansinspektionen or by an equivalent competent authority within the EEA,
 - (ii) have adequate and suitable organizational arrangements for the business, necessary risk management procedures, secure and sufficient technical systems in order to be able to comply with the requirements in the Issuer and Product Rules and applicable laws and regulations, and sufficient resources and competences for issuing of Products in accordance with the Issuer and Product Rules and applicable laws and regulations,
 - (iii) have the relevant clearing and settlement ability or arrangements in the relevant Central Securities Depository (CSD) or registrar approved by Burgundy,
 - (iv) have a minimum equity capital of EUR 5,000,000.

- 2.1.2 The Issuer must continue to fulfil the eligibility criteria at all times whilst an Issuer.
- 2.1.3 The decision whether to approve an applicant to become an Issuer is taken by Burgundy. Burgundy may refuse an Issuer Application even if the formal requirements for becoming an Issuer are fulfilled.
- 2.1.4 For issuance of structured products, such as equity linked bonds, the issuer of the bond, if other than the Issuer of the Product, must fulfill the equity capital requirement of EUR 5,000,000.

2.2 Issuer Obligations

- 2.2.1 Upon receiving an Issuer Application, Burgundy will assess if relevant public information about the Issuer is available for Burgundy's Trading Participants and other investors and that the information dissemination to the market is, in Burgundy's opinion, appropriate.

Information and notification

- 2.2.2 The Issuer must make public to the market, and provide to Burgundy, initial, continuous and ad hoc information regarding its operations and the Product which is of importance for the assessment of the Issuer and the price of the Product and as required by applicable laws and regulations.
- 2.2.3 An Issuer must, immediately, notify and inform Burgundy of situations affecting its ability to meet the eligibility criteria, enforcement action on the Issuer by the relevant supervisory authority or other relevant authority, a significant breach of the relevant laws and regulations and other situation or occurrence affecting the Issuer's ability to perform its obligations and responsibilities according to the Issuer and Product Rules. This includes, but is not limited to, material changes to operations, clearing and settlement ability or arrangements, market making arrangements, change of control and legal status. This also includes information if the financial position deteriorates to an extent there is a risk that the Issuer will no longer be able to perform its obligations according to the Issuer and Product Rules and the applicable laws and regulations.
- 2.2.4 Changes to the Issuer's company name, address, contact details and changes to other information as specified in the Issuer Application must be notified to Burgundy without delay.
- 2.2.5 The Issuer's financial reports shall be prepared and disclosed in accordance with the laws and regulations applicable in the Issuer's home member state. The financial reports shall be published on the Issuer's website and the annual report shall be submitted to Burgundy without delay. In addition, the relevant prospectus and final terms for the Product must be available on the Issuer's website.
- 2.2.6 Any information, decisions or activities related to the Issuer which may have an impact on the value of the issued Products or the conditions for being an Issuer in accordance with the Issuer and Product Rules and applicable laws and regulations, must be made public to the EEA market (on a non-discriminatory basis) by the Issuer as soon as possible and provided to Burgundy without delay. Such information includes changes to the investment strategy, significant changes to previously disclosed information or decisions or actions issued by the

relevant regulatory authority. The disclosure of information may be delayed in accordance with applicable laws and regulations.

2.2.7 The Issuer must notify Burgundy of any change(s) to the prospectus and final terms approved by the relevant regulatory authority. Furthermore, Burgundy reserves the right to request additional information from the Issuer, if deemed necessary in order to secure that a fair, orderly and efficient trading in the Products is conducted and in order to secure that the Issuer fulfils its information obligation in accordance with the Issuer and Product Rules, applicable laws and regulations (e.g. chapter 15 and 16 in the Securities Market Act (2007:528), in Burgundy's opinion.

2.2.8 Information and announcements provided and published by the Issuer shall be clear, relevant, correct and sufficiently extensive in order for an investor to make an assessment of the affects on the price of the Product and in order to make a well grounded investment decision.

All information disclosed in accordance with the Issuer and Product Rules shall be available on the Issuer's website as soon as possible and provided to Burgundy without delay.

2.2.9 Burgundy has the right to obtain information from the Issuer as required by Burgundy in order for Burgundy to fulfill its obligations in applicable laws and regulations. Burgundy co-operates, notifies and supplies relevant information to authorities, Burgundy's auditors and other third parties as required by applicable law and regulations or by court order.

Disclosure of confidential information

2.2.10 Confidential information includes information (oral or written) disclosed by the Issuer or its employees, officers, representatives or advisers (including affiliates) to Burgundy. Confidential information is any information relating to the Issuer and that normally would be regarded as confidential, such as business relationships and clients, except where the information is already publicly available. Confidential information will be treated by Burgundy with outmost respect and such information shall not be disclosed.

2.2.11 Notwithstanding the aforementioned, Burgundy may disclose confidential information to its employees, officers, representatives or advisers, internally and within its affiliates, only on a need to know basis and only for the purposes of carrying out its business. Burgundy shall ensure that the relevant people have signed a confidentiality undertaking. Confidential information may also be disclosed by Burgundy to authorities, Burgundy's auditors and other third parties should such disclosure be required by applicable laws, regulations or by court order. Confidential information may be disclosed by Burgundy if the Issuer has given its written consent to the disclosure.

Market making

2.2.12 The Issuer undertakes, during normal market conditions, to quote bid and ask prices in the BTS for its Products on a continuous basis, reflecting the current market prices, i.e. market making. Irrespective if the Issuer quotes the bid and ask prices or if a third party quotes the bid and ask prices on behalf of the Issuer, the Issuer remains responsible that bid and ask prices are quoted in the relevant Product on a continuous basis. If the Product has been sold out, where relevant, the Issuer undertakes to quote at least bid prices for the Product.

- 2.2.13 In the event the Issuer, or the third party acting as market maker on behalf of the Issuer, ceases to quote bid and ask prices for the Product in the BTS, the Issuer must immediately provide Burgundy with details of the reason to the cessation. Information should also be published at the Issuer's website.
- 2.2.14 Changes to the market making arrangements must be notified to Burgundy without delay.
- 2.2.15 Burgundy may grant an exemption from the requirement for market making should the Product be subject to regular trading with satisfactory liquidity in Burgundy's opinion. Such exemption may be limited in time.

Recalculation and other situations

- 2.2.16 The Issuer shall, on a continuous basis, monitor the Underlying Instrument for any actions that can affect the terms and conditions of the Product. In the event there is a corporate action in the Underlying Instrument, the terms of the Product might be subject to adjustment.
- 2.2.17 The Issuer is responsible for making the necessary adjustments or recalculations of the Product in accordance with its terms and conditions. The Issuer is responsible to inform Burgundy of any adjustments and recalculations of the issued Products and must provide Burgundy with the relevant detailed recalculation information, such as adjusted strike prices, changes to multiplier etc, at the trading day before the ex-date at the latest, in order for Burgundy to make the necessary changes to the Product series in the BTS and to distribute a Burgundy News to the market in due time. The Issuer is responsible to provide Burgundy with the details to be included in the Burgundy News. Any adjustments or recalculations of the Products shall be published on the Issuer's website. In the event Burgundy does not receive the relevant information by the Issuer in time, the Product will be suspended for trading in the BTS.
- 2.2.18 If the Underlying Instrument consists of other instruments than a share, a basket of shares or an index, the same shall be applied for corporate actions which will affect the valuation of such instruments or assets.
- 2.2.19 If the Product is structured to redeem before a set pre-determined date, the Issuer is responsible to notify Burgundy as soon as the Underlying Instrument reach the set level (barrier level), in order for Burgundy to suspend the trading in the Product.

3 Product

3.1 General Requirements

- 3.1.1 The documentation to be provided to Burgundy upon a Product Application is specified in the product application form for the relevant Product. In order for a Product to be admitted to trading on the Burgundy RM upon application by the Issuer, the Product must fulfill the requirements set forth in this chapter 3.
- 3.1.2 The Product shall be freely transferable. A Product is deemed to be freely transferable if it can be traded between the parties of the transaction and subsequently transferred without restriction, and if all securities within the same class as the security in question are fungible.
- 3.1.3 The terms of the Product shall be clear and unambiguous and allow for a correlation between the price of the Product and the price or other value measure of the Underlying Instrument.

- 3.1.4 Upon a Product Application, Burgundy will assess whether a fair, orderly and efficient trading and price formation process in the Product can be foreseen and if sufficient and relevant information regarding the Product is publicly available of a kind needed to value the Product. Furthermore, Burgundy may also assess whether the information dissemination to the market is, in Burgundy's opinion, appropriate for suitable trading in the Product and for Burgundy's Trading Participants and other investors to make a well grounded investment decision. Where applicable, this includes an assessment whether the price or other value measure of the Underlying Instrument is reliable and publicly available in a way that a fair, orderly and efficient trading and price formation process can be foreseen in the Underlying Instrument, in Burgundy's opinion.
- 3.1.5 The decision whether to approve a Product for trading in the BTS upon application by the Issuer is taken by Burgundy based on the information provided by the Issuer in the Product Application. Burgundy may refuse to approve a Product to be admitted to trading in the BTS. Prospectus and final terms
- 3.1.6 A prospectus must be prepared in accordance with the Swedish Trading in Financial Instruments Act (1991:980) and be approved by Finansinspektionen. If the home member state of the Issuer is another EEA member state, the prospectus shall be prepared in accordance with the equivalent prospectus laws and regulations of that EEA member state, and approved by that EEA member state's competent authority.
- 3.1.7 The prospectus, the final terms and the marketing material where applicable, shall be provided to Burgundy by the Issuer in connection with the Product Application. The base prospectus is valid for 12 months from the time it is made public. Any changes to the registered prospectus and final terms must be provided to Burgundy as soon as it is registered, updated and approved by the regulatory authority in question.

3.2 Underlying Instrument

- 3.2.1 The following types of Underlying Instruments can be accepted by Burgundy;
- (i) Shares or other equivalent financial instruments,
 - (ii) Indices, or a basket of financial instruments,
 - (iii) Currencies,
 - (iv) Commodities,
 - (v) Interest rates
 - (vi) ETFs
 - (vii) Funds
- 3.2.2 Where the Underlying Instrument is a security, the Underlying Instrument must be continuously traded on a recognised marketplace, as reasonable determined by Burgundy, or where relevant, the price of other value measure of the Underlying Instrument must be reliable and publicly available. If the Underlying Instrument is an index, the index must be widely known and published, in Burgundy's opinion.

3.3 Clearing and Settlement

- 3.3.1 The Product must be registered with a Central Securities Depository or registrar recognized by Burgundy.

3.3.2 A warrant shall be subject to cash settlement or physical delivery of the Underlying Instrument. Burgundy will assess whether the arrangements for determining the settlement price of the warrant ensure that the settlement price properly reflects the price or the other value measure of the Underlying Instrument.

3.3.3 The type of settlement (cash settlement or physical delivery) for warrants and certificates, where relevant, shall be specified by the Issuer upon application and the type of settlement must be adequate for the Underlying Instrument.

3.4 Delisting of Products

3.4.1 Burgundy reserves the right to delist a Product at any time if the Issuer does not fulfil its obligations according to the Issuer and Product Rules and applicable laws and regulations, be in a default situation or should the Issuer breach the Issuer and Product Rules or applicable laws, regulations and industry best practice in Burgundy's opinion. Burgundy may also decide to delist a Product if the Issuer Agreement is terminated. In addition, a Product may also be delisted from trading if a fair, orderly and efficient trading and price formation process cannot longer be foreseen in the Product in Burgundy's sole determination.

3.4.2 The Issuer may apply for delisting of a Product.

3.4.3 If a Product is delisted, the last trading date and the expiration date of the Product, where applicable, need to be adjusted by the Issuer. A delisting will be announced by Burgundy and information about the delisting will be provided to Finansinspektionen.

4 Miscellaneous

4.1 Fees

4.1.1 The Issuer shall pay the fees in accordance with the applicable product price list. Burgundy reserves the right to make changes to the product price list at any time and changes to the product price list will be announced to the Issuer. Changes to the product price list enter into force at the earliest one (1) month after such announcement is distributed. A reduction in fees may enter into force at an earlier stage.

4.2 Limitation of Liability

4.2.1 Burgundy does not guarantee that the BTS or other systems and connections in use from time to time will be error free and operate without any interruption. Burgundy shall not be liable for any technical disruption, loss of connectivity of any kind, errors or interruptions in market data generated by the BTS or similar technical problems with systems or connectivity or to any damages incurred as a consequence thereof. Burgundy shall not be liable for damages or losses incurred (directly or indirectly) as a consequence to a technical problem or a decision taken by Burgundy in accordance with the Issuer and Product Rules.

4.2.2 Neither Burgundy nor the Issuer shall under any circumstances be liable for damage resulting from actions outside of their control such as actions of public authorities, legislation, war, threat of war, flood, strike, sabotage, blockade, boycott, fire, and power shortage or other equivalent or similar events outside of Burgundy's and the Issuer's control, even if Burgundy and the Issuer is the subject of such event.

4.2.3 Neither Burgundy nor the Issuer will be liable for any delay or failure in the performance of any of their responsibilities and obligations under these Issuer and Product Rules due to a situation as specified in clause 4.2.2.

4.3 Default and Sanctions

4.3.1 A default situation occurs when the Issuer no longer fulfills its obligations for being an Issuer, or there is a risk that such a situation will occur.

4.3.2 Default situations are, but are not limited to, situations whereby the Issuer no longer fulfills the eligibility criteria as specified in section 2.1 or do not oblige to the other obligations and requirements in the Issuer and Product Rules. A default situation may also occur if the Issuer no longer is suitable for being an Issuer, in Burgundy's opinion. Such a situation may occur should the Issuer be suspended from being an Issuer at other marketplaces.

4.3.3 An Issuer will also enter into a default situation should the Issuer suspend its payments, apply for a company reorganization order, be placed in bankruptcy or file its own petition for bankruptcy or the existence of other situations which indicate that the Issuer is insolvent or may become insolvent.

4.3.4 In the event an Issuer is deemed to be in a default situation, in Burgundy's opinion, Burgundy management may decide to;

(i) delist the Product from trading in the BTS. Such a decision may be taken immediately upon becoming aware of the default situation and will last as long as Burgundy deems necessary;

(ii) terminate the Issuer Agreement in accordance with section 4.4;

(iii) refer the situation to Burgundy's Disciplinary Committee.

4.4 Termination

4.4.1 An Issuer may terminate the Issuer Agreement upon three (3) months written notice to Burgundy. Burgundy, in its absolute discretion, may impose requirements on the Issuer to the extent that such requirements are necessary to ensure a fair and orderly trading of the Product admitted to trading on the Burgundy RM. Upon termination, Burgundy may, in coherence with the Issuer where relevant, decide to delist the Products.

4.4.2 The Issuer Agreement may be terminated by Burgundy upon written notice. Burgundy may also terminate the Issuer Agreement, with immediate effect, if a default situation occurs in Burgundy's opinion.

4.4.3 The Issuer is bound by the obligations imposed by the Products issued before the termination takes effect and hence, section 4.5 shall survive termination of the Issuer Agreement.

4.5 Disciplinary Matters

4.5.1 In the event an Issuer breaches or potentially breaches the Issuer and Product Rules, applicable laws, regulations and industry best practice, without being in a default situation

pursuant to clauses 4.3.1-4.3.3, the event (disciplinary matter) may be subject to an investigation by the Disciplinary Committee.

Burgundy may also report the disciplinary matter to Finansinspektionen or other relevant regulatory authority in accordance with applicable laws and regulations.

4.5.2 The disciplinary committee may impose one or more of the following sanctions;

- (i) a warning, should the breach be considered as a minor breach;
- (ii) a fine, between SEK 50,000 and SEK 2,000,000, should the breach not be deemed as a minor breach or a gross breach as per (i) and (iii),
- (iii) a termination of the Issuer Agreement should the breach be considered as a gross breach.

4.5.3 The procedures on disciplinary matters are to be found in a supplementing document, Disciplinary Committee Procedures, which can be found at Burgundy's website.

4.6 Governing Law and Dispute Resolution

4.6.1 The interpretation and application of the Issuer and Product Rules and its enforcement shall be governed by and adjudicated in accordance with Swedish law. The exclusive place of jurisdiction for any disputes arising out of and in connection with these Issuer and Product Rules shall be the Stockholm District Court as the first instance.