

TO : Nominated Advisors of the CSE Emerging Companies Market

FROM : Mr. Nondas Metaxas, CEO

SUBJECT : **Addition to paragraph 7.1.2 of the Regulatory Decision on the Markets RAA 379/2014 (as amended)**

DATE : 8 March 2016

CIRC. NO. : 01-2016

Sirs,

With regard to the listing of titles on the Emerging Companies Market (ECM), the Council of the Cyprus Stock Exchange would like to ensure that each Nominated Advisor will carry out all the necessary due diligence controls, including an anti-money laundering check, before proceeding with the submission of application for listing a company on the ECM. The checks must comprise, *a prima facie*, the members of the Board of Directors and substantial shareholders with a holding of more than 10% in the Company's share capital.

In line with the above, the Council of the Cyprus Stock Exchange has decided to amend its Regulatory Decision on Stock Exchange Markets RAA 379/2014 as follows:

1. By adding to paragraph 7.1.2 of RAA379/2014 as amended, at the end of subparagraph (a), the following provision: *“Provided that in the context of the issuer’s assessment, the Nominated Advisor must carry out all due diligence including an anti-money laundering check on the members of the Board of Directors and the substantial shareholders of the issuer. Further provided that, for the purposes of this paragraph, a substantial shareholder of the issuer is a person holding, directly or indirectly, more than 10% of the company’s issued share capital or voting rights”*.
2. By adding to Part B of Annex 10 thereof, the following new paragraph (c): *“(c) In the context of the assessment of the above issuer, the Nominated Advisor has carried out all due diligence including an anti-money laundering check on the members of the Board of Directors and the substantial shareholders of the issuer. It is noted that, for the purposes of such checks, a substantial*

shareholder of the issuer is a person holding, directly or indirectly, more than 10% of the company's issued share capital or voting rights. In case any negative information arises from such check, the Nominated Advisor must inform the Cyprus Stock Exchange accordingly, prior to the listing of the company's titles".

The above amendment has been sent for publication in the Official Gazette of the Republic and will take effect on Friday, 11 March 2016.

We remain at your disposal should you require any clarifications.

Thank you.

Yours,

Nondas Cl. Metaxas
Director General - CEO