

NASDAQ OMX Riga
ALTERNATIVE MARKET FIRST NORTH BALTIC
RULES

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I GENERAL PROVISIONS

1. Scope of application

1.1 The Rules of the Alternative Market First North Baltic (hereinafter – the Rules) of the multilateral trading facility Alternative Market First North Baltic (hereinafter – the Alternative Market) operated by the NASDAQ OMX Riga (hereinafter - the Exchange) sets out requirements and procedure for admission to trading and listing of financial instruments on the Alternative Market, requirements for financial instruments applied for and admitted to trading on the Alternative Market and their Issuers and the Certified Advisors of Issuers.

1.2. The Rules set out the procedure for trading and payments, suspension and termination of trading in financial instruments listed on the Alternative Market, surveillance by the Exchange of the compliance with the provisions hereof in order to ensure safe and uninterrupted trading in financial instruments on the Alternative Market.

1.3. The Exchange has developed and shall apply these Rules to ensure that the operation of the Alternative Market complies with the requirements of the Financial Instruments Market Law (hereinafter –the Law).

1.4. The Rules and amendments thereto shall be approved by the Management Board of the Exchange. The Exchange shall have the right to amend the Rules unilaterally upon due notification thereon to Issuers and Certified Consultants. The Rules and amendments thereto shall enter into force not sooner than on the next day following the publication thereof on the website of the Exchange, unless a later date of entering into force is specified in the approval decision.

1.5. The Management Board of the Exchange shall have the right to develop recommendations and issue instructions with the purpose to explain the Rules or to ensure the application thereof.

2. Definitions Used in the Rules

2.1. Definitions used in these Rules:

2.1.1. Alternative Market – a multilateral trading facility developed and operated by the Exchange, but which is not a regulated market for the purposes of the Law and other legal acts.

2.1.2. Issuer- a legal entity (joint stock company) which applies its financial instruments for admission to trading or whose financial instruments are admitted to trading on the Alternative Market.

2.1.3. Admission to trading - the listing of financial instruments on the Alternative Market and trading in them on the Trading System of the Exchange.

2.1.4. Certified Adviser – a legal entity that complies with the requirements set forth in these Rules and has concluded an agreement with the Exchange on servicing of Issuers and operating as a Certified Adviser on the Alternative Market.

2.1.5 Material transactions – agreements, patents and other transactions the volume of which is or exceeds 10 per cent of the Issuer's equity.

2.2. Terms not explained herein shall have the meaning defined in the Law, other regulatory acts that regulate the financial instruments market and other rules of the Exchange.

II Admission Requirements

3. Requirements for Issuers

3.1. The Issuer has to be registered and its activities shall be in compliance with the laws and other legal acts of its country of registration, its Articles of Association and these Rules.

3.2. The Issuer shall comply with these Rules and the requirements of the Law as to the procedure for public offering of financial instruments in Latvia.

3.3. The Exchange has the right not to admit to trading the financial instruments of an Issuer against which liquidation proceedings or insolvency or bankruptcy procedure or a suspension of operation has been initiated before or at the time of the submission of the application for listing of its financial instruments on the Alternative Market (hereinafter – the Listing Application) or which has had permanent solvency problems during this period.

3.4. The economic, legal or other situation or activity of the Issuer shall not jeopardise the interests of the investors and fair and equal treatment thereof.

3.5. Prior to submission of the Listing Application to the Exchange, the Issuer shall be obliged to conclude an agreement with a Certified Consultant with which the Exchange has concluded an agreement on the provision of services of a Certified Consultant to Issuers. The requirements for Certified Advisers are set out under Chapter V hereof. If the Exchange terminates the agreement with the Certified Adviser of the Issuer, the Issuer shall conclude a new agreement with another Certified Adviser within two (2) months.

3.6. The Issuer shall comply with the requirements on the disclosure of information as specified in these Rules.

4. Requirements for Financial Instruments

4.1. All types of financial instruments permitted by legal acts may be admitted to trading on the Alternative Market, taking into consideration the additional requirements set forth in these Rules.

4.2. No quantity requirements or restrictions shall apply to the financial instruments admitted to trading on the Alternative Market.

4.3. The financial instruments submitted for admission to trading on the Alternative Market shall be freely transferable and the transfer right or the right of pledging of the financial instruments may not be restricted under the Articles of Association of the Issuer.

4.4. The financial instruments submitted for admission to trading on the Alternative Market shall conform to the provisions of laws and other regulatory acts, these Rules and other rules of the Exchange, and they shall be issued in accordance with the applicable legislation and the Articles of Association of the Issuer.

4.5. Only dematerialised financial instruments may be submitted for admission to trading.

4.6. The financial instruments submitted for admission to trading shall be book-entered (registered) with the LCD or with another similar foreign central depository, register or database with which the Exchange and/or the LCD has entered into an agreement on cooperation in provision of settlements and which, in the opinion of the Exchange, adequately ensures appropriate settlements and execution of the obligations arising from transactions in securities.

4.7. All financial instruments of the same type and category shall be applied for trading on the Alternative Market. If following the listing of financial instruments on the Alternative Market

additional financial instruments of the same type and category are issued, the Issuer shall submit a Listing Application on the newly issued financial instruments in compliance with these Rules.

4.8. If the Issuer applies for listing on the Alternative Market shares the initial placement of which is not finished and the increase in equity has not been yet registered with the Commercial Register, the Exchange shall commence trading in them on the Alternative Market only following the registration of the increase in equity with the Commercial Register.

4.9. Financial instruments listed on the Alternative Market, according to the type thereof, shall be traded in individual segments of the market of the Exchange.

II Admission to Trading

5. Application for Admission to Trading

5.1. Issuer which wants to apply for admission to trading on First North Riga shall submit the following documents to the Exchange:

5.1.1. the application for the admission to trading of the financial instruments (hereinafter – the Listing Application). The Listing Application shall be submitted in the form established by the Exchange and contain all the information required by the Exchange;

5.1.2. a certified copy of the Issuer's registration certificate or a similar document which certifies the legal status of the Issuer (fact of registration);

5.1.3. a certified copy of the Articles of Association of the Issuer;

5.1.4. a copy of the decision of the Issuer's competent body on applying for admission to trading (extract from the meeting minutes);

5.1.5. an issue prospectus or prospectus (hereinafter – the Prospectus) drafted and registered in accordance with the requirements of the Law, or a Company Description if the Issuer in accordance with the Law does not have the obligation to prepare the Prospectus.

5.1.6. Issuer's annual report audited by a certified auditor or semi-annual report in accordance with the following conditions:

1) if the Issuer has been founded more than two (2) years ago- annual reports for the last two reporting periods;

2) if the Issuer has been founded less than two (2) but more than one (1) year ago – annual report and semi-annual report, if it is prepared;

3) if the Issuer has been founded less than a year (1) – semi-annual report, if it is prepared, and information on the planned further operation, specifying the planned financial results and the justification thereof;

5.1.7. A report of the Management Board of the Issuer on the business plans of the Issuer in the current and at least next reporting period. The report shall not be submitted if the relevant information is disclosed in the Prospectus or the Company Description;

5.1.8. an agreement with a Certified Adviser or an extract from the agreement where the obligations of the Issuer and the Certified Adviser are specified in accordance with the requirements set for Issuers and Certified Advisors herein.

6. Preparation of Company Description

6.1. The Issuer shall prepare the Company Description in cooperation with the Certified Adviser.

6.2. The following information as minimum shall be provided in the Company Description:

6.2.1. a description of the Issuer, including its business model, organization, competitive situation, most significant markets, most significant risk factors and the reasons for the decision to apply for admission to trading;

6.2.2. a description of the ownership structure (specifying shareholders that hold 5% and more of the Issuers voting capital) and any shareholdings in the Issuer held by members of the Management Board or Supervisory Board of the Issuer, other officials and the Certified Adviser;

6.2.3. first names and surnames and a brief biography of members of the Issuer's Management Board and Supervisory Board;

6.2.4. name and registration number of the Certified Advisor;

6.2.5. on the financial instruments applied for admission to trading on the Alternative Market: the total number, type, category and nominal value of the financial instruments, the rights attached to the financial instruments, the procedure for alienation of the financial instruments and the special alienation conditions, if any, specified in the Articles of Association of the Issuer;

6.2.6 on the Issuer's capital: total equity; if the Issuer has several categories of shares, the following shall be specified per every category: the number of issued, fully and partially paid shares, nominal value per share;

6.2.7 if financial instruments are applied for admission to trading on the Alternative Market and they are issued simultaneously with the listing thereof on the Alternative Market, the offering and subscription procedure, payment procedure and any other information connected with the issue required for the listing of the financial instruments on the Alternative Market shall be provided;

6.2.8. information on any ongoing legal proceedings or legal proceedings in previous reporting periods against the Issuer, any insolvency applications, instituted insolvency proceedings, as well as any legal proceedings in connection with fraud or other economic violations in which management board members or supervisory board members or other officials of the Issuer have been involved;

6.2.9. a description of material transactions of the Issuer, providing specific information on material transactions with persons with which the Issuer is affiliated;

6.2.10. a description of any share-based incentive programmes, extraordinary bonus programmes or similar programmes, including the market value of such programmes;

6.2.11. information on the planned further operation, specifying the planned financial results and the justification thereof;

6.2.12. any other substantial information that in any way might influence decisions of investors on buying or selling the financial instruments of the Issuer or influence their price.

6.3. The Issuer's Management Board shall be responsible for the information provided in the Company's Description. The Company Description shall contain a statement by the Management Board of the Issuer on the truthfulness of the information provided therein.

6.4. If, pursuant to the Law, the Prospectus is to be prepared and published after the Company Description has been submitted to Exchange, the Prospectus shall replace the Company Description.

7. Publication of Prospectus, Company Description and Financial Reports

7.1. The Exchange shall publish the Prospectus or Company Description and financial reports that have been submitted to it in accordance with Clause 5.1.6 hereof after the Management

Board of the Exchange has passed the decision on admission to trading of the financial instruments, however, not later than three (3) business days before the day when trading in the relevant financial instruments is commenced.

7.2. Following the submission of the Application for admission to trading to the Exchange, the Issuer shall have the obligation to inform the Exchange without delay about any circumstances that have occurred during the Admission Procedure or examination of the Application if such circumstances may affect the price of the financial instruments applied for trading and/or decisions of investors about performing transactions in them.

7.3. The Issuer shall have the obligation to inform the Exchange without delay about any circumstances that have occurred during the period between publishing the Prospectus or Company Description and the admission of the financial instruments to trading on the Alternative Market if these circumstances may affect the price of the applied financial instruments and/or decisions of investors on transactions in them. The Issuer shall be obliged to describe all such events in an annex to the Prospectus or Company Description and to submit the said annex to the Exchange in accordance with the procedure set out herein.

7.4. The Exchange shall publish without delay the information received from the Issuer in the cases referred to under Clauses 7.2 and 7.3 hereof on the website of the Exchange.

8. Admission Procedure

8.1. The purpose of the Admission Procedure is to determine the suitability of the financial instruments and their Issuer for trading on the Alternative Market.

8.2. The decision on admission of financial instruments to trading on the Alternative Market shall be taken by the Management Board of the Exchange.

8.3. The Admission Procedure shall commence as of the submission of the Application for admission to trading by the Issuer to the Exchange.

8.4. The Exchange shall have the right to disclose the fact of initiating the Admission Procedure on the website of the Exchange.

8.5. The Exchange has the right to demand that the Issuer complies, either partially or fully, with the provisions of these Rules already during the Admission Procedure.

8.6. The Admission Procedure shall be terminated:

8.6.1. if a decision to admit the financial instruments to trading has been taken;

8.6.2. if a decision to refuse the admission of the financial instruments to trading has been taken; or

8.6.3. if the Issuer has withdrawn the Application for admission to trading.

9. Decision on Admission or Refusal of Admission to Trading

9.1. The Exchange shall take a decision on admission of financial instruments to trading on the Alternative Market or on a refusal to admit them to trading on the Alternative Market within 15 business days following the initiation of the Admission Procedure, unless stipulated otherwise in the law. If the Exchange requires from the Issuer or the Certified Adviser additional information or supplementary documents in the course of the Admission Procedure, the Management Board of the Exchange shall take the decision on admission of financial instruments to trading (hereinafter - the Listing Decision) within 10 days following the submission of all the requested information and documents, but not later than within three (3) months following the submission of the Application for admission to trading.

- 9.2. Unless stipulated otherwise in the decision of the Management Board of the Exchange, the first trading day of the financial instruments on the Alternative Market shall be the sixth (6th) trading day following the adoption of the decision on admission of the relevant financial instruments to trading (including).
- 9.3. The Management Board of the Exchange shall have the right to refuse to admit Issuer's financial instruments to trading on the Alternative Market if the Issuer's financial position, market position, client structure, growth potential, field of operation, economic activities, management, reputation, future plans and other significant matters in the opinion of the Management Board of the Exchange would harm interests of investors or hinder safe and uninterrupted operation of the Alternative Market.
- 9.4. The Exchange shall send to the Issuer a notification on the decision to admit its financial instruments on the Alternative Market or a refusal thereof without delay. The Exchange shall have the right to publish information on its decision on the website of the Exchange.
- 9.5. If the Management Board of the Exchange has refused to admit Issuer's financial instruments to trading on the Alternative Market, the written notification thereon shall also include the reasons for the refusal.

10. Agreement on Admission of Financial Instruments to Trading

Within five (5) business days following the for Admission to trading decision, the Issuer, if its financial instruments are admitted to trading on the Alternative Market for the first time, shall be obliged to conclude a written agreement with the Exchange on admission to and trading of the financial instruments on the Alternative Market (hereinafter – the Trading Agreement), which stipulates the obligation of the Issuer to comply with the rules. The Exchange shall not commence trading in the Issuer's financial instruments unless the said agreement has been concluded.

IV Suspension and Termination of Trading

11. Suspension of Trading upon Issuer's Initiative

- 11.1. The Issuer shall have the right to submit to the Exchange a written application on suspension of trading in the financial instruments issued by it.
- 11.2. In the application, the Issuer should specify in detail the reason for the suspension of trading and the planned duration and conditions of suspension of trading.
- 11.3. The decision on suspension of trading shall be taken by the Management Board of the Exchange, specifying in it the duration of suspension and the conditions on the basis on which the decision has been taken.

12. Suspension of Trading upon Exchange's Initiative

- 12.1. In extraordinary circumstances, the Exchange may suspend trading in an Issuer's financial instruments in order to protect the interests of investors. For the purposes of this Clause, extraordinary circumstances shall mean price volatility, anticipation of disclosure of information that may have a significant effect on the price of the financial instrument, as well as other situations, circumstances or conditions that may prevent fair and transparent trading.
- 12.2. The Exchange shall have the right to suspend trading in financial instruments in the following cases:
 - 12.2.1. if the Issuer has taken a decision on payments (dividends, interest or other payments) to its shareholders or bond holders, but the payments have not been made. In this case,

the trading shall be suspended till the relevant payments are made;

- 12.2.2. if the Issuer has filed an insolvency application or calls a meeting to take a decision on its liquidation;
- 12.2.3. if the Issuer violates these Rules or the established practice and in that way a fair formation of the price of the financial instruments in accordance with the requirements set by the Exchange is hindered.
- 12.3. The Management Board of the Exchange shall resume trading in relevant financial instruments as soon as the circumstances on which the suspension decision was based are eliminated.
- 12.4. The Exchange shall inform without delay the Issuer on the decision to suspend or resume trading in its financial instruments. The Exchange shall without delay publish the decision to suspend or resume trading in the Issuer's financial instruments also on the website of the Exchange.
- 12.5. As a rule, suspension of trading may not last longer than six (6) months. If suspension of trading has lasted longer than 6 months and the Issuer has not taken measures to eliminate the circumstances on which the suspension was based or if the measures taken by the Issuer have not eliminated these circumstances, the Management Board of Exchange may decide on termination of trading in the Issuer's financial instruments.
- 12.6. The Exchange may suspend trading in the Issuer's securities for the time of the Issuer's shareholders meeting or a press conference at which it is planned to take any decisions or announce any information that may have a significant effect on the price of the relevant financial instruments as from the beginning of such an event until the taken decisions or other important information are made public.
- 12.7. The Exchange may suspend trading in the Issuer's financial instruments if the information published by the Issuer on the website of the Exchange and that may have a significant effect on the price of the financial instruments contains obvious errors or has to be revised or checked due to any other reason. In the said case, the Exchange may extend the suspension of trading for the period necessary for Exchange members and investors to get familiar with the information following its publishing on the website of the Exchange.

13. Termination of Trading upon Issuer's Initiative

- 13.1 The Issuer shall have the right to request the Exchange to terminate trading in its financial instruments on the Alternative Market if the Issuer's shareholders meeting has taken a decision to terminate the trading with the Issuer's financial instruments on the Alternative Market. If the Issuer is planning to include the decision on termination of trading of its financial instruments on the Alternative Market on the agenda of its shareholders meeting, the Issuer shall be obliged to publish this information immediately in accordance with the procedure set forth herein.
- 13.2. The Exchange shall commence examining the matter of termination of trading of the Issuer's financial instruments on the Alternative Market following the receipt of a written application, to which an extract on the vote of the shareholders on this matter from the minutes of the shareholders meeting should be appended, from the Issuer
- 13.3. The Management Board of the Exchange shall have the right to decline the application if it finds that the termination of trading would materially harm (jeopardise) the interests of investors or give a part of the shareholders an unfair advantage over other shareholders or allow for unfair profit for a part of the shareholders on account of other shareholders.

- 13.4. The Management Board of the Exchange shall take the decision on the approval or rejection of the application on termination of trading within twenty (20) business days of the receipt of the relevant application. If the Exchange requests additional information from the Issuer in the course of processing the application, or if a check-up case has been initiated against the Issuer in relation to violations of these Rules, or if some other significant circumstances related to the Issuer have occurred, the Management Board of the Exchange shall make the decision within sixty (60) business days following the receipt of all the additional information from the Issuer or the closing of the check-up case or disclosure of other significant circumstances related to the Issuer, however not later than within sixty (60) business days following the submission of the application on termination of trading.

V Certified Advisers

14. Requirements for Certified Advisers

- 14.1. These Rules stipulate the minimum requirements which a person should comply with in order to be granted the status of a Certified Adviser on the Alternative Market. In addition to the said obligations, a Certified Adviser may be subject to other statutory or regulatory obligations in the jurisdiction in which it is registered and operates.
- 14.2 The status of a Certified Adviser may be granted to a legal entity that is registered in the Republic of Latvia or any other EU Member State and that conforms to the requirements set out herein and has concluded an agreement on the provision of services of a Certified Advisor with the Exchange.
- 14.3. In order to be granted the status of a Certified Adviser on the Alternative Market, applicants should conform to the following minimum requirements:
- 14.3.1. be able to document at least two (2) years' experience in providing consultancy services regarding the capital structure and operation strategy of companies, acquisitions and sales of companies or related consultancy services;
- 14.3.2. have at least two employees who have documented relevant experience in the sphere of financial consulting sufficient to be able to provide the services of a Certified Advisor;
- 14.3.3. the employees referred to under Clause 14.3.2 hereof, prior to the examination of the application on granting the status of a Certified Advisor, shall have attended the seminar organised by the Exchange on these Rules and other requirements set forth by the Exchange ;
- 14.3.4. the applicant shall have developed and approved internal rules regarding the procedure whereby the Certified Adviser and its employees perform transactions with financial instruments of the Issuers to which the Certified Adviser provides its services. The said internal rules shall contain the provision that those employees who are directly involved in the provision of services of the Certified Adviser to an Issuer may not trade in the financial instruments of that Issuer;
- 14.3.5. the applicant shall have developed and approved internal rules regarding the procedures and routines of treating confidential information and avoiding conflicts of interest;
- 14.3.6. the applicant shall have developed and approved internal regulations on safekeeping and managing of documents and information in relation to its operation as a Certified Adviser;
- 14.3.7. the applicant shall have provided the Exchange with a written confirmation to comply with the requirements set for Certified Advisors and fulfil the obligations of a Certified

Adviser as set forth herein in good faith;

- 14.3.8. the applicant may not hold more than 10% of shares of the Issuers to which the Certified Advisor provides consultations.
- 14.4. The application on granting of the status of a Certified Adviser shall be submitted to the Exchange in the form established by it and contain all the information and appendices requested by the Exchange.
- 14.5. The Management Board of the Exchange shall take the decision on granting the status of a Certified Adviser within fifteen (15) business days of the receipt of the application and all the required documents.
- 14.6. The Exchange shall publish the list of Certified Advisers on the website of the Exchange.

15. Obligations of Certified Advisers

- 15.1. Certified Advisers shall cooperate with the Exchange and make the best effort to ensure that Issuers fulfil the requirements under these Rules properly and in due time, including the obligation to disclose information in order to ensure the quality and transparency of trading as required on the Alternative Market.
- 15.2. Certified Advisers shall assist Issuers in the Admission Procedure and make the best effort to ensure that the Issuer's documents and activities conform to the requirements of these Rules;
- 15.3. Certified Advisers shall provide the Exchange without delay with all and any information requested by the Exchange on their operation as a Certified Adviser, inter alia information on any connections with an Issuer (including information on holdings of the Certified Adviser in an Issuer's equity and on any other affiliations).
- 15.4. Certified Advisers shall put the best effort to avoid conflicts of interest that may arise or have arisen in providing the services of a Certified Advisor.
- 15.5. Certified Advisers shall ensure that no confidential or other undisclosed information on Issuers is disclosed, unless the disclosure of such information is required by duly authorised persons pursuant to regulatory acts.
- 15.6. Certified Advisers shall follow any amendments hereto and inform the relevant Issuers thereon and ensure that the Issuers comply with them in their operation.
- 15.7. Certified Advisers shall be obliged to perform at least the following functions:
 - 15.7.1. to ensure that, as of the submission of the Listing Application, the Issuer conforms to the requirements for Issuers and their financial instruments as set forth herein;
 - 15.7.2. ensure that the Issuer signs the Trading Agreement, thus confirming that it undertakes to comply with the requirements of these Rules;
 - 15.7.3. to ensure that the Prospectus or Company Description as well as other documents to be submitted in the course of the Admission Procedure are prepared and submitted to the Exchange in accordance with the requirements set out herein;
 - 15.7.4. to control the Issuer on a regular basis in order to ensure that the Issuer and its financial instruments throughout the period of listing thereof on the Alternative Market conform to the requirements specified herein;
 - 15.7.5 to control on a regular basis and make the best effort to ensure that the Issuer complies with the requirements on disclosure of information and other requirements as specified herein;

- 15.7.6. to inform the Exchange without delay on all and any violations of these Rules conducted by the Issuer, requesting, if necessary, explanations from the Issuer and submitting them to the Exchange without delay;
- 15.7.7. to ensure that during the agreement on the provision of services of a Certified Adviser at least one of the employees referred to under Clause 14.3.2 hereof is appointed as a contact person for communication with the Exchange and the Issuer to be able to provide the required information, documents or explanations.
- 15.7.8. to document and safely keep all and any information relating to its operation in the status of a Certified Adviser.

16. Agreement by and between the Certified Adviser and the Issuer

- 16.1. The Certified Adviser and the Issuer to which it provides the services of a Certified Adviser shall conclude a written agreement. The agreement should stipulate at least the obligations of the Issuer and the Certified Adviser specified herein.
- 16.2. In the agreement, a detailed division of the duties and obligations between the Certified Adviser and the Issuer may be stipulated, but nevertheless both parties shall remain fully responsible for the compliance with the requirements set forth herein.
- 16.3. The Certified Adviser shall give to the Issuer a six (6) months notice of termination of the Agreement specified in Clause 16.1 hereof. The Issuer and the Certified Adviser shall inform the Exchange on their intention to terminate the Agreement without delay. In the event of a breach of the Agreement or its termination due to a breach thereof, the notice of the one party to the other party shall be sent to Exchange immediately.

17. Information to be Provided to the Exchange by Certified Advisers

- 17.1. The Certified Adviser shall, on a semi-annual basis, provide the Exchange with a statement of ownership in those Issuers to which it provides the services of a Certified Advisor. The statement of ownership shall be submitted not later than the Issuer's semi-annual report and the unaudited annual report.
- 17.2. The Certified Adviser shall notify the Exchange of any change that affects the Certified Adviser's ability to perform its functions, including any disciplinary proceedings, change in personnel and/or organisation and any circumstances that might give rise to concern regarding the independence of the Certified Adviser or any conflict of interest vis-à-vis the Issuer. The Certified Adviser shall report on any changes in its personnel and organisation to the Exchange in the form established by Exchange.
- 17.3. The Certified Adviser shall notify the Exchange immediately on any circumstances that might necessitate a suspension of trading in financial instruments of the Issuer.

18. Surveillance of Certified Advisers

- 18.1. The Exchange has the right to control the operations of Certified Advisers to make sure that they completely comply with the requirements set out herein. The Exchange shall have the right to request from Certified Advisers any information and documents on their operation and obligations in the status of a Certified Adviser or any other information it needs for supervision activities, including information on an Issuer. Certified Adviser shall be obliged to provide the Exchange with immediate access to all the information and documents that the Exchange deems necessary in order to assess the compliance of the Certified Adviser to these Rules.
- 18.2. The Exchange shall not disclose any information obtained during the performed surveillance activities to unauthorised persons, unless it is required under the law.

VI Disclosure of Information

19. General Requirements on Disclosure of Information

- 19.1. The Issuer shall be obliged to disclose accurate information that is connected directly or indirectly with the Issuer or its financial instruments listed on the Alternative Market and that has not been publicly disclosed and the disclosure of which would materially influence the price of the financial instruments issued by it. For the purposes of these Rules, accurate information shall mean information that indicates of any existing or future totality of circumstances or an actual or possible event and is sufficiently specific to allow making conclusions on the possible affect of such totality of circumstances or event on the price of the relevant financial instruments. For the purposes of these Rules, information the disclosure of which may materially affect the price of the financial instruments issued by the Issuer shall mean information that an average investor would most likely use in taking decisions on buying or selling financial instruments.
- 19.2. Up to the moment of disclosure of the information referred to under Clause 19.1 hereof in accordance with the procedure set out herein, it shall be considered insider information. The Issuer shall be obliged to comply with the requirements on the use of insider information as set out in Section 20 hereof.
- 19.3. The Issuer shall have the obligation to disclose the information referred to under Clause 19.1 hereof and any other information specified herein (hereinafter – Material Information) in accordance with the procedure and within the time limits specified in these Rules.
- 19.4. The information disclosed by the Issuer shall be accurate, precise, exact and unambiguous, its contents may not be misleading, and it shall include everything that may affect the subject matter or significance of the information. If the information already disclosed by the Issuer is being altered, the Issuer shall submit without delay a notice about the alterations to the Exchange.
- 19.5. The Exchange shall have the right to demand that the Issuer provides commentaries and/or further information on the information disclosed by it, as well as to demand that the Issuer discloses any information that has not been publicly disclosed but which, in the opinion of the Exchange, is of significance for the protection of the rights of investors.
- 19.6. If the Issuer considers that the information requested by the Exchange or the information to be disclosed in compliance with these Rules comprises its business secrets or that the disclosure of such information may otherwise damage the interests of the Issuer, the Issuer may request the Exchange not to publicly distribute such information. In the request to the Exchange, the contents of the relevant information and a justified explanation of the reasons due to which the Issuer does not want to publicly disclose the information shall be specified. In case the Exchange allows an exception in relation to the relevant information, the Issuer shall be obliged to inform the Exchange about any results or changes in relation to the circumstances remained not published.
- 19.7. The Issuer shall ensure that all and any Material Information it plans to disclose to holders of its financial instruments (e.g. disclosing it at the shareholders meeting) is disclosed in accordance with the procedure set out herein not later than it is disclosed to holders of the relevant financial instruments.
- 19.8. If in accordance with the agreement between the Issuer and the Certified Adviser the latter has the right to examine and/or approve the Material Information of the Issuer prior to publishing, a note shall be made on it when publishing the Material Information. The Certified Adviser shall not be directly responsible for the contents of

the information to be disclosed unless it holds complete and clear data thereon.

- 19.9. For the communication with the Exchange, the Issuer shall appoint a contact person who is able to provide commentaries, information and explanations on the operation of the Issuer or the disclosed information. The Issuer may agree with the Certified Adviser that the said duty is performed by the contact person of the Certified Issuer, ensuring that he/she receives all the information and documents required to prepare the information to be provided in due time and manner. The Issuer shall notify the Exchange and the Certified Adviser without delay on the change of the said contact person.
- 19.10. The Issuer shall have the obligation to carefully examine, on a regular basis, all developments and changes in the economic activity of the Issuer in order to evaluate what information in compliance with the requirements of these Rules is to be disclosed immediately.
- 19.11. If the circumstances referred to in Clause 20.2 hereof have occurred and the Issuer needs additional time to prepare the information to be disclosed, the Issuer shall without delay notify the Exchange about the Issuer's intention to disclose material information shortly, describing in the notification briefly the event due to which it is planned to disclose the information. If the Exchange considers that the relevant information may cause significant fluctuations in the price of the financial instruments of the Issuer, the Exchange may temporarily suspend trading in the relevant financial instruments until the Issuer discloses the particular information to a full extent.

20. Use of Insider Information and Insiders

- 20.1. The Issuer shall ensure that no insider information is disclosed to unauthorised persons, inter alia not disclosed in interviews, commentaries or in any other way, before it is disclosed publicly in accordance with the procedure set out herein on the website of the Exchange. Persons who are considered to be authorised to receive insider information are persons who are included in the insider list of the Issuer and persons whose rights to receive such information are stipulated in regulatory acts.
- 20.2. If the Issuer learns that insider information has been accessible to unauthorized persons before public disclosing thereof, the Issuer shall without delay disclose such information in accordance with these Rules.
- 20.3 For the purposes of these Rules, insiders are persons who have learnt the insider information:
 - 20.3.1. in performing the tasks of a member of the Issuer's supervisory council or management board;
 - 20.3.2 in performing the tasks of the Certified Adviser of an Issuer;
 - 20.3.3. in performing their professional tasks as Issuer's employees or on any other contractual or legal basis.
- 20.4. The Issuer shall have the obligation to develop internal regulations regarding the procedure whereby the persons included on the insider list may perform transactions with the financial instruments of the Issuer. In the said internal regulations, in addition to other requirements, the Issuer shall be obliged to include the provision that insiders are obliged to notify the Issuer on all and any transactions in financial instruments of the Issuer performed by them. In the notification about a transaction concluded by an insider, as minimum the following information shall be included: insider's first name and surname, number of financial instruments obtained or alienated in the transaction,

transaction price and date.

20.5. The Issuer shall be obliged to draw up its insider list, in which as minimum the following information shall be included:

20.5.1 insider's first name, surname and identity No.;

20.5.2 insider's position or the justification (contractual or legal) for the listing of the person on the insider list;

20.5.3. date of inclusion in the list and removal from the list;

20.6 The Issuer shall be obliged to disclose to the Exchange information on transactions performed by its insiders not later than on the next business day following the receipt of such information from the insider.

20.7 The Issuer shall have the obligation to submit to the Exchange, upon its request, the insider list as well as the internal regulations referred to under Clause 20.4 hereof.

21. Procedure of Disclosure of Information

21.1. For the purposes of these Rules, information is to be deemed disclosed when it is published on the website of the Exchange.

21.2. The obligation of the Issuer shall be to immediately disclose all and any Material Information to the Exchange. When sending the Material Information to the Exchange, the Issuer shall send it also to its Certified Adviser.

21.3. The Issuer shall be obliged to disclose information to the Exchange electronically in compliance with the procedure established by the Exchange.

21.4. The Exchange shall publish immediately the information received from the Issuer on the website of the Exchange, except the case referred to in Clause 19.6.

21.5 If the Issuer discloses the Material Information also by means of any other sources of information, it shall provide that information also to the Exchange prior to or simultaneously with disclosing it by means of other sources of information.

21.6. All notifications sent by the Issuer to the Exchange shall be made in Latvian or English.

22. Financial Reports and Forecasts of Financial Results

22.1. Preparing of Reports

22.1.1. The Issuer shall prepare financial reports using calculation charts and methods that conform to the accounting standards of the Issuer's country of registration or the International Financial Reporting Standards (IFRS), including in its financial reports also the information specified herein.

22.1.2. The Issuer shall have the obligation to provide financial reports in the form of a comparable table, comparing the data in accordance with the requirements of the accounting or financial reporting standards it uses in making financial reports.

22.1.3. If the Issuer changes the calculation scheme or methods used in the preparation of financial reports, the Issuer shall comment these changes in the notes to the reports, indicating the reasons for the changes and their impact on the result of the current period and the previous period used for comparing.

22.1.4. If the annual report approved by the shareholders meeting is different from the report sent to the Exchange and published on its internet homepage, the Issuer shall send it to

the Exchange on the next day following the approval thereof by the shareholders meeting.

22.2. Annual Reports

22.2.1. The Issuer shall submit to the Exchange the audited and approved by the shareholders meeting annual report not later than on the day on which, in accordance with the regulatory acts of the registration country of the Issuer, the annual report is to be audited and/or approved.

22.2.2. The Issuer shall submit the statement of a certified auditor together with the annual report.

22.3. Financial Reports

22.3.1. The obligation of the Issuer shall be to submit to the Exchange financial reports on 6 and 12 months of the reporting year (hereinafter both referred to as financial reports).

22.3.2. A financial report as a totality consists of the balance sheet, profit or loss statement, cash flow statement, statement of changes in equity and notes. In the financial reports for a period of 6 months, also the management statement about the economic activity of the Issuer shall be included.

22.3.3. If the financial report has been audited by a certified auditor who has prepared a statement on it, the Issuer shall append the statement of the certified auditor to the respective financial report.

22.3.4. The Issuer shall have the obligation to disclose without delay the financial report after its approval by its management board, however, not later than within two (2) months of the end of the relevant reporting period.

22.3.5. The information provided in financial reports shall be sufficiently detailed to ensure a clear view on the operational and financial results of the Issuer in the relevant reporting period.

22.4. Forecasts of Financial Results

22.4.1. If the Issuer forecasts and publishes its financial results for the next reporting period or periods, the Issuer shall provide a description of the circumstances and assumptions on which the forecasts are based.

22.4.2. If after publicising the Issuer's forecasts of financial results the Issuer establishes or there is a reason to consider that the forecasts would differ from the actual financial results of the relevant period for more than 10%, the Issuer shall immediately disclose to the Exchange the information about the current situation and explain the causes of such deviations of the forecasts.

23. Changes in Issuer's Business or Management

23.1. The Issuer shall have the obligation to disclose information on changes in the composition of its management board or supervisory board, change of its auditor or Certified Adviser, and on signature or termination of agreements with a market maker.

23.2. The Issuer shall disclose without delay all and any circumstances and events that have materially affected or might materially affect the Issuer's business or financial standing. The said circumstances and events are, for example:

23.2.1. a conclusion, breach or cancellation of agreements significant for the Issuer, material violations of agreements permitted by the Issuer or against the Issuer;

23.2.2. entering or losing markets for new products or services;

- 23.2.3. the initiation of reorganisation of the Issuer, or proposals to the Issuer on takeover, Issuer's opinion on the affect of the reorganisation or the takeover proposal on further economic activity of the Issuer.
- 23.2.4. a change of the Issuer's business field.
- 23.3. The Issuer shall be obliged to publicise information on material transactions, including in it the following:
 - 23.3.1. a description of the transaction and its influence on the business and financial results of the Issuer;
 - 23.3.2. the amount payable or receivable in the result of the transaction, including amounts receivable or payable in the next periods.

24. Shareholders Meeting

- 24.1. The Issuer has the obligation to disclose without delay the information about the decision to call a shareholders meeting, its date, place, the agenda of the meeting and other circumstances. If an extraordinary shareholders meeting is called, the Issuer shall provide also the reasons for and the initiators of the extraordinary shareholders meeting.
- 24.2. The Issuer shall without delay, however not later than the next business day after the shareholders meeting, disclose all decisions adopted by the meeting.
- 24.3. The Issuer shall disclose without delay the information about a decision of the management board or supervisory board of the Issuer to propose to the shareholders meeting a payment of dividends.
- 24.4. If the proposal to pay dividends is planned, the Issuer shall specify in the disclosed information at least the record date and the planned amount of dividend per share.

25. Changes in Equity

- 25.1. The Issuer shall disclose without delay the information about a decision of the management board or supervisory board of the Issuer to propose to the shareholders meeting a change in equity.
- 25.2. If the equity is increased by issuing new shares, in addition to the information required in the Commercial Law, the following information shall be included in the rules of equity increase:
 - 25.2.1. the record date, in order to determine the shareholders which have pre-emptive rights to the shares of the new issue, if such pre-emptive right has been stipulated in accordance with regulatory acts, Issuer's Articles of Association or the rules of equity increase;
 - 25.2.2. information about the financial year as from which the newly issued shares benefit from profit distribution;
 - 25.2.3. if a placement agreement has been signed or is to be signed with a provider of investment services on primary placement of the shares (full underwriting or best efforts basis), a description of the key provisions of the agreement;
 - 25.2.4. the date of payment for the subscribed shares;
 - 25.2.5. a description of the solutions of possible under subscription or oversubscription.
- 25.3. Following a decision on equity increase by the shareholders meeting, the Issuer shall submit the rules of equity increase to the Exchange or, if necessary, the Prospectus or the Company Description. The Issuer shall submit the said documents not later than the next business day following the approval or the registration thereof with the relevant

Issuer's or government institution.

25.4 If in accordance with these Rules or the rules of equity increase it is planned to list the newly issued shares on the Alternative Market, the Exchange, following the receipt of the Application for admission to trading and other required documents from the Issuer, shall commence the Admission Procedure.

25.5. If the equity is reduced, in addition to the information required in the Commercial Law, the following information shall be included in the rules of equity decrease:

25.5.1. the record date as of which the shareholders which/who will take part in the reduction of the share capital;

25.5.2. if the share capital is reduced by cancelling issued shares, the number of shares to be cancelled and a description of the principles of calculation.

25.6. Following the decision on equity reduction taken by the Issuer's shareholders meeting, the Issuer shall publicise the decision in accordance with the procedure set out herein together with the rules of equity reduction.

26. Listing on a Regulated Market or another Multilateral Trading Facility

The Issuer shall have the obligation to disclose information about its intention to seek for admission to trading of its financial instruments on another MTF or a regulated market, about the approval or rejection of such application, and also about listing or delisting of its financial instruments on/from another MTF or a regulated market.

VII Trading and Settlement Rules

27. General Provisions

Transactions with financial instruments admitted to trading on the Alternative Market shall be concluded within the Trading System of the Exchange. The procedure of transactions with financial instruments listed on the Alternative Market and the payment therefor shall be the same as the procedure of trading and settlements on the Regulated Market organized by Exchange in accordance with the NASDAQ OMX Riga Member Rules and the Rules on Cash Clearing and Financial Instrument Settlement, unless a different procedure is set forth herein in relation to a particular operation.

28. Publication of Trading and Settlement Rules

The NASDAQ OMX Riga Member Rules and the Rules on Cash Clearing and Financial Instrument Settlement and amendments thereto are available on the website of the Exchange.

29. Access to the Alternative Market

Transactions within the Trading System of the Exchange in financial instruments listed on Alternative Market may be performed only by entities which have obtained the Exchange member status in accordance with the NASDAQ OMX Riga Member Rules.

30. Trading Hours

The trading hours are specified on the website of the Exchange.

VIII Surveillance

31. General Provisions

For the purposes of these Rules, the term "Surveillance" shall mean the surveillance exercised by the Exchange over the Issuers and Certified Advisers in compliance with the provisions of these Rules.

32. Obligations and Rights of the Exchange in Performing surveillance

- 32.1 The Exchange, within its competence, shall perform day-to-day surveillance over the operation and activities of Issuers and their compliance with the requirements hereunder and decisions, instructions and recommendations of the Exchange.
- 32.2. In performing its obligations, the Exchange shall have the right to:
- 32.2.1. demand that the Issuer eliminates all and any violations of the provisions of these Rules;
- 32.2.2. request from Issuers and Certified Advisers any information and documents required to assess the compliance of the Issuer and Certified Adviser with the requirements set forth herein and the compliance of the financial instruments of the Issuer with these Rules, to assess whether the restrictions and prohibitions set for insiders are complied with in transactions with Issuer's financial instruments, and any other information necessary for the Exchange in order to evaluate whether the Issuer and its activities comply with the provisions of the Law and these Rules.
- 32.2.3. request information about shareholders and members of the Management Board and Supervisory Board of the Issuer;
- 32.2.4. copy and make excerpts of the documents and information provided by Issuers and Certified Advisers.
- 32.3. The Exchange establishes the obligation of all employees and representatives of the Exchange, including members of the Management Board and the Supervisory Board, to keep confidential, for an unspecified term, all the information received in connection with exercising surveillance over the activities of Issuers and Certified Advisers. This obligation shall not apply to information that is publicly available as well as information subject to publication under the provisions of legislation or the Rules of the Exchange.

33. Obligations and Rights of Certified Advisers in Performing Surveillance

- 33.1. The Certified Adviser shall exercise day-to-day surveillance over the operation and activities of the Issuers serviced by it and their compliance to these Rules. The scope of authorities of the Certified Adviser shall be regulated by the agreement between the Certified Adviser and the Issuer.
- 33.2. In performing their tasks, Certified Advisers have the right to demand from Issuers information and documents required to assess the ability of the Issuer to comply with these Rules and the compliance of the financial instruments of the Issuer with these Rules.
- 33.3. Certified Advisers shall inform the Exchange without delay on any detected violations or incompliance in the activities of Issuers as well as any suspicions thereon.
- 33.4. Certified Advisers shall establish the obligation of all their employees and representatives to keep confidential, for an unspecified term, all the information received in connection with the relevant Issuers and exercising supervision over the activities of the Issuers. This obligation shall not apply to information that is publicly available as well as information subject to publication under these Rules.

34. Surveillance Activities Applied on Issuers

34.1. Inspections

- 34.1.1. The Exchange may, in the case of reasoned doubt, demand that the Issuer performs an internal inspection at its own expense to check the compliance of certain transactions, documents and/or activities with the provisions of these Rules. If the Issuer does not perform the internal inspection as requested by the Exchange within the specified time

limit, authorised employees of the Exchange shall be entitled to carry out the inspection.

34.1.2. The Issuer shall be obliged to produce all and any documents requested by the authorized employees of the Exchange in connection with the objective of the inspection.

34.1.3. If it is established that the inspection requested by the Exchange is not justified, the Issuer shall be entitled to request that the Exchange partially covers the expenses incurred in connection with the inspection. The Management Board of the Exchange shall decide on the compensation of the said expenses.

34.2. Placing on the Surveillance Status

34.2.1. The Exchange shall have the right to place Issuers on surveillance status with the purpose to attract the attention of the market participants to some significant circumstance regarding a particular Issuer or its financial instruments.

34.2.2. Issuers shall be placed on surveillance status in the following cases:

1) a liquidation, insolvency or bankruptcy procedure has been instituted against the Issuer, or the Issuer itself has instituted liquidation procedure;

2) there are legal proceedings regarding a case which may materially influence the Issuer or its further activity, or a procedure has been instituted that may materially influence the Issuer's further activity;

3) if the Issuer repeatedly, permanently or materially violates the requirements under these Rules;

4) it is proposed to terminate trading with Issuer's financial instruments on the Alternative Market or to suspend trading in them, or it is planned to do the same within the next six (6) months;

5) Issuer's shareholders have received a proposal to buy the Issuer's shares held by them (proposal of Issuer's takeover) or information on the intentions to make such proposal has been distributed;

6) the agreement by and between the Issuer and the Certified Adviser has been terminated;

7) if the Issuer has not paid the listing fee within the time limit and in the amount specified by the Exchange and the payment is overdue for more than 6 months.

8) any other circumstances that the Exchange deems to be material for investors and that may influence the interests of investors have taken place.

34.2.3 The decision on placing the Issuer on surveillance status shall be adopted by the Management Board of the Exchange.

34.2.4. After the adoption of the decision on placing on surveillance status, the Exchange shall inform the Issuer and the Certified Adviser without delay thereon, describing the circumstances justifying the decision as well as publish the said information on the website of the Exchange. If the Issuer has provided the Exchange with explanations or commentaries on the relevant circumstances due to which the surveillance status was applied, the Exchange shall publish them on its website.

34.2.5. The Exchange shall cancel the surveillance status without delay as soon as the relevant circumstances have been eliminated.

35. Surveillance Activities Applied on Certified Advisers

35.1. Right to Demand Inspections

The Exchange may in the case of reasoned doubt demand that the Certified Adviser carries out an internal inspection in order to control the compliance of certain transactions, documents and/or activities with the provisions of these Rules, and the Certified Adviser shall submit, upon first demand of the Exchange, all the documents relating to the purpose of inspection.

35.2. Termination of Agreements with Certified Advisers

35.2.1. The Exchange may terminate the agreement with a Certified Adviser if it does not comply with the requirements of these Rules or if its operations have caused damage, including intangible, to an Issuer or the Exchange.

35.2.2. The decision on the termination of an agreement with a Certified Adviser shall be taken by the Management Board of the Exchange, taking into consideration the interests of investors and the relevant Issuers, providing the Issuers with a possibility to find a new Certified Adviser within reasonable time.

35.2.3. The fact of termination of the Agreement between the Exchange and the Certified Adviser shall be notified by the Exchange to the relevant Certified Adviser and its Issuers immediately, including in the notification the reason for this decision. The Exchange shall publish information on the decision to terminate the agreement with the Certified Adviser on the website of the Exchange.

IX Sanctions

36. General Provisions

36.1. If the Issuer has violated the requirements of these Rules, regulatory acts and general good practice of the financial instruments market, the Exchange shall have the right to issue instructions mandatory for the Issuer or apply the sanctions specified herein or other restrictions to the Issuer.

36.2. If a Certified Adviser or its employees violate the requirements set forth in these Rules or the general good practice of the financial instruments market, the Exchange may issue instructions mandatory for the Certified Adviser or apply the sanctions specified herein as well as terminate the Agreement with the Certified Adviser.

36.3. Decisions on the application of sanctions shall be taken by the Management Board of the Exchange.

37. Issuing a Warning

37.1. The Exchange shall have a right to issue a warning to the Issuer if it violates the requirements as to disclosure of information set out herein or fails to comply with any other obligation specified herein any instructions issued by the Exchange in accordance with these Rules.

37.2 The Exchange shall notify the relevant Issuer on issuing a warning, specifying the reason therefor.

37.3. The Exchange shall have the right to publish a notice on issuing a warning and the reasons therefor on its website.

38. Termination of Trading

38.1. If the financial instruments admitted to trading on the Alternative Market do not comply

with the applicable requirements and conditions hereunder any more, or if their Issuer has repeatedly or materially violated the provisions of these Rules or other Rules of the Exchange or legal acts regulating the financial instruments market, or if ordinary trade in the Issuer's financial instruments on a regular basis is no longer possible due to any other reason, the Exchange may adopt a decision on the termination of trading in the Issuer's financial instruments.

- 38.2. In addition to the cases referred to under Clause 38.1 hereof, the Exchange shall be entitled to terminate trading in Issuer's financial instruments also in the following cases:
- 38.2.1 if the Issuer has not concluded an agreement with another Certified Adviser within six (6) months from the termination of the agreement with the previous Certified Adviser;
- 38.2.2. in case of initiating insolvency proceedings against the Issuer or if a liquidation procedure has been instituted;
- 38.2.3. if the Issuer has not paid the listing fee to the Exchange within the specified timeframe.
- 38.3. prior to deciding on termination of trading, the Exchange shall inform the Issuer on the intention to terminate trading in its financial instruments and give the Issuer an opportunity to provide written explanations on the circumstances due to which the matter of termination of trading in its financial instruments is to be examined. The Exchange shall have the right to invite members of the Issuer's Management Board to the meeting of the Management Board of the Exchange in order to discuss the circumstances on the grounds of which the termination of trading will be decided, or discuss with the Issuer the measures to be taken to prevent the failures, as well as to give the Issuer a possibility to provide verbal explanations. The Exchange may set a deadline for the elimination of failures or for the submission of a plan to that effect.
- 38.4. In its decision to terminate trading in financial instruments, the Management Board of the Exchange shall specify the date as from which the trading is to be terminated. When deciding on the last day of trading, the Management Board of the Exchange shall take into account the interests of investors.
- 38.5. The Exchange shall immediately notify the Issuer in writing on the adoption of a decision to terminate trading in Issuer's financial instruments. The notice shall contain a description of the circumstances on which the termination decision is based.
- 38.6. The Exchange shall immediately publish the decision to terminate trading in Issuer's financial instruments also on its website.

39. Imposing of Fines

- 39.1. The Exchange shall have a right to impose a penal fine on the Issuer or the Certified Adviser if it materially or repeatedly within 12 months has violated the requirements set forth herein or fails to comply with any instructions issued by the Exchange or to eliminate any violation upon a warning given by the Exchange.
- 39.2. The Management Board of the Exchange shall have the right to impose on the Issuer or the Certified Adviser a fine up to an amount that may not exceed two annual fee payable by the relevant Issuer or Certified Adviser to the Exchange. In deciding on the amount of the fine, the Management Board of the Exchange shall assess the gravity of the violation and its influence on the investors and the Alternative Market.
- 39.3 If at the time when the decision on the application of the fine the violation is not eliminated, the Management Board of the Exchange shall have the right to decide that the fine is applied for every day as from the day of permitting the violation to the day on which the violation is eliminated, upon condition that the total fine may not exceed the

amount specified under Clause 39.2 hereof.

39.4. Not later than on the next business day of taking the decision by the Management Board of the Exchange, the Exchange shall notify the Issuer and the Certified Adviser in writing on the fine imposed and specify the reasons therefor.

X Arbitration

All and any disputes between the Exchange and the Issuer or certified Adviser shall be settled by way of negotiation. If the parties fail to reach an agreement, the dispute shall be referred to the Arbitration Court of the Latvian Chamber of Commerce and Industry and settled in accordance with its Regulation, in Latvian, in front of a panel of three arbitrators.