

UNOFFICIAL CONSOLIDATION OF LAWS 114(I)/2005 OF 9TH SEPTEMBER 2005, 144(I)/2012 OF 26TH OCTOBER 2012, 63(I)/2013 OF 12TH JULY 2013, 166(I)/2014 OF 7TH NOVEMBER 2014, 86(I)/2015 OF 16TH JUNE 2015, 33(I)/2016 OF 8TH APRIL 2016, 133(I)/2018 OF 16TH NOVEMBER 2018 AND 57(I)/2019 OF 19TH APRIL 2019

LAW PROVIDING FOR THE CONDITIONS FOR MAKING AN OFFER OF SECURITIES TO THE PUBLIC, ON THE PROSPECTUS TO BE PUBLISHED WHEN SECURITIES ARE OFFERED TO THE PUBLIC OR ADMITTED TO TRADING ON A REGULATED MARKET AND OTHER RELATED MATTERS OF 2005

For purposes of: -

Official Journal
of the E.U. :
L. 345,
31.12.2003,
p. 64.

(a) harmonisation with the Act of the European Community entitled “Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC”,

Official Journal
of the E.U. :
L. 331,
15.12.2010,
p. 120.

(b) harmonisation with Article 5, paragraph 5, paragraph 6, subparagraph (a), paragraph 8, paragraph 9, paragraph 10, paragraph 11 and paragraph 12 and Article 13 of the Act of the European Union entitled “Directive 2010/78/EU of the European Parliament and of the Council of 24 November 2010 amending Directives 1998/26/EC, 2002/87/EC, 2003/6/EC, 2003/41/EC, 2003/71/EC, 2004/39/EC, 2004/109/EC, 2005/60/EC, 2006/48/EC, 2006/49/EC and 2009/65/EC in respect of the powers of the European Supervisory Authority (European Banking Authority), the European Supervisory Authority (European Insurance and Occupational Pensions Authority) and the European Supervisory Authority (European Securities and Markets Authority)”,

- Official Journal of the E.U.:
L. 327,
11.12.2010
p. 1
- (c) harmonisation with Articles 1 and 3 of the Act of the European Union entitled “Directive 2010/73/EU of the European Parliament and of the Council of 24 November 2010 amending Directives 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading and 2004/109/EC on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market”,
- Official Journal of the E.U.:
L. 153,
22.5.2014
p. 1
- (d) harmonisation with paragraph 1 of Article 1 of the Act of the European Union entitled “Directive 2014/51/EU of the European Parliament and of the Council of 16 April 2014 amending Directives 2003/71/EC and 2009/138/EC and Regulations (EC) No 1060/2009, (EU) No 1094/2010 and (EU) No 1095/2010 in respect of the powers of the European Supervisory Authority (European Insurance and Occupational Pensions Authority) and the European Supervisory Authority (European Securities and Markets Authority),
- Official Journal of the E.U. :
L. 349,
15.11.2004
p. 30
- (e) compatibility of the Act of the European Union entitled “Decision of the EEA Joint Committee No 73/2004 of 8 June 2004 amending Annex IX (Financial services) to the EEA Agreement”,
- Official Journal of the EU.: L 294,
6.11.2013
p. 13
- 33(l)/2016
- (f) harmonisation with Article 2 of the Act of the European Union entitled “Directive 2013/50/EE of the European Parliament and of the Council of 22 October 2013 amending Directive 2004/109/EC of the European Parliament and of the Council on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market, Directive 2003/71/EC of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading and Commission Directive 2007/14/EC laying down detailed rules for the implementation of certain

provisions of Directive 2004/109/EC,

Official Journal of the EU.: L 345, 31.12.2003 p. 64- L 168, 30.06.2017, p. 12.

(g) harmonisation with Articles 1(2), 3(2) and 4(2) the Act of the European Community entitled “Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC” as lastly amended by Article 46(1) of “Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC”,

Official Journal of the EU.: L 168, 30.6.2017, p. 12.

(h) exercising the discretionary power provided to the European Community member states by Article 3(2) of the act of the European Community entitled “Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC”,

The House of Representatives has enacted as follows:

Summary Title. 1. This Law shall be cited as the Public Offer and Prospectus Laws of 2005 to 2019.

114(I) of 2005
144(I) of 2012
63(I) of 2013
166(I) of 2014
86(I) of 2015
33(I) of 2016
133(I) of 2018
57(I) of 2019.

PART I

INTERPRETATION, SCOPE OF APPLICATION

Interpretation. 2.-(1) In this Law, except where it follows otherwise from the text-

148(I) of 2002 “underwriter” means the underwriter pursuant to the Investment
214(I) of 2002 Firms Law and includes the underwriter responsible for the drawing
6(I) of 2003 up of the prospectus.
86(I) of 2003
194(I) of 2003
195(I) of 2003
145(I) of 2004
238(I) of 2004.

35(I) of 2002 “insurance business” has the meaning given to this term by section
141(I) of 2003 2 of the Conducting of Insurance Business Law, excluding the
165(I) of 2003 insurance agents, brokers, or agents of brokers for matters of
69(I) of 2004 insurance, as defined in section 2 of the above Law.
70(I) of 2004
136(I) of 2004
152(I) of 2004
153(I) of 2004
240(I) of 2004.
17(I) of 2005.
.... of 2005.

“base prospectus” means the prospectus pursuant to sections 11
and 12.

63(I) of 2013 “key information” means essential and appropriately structured
information which is to be provided to investors with a view to -

- (a) enabling them to understand the nature and the risks of the
issuer, guarantor and the securities that are being offered to
them or admitted to trading on a regulated market, and

- (b) decide, without prejudice to the provisions of paragraph (b) of subsection (2) of section 10, which offers of securities to consider further, and

which, in light of the offer and securities concerned, shall include the following elements-

- (i) a short description of the risks associated with the essential characteristics of the issuer and of any guarantor, including the assets, liabilities and financial position-
- (ii) a short description of the risk associated with any of the essential characteristics of the investment in the relevant security, including any rights attached to the securities-
- (iii) the general terms of the offer, including the estimated expenses charged to the investor by the issuer or offeror-
- (iv) details of the admission to trading-
- (v) reason for the offer and the use of proceeds-

“offer of securities to the public” or in an identical meaning “public offer” or “invitation to the public” means a communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the securities to be offered, so as to enable an investor to decide to purchase or subscribe to these securities and includes-

- (a) the collection of money from the public for the participation in any kind of investment in securities- and

(b) the placing and the offer of securities through IFs pursuant to the Investment Firms Law.

“warrant” means security, which provides the right of acquisition of a specified number of shares at a specified price up until the date of its expiration, either through subscription or by exercising the right of option.

“approval of prospectus” means the positive act of the Cyprus Securities and Exchange Commission or of the competent authority of another home member state, as the case may be, following scrutiny of the prospectus establishing that it contains all necessary information, including consistency of the information given and its comprehensibility.

“issuer” means the legal person, which issues or proposes to issue securities, and includes a legal person whose securities constitute the object of a public offer or of an application for admission to trading on a regulated market.

“auditor” means a person that holds the necessary qualifications for appointment as an auditor of a company, pursuant to section 155 of the Companies Law .

Cap. 113.
9 of 1968
76 of 1977
17 of 1979
105 of 1985
198 of 1986
19 of 1990
46 of 1992
41(I) of 1994
15(I) of 1995
21(I) of 1997
82(I) of 1999
149(I) of 1999
2(I) of 2000

135(I) of 2000
 151(I) of 2000
 76(I) of 2001
 70(I) of 2003
 167(I) of 2003
 92(I) of 2004
 24(I) of 2004.

63(I) of 2013 “qualified investors” means the persons or entities that are -

- (a) defined in Part A of the Second Appendix of the Investment Services and Activities and Regulated Markets Law, as corrected;
- (b) on request, treated as qualified investors in accordance with Part B of the Second Appendix of the Investment Services and Activities and Regulated Markets Law, as corrected;
- (c) recognised as eligible counterparties in accordance with section 41 of the Investment Services and Activities and Regulated Markets Law, as corrected;

unless they have requested that they be treated as non-qualified investors.

64(I) of 2001
 157(I) of 2002
 187(I) of 2004.

“Cyprus Securities and Exchange Commission” means the public corporate body established and operating pursuant to the Cyprus Securities and Exchange Commission (Establishment and Responsibilities) Law .

“investment firm” or in an identical meaning “IF” means an IF pursuant to the Investment Firms (IF) Law .

“company” means a public company incorporated pursuant to the Companies Law or a legal person incorporated as a company in a state other than the Republic pursuant to the law in force at the place of its incorporation.

63(I) of 2013 “company with reduced capitalisation” means a company listed on a regulated market with an average market capitalisation of less than one hundred million Euro (€100.000.000) on the basis of end-year quotes for the previous three (3) calendar years.

63(I) of 2013. (REPEALED).

63(I) of 2013. “European Commission” means the Commission of the European Union.

144(I) of 2012. “European Supervisory Authority (European Securities and Markets Authority) or “ESMA” means the European Supervisory Authority (European Securities and Markets Authority) established pursuant to Regulation No 1095/2010.

144(I) of 2012. “European Systemic Risk Board” or “ESRB” means the European Systemic Risk Board established pursuant to Regulation (EU) No 1092/2010 .

Official Journal of the E.U.:
L. 149,
30.4.2004,
p. 1

“Regulation 809/2004” means the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (EE L 149 of 30.4.2004, p.1) .

- Official Journal of the E.U.:
L. 331,
15.12.2010,
p. 1
144(I) of 2012.
- “Regulation 1092/2010” means the Act of the European Union titled “Regulation (EU) No 1092/2010 of the European Parliament and of the Council of 24 November 2010 on European Union macro-prudential oversight of the financial system and establishing a European Systemic Risk Board” .
- Official Journal of the E.U.:
L. 331,
15.12.2010,
p. 84,
L174,
1.7.2011,
p.1
144(I) of 2012.
- “Regulation 1095/2010” means the Act of the European Union titled “Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC”, as amended last by Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011” .
- 138(I) of 2002
166(I) of 2003.
- “Central Bank” means the Central Bank of Cyprus pursuant to the Central Bank of Cyprus Law.
- “securities” means transferable securities, as defined in section 2 of the Investment Firms (IFs) Law and includes money market instruments, as defined in section 2 of the above Law, irrespective of maturity date .
- “securities issued in a continuous or repeated manner” means issues on tap or at least two separate issues of securities of a similar type and/or class over a period of 12 months.
- 63(I) of 2013.
- “member state” means a member state of the European Union or another state which is a contracting party to the Agreement on the European Economic Area signed at Oporto on 2 May 1992, as adjusted by the Protocol signed in Brussels on 17 May 1993, as the Agreement is further amended.

63(l) of 2013. “home member state” means-

- (a) for all issuers of securities incorporated in a member state, which do not fall under paragraph (b), the Member State where the issuer has its registered office-

- (b) for any issue of non-equity securities whose denomination per unit amounts to at least a thousand Euro (€1.000) and for any issues of non-equity securities giving the right to acquire transferable securities or to receive a cash amount, as a consequence of their being converted or the rights conferred by them being exercised, provided that the issuer of the non-equity securities is not the issuer of the underlying securities or an entity belonging to the group of the latter issuer-
 - (i) the member state where the issuer has its registered office, or
 - (ii) the member state where the securities were or are to be admitted to trading on a regulated market, or
 - (iii) the member state where the securities are offered to the public,

at the choice of the issuer, the offeror or the person asking for admission, as the case may be, while the same regime shall be applicable to non-equity securities in a currency other than Euro, provided that the minimum denomination value per unit is nearly equivalent to thousand Euro (€1.000) .

33(I)/2016 (c) for all issuers of securities incorporated in a third country, which do not fall under paragraph (b)-

(i) the member state where the securities are intended to be offered to the public for the first time after the 26th of November 2015· or

(ii) the member state where the first application for admission to trading on a regulated market is submitted after the 26th of November 2015,

at the choice of the issuer, the offeror or the person asking for admission, as the case may be, subject to a subsequent election by issuers incorporated in a third country where the home member state was not determined by their choice or in accordance to subsection (5) of article 8 of the Transparency Requirements (Securities Admitted to Trading on a Regulated Market) Laws of 2007 to 2016.

190(I) ΤΟΥ 2007
72(I) ΤΟΥ 2009
143(I) ΤΟΥ 2012
60(I) ΤΟΥ 2013
163(I) ΤΟΥ 2014
164(I) ΤΟΥ 2014
35(I) ΤΟΥ 2016.

“host member state” means the member state, where an offer to the public is made or admission to trading is sought, when different from the home member state·

“units of a collective investment undertaking” mean securities issued by a collective investment undertaking and representing the rights of the participants in such an undertaking over its assets and includes units pursuant to the meaning given to the term in section 2 of the Open-ended Undertakings for Collective Investments in Transferable Securities (UCITS) and Related Issues Law·

200(I) of 2004.

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

"non-equity securities" means all securities that are not equity securities.

"small and medium-sized enterprise" or in an identical meaning "SME" means a company, which, according to its last annual or consolidated accounts, meets at least two of the following three criteria:

- (a) an average number of employees during the financial year of less than two hundred fifty .
- (b) a total balance sheet not exceeding forty-three million euro (€43.000.000) or its equivalent amount in Cyprus pounds and
- (c) an annual net turnover not exceeding fifty million euro (€50.000.000) or its equivalent amount in Cyprus pounds;-

"Directives" means the directives of regulatory content of the Cyprus Securities and Exchange Commission, which are issued pursuant to the provisions of this Law and published in the Official Gazette of the Republic.

Official Journal
of the E.U.:
L. 345,
31.12.2003,
p. 64,
L331,
15.12.2010,
p.12
144(I) of 2012

“Directive 2003/71/EC” means the Act of the European Union titled “Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC”, as last amended by Directive 2010/78/EU of the European Parliament and of the Council of 24 November 2010.

"regulated market" means a market of a member state, where the financial instruments listed in Part II of Annex One of the Investment Firms (IF) Law are traded and which -

- (a) operates regularly -
- (b) is governed by rules in respect of the operation and participation therein, the conditions governing admission to listing and trading of financial instruments, the submission of information and the transparency as to the transactions which take place therein -
- (c) is subject to supervision and
- (d) is notified to the European Commission either by the Cyprus Securities and Exchange Commission in accordance with section 31 of the Investment Firms (IF) Law or by the competent authorities of other member states.

“collective investments undertaking other than undertakings of the closed-type” means the unit trusts and investment companies:

- (a) the object of which is the collective investment of the capital provided by the public, and which operate on the principle of risk-spreading, and
- (b) the units of which are, at the holders' request, repurchased or redeemed, directly or indirectly, out of these undertakings' assets,

and includes the undertaking for collective investment within the meaning of section 8 of the Open-Ended Undertakings for Collective Investment in Transferable Securities and Related Issues Law.

63(I) of 2013 (REPEALED).

66(I) of 1997 “credit institution” means a bank within the meaning of the Banking
 74(I) of 1999 Law and a co-operative institution in accordance to the Co-operative
 94(I) of 2000 Institutions Law and includes a credit institution operating under an
 119(I) of 2003. equivalent law of another member state, as well as a credit
 4(I) of 2003 institution incorporated under the laws of a third country operating
 151(I) of 2004 legally in the Republic, provided that, in the opinion of the Central
 231(I) of 2004 Bank, this credit institution is subject to supervision equivalent to
 235(I) of 2004. that required by the Banking Law.

22 of 1985
 68 of 1987
 190 of 1989
 8 of 1992
 22(I) of 1992
 140(I) of 1999
 140(I) of 2000
 171(I) of 2000
 8(I) of 2001
 123(I) of 2003
 124(I) of 2003
 144(I) of 2003
 5(I) of 2004
 170(I) of 2004

230(I) of 2004

23(I) of 2005

49(I) of 2005.

"offering programme" means a programme permitting the issuance of non-equity securities, including warrants in any form, having a similar type and/or class, in a continuous or repeated manner, during a specified issuing period.

"offeror" means a legal or natural person which conducts a public offer.

"third country" means a state other than a member state.

"Cyprus Stock Exchange" or in an identical meaning "Stock Exchange" means the Cyprus Stock Exchange, which has been established pursuant to section 3 of the Cyprus Stock Exchange Law.

14(I) of 1993

32(I) of 1993

91(I) of 1994

45(I) of 1995

74(I) of 1995

50(I) of 1996

16(I) of 1997

62(I) of 1997

71(I) of 1997

83(I) of 1997

29(I) of 1998

137(I) of 1999

19(I) of 2000

20(I) of 2000

39(I) of 2000

42(I) of 2000

49(I) of 2000

50(I) of 2000

136(I) of 2000

137(I) of 2000

141(I) of 2000

142(I) of 2000
 175(I) of 2000
 9(I) of 2001
 37(I) of 2001
 43(I) of 2001
 66(I) of 2001
 79(I) of 2001
 80(I) of 2001
 81(I) of 2001
 82(I) of 2001
 105(I) of 2001
 119(I) of 2001
 120(I) of 2001
 1(I) of 2002
 87(I) of 2002
 147(I) of 2002
 162(I) of 2002
 184(I) of 2003
 164(I) of 2004
 205(I) of 2004
 43(I) of 2005
 ... of 2005.

“financial instruments” means the instruments listed in Part II of the First Annex of the Investment Firms (IF) Law.

"financial institution" means an institution which performs at least one of the activities mentioned in subsection (3) of section 13 of the Banking Law.

144(I) of 2012 (2) In this Law and in the regulatory administrative acts issued thereunder, any reference to a Regulation, Directive, Decision or other act of the European Union means the said act as corrected, amended or replaced from time to time, except where the text otherwise indicates.

Scope and 3.-(1) This Law regulates-

Purpose.

- (a) the requirements, under which a public offer is conducted in the Republic for investment in securities· and
 - (b) the requirements for the drawing up, approval and publication as well as the content of the prospectus to be published when securities are offered to the public or admitted to trading -
 - (i) on the Stock Exchange or on another regulated market operating in the Republic· and
 - (ii) on any other regulated market outside the Republic, provided that the home member state is the Republic.
- (2) Subject to the provisions of subsection (3), this Law shall not apply to -
- (a) units issued by collective investment undertakings other than the closed-end type·
 - (b) non-equity securities issued by the Republic or other member state or by regional or local authorities of the Republic or of other member state, by public international organisations of which one or more member states are members or by the European Central Bank or by the Central Bank or by the central bank of other member state·
 - (c) shares issued for the capital of the Central Bank or of the central bank of other member states·

- (d) securities unconditionally and irrevocably guaranteed by the Republic or other member state or by a regional or local authority of the Republic or of other member state-
- (e) securities issued by associations of persons with special legal status or by non-profit-making bodies, recognised by the Republic or by other member state, with a view to their obtaining the means necessary to achieve their non-profit-making objectives-
- (f) non-equity securities issued in a continuous or repeated manner by credit institutions provided that these securities-
 - (i) are not subordinated, convertible or exchangeable,
 - (ii) do not give a right to subscribe to or acquire other types of securities and that they are not linked to a derivative instrument,
 - (iii) materialise reception of repayable deposits,
 - (iv) are covered by a Deposit Guarantee Scheme according to the Establishment and Operation of a Protection Scheme Regulations or by any other equivalent system of deposit guarantees of a member state .
- (g) non-fungible shares of capital, whose main purpose is to provide the holder with a right to use a residence, an apartment or other form of immovable property or part thereof, where the said shares cannot be sold on or disposed of without this right being given up-

Official Gazette
 Third Annex (I):
 03.03.2000
 23.11.2001
 02.05.2003
 25.07.2003
 16.07.2004.

63(I) of 2013 (h) (REPEALED).
133(I) of 2018.

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

(i) the "bostadsobligationer" issued are of the same series,

(ii) the "bostadsobligationer" are issued on tap during a specified issuing period,

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

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

63(I) of 2013 (j) non-equity securities issued in a continuous or repeated
166(I) of 2014 manner by credit institutions, where the total consideration for the offer in the European Union does not exceed the amount of seventy-five million euro (€75.000.000), which limit shall be calculated over a period of twelve (12) months, provided that those securities-

- (i) are not subordinated, convertible or exchangeable with shares,
- (ii) do not give a right to subscribe to or acquire other types of securities and that they are not linked to a derivative instrument.

(3) Notwithstanding the provisions of paragraphs (b), (d), (h), (i) and (j) of subsection (2), an issuer, an offeror or a person asking for admission of securities to trading on a regulated market shall be entitled to draw up a prospectus when securities are offered to the public or admitted to trading on a regulated market and seek for its approval in accordance with the provisions of this Law.

63(I) of 2013 (4) The Cyprus Securities and Exchange Commission may, by way of Directives, regulate any special matters and all necessary details relating to the application of the provisions of this section.

PART II

PUBLICATION OF A PROSPECTUS AS A CONDITION FOR MAKING AN OFFER TO THE PUBLIC

Prohibition of making an offer to the public without the prior publication of a prospectus.
63(I) of 2013

4.- (1) Subject to the provisions of section 32, the making of a public offer of securities in the Republic is prohibited without prior publication of a prospectus, which has been approved in accordance with the provisions of Part V:

It is provided that, the publication of a prospectus pursuant to the provisions of this section, is also required in respect of the placement of securities through financial intermediaries, including IFs, provided that this placement falls under the meaning of a public

offer and is not exempted pursuant to paragraphs (a) to (e) of subsection (3).

(2) Any person violating the provisions of subsection (1) commits an offence punishable, if convicted, in accordance with the provisions of section 39.

63(I) of 2013 (3) The obligation to publish a prospectus shall not apply to the following types of offer:

(a) an offer of securities addressed solely to qualified investors ·

(b) an offer of securities addressed to fewer than one hundred and fifty (150) natural or legal persons per member state, which are not qualified investors·

(c) an offer of securities for the acquisition of which a deposit of a total consideration of one hundred thousand euro (€100.000) per investor is required, for each separate offer ·

(d) an offer of securities whose denomination per unit amounts to at least one hundred thousand euro (€100.000) ·

133(I) of 2018
57(I) of 2019.

(e) an offer of securities, whose total consideration for such offer in the European Union is less than five million euro (€5.000.000), which limit shall be calculated over a period of twelve (12) months, provided that such offer is not subject to notification in accordance with Article 25 of the act of the European Community entitled «Regulation (EU) 2017/1129 of the European Parliament and of the Council

of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC».

63(l) of 2013. (3A) For the purposes of paragraph (a) of subsection (3) and generally for the purposes of this Law-

138(l) of 2001
37(l) of 2003
105(l) of 2012. (a) without prejudice to the provisions of the Processing of Personal Data (Protection of the Individual) Law as amended or replaced from time to time, investment firms and credit institutions, at the issuer's request, shall inform him of the classification of persons or entities as qualified investors-

(b) an investment firm authorised to consider its existing professional clients as qualified pursuant to sections 151 of the Investment Services and Activities and Regulated Markets Law as corrected, is authorised to treat those clients as qualified investors.

(4) Any subsequent resale of securities which were previously the object of one or more of the types of offer mentioned in subsection (3), is considered as a separate offer and the definition of a public offer in section 2 shall apply for the purpose of deciding whether it is a public offer of securities.

63(l) of 2013. (4A) In case of resale of securities or placement of securities through financial intermediaries, it shall not be required to publish another prospectus as long as-

(a) a valid prospectus is available in accordance with section 16, and

(b) the issuer or the person responsible for drawing up such

prospectus consents to its use by means of a written agreement.

(5) The offeror, as well as anyone acquiring securities by the offeror, directly or consecutively, are required to provide to the Cyprus Securities and Exchange Commission all information it considers necessary, so as to establish whether there has occurred any violation of the provisions of this Part.

63(I) of 2013 (6) The Cyprus Securities and Exchange Commission may, by way of Directives, regulate any special matters and all necessary details relating to the application of the provisions of this section.

Exemptions from the obligation to publish a prospectus.
63(I) of 2013 5. - (1) There is no obligation to publish a prospectus for a public offer of the following types of securities:

- (a) shares issued in substitution for shares of the same class already issued, if the issuing of such new shares does not involve any increase in the issued share capital.
- (b) securities offered in connection with a takeover by means of an exchange offer, provided that, within the takeover, a document is made available to the public containing information, which is regarded by the Cyprus Securities and Exchange Commission as being equivalent to that of the prospectus, taking into account the requirements of the relevant legislation in force.

- 63(I) of 2013 (c) securities offered, allotted or to be allotted in connection with a merger or division, provided that a document is made available to the public containing information, which is regarded by the Cyprus Securities and Exchange Commission as being equivalent to that of the prospectus, taking into account the requirements of the EU legislation in force.
- 63(I) of 2013 (d) dividends paid out to existing shareholders in the form of shares of the same class as the shares in respect of which such dividends are paid, provided that a document is made available to the public containing information on the number and nature of the shares, as well as the reasons for and details of the offer.
- 63(I) of 2013 (e) securities offered, allotted or to be allotted to existing or former directors and/or employees by their employer company or by an affiliated undertaking, provided that the company has its head office or registered office in the European Union and provided that a document is made available to the public containing information on the number and nature of the securities, as well as the reasons for and details of the offer or any other form of allotment:
- It is provided that, for the purposes of paragraph (e), the term “affiliated company” means a company, which it is part of the same group of companies with the employer company and includes a parent or subsidiary company or a company connected thereto.

- 63(l) of 2013 (1A) The provisions of paragraph (e) of subsection (1) shall also apply to a company established outside the European Union, whose securities are admitted to trading-
- (a) on a regulated market, or
 - (b) on a third-country market, provided that-
 - (i) adequate information, including the document referred to in paragraph (e) of subsection (1), is available at least in a language customary in the sphere of international finance, and
 - (ii) the European Commission has adopted an equivalence decision regarding the third-country market concerned in accordance with paragraph 1, Article 4, of Directive 2010/73/EC.
- 63(l) of 2013 (2) The Cyprus Securities and Exchange Commission may, by way of Directives, regulate any special matters relating to the application of the provisions of this section.

PART III

OBLIGATION TO PUBLISH A PROSPECTUS WHEN SECURITIES ARE ADMITTED TO TRADING ON A REGULATED MARKET

- Publication of a prospectus as a condition for admission of securities on a regulated market.
6. – Subject to subsection (1) of section 7, for the admission of securities on the Stock Exchange or on any other regulated market operating in the Republic, the publication of a prospectus is required pursuant to the provisions of Part V.

- Exceptions from the obligation to publish a prospectus.
7. - (1) There is no obligation to publish a prospectus for the admission to trading on the Stock Exchange or on any other regulated market operating in the Republic of the following types of securities:
- 133(I) of 2018.
- (a) (REPEALED).
 - (b) shares issued in substitution for shares of the same class already admitted to trading on the same regulated market, if the issuing of such shares does not involve any increase in the issued capital.
 - (c) securities offered in connection with a takeover by means of an exchange offer provided that a document is made available to the public containing information which is regarded by the Cyprus Securities and Exchange Commission as being equivalent to that of the prospectus, taking into account the requirements of the relevant legislation in force.
- 63(I) of 2013.
- (d) securities offered, allotted or to be allotted in connection with a merger or division, provided that a document is made available to the public containing information which is regarded by the Cyprus Securities and Exchange Commission as being equivalent to that of the prospectus, taking into account the requirements of the EU legislation in force.
 - (e) shares offered, allotted or to be allotted free of charge to existing shareholders and dividend paid out to existing shareholders in the form of shares of the same class as

the shares in respect of which such dividend is paid, provided that-

- (i) the said shares are of the same class as the shares already admitted to trading on the same regulated market, and
 - (ii) a document is made available to the public containing information on the number and nature of the shares and the reasons for and details of the offer or other form of allotment;
- (f) securities offered, allotted or to be allotted to existing or former directors and/or employees by their employer company or by an affiliated undertaking, provided that-
 - (i) the said securities are of the same class as the securities already admitted to trading on the same regulated market, and
 - (ii) a document is made available to the public containing information on the number and nature of the securities and the reasons for and detail of the offer or any other form of placement:

It is provided that, for the purposes of paragraph (f), the term “affiliated company” means a company which is part of the same group of companies with the employer company and includes a parent or subsidiary company or a company connected thereto.

133(I) of 2018.

(g) (REPEALED).

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

(i) that these securities or securities of the same class, have been admitted to trading on that other regulated market for more than eighteen months-

63(I) of 2013.

(ii) that, for securities first admitted to trading on the Stock Exchange or on a regulated market operating in the Republic after 31 December 2003, the admission to trading on that other regulated market, pursuant to point (i), was associated with an approved prospectus made available to the public in accordance with the provisions of section 27, or the national laws of another member state under which the other market operates, which correspond to those of section 27-

(iii) that, except where point (ii) applies, for securities first admitted to listing after 30 June 1983, a prospectus was approved in accordance with the provisions of the national laws of the member states where the regulated market operates .

(iv) that the obligations in force for trading on that other regulated market have been fulfilled-

(v) that the person seeking the admission of a security to trading under the exemption in the present paragraph makes available to the public a summary document in a language accepted by the Cyprus Securities and Exchange Commission .

(vi) that the summary document referred to in point (v) is made available to the public in the Republic pursuant to the provisions of 27 .

63(l) of 2013.

(vii) that the contents of the summary document comply with section 10 and Regulation No 809/2004, provided that this document states where the most recent prospectus can be obtained and where the financial information published by the issuer in accordance with the disclosure obligations in force is available.

(2) The Cyprus Securities and Exchange Commission may, by way of Directives, regulate any special matters relating to the application of the provisions of this section.

PART IV

DRAWING UP OF THE PROSPECTUS

Purpose and content of the prospectus.

8.-(1) Subject to section 15, the prospectus shall contain all the information which, according to the particular nature of the issuer and of the securities offered to the public or admitted to trading on a regulated market, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses, and prospects of the issuer and of any guarantor, and of the rights attached to such securities.

(2) The information contained in the prospectus should be presented in an easily analysable and comprehensible form.

(3) Unless otherwise expressly provided, the provisions of this Part shall apply for the drawing up of the prospectus, where responsible

for its approval is the Cyprus Securities and Exchange Commission.

Form of the
prospectus.
63(I) of 2013.

9.-(1) The issuer, offeror or person asking for the admission to trading on a regulated market may draw up the prospectus as a single document or separate documents.

(2) Subject to the provisions of section 10, the prospectus which is drawn up as a single document shall consist of-

(a) the main body, containing information concerning the issuer and the securities to be offered to the public or to be admitted to trading on a regulated market -and

(b) a summary note ·

63(I) of 2013.

the content of which is specified in Regulation No 809/2004.

(3) Subject to the provisions of sections 10 and 19, the prospectus composed of as separate documents shall consist of:

(a) a registration document, containing the information relating to the issuer·

(b) a securities note, containing the information concerning the securities offered to the public or to be admitted to trading on a regulated market· and

(c) a summary note·

63(I) of 2013.

the content of which is specified in Regulation 809/2004.

Summary note.
63(I) of 2013.

10.-(1) The summary note referred to in subsections (2) and (3) of section 9 must be brief and in non- technical language and provide

key information.

(1A) Subject to the provisions of Regulation 809/2004, the format and content of the summary note shall provide, in conjunction with the prospectus, appropriate information about essential elements of the securities concerned in order, to aid investors when considering whether to invest in such securities and more specifically the summary note shall -

(a) be drawn up in a common format in order to facilitate comparability of summary notes of similar securities, and

(b) convey the key information of the securities concerned.

63(l) of 2013. (2) The summary note also shall contain a warning-

(a) that it should be read as an introduction to the prospectus.

(b) that the investor should base any decision to invest in the securities on consideration of the prospectus as a whole.

(c) that where a claim is brought before a court relating to the information contained in a prospectus, the costs of translating the prospectus in relation to the legal proceedings initiated shall bear the plaintiff investor. and

(d) that those persons who have filed the summary note including any translation thereof and applied for its publication or notification, shall bear a civil liability only if the said summary note is misleading, inaccurate or inconsistent when read together with the other parts of

the prospectus.

(3) The summary note shall be drawn in the same language as the one used for the prospectus.

63(l) of 2013. (4) There is no requirement to draw up or publish a summary note if the prospectus relates to the admission to trading on a regulated market of non-equity securities having a denomination of at least one hundred thousand Euro (€100.000) per unit.

Base prospectus. 11. At the choice of the issuer, offeror or person asking for the admission of securities to trading on a regulated market, the prospectus may consist of a base prospectus for the following types of securities:

- (a) non-equity securities, including warrants in any form, issued under an offering programme-
- (b) non-equity securities issued in a continuous or repeated manner by credit institutions, where-
 - (i) the sums deriving to the credit institution from the issue of the said non-equity securities are placed in assets which provide sufficient coverage for the liability deriving from such securities until their maturity date, and
 - (ii) in the event of insolvency of the credit institution issuing the non-equity securities, the sums due by the credit institution in relation to the said non-equity securities are disposed, as a priority, to repay the capital and the interest falling due, subject to the provisions of the Banking Law or, as

the case may be, the law of the member state which governs the credit institution.

Content of base prospectus. 12.-(1) The base prospectus shall contain all relevant information concerning the issuer and the securities offered to the public or to be admitted to trading on a regulated market and may, at the choice of the issuer, offeror or person asking for the admission of securities to trading on a regulated market, contain the final terms of the offer, subject to the provision of section 13.

(2) If necessary, the information given in the base prospectus may be supplemented with updated information about the issuer and the securities to be offered to the public or to be admitted to trading on a regulated market, which is published in a supplement to the prospectus in accordance with section 14.

63(l) of 2013. (3)(a) Where the final terms of the offer are neither included in the base prospectus nor in a supplement, the final terms in a public offer -

(i) shall be communicated to the investors,

(ii) shall be filed either with the Cyprus Securities Exchange Commission when the home member state is the Republic or with the competent authority of any other home member state, and

86(l) of 2015. (iii) where applicable, shall be notified by the Cyprus Securities and Exchange Commission, when the home member state is the Republic, to the competent authority of the host member state,

86(l) of 2015. as soon as practicable upon the making of a public offer and, where

possible, before the beginning of the public offer or admission to trading.

(b) In the case provided for in paragraph (a), the final terms shall contain only information that relates to the securities note and shall not be used to supplement the base prospectus.

(c) In the case provided for in paragraph (a), the subsection (1) of section 13 shall apply mutatis mutandis.

86(l) of 2015. (d) The Cyprus Securities and Exchange Commission, when the home member state is the Republic, shall communicate the final terms to ESMA.

Conditions for omitting the final terms of the offer. 13.-(1) Subject to subsection (2), the prospectus issued for a public offer shall include the final offer price and the amount of securities to be offered to the public.

(2) Where at least one of the elements of subsection (1) cannot be included in the prospectus, then this must include the criteria and/or the conditions in accordance with the above omitted elements shall be determined, or, in case of price, the maximum offer price.

(3) Where the prospectus does not include at least one of the elements in subsections (1) or (2), the investor shall have the right to withdraw the acceptance of the purchase or cancel his subscription for the purchase of the securities within a period of not less than two working days after the date of determination and publication of the final offer price and/or the amount of securities which will be offered to the public:

It is provided that the prospectus shall expressly state the said rights of the investors.

(4) The final offer price and the final amount of securities offered to the public shall be notified to the Cyprus Securities and Exchange Commission and published in accordance with section 27.

Supplement to
the prospectus.
63(I) of 2013.

14.-(1) Every significant new factor, material mistake or material inaccuracy relating to the information included in the prospectus-

(a) which is capable of affecting the assessment by investors of the securities offered, and

(b) which arises or is noted between the time when the prospectus is approved up to the latter of the following events:

(i) the final closing of the offer to the public,

(ii) the time when trading on a regulated market begins,

shall be mentioned in a supplement to the prospectus.

144(I) of 2012.

(1A) If, pursuant to subsection (1), a significant new factor or material mistake or material inaccuracy occurs after the approval of the prospectus by the Cyprus Securities and Exchange Commission, the latter shall request the publication of a supplement to the prospectus provided the said supplement to the prospectus is previously approved by it and the person to whom such requirement is communicated must comply therewith.

(2) The provisions of section 20, 21 and 24 shall be in force and applicable as appropriate with respect to the supplement to the prospectus:

It is provided that, where the supplement to the prospectus is also signed by the underwriter responsible for the drawing up of the prospectus, he shall also be liable regarding its content pursuant to the provisions of section 23:

It is provided further that, where the underwriter responsible for the drawing up of the prospectus has signed only the prospectus and not the supplement to the prospectus, the latter document shall outline the reasons why it is not signed by the underwriter.

(3) The supplement to the prospectus shall be approved by the Cyprus Securities and Exchange Commission in the same way and procedure as provided in the present Law for the approval of the prospectus and it shall be published at least by the same means and in the same procedure as the original prospectus.

63(l) of 2013.

(4) The supplement to the prospectus shall be approved by the Cyprus Securities and Exchange Commission in a maximum of seven working days from the day of its submission.

(5) The summary note and any translations thereof, shall be supplemented, if necessary, to take into account the new information included in the supplement to the prospectus.

63(l) of 2013.

(6) Where the prospectus relates to an offer of securities to the public and a supplement to the prospectus is issued under the present section, investors who have agreed or have committed in any manner prior publication of the supplement to the prospectus to purchase or subscribe for the securities to which the prospectus refers to based on the information therein, may withdraw and be released with no liability in respect of the obligation and commitment they have undertaken, provided that the new factor or material mistake or inaccuracy, referred to in subsection (1), arose before the

final closing of the offer to the public and the delivery of securities.

63(l) of 2013. (7) The right to withdraw and statement of release shall be exercised within two (2) working days from the publication of the supplement to the prospectus.

It is provided that the aforementioned time limit may be extended by the issuer or the offeror and, in any case, the final date shall be stated in the supplement to the prospectus.

Omission of certain information in the prospectus.

63(l) of 2013.

15. –(1) The Cyprus Securities and Exchange Commission, following an application by the issuer, offeror or person asking for the admission of securities to trading on a regulated market, as the case may be, may authorise the omission from the prospectus of certain information provided d by this Law, by the Directives issued pursuant of this Law, by Regulation No 809/2004 and/or any other act of the European Commission issued pursuant to Article 7 of Directive 2003/71/EC if it considers that there exists at least one of the following circumstances:

- (a) the disclosure of such information would be contrary to the public interest·
- (b) the disclosure of such information would be seriously detrimental to the issuer, provided that the omission of such information would not mislead the public with regard to facts and circumstances required to be published I for an informed assessment of the issuer, offeror or guarantor, if any, and of the rights attached to the securities to which the prospectus relates· or
- (c) such information is of minor importance as to a specific offer or admission to trading on a regulated market and is

not such as will influence the assessment of the financial position and prospects of the issuer, offeror or guarantor, if any.

63(l) of 2013. (2) Where, exceptionally, certain information that must be included in the prospectus according to Regulation No 809/2004 and/or any other act of the European Commission issued by authorisation of Article 7 of Directive 2003/71/EC, is inconsistent to the issuers' sphere of activity or to the legal form of the issuer or to the securities to which the prospectus relates, the prospectus shall contain information equivalent to the required information, so as to ensure the proper information of the investors:

It is provided that, if there is no such information, this requirement shall not apply.

63(l) of 2013. (3) Where securities are guaranteed by a member state, an issuer, an offeror and/or a person asking for admission to trading on a regulated market shall be entitled to omit, when drawing up a prospectus in accordance with subsection (3) of section 3, the information about such guarantor.

Validity of prospectus, base prospectus and issuer's registration document.
63(l) of 2013

16. - (1) A prospectus shall be valid for offers to the public or admissions to trading on a regulated market for twelve (12) months after its approval, provided that the prospectus is completed by any supplements required pursuant to section 14.

(2) In the case of an offering programme, the base prospectus, previously filed, shall be valid for a period of up to twelve months of its publication.

(3) The base prospectus issued in case of non-equity securities according to paragraph (b) of section 11, shall be valid until the securities concerned cease to be issued in a continuous or repeated manner.

63(I) of 2013. (4) The issuer's registration document, as provided for in paragraph (a), of subsection e (3) of section 9, shall be valid for a period of twelve (12) months provided:

- (a) it has been previously filed with the Cyprus Securities and Exchange Commission and has been approved.
- (b) it is accompanied by the securities note and the summary note and
- (c) it is updated in accordance with section 14 or subsection (2) of section 19.

Annual bulletin. 17. (REPEALED).
63(I) of 2013.

Incorporation by reference. 18.-(1) Subject to the provisions of Article 28 of Regulation 809/2004, the prospectus may incorporate information by reference to one or more previously or simultaneously published documents that have been approved by or filed with the Cyprus Securities and Exchange Commission in accordance with this Law, or in accordance with the Transparency Requirements (Securities Admitted to Trading on a Regulated Market) Law.

63(I) of 2013
190(I) of 2007
72(I) of 2009
143(I) of 2012
60(I) of 2013.

63(I) of 2013. (2) The information incorporated by reference in the prospectus pursuant to subsection (1), must be the more recent available to the issuer.

(3) The summary note shall not incorporate information by reference.

(4) Where the prospectus incorporates information by reference, it shall provide a cross-reference list in order to enable investors to identify easily specific items of information.

Prospectus consisting of separate documents.

19.-(1) An issue, which already has a registration document approved by the Cyprus Securities and Exchange Commission in accordance with subsection (4) of section 16, shall draw up only the securities note and the summary note when securities are offered to the public or admitted to trading on a regulated market.

63(l) of 2013. (2) In the case of subsection (1), where there has been a material change or recent developments since the latest update of the registration document, which change or developments could affect investors' assessments as to the issuer or the securities, such information that would normally be provided in the registration document, shall be provided in the securities note, unless such information is provided in a supplement in accordance with section 14.

(3) The securities note and the summary note shall be submitted for approval separately.

(4) Where an issuer has only filed a registration document without having been yet approved, it must submit the entire documentation for approval, including updated information.

Persons signing the prospectus and responsibility attached for its accuracy and

20.-(1) The issuer, offeror or person asking for the admission of securities to trading on a regulated market, as the case may be, shall sign the prospectus:

completeness.

It is provided that, where the offeror or the person asking for the admission of securities to trading is a legal person, the prospectus shall be signed by its legal representatives.

(2) Where the offeror or the person asking for the admission of securities to trading has the form of a legal person, the prospectus shall be signed in any case, namely and separately, by at least three executive members of the board of directors and at all times, by the president of the board and the managing director or managing directors, where there is more than one.

(3) Subject to the provisions of subsections (1) and (2), the prospectus shall also be signed by the persons stated in the prospectus as responsible for providing the information presented therein.

(4) The persons signing the prospectus pursuant to subsections (1), (2) and (3) shall be responsible as to the accuracy, completeness, clarity and update of the prospectus.

(5) The prospectus shall clearly identify the persons responsible for the provision of information presented therein, and must compulsorily state therein, their names and functions or, in the case of legal persons, their names, registered offices and the address of their head offices.

(6) All natural and legal persons signing the prospectus-

- (a) shall provide a responsibility declaration, included in the prospectus, stating that, having exercised due care so as to form a responsible opinion, they confirm that the

information contained in the prospectus is true and complete, with no omissions likely to alter the content of the prospectus and/or mislead investors·

- (b) shall exercise by law due care in the preparation of the prospectus, particularly in connection to the accuracy, completeness, clarity and update of its content, so as a true, complete and an objective information is given to investors, bearing total liability, jointly and severally, towards investors for any loss they have sustained as a result of any inaccuracies or and omissions in the prospectus.

Liability of the persons signing the prospectus against the investors.

21.- (1) In any claim for damages against persons signing the prospectus, the burden of proof shall lie with the persons signing the prospectus for-

- (a) the accuracy, completeness, clarity and update of the prospectus· or
- (b) lack of liability as to any errors in the prospectus·

as the case may be.

63(l) of 2013.

(2)(a) The persons signing the prospectus shall bear no civil liability solely on the basis of the summary note and any translation thereof, unless the summary note-

- (i) is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus, or
- (ii) does not provide, when read together with the other parts of the prospectus, key information in order to aid investors

when considering whether to invest in such securities.

(b) The summary note shall contain a clear warning for the civil liability provided for in paragraph (a).

(3) Subject to subsection (4), as well as subsection (8) of section 23, any claim pursuant to the present section against the persons signing the prospectus according to subsections (2) and (3) of section 20, two years after the allocation of the securities, or as the case may be, their admission to trading on a regulated market, shall bear a statutory bar.

(4) In case of malicious intention by the persons signing the prospectus, the statutory bar of two years referred to in subsection (3) shall not apply in respect of the persons who have acted maliciously.

(5) Where none of the persons required to sign the prospectus is the issuer of the securities offered to the public or of the securities to be admitted to trading on a regulated market, the issuer-

(a) at the request of the offeror or the person asking for the admission to trading, shall make available to them upon request, all relevant information required by law for the drawing up of the prospectus, at their expense and

(b) may take a written stand as to the accuracy, completeness, clarity and update of the prospectus, which is submitted for approval pursuant to Part V:

It is provided that the aforementioned stand by the issuer should be objective and complete to the extent possible.

(6) Where the issuer takes a written stand, pursuant to paragraph (b) of subsection (5), its stand shall be published, on its own initiative and responsibility, pursuant to the provisions of Part V.

(7) The expenses pursuant to subsection (5) for the provision of information and/or the written stand by the issuer, shall be born by the offeror or, as the case may be, by the applicant for the admission of the securities to trading on a regulated market:

It is provided that, in case of disagreement as to the amount of expenses, these shall be prepaid by the offeror or the person asking admission to trading based on the estimate of the issuer and the disagreement shall be resolved by the competent courts of the Republic.

Cashing through
underwriters.

22.-(1) For every public offer that takes place in the Republic, there is an underwriter which is at least responsible for the collection of the purchase value of the securities offered.

(2) The underwriter shall care for the safe keeping of the money paid by the participants to the public offer and shall ensure that the money is made available to the offeror, at the soonest, simultaneously with the allotment of the offered securities to the investors who participated in the public offer.

Liability of the
underwriter for
the prospectus.

23. - (1) At the drawing up of the prospectus published for a public offer and for first admittance to trading on a regulated market, there is an underwriter responsible for the drawing up of the prospectus, signing the prospectus.

(2) Subject to the provisions of the Investments Firms Law, the underwriter responsible for the drawing up of the prospectus shall

exercise due care for the drawing up of the prospectus so as to ensure its accuracy, completeness, clarity and update, aiming to the true, complete and objective information of the investors, as well as the legality of the entire publishing procedure of the prospectus and of the public offer of securities.

(3) The underwriter responsible for the drawing up of the prospectus shall be liable to the investors who acquired securities based on erroneous, deficient or insufficient information contained in the prospectus, for any loss those investors have suffered as a result of the drop of the price of the securities after the deficiencies in the prospectus were revealed:

It is provided that, the underwriter shall not be liable if not responsible for the deficiencies of the prospectus.

(4) Notwithstanding the provisions of subsection (1) of section 21, there shall be a rebuttable presumption as to the lack of liability of the underwriter, if the content of the prospectus was the subject of legal and financial due diligence examination of the issuer, at the request of the underwriter, through independent legal advisors and auditors, as may be specified and defined by the Cyprus Securities and Exchange Commission by way of Directives.

(5) The full text of any legal and financial due diligence examination shall be filed with the Cyprus Securities and Exchange Commission simultaneously with the filing of the prospectus, and these documents shall be available to any person having a legal interest thereof, unless the underwriter responsible for the drawing up of the prospectus, at the request of the issuer, requests the Cyprus Securities and Exchange Commission to classify the information contained in the legal and financial due diligence examination as falling within the ambit of professional privileged information of the

issuer and where its disclosure may cause significant damage.

(6) Where more than one underwriters responsible for the drawing up of a prospectus participate in its drawing up, these shall be responsible, pursuant to subsection (3), wholly, jointly and severally.

(7) Subject to subsection (8), any claim pursuant to this section against the underwriter responsible for the drawing up of the prospectus, a year after the allocation of the securities or of their admission to trading on a regulated market, shall bear a statutory bar.

(8) In case of malicious intention by the underwriter, the statutory bar in subsection (7) shall not apply.

Liability of
persons issuing
statements for
the drawing up
of the
prospectus.

24. - (1) Any person who, within his professional duties, provides any type of statements which -

- (i) constitute a base for the drawing up of the prospectus and the reports contained therein· or
- (ii) are prepared in order to be taken into account for the drawing up of the prospectus,

shall exercise due care in order to ensure the accuracy, completeness and clarity of those statements.

(2) Where the statements are mentioned in the prospectus, their author shall be liable against investors for any loss suffered in the event where the prospectus contains inaccuracies or material omissions due to deficiencies in those statements and primarily due

to imprecisions or material omissions contained therein, provided the author is liable for the deficiencies contained therein.

(3) Any claims pursuant to this section, a year after the allocation of the securities or, as the case may be, their admission to trading on a regulated market, shall bear a statutory bar:

It is provided that in case of malicious intention by the author of the statement, the statutory bar shall not apply.

Regulatory
competence of
the Cyprus
Securities and
Exchange
Commission.

25.- Subject to the provisions of Regulation 809/2004, the Cyprus Securities and Exchange Commission may, by way of Directives, regulate matters specific to the application of this Part, and, indicatively, in relation to the content of the prospectus, clarify the presentation form of the information published in the prospectus, and in general, regulate all necessary detail and technical issue.

63(l) of 2013.

PART V

APPROVAL AND PUBLICATION OF THE PROSPECTUS

Approval of
the prospectus.

26.- (1) Subject to the provisions of Part VI, the prospectus and any supplement to the prospectus shall be published only after their approval by the Cyprus Securities and Exchange Commission:

It is provided that, prior to the publication of the approved prospectus, any offer of securities to the public or admission of securities on a regulated market in the Republic shall not be allowed, if for the admission is required in accordance to the provisions of this Law, the publication of a prospectus.

(2) The Cyprus Securities and Exchange Commission shall approve

the prospectus if its content complies with the provisions of this Law and the regulatory acts issued thereof.

(3) The decision of the Cyprus Securities and Exchange Commission regarding the approval, or not, of the prospectus shall be notified, as the case may be, to the issuer, the offeror or the person asking for admission of securities to trading on a regulated market within ten working days of the submission of the draft prospectus:

It is provided that, if the Cyprus Securities and Exchange Commission fail to give a decision on the prospectus within the time limit of this subsection or of subsection (6), this shall not be deemed to constitute approval of the application.

(4) The Cyprus Securities and Exchange Commission shall notify the issuer for any incompleteness in the documents submitted within ten working days of the submission of the application.

(5) Taking into account the necessity for investors protection and for reinforcing the smooth operation of the capital market, the Cyprus Securities and Exchange Commission may request from the offeror or the person asking for admission to trading on a regulated market, as well as from any underwriter responsible for the drawing up of the prospectus, to make reasonable adjustments or corrections in the prospectus, which it considers necessary to secure the transparency in the capital market, and may subject its approval to the compliance with those requests.

(6) The time limit of subsection (3) shall be extended to twenty working days if the public offer involves securities issued by an issuer which does not have any securities admitted to trading on a regulated market and has not previously offered securities to the

public.

(7) If the Cyprus Securities and Exchange Commission finds, on reasonable grounds, that the documents submitted are incomplete or that supplementary information is needed, the time limits of subsections (3) and (6) shall apply only from the date on which such supplementary information is provided by the issuer, the offeror or the person asking for admission to trading on a regulated market.

144(l) of 2012.

(8)(a) The Cyprus Securities and Exchange Commission may decide to transfer the approval of the prospectus to the competent authority of another member state, subject to prior notification to ESMA and the consent of that competent authority.

(b) Any decision of the Cyprus Securities and Exchange Commission pursuant to this subsection shall be notified to the issuer, offeror or the person asking for admission of securities to trading on a regulated market, within three (3) working days from the date of the decision taken, and in such a case, the time limit referred to in subsection (3) shall apply from that date.

(c) Article 28, paragraph 4 of Regulation 1095/2010 shall not apply to this subsection for the transferring of the approval of the prospectus.

144(l) of 2012.

(8A) The Cyprus Securities and Exchange Commission shall notify ESMA of its decision for approval of the prospectus and any supplement thereto, at the same time as that approval shall be notified to the issuer, the offeror or the person asking for admission to trading on a regulated market, in accordance to the provisions of subsection (3), providing at the same time a copy to ESMA of the prospectus and any supplement thereto.

(9) The Cyprus Securities and Exchange Commission may, by way of Directives, regulate any special matters and every necessary detail as to the application of the provisions of this section.

Publication of
the prospectus.

144(I) of 2012.

27. - (1) The prospectus, after it has been approved by the Cyprus Securities and Exchange Commission, shall be filed with it in its final approved form in a special registry kept, which is accessible to ESMA through the Cyprus Securities and Exchange Commission, and shall be published by the issuer, the offeror or the person asking for admission to trading on a regulated market, as soon as practicable and in any event, at a reasonable time -

- (a) prior to, or, at the latest, at the beginning of, the offer to the public of the securities involved, or
- (b) prior to their admission to trading on the Cyprus Stock Exchange or on other regulated market operating in the Republic or, at the latest, upon their admission to it,

as the case may be.

144(I) of 2012.

(2) By way of derogation to the provisions of subsection (1), in case of an initial public offer of a class of shares offered to the public for the first time, which are not admitted to trading but are to be admitted to trading on a regulated market for the first time, the prospectus shall be published at least six working days prior to the end of the offer, provided that any commitment by investors to acquire shares of that class is not be permitted before the publication of the prospectus.

(3) Subject to subsection (4), and pursuant to the provisions of Articles 29, 30 and 33 of Regulation 809/2004, the approved prospectus which is issued in relation to a public offer taking place in

the Republic or for the admission of securities to trading on a regulated market operating in the Republic, should be published in at least one of the following forms:

- (a) by insertion in one or more national newspapers widely circulated
- (b) in a printed form to be made available, free of charge, to the public-
 - (i) at the offices of the Cyprus Stock Exchange or of the regulated market on which the securities are being admitted to trading, or
 - (ii) either at the registered office of the issuer or at the offices of the financial intermediaries placing or selling the securities, including Investment Firms, or paying agents;
- 63(I) of 2013. (c) in an electronic form on the issuer's website or, if applicable, on the website of the financial intermediaries placing or selling the securities, including Investment Firms or paying agents;
- 63(I) of 2013. (d) in an electronic form on the website of the Cyprus Stock Exchange or of the regulated market where the admission to trading is sought; or
- (e) in an electronic form on the website of the Cyprus Securities and Exchange Commission:
- 63(I) of 2013. It is provided that the issuers or persons responsible for the drawing up of the prospectus that publish their prospectus in the manner

prescribed in paragraphs (a) and (b) shall also be obliged to publish their prospectus in the manner prescribed in paragraph (c):

It is provided further that, regarding the forms of publication prescribed in paragraphs (d) and (e), the prior approval of the Cyprus Securities and Exchange Commission shall be necessary.

(4) Subject to the provisions of subsection (5), the offeror or the person asking for admission of securities to trading on the Cyprus Stock Exchange or on another regulated market, as the case may be, may choose amongst the alternative forms of publication of the prospectus as described in subsection (3), notifying the choice to the Cyprus Securities and Exchange Commission at the beginning of the offer to the public or the admission to trading at the latest:

It is provided that, pursuant to the provisions of Article 31 of Regulation 809/2004, the offeror and/or the person asking the admission of securities on the Cyprus Stock Exchange or on another regulated market, shall publish an announcement stating the form in which the prospectus has been made available and where can be obtained by the public.

(5) In the case of a prospectus comprising several documents or incorporating information by reference, the documents and information consisting the prospectus may be published and circulated separately, provided that the said documents are made available, free of charge, to the public in accordance with subsection (3):

It is provided that each document shall indicate where the other constituent documents of the full prospectus may be obtained by the public.

(6) The text and format of the prospectus and the supplements to the prospectus, as published or made available to the public, shall at all times be identical to the original version approved by the Cyprus Securities and Exchange Commission.

(7) Where the prospectus is published and made available to the public solely in electronic form, the issuer, the offeror, the person asking for admission to trading of securities on the Cyprus Stock Exchange or on other regulated market or by the underwriter and the Investment Firms allocating or selling the securities, shall provided the investor, upon his request, a paper copy of the prospectus free of charge.

Continuous
publication of
the prospectus
in electronic
form.

28. - (1) The Cyprus Securities and Exchange Commission shall publish on its website over a period of at least twelve months after the date of the first publication in its website-

- (a) the full text of every prospectus it has approved, or
- (b) the list of the prospectuses approved in accordance with section 26, with an explicit and specific reference to the website of the Cyprus Stock Exchange or of the other regulated market, as well as of the issuer or of the underwriter responsible for the drawing up of the prospectus, where the full text of the said prospectuses is published, provided that it has ensured that the referred website contains the full text of prospectus for a period of at least twelve months after the date of the first publication of the prospectus, subject to the provisions of Article 32 of Regulation 809/2004.

(2) In case of securities admitted to trading on the Cyprus Stock

Exchange or on other regulated market of the Republic, a full text of the prospectus shall also be published on the website of the Cyprus Stock Exchange or of the other regulated market for a period of at least twelve months after the date the securities were admitted to trading on the Cyprus Stock Exchange or on the other regulated market, subject to the provisions of Article 29 of Regulation 809/2004.

Regulatory
authority of the
Cyprus
Securities and
Exchange
Commission.

29. - The Cyprus Securities and Exchange Commission may, by way of Directives, regulate any special matters regarding the publication of the prospectus, taking into account the technical developments on financial markets, and set out all necessary details for the application of sections 26 and 27.

Advertisements
and
announcements.

30. - (1) Subject to the provisions of Article 34 of Regulation 809/2004, any type of advertisements relating to an offer to the public of securities or to an admission to trading on the Cyprus Stock Exchange or on another regulated market, that takes place in the Republic, shall observe the principles of this section.

(2) The provisions in subsections (3) to (6) shall apply only to the cases where the issuer, the offeror or the person applying for admission of securities to trading on the Cyprus Stock Exchange or on another regulated market is covered by the obligation to draw up a prospectus.

(3) Any advertisement or announcement of an offer of securities to the public or of an admission to trading on the Cyprus Stock Exchange or on another regulated market, shall state that a prospectus has been or shall be published and indicate the location where investors are able to obtain it, or how investors shall be able to have access to its full text.

(4) Advertisements shall be clearly distinguishable and recognisable.

(5) The information contained in an advertisement shall not be inaccurate or misleading, but consistent and without any conflict or discrepancy with the information contained in the prospectus, if this has already been published, or with the information required to be contained in the prospectus, if this is to be published afterwards.

(6) In any case, all information, announcements or advertisements concerning a public offer or an admission to trading on the Cyprus Stock Exchange or on another regulated market disclosed in an oral or written form, even if the information, announcement or advertisement is not made for advertising purposes, shall be consistent with the content of the prospectus.

(7) When according to this Law, no issue and approval of a prospectus is required, material information provided by an issuer or an offeror and addressed to qualified investors or special categories of investors, including information disclosed in the context of meetings relating to offers of securities, shall be disclosed to all qualified investors or special categories of investors to whom the offer is exclusively addressed:

It is provided that, where a prospectus is required to be published, such information shall be included in the prospectus or in a supplement to the prospectus in accordance with section 14.

(8) In any case of an offer of securities to the public or of an admission to trading on the Cyprus Stock Exchange or on another regulated market, any type of announcements, by which the public offer or the admission to trading on the Cyprus Stock Exchange or on another regulated market is announced, shall be previously

submitted to the Cyprus Securities and Exchange Commission.

(9) The Cyprus Securities and Exchange Commission shall examine whether the advertising activity and generally the announcements regarding the public offer of securities or the admission to trading on the Cyprus Stock Exchange or on another regulated market comply with the provisions of this section.

PART VI

CROSS-BORDER PUBLIC OFFER AND ADMISSION TO TRADING

Notification to a competent authority of a host Member State.

31. - (1) The Cyprus Securities and Exchange Commission shall, at the request of the issuer or the offeror or the person asking for admission of securities to trading on a regulated market, as the case may be, notify the competent authority of the host member state, within three working days following the receipt of the request or, where the request is submitted together with the draft prospectus, within one working day after the approval of the prospectus with -

- (a) a certificate of approval, attesting that the prospectus has been drawn up in accordance with this Law
- (b) a copy of that prospectus approved by the Cyprus Securities and Exchange Commission.

(2) The notification, pursuant to subsection (1), may be accompanied by a translation of the summary note, produced by and under the responsibility of the issuer or the person responsible for drawing up the prospectus:

It is provided that the procedure described in this section shall also be followed for every supplement to the prospectus.

144(I) of 2012. (3) The Cyprus Securities and Exchange Commission shall notify ESMA of the certificate of approval of the prospectus at the same time as it is notified to the competent authority of the host member state in accordance with the provisions of this section.

63(I) of 2013. (4) The Cyprus Securities and Exchange Commission shall, at the same time it notifies the competent authority of the host member state in accordance with subsection (1), notify the certificate of approval to the issuer or the person responsible for the drawing up of the prospectus.

Prospectus approved by a competent authority of a home Member State other than the Republic. 32.-(1) Subject to the provisions of subsection (1) of section 33, where an offer to the public or admission to trading on the Cyprus Stock Exchange or on another regulated market operating in the Republic takes place, if the home member state is not the Republic, the prospectus and any supplement to the prospectus approved by the competent authority of the home member state shall be valid, provided that the Cyprus Securities and Exchange Commission and ESMA are notified pursuant to section 31:

144(I) of 2012.

It is provided that, in the case of subsection (1), the Cyprus Securities and Exchange Commission shall not undertake any approval or administrative procedures relating to prospectuses:

It is provided further that, in respect of this subsection, the provisions of subsection (6) of section 14 shall apply as appropriate.

63(I) of 2013. (2) (REPEALED).

(3) Where, as referred to in section 14, significant new factors, material mistakes or inaccuracies come to light after approval of the

prospectus, calling for the issue and approval of a supplement to the prospectus, the Cyprus Securities and Exchange Commission may caution the competent authority of the home member state of the need for updated information and issue a supplement to the prospectus.

144(l) of 2012. (4)(a) The Cyprus Securities and Exchange Commission shall publish on its official website the list of the certificates of approval of prospectuses and supplements thereto, which are notified in accordance with Article 18 of Directive 2003/71/EC including, if applicable, a hyperlink to these documents published on the website of the competent authority of the home member state, on the website of the issuer or on the website of the regulated market.

144(l) of 2012. (b) The Cyprus Securities and Exchange Commission shall regularly update the list it publishes pursuant to paragraph (a) and such list shall remain on its official website for a period of at least twelve (12) months.

Precautionary measures of the Cyprus Securities and Exchange Commission. 33.-(1) Where the host member state is the Republic, if the Cyprus Securities and Exchange Commission finds -

(a) irregularities or any breaches of the law committed by the issuer or by an underwriter or by any other Investment Firm participating in any way in the procedure of the public offer· or

(b) breaches of the issuer's obligation in respect of the admission to trading of its securities on a regulated market of the Republic,

144(l) of 2012. shall refer these findings to the competent authority of the home member state and to ESMA.

144(l) of 2012. (2) If, despite the measures taken by the competent authority of the home member state or due to the non-taking of measures by the latter or due to such measures prove inappropriate or inadequate, the issuer and/or the underwriter and/or the Investment Firm participating in the process of the public offer, persist in breaching the relevant legal or regulatory provisions, the Cyprus Securities and Exchange Commission, after informing the competent authority of the home member state, shall take all appropriate measures in order to protect investors, notifying those to the European Commission and ESMA at the earliest possible.

Directives of Cyprus Securities and Exchange Commission. 144(l) of 2012. 33A. The Cyprus Securities and Exchange Commission may, by way of Directives, regulate special matters and any necessary detail as to the application of the provisions of this Part.

PART VII

USE OF LANGUAGES AND ISSUERS INCORPORATED IN THIRD COUNTRIES

Language used for the drawing up of a prospectus. 34. - (1) Where an offer to the public is made only in the Republic or an admission of securities to trading is sought only on the Cyprus Stock Exchange or on another regulated market operating in the Republic and the Republic is the home member state, the prospectus approved by the Cyprus Securities and Exchange Commission, shall be drawn up in a language accepted by the Cyprus Securities and Exchange Commission as specified in its

Directives.

63(l) of 2013.

(2)(a) Where the home member state is not the Republic and the securities in respect of which the prospectus is drawn up are offered to the public in the Republic and/or shall be admitted to trading on a regulated market of the Republic, the prospectus shall be made available in the Republic either in a language accepted by the Cyprus Securities and Exchange Commission, as specified in its Directives, or in a language customary in the sphere of international finance, at the choice of the issuer or the offeror or the person asking for admission of securities to trading on a regulated market, as the case may be.

(b) Where the language customary in the sphere of international finance is chosen for the publication of the prospectus, it is for the Cyprus Securities and Exchange Commission to decide whether the summary note must be translated in an official language of the Republic, as the Cyprus Securities and Exchange Commission shall specify on a case by case by its decision.

(3) Where the home member state is the Republic and the securities are offered exclusively in another member state or their admission to trading is sought exclusively on a regulated market of another member state, the prospectus submitted for approval to the Cyprus Securities and Exchange Commission shall be drawn up, either in a language accepted by the Cyprus Securities and Exchange Commission, as specified in its Directives, or in a language customary in the sphere of international finance, at the choice of the issuer or the offeror or the person asking for admission to trading on a regulated market, as the case may be.

(4) Where an offer to the public is made in the Republic and, in parallel, in another member state or where admission to trading is

sought on the Cyprus Stock Exchange or on another regulated market operating in the Republic and, in parallel, on a regulated market of another member state and the Republic is the home member state, the prospectus approved by the Cyprus Securities and Exchange Commission shall be drawn up in a language accepted by the Cyprus Securities and Exchange Commission, as specified in its Directives, and shall also be made available –

- (a) in a language accepted by the competent authorities of each host member state or
- (b) in a language customary in the sphere of international finance,

at the choice of the issuer, the offeror or the person asking for admission of securities to trading:

it is provided that the prospectus shall be published in the Republic in a language accepted by the Cyprus Securities and Exchange Commission as specified in its Directives.

(5) In the case of subsection (4), the offeror or the person asking for admission to trading on a regulated market, as the case may be, should comply with any requirement of the competent authority of each host member state for the translation of the summary note into its official language:

It is provided that, if the Cyprus Securities and Exchange Commission permits, pursuant to its Directives of subsection (4), the publication of a prospectus in the Republic in a language customary in the sphere of international finance, it may require the publication in the Republic of a translation of the summary note in an official language of the Republic, as specified by a relevant decision

thereof.

63(l) of 2013. (6) Where admission to trading on a regulated market in the Republic of non-equity securities whose denomination per unit amounts to at least one hundred thousand Euro (€100.000) is sought, the prospectus shall be drawn up either in a language accepted by the Cyprus Securities and Exchange Commission, or in a language customary in the sphere of international finance, at the choice of the issuer, the offeror or person asking for admission of securities to trading, as the case may be.

Issuers
incorporated in
third countries.

35.-(1) Where the Republic is the home member state of issuers incorporated in a third country, the Cyprus Securities and Exchange Commission may approve a prospectus for an offer to the public or for admission to trading on a regulated market which is drawn up in accordance with the legislation of the third country, provided that-

- (a) the said prospectus has been drawn up in accordance with international standards set by international supervisory or regulatory authorities and, generally, authorities equivalent to the Cyprus Securities and Exchange Commission, including the IOSCO disclosure standards, and
- (b) information requirements under the law, pursuant to which the prospectus was drawn up, including information requirements of a financial nature, are at least equivalent to the requirements provided for under this Law.

(2) When securities of an issuer incorporated in a third country are the object of an offer to the public or admission to trading on the Cyprus Stock Exchange or on another regulated market in the Republic, provided the Republic is not a home member state, the

provisions of sections 32, 33 and 34 shall apply mutatis mutandis.

63(I) of 2013. (3) The Cyprus Securities and Exchange Commission may, by way of its Directives, regulate special matters and any necessary details as to the application of the provisions of this section and, indicatively, in relation to the equivalence criteria concerning the requirements for the prospectus and its content.

PART VIII

SUPERVISORY AUTHORITY, COOPERATION BETWEEN SUPERVISORY AUTHORITIES AND SUPERVISORY RESPONSIBILITIES

73(I) of 2009
5(I) of 2012.

Supervisory
responsibilities
of the Cyprus
Securities and
Exchange
Commission.
144(I) of 2012
63(I) of 2013.

36.-(1) The provisions of the Cyprus Securities and Exchange Commission Law governing the supervisory responsibilities of the Cyprus Securities and Exchange Commission, its power to collect information, carry out investigations and inspections, impose sanctions, co-operate with competent supervisory authorities abroad and generally all its competencies, powers, responsibilities and duties, pursuant to the above Laws, shall also apply with regard to the exercise by the Cyprus Securities and Exchange Commission of its supervisory responsibilities pursuant to this Law.

144(I) of 2012.

(2) Irrespective of the provisions of the Cyprus Securities and Exchange Commission Law on the power of the Cyprus Securities and Exchange Commission to carry out inspections, if a joint inspection is conducted by the Cyprus Securities and Exchange Commission and one or more competent supervisory authorities of other member states, ESMA may also participate in such an inspection pursuant to Article 21 of Regulation 1095/2010.

Manner of
exercise of
supervisory
competence by
the Cyprus
Securities and
Exchange
Commission.

37.-(1) Without prejudice to the provisions of section 36, when the Cyprus Securities and Exchange Commission has received an application for approving a prospectus, may, inter alia, to-

- (a) require issuers, offerors or persons asking for admission to trading on a regulated market, to include in the prospectus supplementary information, if necessary for investor protection·
- (b) require issuers, offerors, or persons asking for admission to trading on a regulated market and the persons that control or are controlled by them, to provide information and documents required for the smooth fulfillment of its obligations and the carrying out of its duties·
- (c) require external auditors and managers of the issuer, offeror or person asking for admission to trading on a regulated market, as well as Investment Firms commissioned to carry out the offer to the public or ask for admission to trading, to provide the information required for the examination of the application for approval of a prospectus·
- (d) suspend on any single occasion a public offer or admission to trading on a regulated market for a maximum of ten consecutive working days, if it has reasonable grounds to suspect that the provisions of this Law have been infringed·

- (e) prohibit or suspend on any single occasion advertisements of a public offer or admission of securities to trading for a maximum of ten consecutive working days, if it has reasonable grounds to suspect that the provisions of this Law have been infringed.
- (f) prohibit a public offer, if it finds that the provisions of this Law have been infringed or if it has reasonable grounds to suspect that they have been infringed.
- (g) suspend or ask the relevant regulated markets to suspend trading on a regulated market for a maximum of ten consecutive working days on any single occasion, if it has reasonable ground to suspect that the provisions of this Law have been infringed.
- (h) prohibit trading on a regulated market, if it finds that the provisions of this Law have been infringed.
- (i) make public the fact that an issuer is failing to comply with its obligations.

63(l) of 2013. (1A) Without prejudice to the provisions of section 36, the Cyprus Securities and Exchange Commission, if the securities have been admitted to trading on a regulated market, shall have the power to-

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

- (b) suspend or ask the relevant regulated markets to suspend the securities from trading if, in its opinion, the issuer's situation is such that trading would be detrimental to investors' interests;
- (c) ensure that issuers whose securities are traded on regulated markets comply with the obligations provided for in paragraph (b) of subsection (1) and subsection (2) of section 37 and section 41 of the Transparency Requirements (Securities Admitted to Trading on a Regulated Market) Law and that equivalent information is provided to investors and equivalent treatment is granted by the issuer to all security holders who are in the same position, in all member states where the offer to the public is made or the securities are admitted to trading;
- (d) carry out on-site inspections in the Republic in order to verify compliance with the provisions of this Law and of the Directives issued thereunder, as well as of Regulation 809/2004.

(2) By a decision, the Cyprus Securities and Exchange Commission may assign the scrutiny of the prospectus and of the supplements to the prospectus to a third party:

It is provided that, in this case also, the approval of the prospectus and of the supplements to the prospectus shall be granted by the Cyprus Securities and Exchange Commission.

(3) In the decision of the Cyprus Securities and Exchange Commission on the delegation of tasks in accordance to subsection (2), it shall be specified, inter alia, the tasks to be undertaken by the

third party and the conditions under which they are to be carried out.

(4) In any case, the third party shall act and be organized in such a manner, so as to avoid conflict of interest and so that information obtained from carrying out the delegated tasks is not used unfairly or to prevent competition, as the Cyprus Securities and Exchange Commission may specify with its decisions of subsection (3).

PART IX

COOPERATION BETWEEN COMPETENT SUPERVISORY AUTHORITIES

Cooperation
between
competent
supervisory
authorities.
144(I) of 2012.

38.-(1) The Cyprus Securities and Exchange Commission shall cooperate with and render assistance to the competent supervisory authorities of other member states, by exercising its powers specified in this Law and in the Cyprus Securities and Exchange Commission Law, whenever necessary for carrying out their duties, and in particular it shall-

- (a) exchange information and cooperate with the competent supervisory authority of another Member State, when an issuer has more than one home supervisory authority because of its various classes of securities,
- (b) exchange information and cooperate with the competent supervisory authority of another member state, where it has transfer the approval of a prospectus has been in accordance with subsection (8) of section 26 to the competent supervisory authority of another member state,

- (c) inform the competent supervisory authorities of other member states of all arrangements regarding delegation of its tasks as well as of the exact terms governing the said delegation,
- (d) cooperate with the competent supervisory authority of another member state when requiring suspension or prohibition of trading for securities traded in various member states, in order to ensure a level playing field between trading venues and protection of investors:

It is provided that the Cyprus Securities and Exchange Commission, if requested by the competent supervisory authority of the host member state, shall assist from the stage at which the case is scrutinized, in particular as regards a new type or rare forms of securities and

- (e) ask for information from the competent supervisory authority of the host member state or give information to the competent authority of the home member state where the Republic is the host member state, on any items specific to the relevant market.

(2) The Cyprus Securities and Exchange Commission may exchange confidential information with the competent supervisory authorities of other member states pursuant to the provisions of section 29 and 30 of the Cyprus Securities and Exchange Commission Law.

(3) Where a request by the Cyprus Securities and Exchange Commission for cooperation to a competent supervisory authority of another member state, in particular for the exchange of information, has been rejected or has not been acted upon within a reasonable

time, the Cyprus Securities and Exchange Commission may refer the situation to ESMA.

(4) The Cyprus Securities and Exchange Commission may, by way of Directives, regulate special matters and any necessary details as to the application of the provisions of this section.

Cooperation of
the Cyprus
Securities and
Exchange
Commission
with ESMA and
ESRB.
144(I) of 2012.

38A.-(1) The Cyprus Securities and Exchange Commission shall cooperate with ESMA for the purposes of this Law, in accordance with the provisions of Regulation 1095/2010.

(2) The Cyprus Securities and Exchange Commission shall provide ESMA the soonest possible with all information necessary for the fulfilment of its duties, in accordance with Article 35 of Regulation 1095/2010.

(3) The Cyprus Securities and Exchange Commission shall inform ESMA of all arrangements regarding delegation of its tasks, as well as of the exact terms governing the said delegation.

(4) Subject to the provisions of section 29 and section 30 of the Cyprus Securities and Exchange Commission Law, the Cyprus Securities and Exchange Commission may exchange confidential information or transmit information to ESMA and ESRB, subject to constraints relating to the firm-specific information and effects on third countries as provided for in Regulation 1095/2010 and Regulation 1092/2010 respectively, if the persons receiving such information are covered by a corresponding obligation of confidentiality and professional secrecy as regards such information.

PART X
SANCTIONS

Criminal
Offences.

39. - Whoever commits a breach in violation of the provisions of section 4, shall be guilty of an offence, and in the event of conviction, punishable by imprisonment, not exceeding two years or by fine, not exceeding one hundred thousand Cypriot Pounds (CYP 100.000) and/or both, and in case of a second or following conviction of the same offence, by imprisonment not exceeding four years or by fine, not exceeding two hundred thousand Cypriot Pounds (CYP 200.000) and/or both.

Competent
authority for the
imposition of
administrative
sanctions.

40. - (1) The Cyprus Securities and Exchange Commission shall be the competent authority for the exercise of the power of administrative supervision and the imposition of administrative sanctions pursuant to this Law.

(2) The Cyprus Securities and Exchange Commission shall address administrative violations either ex officio or following a complaint submitted thereto.

(3) The Cyprus Securities and Exchange Commission, in exercising its competence with regard to the imposition of administrative fines, shall apply section 39 of the Cyprus Securities and Exchange Commission (Establishment and Responsibilities) Law.

(4) Subject to the provisions of this section, the Cyprus Securities and Exchange Commission shall have the power to impose administrative fines either:

- (a) only to legal persons· or
- (b) only to directors, managers or officers, in case it is establish that the violation is a consequence of their fault,

wilful omission or negligence or

- (c) to legal persons and to their directors, managers or officers in case it is established that the violation is a consequence of their fault, wilful omission or negligence.

Administrative
sanctions.

41. -(1) Irrespective of any criminal liability and without prejudice to subsections (4) and (5), subject to an administrative sanction by the Cyprus Securities and Exchange Commission, consisting of an administrative fine not exceeding one hundred thousand Cyprus Pounds (CYP 100.000) and, in case of repeated violation, two hundred thousand Cyprus Pounds (CYP 200.000) is-

- (a) whoever violates the provisions of subsection (1) of section 4:

It is provided that, where the amount of a public offer conducted without the approval of the Cyprus Securities and Exchange Commission in breach of section 4, exceeds three times the fine which may be imposed on an occasion by the Cyprus Securities and Exchange Commission in accordance with paragraph (a), the Cyprus Securities and Exchange Commission may impose a fine equal to one third of the level of the illegally conducted public offer and in case of repeated violation, equal to half of this amount.

- (b) whoever violates the provisions of section 6, of sections 20 to 24 and of subsection (1) of section 26.

(2) Subject to the provisions of subsections (4) and (5), subject to an administrative sanction by the Cyprus Securities and Exchange Commission, consisting of an administrative fine not exceeding fifty

thousand Cyprus Pounds (CYP 50.000), and in case of repeated violation, one hundred thousand Cyprus Pounds (CYP 100.000) is whoever violates one or more of the following provisions -

- (a) of subsection (5) of section 4, of sections 8, 10, 12, 13, 14, 17, 18, 19, of subsections (1) and (2) of section 27, of sections 30, 37 and 46,
- 63(l) of 2013. (b) of Regulation 809/2004,
- (c) of the Directives issued pursuant to this Law by the Cyprus Securities and Exchange Commission.

(3) Subject to the provisions of subsections (1), (2), (4) and (5), subject to an administrative sanction by the Cyprus Securities and Exchange Commission, consisting of an administrative fine not exceeding twenty five thousand Cyprus Pounds (CYP 25.000) and, in case of repeated violation, fifty thousand Cyprus Pounds (CYP 50.000) is whoever violates any provision of this Law and/or the decisions of the Cyprus Securities and Exchange Commission provided for in this Law.

(4) Where, after the imposition of an administrative fine has by the Cyprus Securities and Exchange Commission in accordance with this section, the violation persists, the Cyprus Securities and Exchange Commission, after a reasonable period of time which may not be less than one month, may impose a new and repeated administrative fine, treating non-compliance as repetition of the breach.

(5) In all cases where an administrative fine has been imposed pursuant to this section, the offender shall also be liable for any damage to those who acquired securities in response to the offer or

purchased securities on the regulated market, based on inaccurate or incomplete information of the prospectus, including loss of profits.

Collection of administrative fines.

42. - (1) The administrative fines imposed pursuant to the provisions of this Law, shall be calculated as revenue to the Treasury of the Republic.

(2) In the event of a failure to pay any administrative fine, legal measures shall be taken for their collection, as provided for in the Cyprus Securities and Exchange Commission (Establishment and Responsibilities) Law.

PART XI

FEEES OF THE CYPRUS SECURITIES AND EXCHANGE COMMISSION

Fees.

43. For the examination by the Cyprus Securities and Exchange Commission of any application provided for under this Law, the fees specified in Annex Four shall be paid together with the submission of the relevant application.

Annex Four.

PART XII

FINAL AND TRANSITIONAL PROVISIONS

Compliance with Directives.

44. Compliance with the Directives issued by the Cyprus Securities and Exchange Commission under this Law by the persons to whom they are addressed to is compulsory and, subject to any specific provisions, a compliance violation constitutes an administrative violation and subject to an administrative sanction, consisting to an administrative fine pursuant to paragraph (c) of subsection (2) of section 41.

Exchange rate

45.-(1) Wherever in this Law reference is made to the equivalence of

of Euro and
Cyprus Pound.

Euro and Cyprus Pounds, the applicable exchange rate shall be the average exchange rate as specified by the Central Bank, of the last working day of each calendar half-year period for all currency equivalences of the next calendar half-year period.

(2) The Cyprus Securities and Exchange Commission may regulate all matters concerning the rounding up of the currency and/or the calculation of a total amount in Cyprus Pounds, particularly where there is a different exchange rate in Cyprus Pounds of a particular sum in Euro, where the time period under consideration extends beyond the calendar half-year period.

General
obligation of
compliance to
the Cyprus
Securities and
Exchange
Commission's
instructions.

46. Where this Law provides for a right or competence or power of the Cyprus Securities and Exchange Commission to request of any person for information or for a particular conduct, whenever the Cyprus Securities and Exchange Commission addresses such a request, the persons to whom this request is addressed to, shall be under an obligation to comply.

Repeal of the
Investments
Invitation to
the Public
Law. N. 149(I)
of 2002.

47.-(1) Subject to the provisions of subsection (2), with the coming into force of this Law, the Investments Invitation to the Public Law of 2002 shall be repealed.

(2) The provisions of the Investments Invitation to the Public Law shall continue to be in force in respect of offers to the public, which took place up until the coming into force of this Law and, in respect of sanctions regarding violations of this Law, its provisions shall continue to be in force.

ANNEX ONE

63(I) of 2013

REPEALED

ANNEX TWO

63(I) of 2013

REPEALED

ANNEX THREE**(sections 9(3), 25, 41)**

63(I) of 2013

REPEALED

ANNEX FOUR**(section 43)****Applications' examination fees**

Service Provided:	Fee
1. Examination of an application for approval of a prospectus:	£2000,00
2. Examination of an application for approval of supplement to the prospectus:	£500,00
3. Examination of an application for the omission of information in a prospectus:	£250,00

