

# Spotlight's rules for Issuers of Exchange Traded Products on Spotlight ETP

Applicable commencing 2024-06-12



## Preamble

Spotlight Stock Market was founded in 1997 and has since operated a trading venue for trading in shares and other financial instruments through a so-called trading platform (also known as an multilateral trading facility, MTF). Since September 2020, Spotlight Stock Market has been registered as a growth market for small and medium-sized enterprises.

The purpose of Spotlight Stock Market is to help companies obtain capital from investors and to provide a marketplace that makes it easier, safer and more visible for both the listed company and the investors. Spotlight Stock Market is accessible to companies that meet the applicable listing requirements, but the trading venue has a particular focus on growth companies.

Spotlight Stock Market's operations are under the supervision of the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*).

Spotlight Stock Market is a wholly owned subsidiary of the listed company Spotlight Group AB.



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## **Introduction**

This document constitutes Spotlight Stock Market AB's rules for Issuers of Exchange Traded Products on Spotlight ETP (the "**Rulebook**"). The Rulebook sets out the rules and requirements that applies to Issuers whose Exchange Traded Products are, or are to be, listed on Spotlight ETP.

The Issuer undertakes, by signing the Undertaking, to comply with the rules and requirements as set out in the Rulebook as applicable from time to time and to submit to any sanctions that may result from a possible violation of the Rulebook.

The applicable Rulebook can always be found at [www.spotlightstockmarket.com](http://www.spotlightstockmarket.com).

# 1. GENERAL PROVISIONS

*General provisions relating to the listing of Instruments' and the Issuer's disclosure requirements are described below.*

## 1.1 Definitions

In this Rulebook, the following terms and expression shall have the meaning as set out below:

<i>Exchange Traded Products (ETP)</i>	means transferable securities as defined in point (44)(c) of Article 4(1) of Directive 2014/65/EU (MiFID II), such as warrants, certificates, minifutures and other derivatives.
<i>EEA member state</i>	means a member state of the European Economic Area.
<i>Issuer</i>	means the legal entity which has issued Instruments subject to admission to trading on Spotlight ETP in accordance with this Rulebook.
<i>Inside Information</i>	means inside information as such term is defined in Article 7 of the Market Abuse Regulation.
<i>Instruments</i>	means Exchange Traded Products which are, or are to be, admitted to trading on Spotlight ETP.
<i>MAR</i>	means Regulation (EU) 596/2014 on market abuse.
<i>Spotlight ETP</i>	means the multilateral trading facility operated by Spotlight Stock Market.
<i>MIFID II</i>	means Directive 2014/65/EU on markets in financial instruments.
<i>Multilateral Trading Facility (MTF)</i>	means a multilateral trading facility in accordance with article 4(1)(22) of MIFID II.
<i>PRIIPs Regulation</i>	means Regulation (EU) 1286/2014 on key information documents for packaged retail and insurance-based investment products.
<i>Prospectus regulation</i>	means Regulation (EU) 2017/1129 on the prospectus to be published when securities are

	offered to the public or admitted to trading on a regulated market
<i>Rulebook</i>	means this rulebook for Issuers of Exchange Traded Products on Spotlight ETP, as amended and communicated by Spotlight Stock Market from time to time.
<i>Crypto Asset</i>	means a digital representation of value or rights that can be transferred and stored electronically using distributed ledger or similar technologies, such as cryptocurrencies, tokens and stablecoins.
<i>Spotlight Stock Market</i>	means Spotlight Stock Market AB, the operator of Spotlight ETP.
<i>Undertaking</i>	means the undertaking for Issuers whose Exchange Traded Products are admitted to trading on Spotlight ETP.

## 1.2 The applicability and validity of the Rulebook


The provisions of this Rulebook applies to Issuers from and including the day the Issuer signs the Undertaking to comply with the Rulebook and thereafter as long as the Issuers Instruments are admitted to trading on Spotlight ETP.

The provisions in the Rulebook regarding sanctions for breaches of the provisions of the Rulebook in chapter 5 shall apply for a period of one (1) year after the Issuer's Instruments have been delisted from Spotlight ETP, provided that the violation occurred while the Issuer's Instruments were listed on Spotlight ETP.

Amendments and additions to the Rulebook shall, unless otherwise specified, apply to the Issuer no earlier than thirty (30) days after Spotlight Stock Market has informed the Issuer of the amendment or addition and has published information about it on its website.

If it is justified from a public perspective due to prevailing market conditions, law or legislation, regulations from the Swedish Financial Supervisory Authority, other regulations, or good practice in the stock market or similar circumstances, Spotlight Stock Market may decide that amendments and additions to the Rulebook shall apply to the Issuer earlier than specified in the previous paragraph.

Disputes between an Issuer and the Marketplace arising from the Issuer's commitment to comply with the Regulations and/or dealings between an Issuer and the Marketplace shall be finally settled by arbitration in accordance with the Rules for Expedited Arbitrations of the Arbitration Institute of the Stockholm Chamber of Commerce (SCC). The seat of arbitration shall be Stockholm and the language of the proceedings shall be Swedish. In such proceedings, the Marketplace shall not be held liable for damages



arising from events beyond the Marketplace's control or for an amount exceeding three monthly fees. For the avoidance of doubt, this provision does not pertain to circumstances related to the application of the regulations. Violations of the Issuer's obligations under the Regulations shall always be examined and finally determined by the disciplinary committee.

### **1.3 General Information Rules**

The Issuer shall, for as long as it has Instruments listed on Spotlight ETP, comply with the provisions of this Rulebook and shall provide Spotlight Stock Market with the information that Spotlight Stock Market, in its own reasonable assessment, needs for its supervision of the Issuer's compliance with the Rulebook, relevant regulations, and government directives. This requirement also means that the Issuer permits its auditor to provide the aforementioned information to Spotlight Stock Market.

### **1.4 Fees**

As long as the Issuer has Instruments listed on Spotlight ETP, it shall pay the applicable fees to Spotlight Stock Market in accordance with the price list as applicable from time to time and in accordance with the payment terms available on the Spotlight Stock Market's website. Changes in fees shall apply to the Issuer no earlier than thirty (30) days after Spotlight Stock Market has informed the Issuer of the changes.

## **2. Requirements for admission to trading**

The requirements for admission to trading aim to create conditions for efficient trading, to ensure that the Issuer has the resources necessary in order to comply with the provisions of this Rulebook and to provide information to the securities market in a manner that maintains public confidence in the Issuer, Spotlight Stock Market and the securities market.

The requirements for admission to trading apply continuously and not only at the time of listing.


### **2.1 General**

- 2.1.1 Instruments may be admitted to trading where Spotlight Stock Market determines that the Issuer and the Instrument meet the requirements as set out in this Rulebook.
- 2.1.2 Spotlight Stock Market may approve an application for listing even if not all requirements in section 2 are met, provided that Spotlight Stock Market is satisfied that the purpose of the requirements in the Rulebook or the statutory requirements is not compromised, or if it can be ensured that the purposes of the requirements can be achieved by other means.

### **2.2 Requirements relating to the Issuer**

- 2.2.1 Only issuers that Spotlight Stock Market finds suitable for issuing may be approved as an Issuer of Instruments that may be admitted to trading on Spotlight ETP.
- 2.2.2 The Issuer shall, before it can be approved, sign the Undertaking to comply with the provisions of the Rulebook as applicable from time to time.
- 2.2.3 The Issuer shall have an organizational structure that enables for the identification, measurement, and management of risk. This requirement means that the Issuer's senior executives, board of directors, and major shareholders shall meet the securities market's standards of soundness. It is essential that the senior executives, board members, and major shareholders do not have a background that could damage public confidence in the Issuer, Spotlight Stock Market or the securities market.
- 2.2.4 The Issuer shall be sufficiently financially solvent and otherwise be of good standing. The Issuer may not apply for its Instruments to be admitted to trading if the Issuer has suspended its payments, declared bankruptcy, been granted a corporate restructuring or has entered into liquidation.
- 2.2.5 The Issuer shall be deemed sufficiently financially solvent if the Issuer or, provided that a guarantee has been given by the parent company or another group company, such parent company or group company is supervised by national competent supervisory authority and complies with the applicable capital and liquidity coverage requirements.



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- 2.2.6 The Issuer may also be considered financially solvent and otherwise be of good standing in other cases. In such instances, the Issuer shall, upon request from Spotlight Stock Market, provide an independent assessment of the Issuer's financial solvency and status, to be performed by a reputable third party. For an Issuer of asset-backed securities or securities with an underlying asset, the description should instead include a description of how the underlying assets are acquired and pledged as collateral from time to time under the relevant securities and a description of how the Issuer hedges its financial exposures to investors under the relevant derivative securities from time to time.
- 2.2.7 The Issuer shall immediately inform Spotlight Stock Market in the event of circumstances that may jeopardize the Issuer's ability to comply with the requirements set forth in this chapter 2 (Requirements for Admission to Trading).
- 2.2.8 The Issuer shall, prior to admission to trading, prepare a prospectus, which has been approved by the competent authority in an EEA state in accordance with applicable legislation. The Issuer shall publish the prospectus and make it available to the public in accordance with applicable legislation.
- 2.2.9 The Issuer is required to provide information or documents to Spotlight Stock Market that Spotlight Stock Market deems necessary in order to monitor the Issuer's compliance with the Rulebook and other relevant legislation.

### **2.3 Requirements relating to the Instruments**

- 2.3.1 Only Exchange Traded Products may be admitted to trading on Spotlight ETP in accordance with the provisions of this Rulebook.
- 2.3.2 The Instruments must be capable of being traded in a fair and orderly manner. The following criteria shall be considered in assessing whether, and to what extent, the Instrument meets these criteria:
- i) The price or other value of the underlying asset or assets is reliable and publicly available,
  - ii) There is sufficient information available in order for the public to be able to value the Instruments,
  - iii) The arrangement for determining the settlement price of the Instruments reflects the price or other value of the underlying asset or assets, and
  - iv) The terms of the Instruments are clear and unambiguous and allow for a correlation between the price of the Instruments and the price of the underlying asset.
- 2.3.3 The Instruments must be freely transferable. An Instrument shall be considered freely transferable if it can be acquired or divested of between parties without restrictions.
- 2.3.4 All Instruments that are part of the same issuance must be included in the application for admission to trading.

2.3.5 The Issuer is always responsible for the settlement of the Instruments. Spotlight Stock Market requires that the Instrument be registered with Euroclear Sweden AB or, subject to the Spotlight Stock Market's approval, another foreign securities depository or similar institution.

## **2.4 Application documents for each new Instrument**

2.4.1 Prior to the admission to trading of a new Instrument on Spotlight ETP, the Issuer shall submit the following application documents to Spotlight Stock Market (as applicable):

- i) A copy of the final terms of the Instrument. The final terms must be submitted to the relevant competent authority;
- ii) A prospectus approved by the competent national authority in accordance with the Prospectus Regulation;
- iii) A base prospectus approved by the competent national authority in accordance with the Prospectus Regulation;
- iv) Where the application documents consist of a prospectus or base prospectus approved by a competent national authority in an EEA state other than Sweden, the Issuer shall provide a document demonstrating that the Swedish Financial Supervisory Authority has been informed by the relevant competent authority in the Issuer's home state;
- v) Documents prepared in accordance with the PRIIPs Regulation;
- vi) One or more other admission documents, such as a private placement programmes and pricing supplements, provided that such documents contain sufficient information, in the opinion of Spotlight Stock Market, to enable investors to make an investment decision with respect to the relevant instruments and that they contain other information that Spotlight Stock Market may require in order to facilitate fair and orderly trading on Spotlight ETP.

2.4.2 The application documents must be prepared in Swedish and/or English.

## **2.5 Recalculation and Adjustment of the Instrument's Terms**

2.5.1 If a company, whose share or depository receipt constitutes the underlying asset of the Instrument, makes a decision that has a concentrating or diluting effect on the underlying asset, the Issuer shall ensure that the terms of the Instrument are adjusted in accordance with that decision. The Issuer is responsible for making the necessary changes and recalculations of the Instrument in accordance with the terms (as specified in the prospectus, if applicable).

If the underlying asset consists of assets other than shares, a basket of shares, or an index, the Issuer shall ensure that the same procedure as above is applied to events that impact the valuation of such assets.

2.5.2 The Issuer shall inform Spotlight Stock Market of all planned adjustments and recalculations of the Instrument. The Issuer shall inform the public as soon as possible of each adjustment and/or recalculation.

## **2.6 Market making**

2.6.1 The Issuer is obliged to (i) by its own provision, or (ii) by assignment to a third party, ensure that prices are set through binding buy and sell prices under normal market conditions in all of the Issuer's Instruments admitted to trading on the Marketplace in accordance with the Marketplace's Market making rules.

2.6.2 An Issuer who has appointed a Market Maker to quote prices in accordance with section 2.7.1 is still responsible for the obligations incumbent on the Issuer in accordance with section 2.7.1.

2.6.3 How the Issuer proceeds to place binding buy and sell prices in Instruments admitted to trading must be stated in the documents used in the application (section 2.5) or in other marketing material.

2.6.4 The Marketplace's member rules and the Marketplace's Market making rules shall, as drafted from time to time, apply to the Issuer or to the party appointed by the Issuer to act as market maker in accordance with section 2.7.1 of these regulations.

2.6.5 In the event that the market maker appointed by the Issuer cannot meet the applicable requirements, the Issuer shall immediately inform the Marketplace and publish the reason why the Issuer cannot meet the requirements on their website.

## **3 OBSERVATION LIST AND-DE-LISTING**

### **3.1 Observation list**

3.1.1 The marketplace has the possibility of placing the Instrument on the observation list if any of the following circumstances exist:

i. The marketplace assesses that the Issuer no longer meets the listing requirements above and the shortcomings is assessed as material,

ii. The issuer has applied for delisting, or Marketplace or the Marketplace's disciplinary committee has decided on delisting,

iii. The issuer has seriously breached its obligations under the Regulations,

iv. Substantial uncertainty exists regarding the Issuer's financial situation or the Issuer's operations, or

v. There is another circumstance that causes a significant uncertainty regarding the Issuer or the price/pricing of the Instrument.

## **3.2 Suspension of trading**

The marketplace may decide to suspend trading of an Instrument if:

- i. The instrument does not meet the requirements that apply to be traded on the Marketplace,
- ii. In case of suspected market abuse,
- iii. If the Issuer's position is such that continued trading would harm the investors' interests,
- iv. If, due to technical reasons or other circumstances, the Marketplace deems a trading halt necessary.

When deciding on a trading halt, the Issuer must, if possible, work to ensure that the circumstances that led to the trading halt are remedied as soon as possible.

## **3.3 DE-LISTING**

3.3.1 The Issuer may apply for the Instrument to be delisted, provided that delisting is not inappropriate from an investor protection perspective. The marketplace will in any case examine whether there are conditions to approve the Issuer's application for the Instrument to be delisted. In the case of an approved de-listing, the Marketplace makes, in each individual case, an assessment of the appropriate date for delisting.

3.3.2 The marketplace can decide on delisting if:


- i) The issuer has filed for bankruptcy or liquidation,
- ii) A decision to wind down the business or a decision on a corresponding measure has been taken by the Issuer,
- iii) The Issuer fails, after being reminded, to pay the applicable fees to Marketplace, or
- iv) The Issuer or the Instrument does not meet the listing requirements and has not been able to remedy the current problems or, according to the Marketplace's assessment, is not deemed to be able to meet the listing requirements within a reasonable time.

Decisions on delisting shall cover all the Issuer's Instruments on the Marketplace.

## **4 INFORMATION RULES**

### **4.1 General information rules**

4.1.1 The issuer must publish insider information in accordance with Article 17 MAR.



The issuer must publish insider information and other regulatory information (according to law, regulation, regulations, or the Code) through a press release. The Marketplace has the right to demand that the Issuer publish additional information if the Marketplace deems it necessary. The issuer is always responsible for its information provisions.

- 4.1.2 Information that the Issuer publishes must be correct, relevant, and clear and must not be misleading. The information must be sufficiently detailed to enable an assessment of the importance of the information for the Issuer and the Instruments. Disclosure of regulatory information must not be combined with marketing.

The most essential information must be presented clearly at the beginning of the press release. Each press release must have a heading that summarizes the content.

## 4.2 **Other information rules**

- 4.2.1 This part of the Regulations contains the disclosure requirements that the Marketplace places on the Issuer. Information that must be made public according to this part must, regardless of whether it is considered insider information or not, be made public in the same way as above (4.1).
- 4.2.2 The issuer must prepare and publish financial reports at least every six months in accordance with current legislation, relevant accounting standards and good accounting practice. Regular financial reports must be published on the Issuer's website no later than six months from the end of the reporting period for annual reports, and no later than four months for half-yearly reports.
- 4.2.3 The Marketplace may request that the Issuer publish necessary information, provided that the Marketplace assesses that there are special circumstances that involve significant uncertainty regarding the Issuer or the price of the Instruments and additional information is necessary for the Marketplace to be able to provide fair and orderly trading of the Instruments.
- 4.2.4 In the event of an adjustment or recalculation of the value of an Instrument, the Issuer must inform the Marketplace as soon as possible and inform about this on the Issuer's website.
- 4.2.5 The Issuer shall publish decisions which mean that the Issuer applies for the delisting of an Instrument from the Marketplace.
- 4.2.6 If the Issuer enters into an agreement with, or otherwise instructs, a new market maker to place buy and sell prices in accordance with the Regulations, the Issuer must as soon as possible (i) inform the Marketplace and (ii) publish information about this and about when the commitment will come into effect.
- 4.2.7 Information published in accordance with section 4.1 must be published either in Swedish or English.

## 5 SANCTIONS

- 5.1 If the Issuer violates provisions of the Regulations, law, regulation or other constitution, the Marketplace shall have the right to refer the matter to its disciplinary board, which shall then examine the matter. All decisions on penalties are made by Marketplace's disciplinary committee. The Marketplace may impose the following sanctions:
- (i) If the breach is less serious or excusable, instead of imposing a fine, the Disciplinary Board may issue a public warning to the Issuer,
  - (ii) Fine in an amount that does not exceed SEK 2 million, or
  - (iii) Delisting of the Issuer's Instrument, if the Issuer has committed a serious violation of the Regulations, or if the Issuer has, through its omission, damaged public confidence in the Marketplace or the securities market.
- 5.2 The Marketplace may decide on criticism if the Marketplace makes the assessment that the violation is not so serious that it must be submitted to the disciplinary committee for a decision. Criticism submitted by Marketplace is published in anonymous form in the annual Market Surveillance report.
- 5.3 When determining the amount of the fine according to section 5.1 (ii), the disciplinary committee shall take into account the seriousness of the violation and other relevant circumstances.