

GENERAL RULES OF THE TUNIS STOCK EXCHANGE¹

The Financial Market Council,

Having regard to Law No. 94-117 of November 14, 1994, and in particular Articles 2, 4, 7, 23, 29, 31, 35, 48, 51, 66, 68, 70, 71, 75, and 87 thereof, adopts these General Regulations of the Stock Exchange, which set forth, in particular:

- the rules applicable to market management participants and the Market Guarantee Fund;
- the rules governing the organization and operation of the market and the suspension of trading;
- rules relating to the admission of securities to listing, trading, and delisting;
- rules relating to the registration and reporting of transactions;
- rules relating to the conditions under which proposed acquisitions of controlling interests and blocks of securities are declared and carried out,
- cases of mandatory public offers and optional public offers, the conditions under which they are initiated, accepted, carried out, and settled, as well as the procedures to be followed and the means of defense and guarantee.

TITLE I RULES APPLICABLE TO MARKET MANAGEMENT PARTICIPANTS

SUBTITLE 1: THE TUNIS STOCK EXCHANGE

Article 1 (new) (Decree of the Minister of Finance of August 15, 2019, Art. 1¹):

The Tunis Stock Exchange, hereinafter referred to as "the Exchange," is responsible for making decisions within its area of competence relating to:

- trading rules published in the form of trading floor regulations;
- the procedures for listing companies on the market segments;
- internal measures concerning stock exchange intermediaries or issuing companies;
- public notices.

The decisions of the Stock Exchange are published in the Stock Exchange Bulletin, referred to in Article 2 ed below.

Article 2

The Stock Exchange publishes a daily bulletin called the "Official Stock Exchange Bulletin." This bulletin must include, in particular, the information referred to in paragraph 5 of Article 68 of Law No. 94-117 of November 14, 1994, on the reorganization of the financial market.

Article 3

The Stock Exchange shall ensure that persons under its authority or acting on its behalf comply with their professional obligations.

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As referred to in the decree of the Minister of Finance dated February 13, 1997, and amended by the decrees of the Minister of Finance dated September 9, 1999, September 24, 2005, 24/09/2007, 15/04/2008, 12 January 2016 and 15 August 2019.

Article 4 (new) *(Decree of the Minister of Finance dated April 15, 2008, Art. 1).*

The function of market surveillance at the stock exchange requires the holder to possess a professional card. The conditions for granting such a card are set by general decision of the Financial Market Council.

Article 4 bis *(Decree of the Minister of Finance of April 15, 2008, Art. 2).*

Each broker-dealer shall designate a head of trading who shall be the main contact with the Exchange and other broker-dealers for all transactions carried out on the electronic trading system.

Article 5

All activities carried out on the Stock Exchange and related to the functioning of the markets shall be performed with diligence, fairness, neutrality, and impartiality.

These activities shall be carried out with respect for market integrity.

Article 6

Any person under the authority of the Stock Exchange or acting on its behalf is bound by professional secrecy and confidentiality.

Article 7

The persons referred to in the previous article must, in order to carry out stock market transactions on their own behalf or on behalf of their minor children, be expressly authorized to do so by the Chief Executive Officer of the Stock Exchange. They may only hold one securities account for the purpose of carrying out such transactions in one of the institutions approved by the CMF. Each transaction carried out in this context shall be reported to the CMF and the Stock Exchange by the beneficiary, under penalty of disciplinary sanctions. The aforementioned institutions must report the status of such transactions to the CMF on a quarterly basis.

Article 8

Stock exchange transactions carried out on their own behalf by the persons referred to in Article 6 may not be carried out under conditions that are more favorable than those enjoyed by all of the stock exchange intermediaries' clients. To this end, orders must be transmitted, executed, and recorded in a form and according to rules that allow for verification of compliance with the principles set forth in Article 5 above.

Article 9

Persons responsible for market surveillance may not trade on their own behalf or on behalf of their minor children in securities for which they are responsible.

Article 10

The management of the Stock Exchange shall ensure compliance with the rules set out in Articles 5 to 9 and shall inform the CMF of any irregularities observed.

Article 11

The Stock Exchange shall establish internal rules of procedure, including rules of professional conduct applicable to its staff. These rules shall set out the conditions for compliance with the principles laid down in Articles 5 to 10 and any other rules adopted by the Stock Exchange in this regard.

The Exchange may impose additional restrictions on transactions carried out on their own account by its staff members.

SUBTITLE 2: THE MARKET GUARANTEE FUND

Article 12

Stockbrokers must set up a Market Guarantee Fund intended exclusively to guarantee among themselves the successful completion of transactions negotiated on the market in the event of failure to settle or deliver, and

this, after exhausting all other avenues and means provided for by stock exchange regulations. The Fund is administered by the Association of Stockbrokers.

The Fund's rules are established by the Association of Stockbrokers and approved by the CMF.

Article 13

The financial management of the Market Guarantee Fund is delegated to the Stock Exchange. The Fund's resources and uses are recorded in separate accounts. The Fund's sums may be invested on demand.

Article 14

Stockbrokers who cease their activities permanently, for any reason whatsoever, are entitled to reimbursement of their contributions, in accordance with the terms and conditions set by the Fund's administration, after all their contractual obligations have been fulfilled.

Article 15

The financial contributions to the Market Guarantee Fund payable by stockbrokers are:

- the initial contribution
- the regular provision
- the exceptional contribution.

Article 16(new) *(Decree of the Minister of Finance of September 9, 1999, Art. 2).*

The initial contribution is the first payment made by each stock exchange intermediary, the amount of which is set by the Fund's administration.

This contribution is adjusted periodically in accordance with the terms and conditions set by the Fund's administration or the institution to which it has delegated this task.

Article 17(new) *(Decree of the Minister of Finance of September 9, 1999, Art. 2).*

The regular provision is the proportional contribution that each stockbroker must pay, based on the risk they pose to the market. The rate and the terms and conditions for calculating and paying this contribution are set by the fund's administration.

This provision is calculated at the end of each trading session by the fund administrator or the institution to which this task has been delegated.

Depending on the position of the stockbroker, the fund administrator or the institution to which it has delegated this task shall, as appropriate, call in or return funds.

The terms and conditions for calls and refunds are set out in the guarantee fund regulations provided for in Article 12 above.

Article 18

The exceptional contribution is one that must be paid by all stockbrokers, the amount and date of which are determined by the fund's administration, when the fund's balance is insufficient to cover the total amount due, in accordance with the procedure described in Article 19 below.

Article 19

In the event that the default of a stock exchange intermediary requires the intervention of the Market Guarantee Fund, the sums used to cover the defaults shall be, in order of priority:

- 1) - the regular provision of the defaulting intermediary;
- 2) - the initial contribution of the defaulting intermediary;
- 3) - the regular contributions of all active intermediaries;
- 4) - the initial contributions of all intermediaries in practice;

- 5) - the call for an exceptional contribution from all intermediaries to make up the difference.

Article 20

The intervention of the Market Guarantee Fund is subject to the clearing body confirming the default of the stockbroker, regardless of the cause.

The terms and conditions for implementing the Fund's intervention procedure are laid down in the Fund's regulations.

Article 21

In the event of intervention by the Fund following the failure of a stockbroker, the latter shall draw up a report on the circumstances of the failure and its resolution, and shall forward it to the CMF.

Until the CMF has taken a decision concerning the defaulting stock exchange intermediary, the decision to close its access to the listing system, taken in accordance with the provisions of Article 215 of these regulations, shall remain in force.

TITLE II

ORGANIZATION AND OPERATION OF MARKETS

SUBTITLE 1: THE STOCK EXCHANGE LISTING

Chapter 1: Listed markets

Article 22 (new) (*Decree of the Minister of Finance of August 15, 2019, Art. 1¹*):

Securities are admitted to trading on the stock exchange in one of the following markets:

- Equity markets, which include the main market and the alternative market;
- The bond market;
- The fund market;
- The sukuk market.

The stock exchange markets may be organized into compartments according to criteria and procedures established by decision of the Stock Exchange.

Article 23 (new) (*Decree of the Minister of Finance of August 15, 2019, Art. 1¹*):

The main market is open to public limited companies that meet the criteria of openness to the public, size, performance, liquidity, transparency, and good governance as set out in Section 2 of Chapter 2 of this subtitle.

Article 24 (new) (*Decree of the Minister of Finance of August 15, 2019, Art. 2*):

The alternative market is reserved for public limited companies that have chosen to access this market by admitting their securities to trading by means of a capital increase without recourse to a public offering for the benefit of sophisticated investors.

Admission to the alternative market may also be requested by a public limited company in the context of a total or partial sale, to qualified investors, of holdings held by venture capital investment companies, venture capital mutual funds, or seed funds in its capital.

The following are considered to be informed investors:

1- Institutional investors as defined in Article 39 of these regulations when acting on their own behalf;

2- Any company that meets at least two of the following three conditions:

- an average annual workforce of more than 200 people,
- a balance sheet total exceeding 20 million dinars
- turnover or net revenue exceeding 40 million dinars.

This is based on the consolidated accounts for the last financial year or, failing that, on the financial statements published and, where applicable, certified by the auditor.

3- Any individual investor who has made an initial subscription of at least 100,000 dinars and meets at least one of the following two conditions:

- has held a management position in the financial sector for a period of at least two years and can provide proof that they have acquired knowledge of securities portfolio management strategies,
- holds a securities portfolio or deposits with a total value equal to or greater than one (1) million dinars,

4- Any individual investor who has made an initial subscription equal to or greater than one (1) million dinars.

5- Management companies, banks, stockbrokers, and venture capital companies when acting on behalf of sophisticated investors, provided that the latter may at any time renounce their status as sophisticated investors under the management agreement.

For the purposes of this article, collective investment undertakings other than venture capital funds and seed funds are not considered to be sophisticated investors.

Article 25 (new) (*Order of the Minister of Finance of August 15, 2019, Art. 1¹*):

The bond market is open to debt securities issued by the State, local authorities, and public institutions, as well as any other debt securities issued by private-law entities admitted to trading on this market.

Article 25 bis (*Decree of the Minister of Finance of April 15, 2008, Art. 2*)

The debt mutual fund market is open to securities issued by debt mutual funds.

Article 25 ter (*Decree of the Minister of Finance of August 15, 2019, Art. 2*):

The sukuk market is open to units issued by sukuk mutual funds and to sukuk issued by the State, local authorities, public institutions and enterprises, and private sector companies.

Chapter 2: Admission of securities to listing

Section 1: Common provisions

Article 26 (new) (*Decree of the Minister of Finance of August 15, 2019, Art. 1¹*):

With the exception of debt securities issued by the State and local authorities, which are admitted to listing in accordance with the procedure defined in Article 75, paragraph 3, of Law No. 94-117 of November 14, 1994, all other securities must be subject to an application for admission to listing submitted:

- jointly by the issuer and a stock exchange intermediary for admission to the Main Market;
- jointly by the issuer and a listing sponsor for admission to the alternative market;
- by a stockbroker for the bond market;
- by the manager for the debt mutual fund market;

- by the issuer or manager for the sukuk market.

For the purposes of applying the first and second indents of the first paragraph of this article, the relationship between the parties must be set out in a written agreement signed by them. A copy of the signed agreement must be filed with the Financial Market Council and the Tunis Stock Exchange.

Article 27 (new) (*Decree of the Minister of Finance of August 15, 2019, Art. 1¹*):

The application for admission covers all securities belonging to the same category, already issued or to be issued as part of the admission process.

Article 28

The listing application file shall include the legal, economic, financial, and accounting documents of the company or fund requesting admission (*Decree of the Minister of Finance of August 15, 2019, Art. 1¹*).

The list and content of these documents are determined by the Stock Exchange.

The Stock Exchange is authorized to request any additional information from the issuing entity.

Article 29

In addition to the obligations arising from the regulations in force, the entity requesting the listing of its securities undertakes the following commitments:

- prior to the listing of its securities for trading, provide proof of deposit of the securities with the Société Tunisienne Interprofessionnelle pour la Compensation et le Dépôt des Valeurs Mobilières (Tunisian Interprofessional Securities Clearing and Depository Company), hereinafter referred to as STICODEVAM, and confirmation that the latter will handle settlement and delivery operations.

- obtain the CMF's approval in order to set the issue and subscription schedule for any financial transaction involving preferential or priority rights;

- forward to the CMF and the Stock Exchange all financial announcements and notices and publications to be distributed by the local authority, as well as any economic or financial information documents that the local authority may publish, and obtain the CMF's approval for their distribution;

- where applicable, propose to the market authorities a liquidity contract for its listed securities signed by a stockbroker. The stockbroker's intervention is carried out by means of a contract concluded with the Stock Exchange, the purpose of which is to provide liquidity to the market in accordance with the practical and technical conditions laid down in the trading floor regulations. (*Decree of the Minister of Finance of August 15, 2019, Art. 1⁽¹⁾*)

- ensure, free of charge, either itself or through an organization authorized by it, the servicing of securities and the payment of dividends or interest to holders, and notify the CMF, STICODEVAM, and the Stock Exchange of any change in the designation of the funds responsible for financial services;

- if the securities of the entity are listed abroad, provide the CMF and the Stock Exchange with information that is at least as comprehensive as that provided to the authorities of the markets concerned;

- designate, within its organization, a structure responsible for shareholder affairs and relations with the CMF, the Stock Exchange, and STICODEVAM.

Article 30

In the interests of the market and investors, the Stock Exchange may make the admission of a security subject to any specific conditions communicated to the applicant entity.

Article 31

Without prejudice to the prerogatives of the CMF, the Stock Exchange may reject an application for admission of a security to listing if it considers that it is contrary to the interests of the market and investors.

Article 32

The Exchange shall notify the requesting entity or its broker of its decision within three months of receiving the request or, if the Exchange requests additional information within that period, within one month of receiving such information.

The validity period of an admission decision is four months. At the request of the community, the Exchange may extend the validity of its decision for an additional two months.

Article 33

The Exchange shall determine the conditions for trading and listing newly admitted securities.

Article 34 (new) *(Decree of the Minister of Finance of September 24, 2005, Art. 2)*

The admission of a security shall be announced by a notice published by the Stock Exchange in its bulletin, specifying the trading conditions, the date of the first listing, and the listing procedure.

Section 2 (new)

Admission of equity securities to the main market

(Decree of the Minister of Finance of September 24, 2007, Art. 1^{er})

Article 35

Common or preferred shares, priority dividend shares without voting rights, and investment certificates are considered equity securities.

Article 36 (new) *(Decree of the Minister of Finance of September 24, 2005, Art. 2)*

The company must have published audited financial statements for the two financial years preceding the application for admission. However, the Stock Exchange may grant an exemption for companies that have been in business for less than two years.

The company must present five (5) years of forecast information together with the underlying assumptions. This information, prepared by the board of directors or the management board, as applicable, and under its responsibility, must be accompanied by the opinion of the Statutory Auditor. This opinion is issued on the basis of due diligence in accordance with current professional standards for the verification of forecast information.

If, on the date of the admission decision, the last financial year ended more than eight months ago, the company's board of directors or management board must prepare and publish, under its responsibility, the accounts for the first half of the year. These accounts must be accompanied by the opinion of the Statutory Auditor.

The last two financial years must be profitable.

The profit requirement does not apply to companies applying for admission of their securities to the market through the direct listing procedure following a public capital increase. *(Decree of the Minister of Finance of September 24, 2007, Art. 4)*

Article 37

A company whose securities are the subject of an application for admission must submit a report evaluating its assets, prepared by an expert who is a member of the Tunisian Order of Chartered Accountants, other than the company's auditor, or by any other expert whose evaluation is recognized by the CMF.

Article 38 (new) *(Decree of the Minister of Finance of September 24, 2005, Art. 2)*

A company whose securities are the subject of an application for admission to trading must provide evidence of the existence of:

- a manual of procedures for the organization, management, and disclosure of financial information;
- an internal audit structure, which must be assessed by the Statutory Auditor in his report on the company's internal control system;
- a management control structure;
- a minimum capital of three million dinars on the day of listing. (*Decree of the Minister of Finance of September 24, 2007, Art. 2*)
- a statutory clause providing for the separation of the functions of Chairman of the Board of Directors and Chief Executive Officer. (*Decree of the Minister of Finance of August 15, 2019, Art. 2*)

(Decree of the Minister of Finance of August 15, 2019, Art. 2):

The company's board of directors or supervisory board must include, throughout the period during which its securities are listed on the main market, at least two independent members and one representative of minority shareholders.

An independent member is defined as any member who has no connection with the company, its shareholders, or its executives that could compromise the independence of their decisions or lead them into a real or potential conflict of interest.

Minority shareholders are defined as the public within the meaning of Article 39 of these regulations.

A general decision of the Financial Market Council shall determine the criteria and procedures for appointing independent directors and the representative of minority shareholders.

Article 39(new) (*Decree of the Minister of Finance of September 24, 2005, Art. 2*)

The securities of companies held by the public and for which admission to the market is sought must be distributed among at least two hundred shareholders by the date of listing at the latest.

The term "public" refers to shareholders holding individually no more than 0.5% of the capital and institutional investors holding individually no more than 5% of the capital.

(*Decree of the Minister of Finance of August 15, 2019, Art. 1¹*) An institutional investor is defined as:

- The Tunisian State and local authorities;
- International and regional financial institutions;
- Banks acting on their own behalf and financial institutions;
- Insurance and reinsurance companies acting on their own behalf;
- Stockbrokers acting on their own behalf;
- Securities portfolio management companies acting on behalf of third parties acting on their own behalf;
- Collective investment undertakings;
- Venture capital investment companies acting on their own behalf;
- Fixed capital investment companies;
- Pension and health insurance funds;
- The Caisse des Dépôts et Consignations;
- The Office National des Postes;
- Foreign entities that are similar in legal nature or activity to the institutional investors referred to in this paragraph.

Article 40 (new) (*Decree of the Minister of Finance of September 24, 2005, Art. 2*)

Admission to trading requires that at least 10% of the share capital be publicly traded by the date of listing.

An exemption may be granted by the Stock Exchange when the issuing entity distributes a minimum of 1 million dinars to the public.

Article 41

A company whose securities are subject to an admission decision must keep the Stock Exchange informed of any disposals or abandonments of assets that occurred prior to its listing.

Section 3: Admission of equity securities to the alternative market
(Decree of the Minister of Finance of September 24, 2007, Art. 2)

Article 42 (new) (Decree of the Minister of Finance of August 15, 2019, Art. 1¹)

A company applying for admission of its equity securities to the alternative market must demonstrate on the date of listing that the issue by capital increase, which is the subject of the placement with qualified investors as defined in Article 24 of these regulations, involves a minimum amount of one (1) million dinars.

Equity securities are defined as common or preferred shares, priority dividend shares without voting rights, and investment certificates.

The amount requirement set out in the first paragraph of this article does not apply in cases where the company is admitted to the alternative market through the transfer of holdings held by venture capital investment companies, venture capital mutual funds, and seed funds in its capital.

For the purposes of applying the provisions governing the alternative market, any institutional investor holding individually no more than 5% of the company's capital shall not be considered public.

Article 43(new) (Decree of the Minister of Finance of September 24, 2007, Art. 2)

The company must be accompanied by a listing sponsor throughout the period during which its securities are listed on the alternative market. The term of the listing sponsor's mandate must not be less than two years. (Decree of the Minister of Finance of August 15, 2019, Art. 1¹)

In the event of termination of the mandate for any reason whatsoever, the company must immediately appoint a new listing sponsor.

The Financial Market Council must be informed of any appointment.

Article 44 (new) (Decree of the Minister of Finance of August 15, 2019, Art. 1¹)

A company whose securities are admitted to the alternative market may apply for admission of its securities to the main market in accordance with the provisions of Article 26 of these regulations.

The company must comply with the conditions for admission to the main market as provided for in these regulations.

Article 45 (repealed by the Order of the Minister of Finance of September 24, 2005, Art. 2)

Article 46 (repealed by the Order of the Minister of Finance of September 24, 2005, Art. 2)

***Section 4: Admission to the bond market of debt securities issued by
Tunisian private-law entities***

Article 47

Debt securities are considered to be bonds, bonds convertible into equity securities, participating securities, or any other security entitling the holder to debt securities.

Article 48

The application for admission shall cover all debt securities belonging to the same issue.

Article 49

The Stock Exchange may request, in support of any application for admission to the bond market, the production of a rating recognized by the CMF (Financial Markets Commission) concerning the issue.

Failing this, it may request the production of a guarantee covering interest and principal.

Article 50

The outstanding amount of the bond issue must be at least equal to one million dinars on the day of listing.

Article 51 *(repealed by the order of the Minister of Finance of September 9, 1999, Art. 1)*

Article 52

Unless otherwise authorized by the Stock Exchange, securities giving access to a company's capital may only be admitted to the bond market if the equity securities to which they refer are themselves admitted to listing.

When the exemption is granted, the issuer undertakes to submit an application for listing of the relevant equity securities sufficiently in advance of the effective date of the right to access the company's capital.

Section 5: Admission to the market for debt securities funds.
(Decree of the Minister of Finance of April 15, 2008, Art. 2)

Article 52 bis

The application for admission to trading on the debt mutual fund market shall cover all units of a debt mutual fund. It shall be submitted by the management company.

On the day of the application for admission to trading, the remaining life of the debt mutual fund for which admission is sought shall be at least one year.

The Tunis Stock Exchange shall verify that the amount of the units for which admission is requested and their number are sufficient to ensure market liquidity.

Article 52 ter

The management company requesting admission to trading of units in a debt mutual fund shall file with the Tunis Stock Exchange a file containing the following documents:

- an application for admission to the Stock Exchange,
- a copy of the final prospectus mentioning the visa number granted by the Financial Market Council, and a copy of the fund's internal regulations.

If the management company is submitting an application for admission to trading of units in a debt mutual fund for the first time, this file shall also include the company's articles of association.

Article 52 quater:

The management company is required to inform the Tunis Stock Exchange of any changes made to the deeds, documents, and information referred to in the previous article.

This commitment is formalized in the application for admission to trading of the shares of the debt mutual fund.

Article 52 quater

The management company that has applied for admission of the shares of the debt mutual fund is required to:

- to communicate to the Tunis Stock Exchange the schedule for the repayment of the fund's capital and the payment of interest coupons;
- inform the Tunis Stock Exchange prior to each maturity date:
 - the amount of the interest coupon paid on each unit,
 - the amount of the repayment made to each unit,
 - where applicable, the new nominal values of the units after each redemption,
 - if necessary, the new repayment schedule attached to the fund units admitted to trading.

Article 52 sexies

In the event of liquidation of the fund, the management company shall establish the schedule and terms for early redemption and delisting of the fund units from the list of securities admitted to trading on the market and shall notify the Tunis Stock Exchange thereof.

Section 6: Admission to the sukuk market *(Decree of the Minister of Finance of August 15, 2019, Art. 2)*

Article 52 septies

On the date of filing the application for admission to trading, the outstanding amount of the Sukuk issue or the assets under management of the Sukuk mutual fund must be at least equal to one (1) million dinars, and the remaining life of the fund units for which admission is sought must be at least equal to one (1) year.

Article 52g

A decision by the Stock Exchange shall determine the terms and conditions for trading in admitted sukuk.

Chapter 3: Listing of securities

Article 53

Securities that have been approved for listing may be listed under the conditions set out in the following sections.

Section 1: Disclosure procedure

Article 54

The distribution to the public of equity securities admitted to trading may be carried out in whole or in part concurrently with their initial listing on the market or in the period immediately preceding it.

Article 55 (new) *(Decree of the Minister of Finance of September 24, 2005, Art. 2)*

With the agreement of the Financial Market Council, the distribution of securities during the period immediately preceding their initial listing may take the form of a guaranteed placement or a public offering carried out by banks or stockbrokers individually or jointly. In the latter case, a bank or stockbroker must be designated as lead manager.

Article 56 (new) *(Decree of the Minister of Finance of September 24, 2007, Art. 1)*

The Financial Market Council may authorize the placement of a portion of the securities with one or more investors as part of a guaranteed placement as referred to in Article 55 of these regulations, where the main placement is a firm price offer or an open price offer in accordance with the procedures set out in Articles 67, 67 bis, 67 ter, and 68 of this regulation, and the offering represents at least 10% of the capital of the company concerned or an amount of 2 million dinars.

In this case, the guaranteed placement must be made on the basis of a price at least equal to the price set for the execution of the firm offer or the open offer.

Article 57 (new) *(Decree of the Minister of Finance of September 24, 2005, Art. 2)*

The Bank or the lead brokerage firm for the placement transactions referred to in the two preceding articles shall, at the end of the transaction, provide the Financial Market Council and the Stock Exchange with a detailed summary of the results of the placement. These results shall be published by the Stock Exchange.

In the case of admission to the alternative market, the stockbroker shall, following the securities placement transaction, under its responsibility, provide the Financial Market Council and the Tunis Stock Exchange with a list of subscribers. *(Decree of the Minister of Finance of August 15, 2019, Art. 2)*

Section 2: Initial listing procedures

Article 58 (new) *(Decree of the Minister of Finance of September 24, 2007, Art. 1)*

The initial listing of securities admitted to trading shall be carried out in accordance with one of the following four procedures: the minimum price offer procedure, the direct listing procedure, the firm price offer procedure, or the open price offer procedure.

Article 59

The minimum price offering procedure allows introducers—shareholders and executives of the issuing company, stock market intermediaries—to make a quantity of securities available for sale at a minimum price on the day of the introduction, with the aim of opening up the capital to the public. *(Decree of the Minister of Finance of September 24, 2007, Art. 4)*

Purchase orders placed in response are centralized and executed by the Stock Exchange in accordance with Article 66 below.

Article 60 (new) *(Decree of the Minister of Finance of August 15, 2019, Art. 1¹)*

The direct listing procedure allows the Stock Exchange to directly list a company's securities on the market for which admission is sought, provided that the company has fulfilled all the conditions for trading on that market in accordance with the usual listing rules, based on an initial price set by the Stock Exchange.

Direct listing is the initial listing procedure applicable to the alternative market.

Article 61 (new) *(Decree of the Minister of Finance of September 24, 2007, Art. 1)*

The fixed-price offering procedure is the procedure that allows introducers, prior to the opening of trading of the company's securities on the market, to open the capital to the public in accordance with the procedures set out in Articles 67, 67 bis, and 68 of these general regulations.

Article 61 bis *(Decree of the Minister of Finance of September 24, 2007, Art. 2)*

The open price offering procedure consists of making a quantity of securities available to the public by setting a price range in accordance with the procedures set out in Articles 67, 67b, and 68 of these general regulations.

The placement price is set by mutual agreement between the lead manager and the issuer using the book building technique.

The book building technique consists of the lead manager collecting orders issued by institutional investors in order to determine the final price of the placement based on this demand.

Subsection 1 - Common provisions

Article 62

The first listing of the securities admitted to trading is announced by a notice from the Stock Exchange in its bulletin, disclosing the identity of the issuing entity and the intermediary or intermediaries it has appointed to oversee the admission and listing procedures, the number, nature, and characteristics of the admitted securities, the price stipulated by the issuer or sellers, the initial listing procedure chosen, and, in general, all details necessary for public information.

Article 63

Unless otherwise specified in the notice referred to in the previous article, orders that are not executed on the first day of listing and do not specify their period of validity shall be considered revocable orders.

Article 64

The result of the implementation of the initial listing procedures shall give rise to the publication of a notice by the Stock Exchange in its bulletin, stating in particular the quoted price or the indicative price entered, the number of securities traded, and the conditions under which trading will continue on the following days.

Subsection 2 - The minimum price offer procedure

(Decree of the Minister of Finance of September 24, 2007, Art. 4)

Article 65

The stock exchange notice announcing the introduction of a security under the minimum price offer procedure specifies, in particular, the number of securities made available to the market by the introducers—shareholders and managers of the issuing entity, stock exchange intermediaries—and the minimum sale price they have set. This notice is published at least five trading days before the date of the first listing. *(Decree of the Minister of Finance of September 24, 2007, Art. 4)*

With the agreement of the Stock Exchange, introducers may reserve the right to modify the minimum offer price they initially stipulated, provided that this possibility was specified in the introduction notice and that the price finally selected is published at least two trading days before the date of the first listing. These new terms and conditions are the subject of a notice published by the Stock Exchange in its bulletin, which specifies the conditions under which previously issued purchase orders must be confirmed.

Article 66

In order to carry out a minimum price offer, the Stock Exchange centralizes the purchase orders sent to it by stockbrokers. It only accepts limit orders and has the power to remove from the introductory market any orders with a limit that it considers to be abnormally higher than the minimum offer price.

The Exchange may divide the securities made available to the market into several lots and allocate each lot to satisfy the selected requests, classified by limit and, where applicable, reduced in advance.

The quoted price for the introduction corresponds to the lower limit of the last order filled. This price is unique.

Subsection 3:
The fixed-price offer procedure and the open-price offer procedure
(Decree of the Minister of Finance of September 24, 2007, Art. 1)

Article 67

The stock exchange notice announcing the introduction of a security under the fixed price offering procedure or the open price offering procedure shall specify, in particular, the number of securities and the price or price range offered, as applicable. This notice shall be published at least five trading days before the date scheduled for the first listing. *(Decree of the Minister of Finance of September 24, 2007, Art. 1)*

With the agreement of the Stock Exchange, introducers may reserve the right to modify the price or price range they initially proposed, provided that this possibility has been specified in the offering prospectus. *(Decree of the Minister of Finance of September 24, 2007, Art. 1)*

These new terms and conditions are the subject of a notice published by the Stock Exchange specifying the conditions under which previously issued purchase orders must be confirmed.

Article 67 bis *(Decree of the Minister of Finance of September 24, 2007, Art. 2)*

On the day set for the completion of the firm price offer, the Stock Exchange centralizes the orders sent to it by stockbrokers. It only accepts orders submitted at the offer price.

The quoted price is the bid price.

Article 67b *(Decree of the Minister of Finance of September 24, 2007, Art. 2)*

On the day set for the open price offer, the Stock Exchange will only accept orders submitted at a price within the proposed price range, inclusive.

The quoted price is set at the end of the offer and takes into account the placement price provided for in the second paragraph of Article 61 bis of these regulations.

Article 68 *(Decree of the Minister of Finance of September 24, 2007, Art. 1)*

With the agreement of the Stock Exchange, introducers may distribute orders issued in response to a firm price offer or an open price offer across different categories. *(Decree of the Minister of Finance of September 24, 2007, Art. 1)*

These categories may be established based on the quantity of securities requested and the quality of the order givers.

A notice from the Stock Exchange sets out the conditions for the admissibility of purchase orders by stockbrokers. This notice also sets out the conditions under which these orders are transmitted to the Stock Exchange and the extent of the details it may require from stock exchange intermediaries with regard to the identification of order givers. It also determines the standards according to which the status of purchase orders is determined and the securities covered by the offer are distributed among the order givers.

Subsection 4 - The direct registration procedure
(Decree of the Minister of Finance of September 24, 2007, Art. 4)

Article 69

The stock exchange notice announcing the introduction of a security under the direct listing procedure must be published at least two trading days before the first day of trading. (*Decree of the Minister of Finance of September 24, 2007, Art. 4*)

It must specify, in particular, the date of the first listing and the introductory price. (*Decree of the Minister of Finance of September 24, 2005, Art. 2*)

Chapter 4: Conditions for securities to remain listed and delisting

Article 70

Unless the CMF objects, the Stock Exchange may decide to delist securities. Delisting may also be requested by the issuing entity under the conditions set out in the following articles.

Article 71

The delisting of a security shall be the subject of a decision notified to the issuing entity and a notice published by the Stock Exchange, specifying the effective date of this measure.

Article 72

(Decree of the Minister of Finance of September 24, 2005, Art. 2)

In addition to cases of delisting following the dissolution of companies, the Stock Exchange may delist securities from the listing, and shall base its decision to delist on the following factors:

- the daily average of transactions expressed in dinars and securities traded, as well as the number of trading days on which the securities were listed, assessed over a year.
- the payment of dividends over the last two financial years;
- the percentage of capital distributed to the public;
- compliance with the disclosure and organizational obligations incumbent upon the issuing company;
- compliance with the regulatory and legal provisions applicable to listed companies.

The thresholds used to examine a delisting application are set periodically. Any revisions are subject to a notice published by the Stock Exchange.

Article 73

Unless otherwise decided by the Stock Exchange, the delisting of a equity security shall result in the delisting of all other securities whose definition refers to the delisted securities, such as participating securities and bonds convertible into shares, as well as warrants relating to such securities.

Unless otherwise decided by the stock exchange, debt securities that do not give access to capital shall remain on the bond market until final redemption.

SUBTITLE 2: THE OVER-THE-COUNTER MARKET

Article 74

Equity and debt securities of any public limited company that is publicly traded but not listed on the stock exchange are traded on a market referred to below as the over-the-counter market.

Article 75 (new) (*Decree of the Minister of Finance of September 24, 2005, Art. 2*)

Upon decision of the Stock Exchange, securities not listed on the Stock Exchange that are traded on a regular basis shall be traded in accordance with the rules applicable to the listed market. They shall be subject to daily over-the-counter reporting.

(Decree of the Minister of Finance of April 15, 2008, Art. 2)

An issuing company that requests the listing of its unlisted securities on the electronic system must, prior to the first listing on this system, justify the admission of its securities to trading by the depository, clearing and settlement company and provide the Stock Exchange with the following documents and information:

- the financial statements certified by an auditor for the last two fiscal years,
- updated articles of association,
- the number of shareholders.

The Stock Exchange may request any other documents or information it deems necessary from the issuing company.

Article 76(new) *(Decree of the Minister of Finance of April 15, 2008, Art. 1)*

Securities that are not listed on the Stock Exchange and do not justify regular trading are traded on an "all or nothing" basis with the assistance of computer technology or by open outcry. In the latter case, transactions that may take place on the aforementioned securities are carried out by auction.

The initial purchase or sale order without a counterparty must be published until its expiry date. This publication shall be made for a minimum period of three trading days.

The request to sell securities must be published at least three trading days before the auction takes place.

A specific day of the week may be reserved for auctions by stock exchange intermediaries.

A decision by the Stock Exchange shall determine the conditions for conducting auction transactions. Securities issued by companies not making a public offering, whose offerors or applicants intend to benefit from the advantages of the market as provided for in Article 71 of the aforementioned Law No. 94-117, shall be traded in accordance with the conditions of this article.

SUBTITLE 3: NEGOTIATIONS

Chapter 1: General Rules

Article 77

The stock exchange and the over-the-counter market are spot markets.

Article 78 (new) *(Decree of the Minister of Finance of September 24, 2005, Art. 2)*

The quoted prices result from the free matching during the trading session, under the supervision of the stock exchange, of buy and sell orders submitted by stockbrokers on the trading platform.

Orders received or initiated by stockbrokers are produced on the market without delay and without prior offsetting or aggregation of buy and sell orders relating to the same security, except as provided for in Article 90 below.

However, after informing the client and the Financial Market Council, the stockbroker may choose not to place the entire quantity on the market or to disclose only part of an order involving a quantity offered or demanded that is clearly disproportionate in relation to the liquidity of the security and the market's absorption capacity.

Article 78 bis *(Decree of the Minister of Finance of August 15, 2019, Art. 1¹)*

Securities admitted to listing may be traded with the assistance of a market maker as provided for in the status of stock exchange intermediaries, under the conditions laid down by the stock exchange regulations and by a contract concluded with the stock exchange.

Trading on the alternative market is reserved for buy and sell orders issued on behalf of sophisticated investors as defined in Article 24 of these regulations, with the exception of collective investment undertakings other than venture capital funds and seed capital funds.

However, the Financial Market Council may authorize sell orders issued on behalf of shareholders of the company, other than sophisticated investors, who held an interest in the capital of the said company prior to its admission to the alternative market.

Article 79 (new) *(Decree of the Minister of Finance of April 15, 2008, Art. 1)*

Securities admitted to the stock exchange market and those traded over the counter referred to in Article 75 of these general regulations shall be traded, with the assistance of computer technology, at a fixed price or on a continuous basis, under the conditions set by decision of the stock exchange.

The technique used to maintain the market may be associated with the two trading cycles referred to above in accordance with the conditions set by decision of the Stock Exchange.

The transactions referred to in Article 76 of these General Regulations shall be carried out by open outcry, under the conditions laid down by decision of the exchange.

Article 80

In the event of failure to settle or deliver, failure to pay contributions due to the Market Guarantee Fund, failure to pay or refund fees and commissions owed by a stock exchange intermediary, or actions contrary to the interests of the market and the security of transactions on the part of the intermediary, the Exchange shall be entitled to deny them access to the quotation system.

Article 81

The Exchange shall establish a central electronic monitoring structure to supervise the conduct of trading.

In light of market data, the aforementioned structure may, under the authority of the Chief Executive Officer of the Stock Exchange or his representative, reserve and resume trading during the session, adjust the permitted spreads in accordance with the trading floor rules, and refer the matter to the competent authorities when the suspension of trading in the security is required.

Article 82

Trading is carried out on a per-share basis, unless otherwise decided by the Stock Exchange.

Article 83

On the over-the-counter market, and for securities traded in accordance with the procedure set out in Article 74, an offer or bid price shall be published at least one day before a quotation can be made, when the last quotation dates back more than three months.

Article 84

At the request of the CMF, the issuing entity and/or its main shareholders, whose securities are listed, appoint a specialist broker with whom they sign a liquidity contract for a fixed term.

Under this contract, the stockbroker is responsible for regulating the market for this security by buying or selling on behalf of the issuing entity and/or its main shareholders.

A copy of the liquidity contract is sent to the CMF and the stock exchange. A model liquidity contract setting out its main provisions is approved by the CMF.

The existence of a liquidity contract is announced by notice published in the stock exchange bulletin.

The practical and technical conditions for the intervention of the specialist broker on the market are set by the trading floor regulations. This intervention is carried out by means of a contract concluded with the stock exchange, the objective of which is to provide liquidity to the market. (Decree of the Minister of Finance of August 15, 2019, Art. 2)

Article 85

Depending on the state of the market for a given security, the Stock Exchange may decide to list only a bid or ask price for that security, without a quotation.

If the listing method allows it, the Stock Exchange may accept that a single price be quoted for a security.

Article 85 bis (*Decree of the Minister of Finance of August 15, 2019, Art. 1¹*)

Unless the Financial Market Council objects, the stock exchange may list in a special group:

- listed companies that are affected by events likely to disrupt their situation in the long term or compromise the proper functioning of the market.
- Companies admitted to the Alternative Market that hinder the listing sponsor's mission or terminate their contract with the listing sponsor without appointing a new listing sponsor within ten days of such termination.

Unless the Financial Market Council objects, the stock exchange may decide to remove the company concerned from the group.

Article 86

By decision, the Exchange shall determine the maximum spreads it will accept, depending on the nature of the securities and their trading conditions, as well as the measures it is authorized to take in the event that these spreads are reached.

Article 87

The working days and the opening and closing times of trading sessions shall be set by the Exchange.

Article 88

The Exchange shall determine the format of its bulletin and the nomenclature of its chapters. A section shall be reserved for notices and decisions.

The daily bulletin specifies the first and last prices, as well as the highest and lowest prices quoted for each security during the day's trading session.

After the stock exchange bulletin has been published, corrections may only be made for omitted or canceled prices and for material errors.

The stock exchange bulletin includes a daily statement of the over-the-counter market, which contains information on the securities traded there and for which the issuing entities or stock exchange intermediaries providing financial services have kept the stock exchange informed.

Chapter 2: Orders

Article 89

A stock market order is an instruction given by a client to a stock market intermediary, or initiated by the latter as part of a management mandate or counterparty activity, or market making.

Article 90 (new) (*Decree of the Minister of Finance of September 9, 1999, Art. 2*)

Orders collected on behalf of stockbrokers by independent Tunisian or foreign financial institutions must be the result of a written agreement between the stockbroker and the collecting institution, a copy of which must be filed in advance with the Financial Market Council.

These orders must be forwarded to the stockbroker, individualized in accordance with Article 91 below. However, orders entered solely within the framework of securities portfolio management agreements on behalf of third parties established between the above-mentioned order collectors and their clients may be forwarded to the stockbroker in aggregate form. In the latter case, and if the orders have been executed on the stock exchange, the identities of the end clients must be disclosed to the stock exchange intermediary no later than two trading days after the trading session and in any event before the transaction is settled at STICODEVAM.

These orders are executed by the broker according to their rank and in competition with other orders received or initiated by said broker.

Orders initiated by the broker-dealer under a securities portfolio management contract on behalf of others may be transmitted by the portfolio manager to the trading staff in aggregate form.

Section 1: The wording of orders

Article 91

All stock exchange orders must include the identity of the person placing the order, the direction of the transaction (purchase or sale), the name or characteristics of the security being traded, the number of securities to be traded, the price, and, in general, all the details necessary for its proper execution.

Article 92 (new) *(Decree of the Minister of Finance of April 15, 2008, Art. 1)*

Orders are classified as follows:

- Opening price order: This order is accepted during the pre-opening phase and order accumulation periods. It is intended to be executed at the fixing price. Its balance is converted into a limit order and entered into the central order book at the fixing price.

- Limit order: This order is an order in which the buyer sets the maximum price they are willing to pay and the seller sets the minimum price at which they are willing to sell their securities. It is executed if the market allows it at the set price or at a better price. The price limit must be compatible with the quotation level set by decision of the Stock Exchange.

However, it is prohibited to place a limit order with a validity of one day outside the authorized thresholds, which are set by decision of the Stock Exchange.

- Best limit order: This order is only accepted during continuous trading and is intended to be executed as soon as it is entered at the best limit of opposite orders. Its balance is converted into a limit order at the last execution price and is included in the central order book.

- Market order: This order has no price limit. It is executed at successive prices determined by the trading system for the maximum quantity immediately available, with any remaining balance remaining in the order book to be executed as soon as possible at the following prices.

- Stop order: This order is a buy or sell order for which the order issuer wishes to intervene in the market as soon as the price reaches a predetermined level. An order issued at a "trigger price" produces a market order as soon as it is triggered, and an order issued at a "trigger price and ceiling" produces a limit order.

- Application: This order is an order whereby the same intermediary simultaneously produces and executes two client orders of opposite direction for the same quantity and at the same price for a given security.

In the central order book, applications are only possible for securities traded continuously, at a price strictly between the two best bid and ask limits.

The counterparty transaction provided for in Article 48 bis of Decree No. 99-2478 of November 1, 1999, referred to above, is executed by application. The client must be informed of the identity of his counterparty in this transaction.

Article 93 *(Repealed by the order of the Minister of Finance of April 15, 2008, art. 3)*

Article 94 *(Repealed by the Order of the Minister of Finance of April 15, 2008, Art. 3)*

Article 95

The amount paid in respect of a dividend or interest coupon shall be deducted, on the day of its detachment, from the limited price set by the principal, unless otherwise instructed by the latter.

The deduction of dividend or interest coupon amounts shall be made by stock exchange intermediaries at the price proposed prior to the entry of orders on the quotation medium.

Section 2: Transmission of orders

Article 96

The stock market order is transmitted in writing or by telephone at the convenience of the principal and the stock market intermediary.

If in writing, it must be drawn up using the order form used by the broker and must be signed by the person placing the order. The form must be approved by the CMF.

In the case of a telephone order, the conversation must be recorded on a magnetic medium approved by the CMF and kept for at least six months. It must be recorded in writing by the brokerage intermediary's employee responsible for receiving telephone communications. In all cases, it must be confirmed in writing by the principal.

Orders initiated by the broker, as part of a management mandate or counterparty activity, must be recorded in a written document, sent by the person responsible for managing client portfolios or by the person responsible for counterparty transactions, to the person responsible for trading operations.

The principal may modify or cancel his order at any time prior to its execution. In the event of a modification and in terms of order processing by the broker, the modified order shall take its place in the order book in relation to the orders already in the book.

Article 97

All orders are time-stamped upon receipt by the stock exchange intermediary. The conditions under which orders are time-stamped are subject to a general decision by the C.M.F.

Section 3: Validity of orders

Article 98 (new) *(Decree of the Minister of Finance of April 15, 2008, Art. 1)*

Orders entered in the order book may be valid for:

- the trading day;
- until a certain date;
- until it is executed, canceled by the customer, or deleted by the quotation system. In the latter case, the order is considered revoked.

If no duration is specified, an order is considered valid for the trading day. In all cases, the order period may not exceed 365 calendar days from the date of entry.

Article 99(new) *(Repealed by the Order of the Minister of Finance of April 15, 2008, Art. 3)*

Article 100 *(Repealed by the Order of the Minister of Finance of April 15, 2008, Art. 3)*

Article 101

Without prejudice to the provisions of Article 95, the validity of the order shall automatically expire upon the detachment of a subscription or allocation right and, in general, of any special advantage on the security in question.
In the event of the suspension of a security, the validity of orders in the order book shall also automatically expire when such suspension exceeds one trading session.

By special decision, the Stock Exchange may set a date from which unexecuted orders on a given security must be renewed by the order givers. This decision shall be published in the Stock Exchange bulletin, which shall specify, where applicable, the new conditions for transmitting and renewing orders.

Chapter 3: Securities transactions

Article 102

No later than three trading days prior to the implementation of a securities transaction, the issuing entity shall inform the Stock Exchange and STICODEVAM of the date of such implementation.
A notice informing of this securities transaction must be published by the Stock Exchange at least one trading day before its implementation.

Section 1: Subscription or allocation rights

Article 103

Subscription or allocation rights shall be detached on the day on which subscription or allocation operations commence. They shall be traded on the market under the conditions set by the Stock Exchange.

Article 104

At the end of the normal period for exercising rights, the Stock Exchange shall organize a settlement session under the conditions it determines.

This session should enable, but does not guarantee, the execution of orders received by stockbrokers on the last day of the rights exercise period between the end of the trading session and the end of the working day.

Orders in the order book that were not executed during the last trading session may also be executed during this settlement session.

Section 2: Coupons

Article 105

The detachment of an interest or dividend coupon takes place on the day it becomes payable.

Chapter 4: Block transactions

Article 106 (new) *(Decree of the Minister of Finance of April 15, 2008, Art. 1)*

A block trade is defined as a trade involving an amount agreed between the purchasing broker and the selling broker and authorized in accordance with the rules set out in this chapter.

Article 107 (new) *(Decree of the Minister of Finance of April 15, 2008, Art. 1)*

Block trades are executed outside the central order book.

Block trades may only involve one of the securities listed by the Stock Exchange. A decision by the Stock Exchange sets the minimum block size.

Article 108 (new) *(Decree of the Minister of Finance of April 15, 2008, Art. 1)*

Block trades are permitted before the opening of the trading session, during continuous trading and after the close of the trading session.

A decision by the Exchange shall determine the phases during which block trades are declared and authorized.

Article 109 (new) *(Decree of the Minister of Finance of April 15, 2008, Art. 1)*

Block trades may be carried out at a price set by decision of the Stock Exchange.

This price may be reduced or increased by a margin, the maximum rate of which is set by decision of the Stock Exchange.

Article 110 (new) *(Decree of the Minister of Finance of April 15, 2008, Art. 1)*

Unless expressly authorized by the Exchange, published by notice in the Exchange bulletin, block trades are prohibited when the security is subject to a suspension measure.

Article 111

All block trades shall be reported to the Exchange by the broker(s) who carried out the transaction in accordance with the conditions set out in a decision of the Exchange.

Article 112

Block trades shall be settled under the same conditions as securities traded on the central market.

Article 113

In the event of default by one of the two parties, the Exchange shall cancel the block trade.

Block trades are not covered by the Market Guarantee Fund.

Article 114

The Exchange monitors the regularity of block trades. It includes them in daily market statistics.

Chapter 5: Counterparties for securities

Article 115 (new) *(Decree of the Minister of Finance of September 24, 2007, Art. 1)*

Counterparty trading is a transaction whereby a stock exchange intermediary voluntarily buys or sells securities on its own account in response to an order issued by one of its clients.

Counterparty transactions are carried out by matching buy orders and sell orders submitted by stockbrokers during trading hours on the central order book, in accordance with the conditions set out in the trading floor regulations.

Article 116

All securities admitted to listing or appearing on the daily over-the-counter list may be subject to counterparty transactions.

Article 117

Ordinary counterparty transactions are carried out during the trading session.

Counterparty transactions involving blocks of securities are carried out under the same conditions as those applicable to block transactions defined in the previous chapter.

Article 118 *(repealed by the Order of the Minister of Finance of September 24, 2007, art. 3)*

Article 119 *(repealed by the Order of the Minister of Finance of September 24, 2007, art. 3)*

Article 120 *(repealed by the Order of the Minister of Finance of September 24, 2007, art. 3)*

Chapter 6: Cancellation of negotiations

Article 121

The Stock Exchange may cancel a quoted price and, consequently, all transactions carried out at that price when that price or transaction has been carried out in contravention of the regulations in force or due to a material error, if that price or transaction has not given rise to irreversible effects.

TITLE III RECORDINGS AND DECLARATIONS

SUBTITLE 1: RECORDINGS

Article 122

Transactions subject to registration referred to in Article 70 of Law No. 94-117 of November 14, 1994, as well as transactions referred to in Article 71 of the aforementioned law, shall be registered with the Stock Exchange by stockbrokers in registers kept for this purpose, under the conditions set out in this chapter.

Prior to registration, the Stock Exchange must ensure that the said transactions do not fall within the scope of trading markets.

Article 123

Records may be kept in the form of a manual book or magnetic media.

Article 124

The registers must indicate:

- 1- the identity of the purchaser(s);
- 2- the identity of the seller(s);
- 3- the identification of the security;
- 4- the name of the issuer;
- 5- the unit price and the total price;
- 6- the number of securities traded;
- 7- the broker(s) representing the parties to the transaction;
- 8- the date of filing;
- 9- the date and registration number.

Any application for registration must be accompanied by the deed of assignment, the articles of association of the company, and must include the information referred to in paragraphs 1, 2, 3, 4, 5, 6, and 7 of this article.

Article 125

In addition to the documents required in Article 124:

- applications for registration of transactions between spouses must be accompanied by a document certifying the marriage;
- applications for registration of transactions between ascendants and descendants must be accompanied by the birth certificates of the parties;
- applications for registration of transactions between two companies, one of which directly holds at least 34% of the capital of the other, or between a legal entity other than a company and a company where the legal entity directly holds at least 34% of the capital of the company, must be accompanied by proof of shareholding;
- Requests for registration of transactions between the holder and the counterparty in a share lending agreement must be accompanied by the reference number of the prior filing of the share lending agreement with the CMF and the Stock Exchange.
- requests for registration of transactions between two shareholders, where the transaction involves guarantee shares, must be accompanied by a copy of the resolution appointing the new director;
- requests for registration of transactions decided upon in the context of the restructuring of public companies and companies with public or majority public participation must be accompanied by notification from the competent authorities;
- requests for registration of transactions between two natural or legal persons, where the transaction, included in an agreement other than a simple sale, constitutes a necessary element thereof, must be accompanied by the said agreement.

With the exception of transactions resulting from mergers, takeovers, demergers, or portfolio capital contributions, which are automatically registered on the basis of the legal documents justifying these transactions, any other transaction included in an agreement other than a simple sale, and constituting a necessary element thereof, must be the subject of a notice from the Stock Exchange published in its bulletin for 10 trading days.

If, at the end of this period, no reasoned objection to the registration has been sent to the Stock Exchange, the latter shall proceed with the registration. Otherwise, the file shall be forwarded to the CMF for a decision on the merits of the objection.

SUBTITLE 2: DECLARATIONS

Article 126

Transactions referred to in Article 87 of Law No. 94-117 of November 14, 1994, reported to the Stock Exchange, shall be recorded in ad hoc registers.

These registers must be in the form of a manual book or magnetic medium.

Article 127

The Stock Exchange shall issue a declaration certificate to the company concerned.

Article 128

The declaration registers must indicate:

- 1 - the identity, nationality, and residence of the purchaser(s);
- 2 - the identity, nationality, and residence of the seller(s);
- 3 - the identification of the security;
- 4 - the name, residence, and nationality of the issuer;
- 5 - the unit price and total price;
- 6 - the number of securities exchanged;
- 7 - the date and number of the declaration.

TITLE IV
SPECIAL TRANSACTIONS

SUBTITLE 1: TAKEOVER BIDS

Chapter 1: Optional takeover bids

Article 129

The provisions of this chapter concern takeover bids for equity securities or debt securities by a person acting alone or in concert within the meaning of Article 6 of Law No. 94-117 of November 14, 1994, on the reorganization of the financial market, of a company deemed to be making a public offering.

Article 130

A public takeover bid may be either a public purchase offer (OPA) or a public exchange offer (OPE).

Where the public offer is an exchange offer with a cash payment, the specific rules applicable are those for takeover bids or public exchange offers, as the case may be, depending on the main nature of the transaction as determined by the initiator of the public offer, subject to the approval of the CMF.

Section 1: Public offers to purchase or exchange equity securities or securities giving access to equity - ordinary procedure

Subsection 1 - Provisions common to takeover bids and exchange offers

Article 131

The draft public offer shall be filed with the CMF by one or more stockbrokers guaranteeing, on behalf of the person or persons initiating the transaction, the irrevocable nature of the commitments made.

In support of the proposed public offer, the presenting stockbroker(s) shall file with the CMF a dossier specifying:

- the objective pursued by the offeror, its intentions on the date of the offer, in particular its intentions for the next twelve months with regard to the target company in terms of industrial, financial, and social policy, the existence or otherwise of an agreement between the offeror and the management of the target company;
- where applicable, the number and nature of the securities of the target company already held by the offeror;
- whether the offer covers all securities or a threshold set by the offeror;
- where applicable, and where the offer relates to all securities, the number of securities tendered in response to the offer below which the offeror reserves the right to withdraw or will withdraw its offer;
- the price or exchange ratios at which the offeror offers to acquire the securities, the factors taken into account in determining them, and the terms of payment or exchange provided for.

The presentation of the file, prepared in accordance with the standards set by the CMF, is made by letter addressed to the CMF, guaranteeing, under the signature of the presenting broker(s), the irrevocable nature and content of the commitments made by the offeror.

If the offer is a public exchange offer in which the initiator proposes to issue securities in exchange for the securities of the target company, the irrevocability of the commitments made by the initiator requires its officers to propose to the shareholders' meeting a resolution to decide on the issuance of securities intended to compensate the sellers under the terms and conditions set out in the public offer.

As soon as the CMF receives the proposal, it publishes a notice of filing in its bulletin and informs the stock exchange, which suspends trading in the securities concerned. The stock exchange then publishes a notice of suspension due to the filing of a public offer.

The CMF has 10 trading days following the date of filing to rule on the admissibility of the offer.

During the same period, the CMF shall inform the target company, which must provide it with an information memorandum within five trading days, specifying in particular:

- the distribution of its shareholding;
- the existence of any agreements with third parties;
- whether or not there is an agreement between the offeror and the management of the target company
- the financial situation of the company;
- the board of directors' reasoned opinion on the public offer.

If the CMF declares the public offer admissible, it publishes the notice of commencement of the offer.

If the CMF has declared the public offer inadmissible, it shall publish a notice of inadmissibility of the offer.

Article 132

The public offer may relate to all or part of the equity securities and securities giving access to the capital of the company. Where the public offer does not relate to all of the equity securities and securities giving access to the capital of the issuing company, it must relate to at least 10% of the securities.

Where the securities of the target company are traded on the over-the-counter market, the statutory pre-emption and approval clauses shall be deemed not to exist in relation to the offeror.

Article 133

The CMF is authorized to require the presenting broker(s) to provide, during the 10-day period referred to in Article 131, any additional supporting documents and guarantees and to require the deposit of cash or securities as collateral.

It may also ask them to review their proposal if it considers the following to be unacceptable:

- the proposed price or exchange ratios, based on the objective valuation criteria usually applied and the characteristics of the target company;
- the threshold, expressed as a minimum number of securities tendered, for the offeror's right of withdrawal;
- the nature, characteristics, and market of the securities offered in exchange.

Article 134

Trading in the securities of the company or companies concerned shall resume, as a rule, two trading days after the publication of the notice of commencement of the offer or the notice of inadmissibility of the offer.

Article 135

The notice of commencement of the public offer shall specify the identity of the offeror, the name of the presenting institution(s), the number of securities already held by the offeror, where applicable, the number of securities that must be tendered in response to the offer in order for it to be successful, the offer price or the proposed exchange ratios, the opening date of the offer, the closing date of the offer, the conditions for the delivery of securities and the settlement of funds and, in general, the overall timetable for the transaction.

The notice of commencement of the public offer also includes the information memorandum produced by the target company. The offer period may not be less than 10 trading days.

Throughout the period of validity of an offer, the CMF may extend the closing date of the offer. A notice from the CMF shall announce the new timetable for the public offer and any consequences it may entail.

Article 136

Persons wishing to tender their securities in response to the offer shall submit their orders to qualified intermediaries up to and including the closing date of the offer. These orders may be revoked at any time up to and including the closing date of the offer.

Article 137

Stockbrokers shall deliver the securities offered by their clients in response to the public offering to the stock exchange centralizing the public offering no later than the deadline specified in the notice of commencement of the offering. This deposit shall be accompanied by a letter certifying that it is made in accordance with the terms and conditions of the public offer and a summary statement indicating, for each client file, the number of securities offered. The settlement of the transaction in cash and securities shall be carried out in accordance with Title VI of these regulations.

Where the offer relates to only a portion of the existing securities, the reduction of orders submitted in response to the offer shall be made proportionally, subject to any necessary adjustments.

Article 138

The result of the public offer is communicated to the CMF and is the subject of a notice from the Stock Exchange. This notice states either that the offer has been declared unsuccessful or that the offer has been successful.

If the offer is declared unsuccessful, the same notice, or a subsequent notice, specifies the date on which the securities that would have been tendered in response to the offer will be returned to the depositing intermediaries.

If the offer is successful, the notice specifies the number of securities acquired by the offeror. In the event of a reduction in orders, it also specifies the date on which the securities that would have been tendered in response to the offer will be returned to the depositary intermediaries.

Article 139

During the period between the closing date of the offer and either the date of publication of the notice announcing that the offer has been successful or the date on which the securities will be returned to the depositing intermediaries, the offeror and persons acting in concert with the offeror may not sell on the market any securities of the offeree company held at the close of the offer, nor may they purchase securities of the same company at a price higher than the offer price.

Unless exempted by the Stock Exchange, the provisions of the preceding paragraph shall also apply to counterparty transactions.

Article 140

A public offer competing with an offer already open may be submitted to the CMF and declared admissible by it, provided that it complies with the rules set out in Articles 131 and 132 above and is filed at least five trading days before the closing date of the previous offer.

Article 141

As soon as the CMF receives the draft competing bid, it shall immediately inform the Stock Exchange, which shall suspend trading in the securities of the company or companies concerned.

The CMF shall also inform the target company, which shall communicate the reasoned opinion provided for in Article 131. The CMF shall publish the notice of filing of the competing bid.

Article 142

The CMF shall have five trading days from the day following the date of filing of the application to rule on the admissibility of the competing offer. At the end of this period, it shall announce its decision by means of a notice of admissibility or inadmissibility.

If the CMF has declared the competing public offer admissible, the publication of the notice of admissibility shall constitute the opening of the competing offer.

This publication renders null and void any orders issued in response to the previous offer and sent to stockbrokers following the publication of the latter.

Article 143

The initiator of a previous offer shall notify the CMF, no later than five trading days after the publication of the notice of commencement of the competing offer, whether it is maintaining its initial proposals, withdrawing them, modifying the nature and conditions of its initial offer, increasing its takeover bid, or modifying its exchange offer.

Article 144

In the event that public offers are published successively, the CMF shall align the closing dates of the previous offer or offers with the closing date of the last offer.

Persons wishing to respond favorably shall choose the offer or offers to which they wish to submit their securities.

Article 145

During the public offering period, block trades are prohibited.

During this same period, orders intended to be executed on the market must expressly include the words: "for the market."

The validity of orders not executed during the offer period shall automatically expire at the close of the offer.

Article 146

During the public offer period, the companies concerned, their directors, persons holding at least 5% of the shares of the company concerned, and persons acting in concert with them may not acquire shares in the company concerned.

% of the capital or voting rights at ordinary general meetings and other persons acting in concert with them, directly or indirectly, are required to report their purchases and sales to the CMF and the Stock Exchange. These transactions are subject to a notice from the Stock Exchange, published in its bulletin no later than two trading days after the date of filing of the report.

The notice shall also mention the total number of trades in the securities of the companies concerned during the trading session.

The same rule applies to persons who, since the filing of the offer, have acquired, directly or indirectly, a quantity of securities of one of the companies concerned representing at least 0.5% of the capital or voting rights at the general meetings of that company.

Article 147

In the case of a public exchange offer whereby the offeror offers shares or securities giving access to capital to the holders of securities of the target company, the declarations and publications by way of a stock exchange notice shall refer to transactions involving the securities offered in exchange and those involving the shares of the companies concerned.

Article 148

Where more than six weeks have elapsed since the publication of the notice of commencement of a public offer, the CMF may, with a view to speeding up the comparison of successive public offers in accordance with their alternation, set a deadline for the submission of each successive higher bid.

This deadline may not be less than three trading days from the date of publication of the notice formalizing each higher bid. The CMF's decision shall be published in a notice.

Subsection 2 - Special provisions for takeover bids

Article 149

The initiator of a takeover bid may improve the terms of its bid until the bid closes. The new terms and, where applicable, the new deadlines set for the bid shall be made public by notice from the CMF. Orders in response to the bid that have already been submitted shall remain valid.

Article 150

During the term of the offer, the offeror or persons acting in concert with the offeror are authorized to trade in the securities of the target company, unless the offeror has reserved the right of withdrawal provided for in the fourth indent of the second paragraph of Article 131 or unless the offer relates only to a portion of the securities.

Where trading on the market is carried out above the offer price, the price shall be raised to at least 102%.

% of the price stipulated in the offer and, beyond that, at the price actually paid on the market, is automatic, regardless of the quantities of securities purchased and regardless of the price at which they were purchased, without the offeror having the option to modify the other terms of the offer.

The same rule applies, where applicable, to the market for subscription rights to an issue of equity securities by the target company, when the market intervention is carried out at a price higher than the parity price, calculated as the difference between the offer price and the issue price. The price shall be raised automatically to at least 102% of the stipulated price and, beyond that, to the effective parity price, under the same conditions as those referred to in the previous paragraph.

Article 151

Competing takeover bids and higher bids shall be made at a price at least 2% higher than the price stipulated for each of the securities of the company targeted by the previous takeover bid or higher bid and shall relate to a number of securities at least equal to that of the previous bid.

However, a competing takeover bid or a higher bid may be declared admissible if its initiator, without changing the stipulated price, merely removes the condition of a minimum number of securities tendered in response for its bid to be successful, or if its initiator, without changing the stipulated price, proposes to acquire at least 10% of the securities in addition to those covered by the previous bid.

Subsection 3 - Special provisions for public exchange offers

Article 152

The initiator of a public exchange offer may modify the terms of its offer until the offer closes.

If it has declared the amended offer admissible, the CMF shall publish a notice setting out the new terms and conditions and, where applicable, the new deadlines set for the offer. Orders in response to the offer that have already been transmitted shall remain valid.

Article 153

Where a public exchange offer is in competition with one or more other public offers, the CMF shall assess whether the amendments made to it significantly improve the exchange conditions stipulated and make it necessary to extend the deadlines set.

Article 154

During the term of its offer, the offeror, as well as persons acting in concert with it, may not intervene directly or indirectly, on its own behalf or on behalf of others, in the market for the securities of the target company or in the market for the securities offered in exchange.

***Section 2: Public offers to purchase or exchange equity securities or securities
giving access to equity - simplified procedure***

Article 155

The CMF may authorize the use of a simplified procedure for a public tender offer or exchange offer where the offeror holds, directly or indirectly, alone or in concert with others, at least two-thirds of the capital and/or voting rights of a company.

Subsection 1 - Cases of public exchange offers

Article 156

Simplified public exchange offers, which may only result from the application of Article 155 and subject to the provisions of Article 133, shall be centralized by the Stock Exchange.

With the agreement of the CMF, the duration of a simplified public exchange offer may be limited to fifteen trading days.

Subsection 2 - Public purchase offers

Article 157

The simplified public purchase offer is carried out through purchases on the market, under the conditions set out in the notice of commencement of the offer and, unless otherwise specified by the CMF in accordance with the provisions of Subtitle 3 of Title II, the initiator of the public offer shall, on the day the offer is opened, purchase all of the securities on the market.

With the approval of the CMF, the duration of a simplified tender offer may be limited to ten trading days.

Article 158

If the public offer is a purchase offer resulting from the application of Article 155 and subject to the provisions of Article 133, the price stipulated by the offeror may not be lower, unless agreed by the CMF, than the price determined by calculating the weighted average of the stock market prices based on the trading volumes during the sixty trading days preceding the publication of the notice of filing of the proposed public offer, where possible.

At the end of the public offer period, the offeror shall disclose the number of securities acquired during that period to the stock exchange, which shall publish the information.

***Section 3: Public offers to purchase or exchange debt securities that
do not give access to capital***

Article 159

With the agreement of the CMF, public offers for the purchase or exchange of debt securities not giving access to capital, listed or traded on the over-the-counter market, shall be carried out by centralization at the Stock Exchange, in accordance with the simplified public offer procedure.

These public offers may be purchase or exchange offers with or without a cash adjustment.

Article 160

The offeror shall send a letter to the CMF in which it makes an irrevocable commitment to acquire or accept in exchange, for a minimum period of ten trading days, all or part of the securities that may be presented to it. Where the offer relates to only a portion of the existing securities, the reduction in the sale or exchange orders submitted in response to the offer shall be made on a pro rata basis, subject to any necessary adjustments.

The offeror shall state in its letter the reasons for its offer and the conditions under which holders of securities who do not wish to accept the offer will remain creditors of the company and will be able to trade their securities once the offer has been completed.

It shall also disclose either the price at which it will purchase the securities or the proposed exchange terms, specifying in particular the nature and specifications of the securities offered in exchange, the proposed exchange ratios and, where applicable, the amount of the cash adjustment.

He must back up his commitments with guarantees from one or more financial institutions.

Article 161

If the offer is declared admissible, the simplified public offer notice published by the CMF shall specify, in particular, the identity of the offeror, the number of securities of the company or entity covered by the offer, the name of the presenting institution(s) that has given its guarantee for the transaction, the offer price or, where applicable, the proposed exchange conditions and the period of validity of the offer.

Article 162

Subject to the specific provisions set out in this section, the provisions of Section 2 of this chapter shall apply to public offers to purchase or exchange debt securities that do not give access to capital.

Chapter II: Public offers for the acquisition of equity securities - mandatory filing -

Article 163

When a natural or legal person, acting alone or in concert with others, comes to hold a number of securities that gives them majority control of the voting rights in a company whose securities are listed or traded on the over-the-counter market, they are required to immediately notify the CMF and, where applicable, file a draft public offer for the remaining capital.

The draft public offer may not include any clause requiring the presentation of a minimum number of securities for the offer to be successful.

Article 163 bis (new) (*Decree of the Minister of Finance of August 15, 2019, Art. 2*)

The acceptance period for securities offered as part of the mandatory tender offer may not be less than 15 trading days.

The offer price is the higher of:

- The volume-weighted average market price during the ninety (90) trading days preceding the event triggering the mandatory tender offer;
- The highest price paid for the same securities by the person subject to the obligation to make a mandatory public tender offer, or by persons acting in concert with that person, during the ninety (90) trading days preceding the event giving rise to the mandatory public tender offer;
- The price of the securities conferring control and giving rise to the mandatory tender offer.

However, in the absence of a reference price allowing the first two criteria set out in the second paragraph of this article to be applied, the offer price shall be the higher of the price of the securities conferring control and giving rise to the mandatory tender offer and the price obtained on the basis of objective valuation criteria usually applied and the characteristics of the target company.

The Financial Market Council is authorized to require the person subject to the obligation to make a mandatory public tender offer, during the period of validity of the offer, to provide any additional justifications and guarantees and to require the deposit of cash coverage.

Article 164

The CMF may grant an exemption from the obligation to file a draft public offer if the person or persons referred to in Article 163 can demonstrate to the CMF that one of the following conditions has been met:

- a) the acquisition results either from a transfer free of charge, or from a cash capital increase reserved for named persons, or from a merger or partial asset contribution approved by the shareholders of the company whose securities have been acquired;
- b) the acquisition of equity securities or voting rights has increased the acquirer's stake above the 40% threshold without this acquisition exceeding 3% and the acquirer or acquirers undertake to resell the securities acquired in excess of 40% of the capital on the market, before the next shareholders' meeting is held; (*Decree of the Minister of Finance of August 15, 2019, Art. 1⁽¹⁾*)
- c) the increase in the percentage of the total number of equity securities or voting rights results from a reduction in the total number of equity securities or voting rights of the company;
- d) when the acquisition results from the conversion of convertible bonds into shares;
- e) When the acquisition results from the privatization of public enterprises or the sale of securities by public bodies.

Article 165

If the CMF grants the requested exemption, it shall announce this in a notice published in its bulletin, specifying in particular the reason for the exemption granted and, where applicable, the content of the commitments made by the acquirer.

SUBTITLE 2: ACQUISITION OF CONTROL BLOCKS

Article 166

Natural persons or legal entities acting alone or in concert who plan to acquire a block of securities that could give them majority control of voting rights in a publicly traded company, as referred to in Article 6 of Law No. 94-117 of November 14, 1994, must, prior to completing the transaction, submit their request to the CMF, specifying in particular

- the identity of the sellers of the controlling block;
- the identity of the purchasers;
- the number of securities or voting rights they hold in the target company and the percentage of their stake;
- the number of securities they intend to acquire and the percentage they represent in the capital
- the purchasers' intention;
- the detailed structure of the remaining capital;
- the agreed price;
- the protocol for the transfer of the block of securities.

Article 167

If the CMF authorizes the acquisition of the controlling block, it shall order the applicants to make a public tender offer under the conditions set out in Articles 163 to 165 or to submit to a procedure for maintaining the price recorded on the stock exchange, as the case may be and having regard to the interests of the remaining shareholders, under the conditions set out in Article 168 below.

Article 168

Persons who come to hold a number of securities that give them majority control of voting rights in a publicly traded company, which does not result from a prior agreement, if they are not subject to a mandatory takeover bid as referred to in Articles 163 to 165, shall be subject to a procedure for maintaining the price recorded on the stock exchange under the conditions set out in Article 169 below.

Article 169 (new) (*Decree of the Minister of Finance of August 15, 2019, Art. 1¹*)

The price maintenance procedure must be ensured for a period of not less than 15 trading days.

The price at which the price maintenance procedure must be ensured is the higher of:

- The average stock market price weighted by trading volumes during the ninety (90) trading days preceding the event triggering the price maintenance procedure;
- The highest price paid for the same securities by the person subject to the obligation to make a mandatory public offer, or by persons acting in concert with that person, during the ninety (90) trading days preceding the event triggering the price maintenance procedure;
- The price of the securities conferring control and giving rise to the triggering event for the price maintenance procedure.

However, in the absence of a reference price allowing the first two criteria set out in the second paragraph of this article to be applied, the price at which the price maintenance procedure must be carried out shall be the higher of the price of the securities conferring control and giving rise to the submission to the price maintenance procedure and the price obtained on the basis of objectively established valuation criteria and the characteristics of the target company.

The Financial Market Council is authorized to require the person subject to the price maintenance procedure, during the period of validity of the offer, to provide any additional justifications and guarantees and to require the deposit of cash collateral.

The acquisition commitment under this procedure covers all quantities that are offered on the market during the above-mentioned period and originate from shareholders holding no more than 5% of the capital.

Article 170

When the CMF orders a price maintenance procedure, it shall publish a notice in its bulletin specifying, in particular, the identity of the block purchaser, the percentage of the shareholding it has acquired, the conditions under which the price maintenance procedure will be carried out, and the date on which the shareholders concerned may tender their shares in response.

The CMF's notice must be published at least three trading days before the date scheduled for the start of the price maintenance procedure.

SUBTITLE 3: PUBLIC WITHDRAWAL OFFERS

Article 171

Subject to the provisions of the articles comprising this subheading, and unless otherwise specified, public withdrawal offers shall be carried out in accordance with the provisions of Articles 157 and 158 above.

Article 172

When a natural or legal person or a group of natural or legal persons acting in concert comes to hold at least 95% of the voting rights of a company whose securities are listed or traded on the over-the-counter market, any other holder of securities conferring voting rights may request the CMF to require that shareholder or majority group to file a draft public withdrawal offer.

After carrying out the necessary checks, the CMF shall rule on the request submitted to it and, if it declares it admissible, shall notify the shareholder or majority group and require it to launch a public withdrawal offer.

Once the CMF has ruled on the admissibility of the proposed public withdrawal offer and, if it has declared it admissible, it shall publish the notice of the opening of the offer.

Article 173

A natural or legal person, or a group of natural or legal persons acting in concert, who hold at least 95% of the voting rights in a company whose securities are listed or traded on an over-the-counter market, may file with the CMF a draft public withdrawal offer for all of the equity securities or securities giving access to equity not held by them. After carrying out the necessary checks, the CMF shall rule on the application submitted to it and, if it declares it admissible, shall publish a notice of the opening of the offer.

Article 174

Notices of the opening of public withdrawal offers must specify that, at the end of the offer and regardless of its outcome, all equity securities or securities giving access to the company's capital will be delisted if the company is listed on the stock exchange, or the company will be downgraded as a publicly traded company, without prejudice to the provisions of Article 1 of Law No. 94-117 of November 14, 1994.

Article 175

Apart from the case referred to in Article 173 and regardless of the level of their majority shareholding(s), the person(s) controlling a company whose securities are listed or traded on the over-the-counter market must refer the matter to the CMF and examine with it the possible implementation of a public withdrawal offer in the following cases:

- when they propose to submit one or more significant amendments to the articles of association for approval by an extraordinary general meeting, in particular those relating to the form of the company, the conditions for the sale and transfer of equity securities and the rights attached thereto;
- when they decide on the principle of transferring or contributing all or most of the assets to another company, reorienting the company's activity, or eliminating all remuneration of equity securities for several financial years.

The CMF assesses the consequences of the planned transaction with regard to the rights and interests of the holders of equity securities and voting rights in the company. With the agreement of the person or persons who control the company, it determines the conditions for implementing a public withdrawal offer procedure. If a decision is made to launch a public withdrawal offer, it publishes the notice of the opening of the offer.

Article 175 bis (new) (*Decree of the Minister of Finance of August 15, 2019, Art. 2*):

The Financial Market Council may subject persons who control a company whose securities are listed or traded on the over-the-counter market to a public withdrawal offer in the following cases:

- when the company is in financial difficulty during the first two years of its listing on the stock exchange and the information published on its financial situation contained omissions that could alter the completeness and accuracy of said information.
- when the company has failed to fulfill its commitments to the Financial Market Council, its security holders, and the market.

Article 176

If, when filing a draft takeover bid under the conditions of subtitle 1 of this title, the initiator has announced its intention to request that the securities of the target company remain listed once the bid has been completed, the CMF may grant it a period of time to reissue to the public the number of securities necessary to establish a market. During this period, no request for a public withdrawal offer under Articles 172 and 173 shall be declared admissible by the CMF.

SUBTITLE 4: PUBLIC OFFERINGS

Article 177

A proposed public offering of securities listed or traded on the over-the-counter market shall be the subject of an application submitted to the CMF by the person holding the securities to be sold under the conditions set out in Article 179 below.

Article 178

Unless an exemption is granted by the CMF, particularly in view of the number of securities offered or the amount of capital they represent, the public offering must relate to a quantity of securities representing either at least 10% of the number of securities of the same type issued by the company concerned, or at least 100,000 securities, provided that this number exceeds 5% of the securities of the same type.

When the securities of the company concerned are traded on the over-the-counter market, the statutory preemption and approval clauses shall be deemed null and void with respect to purchasers during the term of the offer.

Article 179

The draft public offering is filed with the CMF by the lead broker, who guarantees, on behalf of the person or persons initiating the transaction, the irrevocable nature of the commitments made.

In support of the proposed public offering, the lead broker shall file with the CMF a dossier specifying:

- the objective pursued by the initiator;
- the number and nature of the securities offered for sale;
- where applicable, the minimum number of securities that must be sold by the initiator for the offering to be successful;
- the price at which the initiator offers to sell the securities if the latter opts for a firm price ly from the date of filing of the proposal;
- the terms of payment of this price.

The file prepared in accordance with the standards set by the CMF shall be submitted by letter addressed to the CMF, signed by the lead broker, guaranteeing the irrevocable nature of the commitments made by the offeror. This irrevocability shall take effect on the date of publication of the notice provided for in Article 180 below. The CMF may require a guarantee from a financial institution or the prior deposit of the securities offered for sale by transfer to STICODEVAM or to an account holder that is a member of STICODEVAM.

Article 180

As soon as the CMF receives the proposal, it publishes a notice of filing in its bulletin and informs the stock exchange, which may suspend trading in the securities covered by the public offering.

The CMF has five trading days following the date of filing to rule on the admissibility of the offer. The CMF's declaration of admissibility relates only to the principle of the transaction.

If the CMF declares the offer admissible, it publishes a notice specifying the identity of the initiator, the number of securities offered, the price at which these securities are offered, and the conditions for completing the offer necessary for public information.

This notice shall be published no later than four trading days before the date set for the completion of the public offering, it being specified that the offer period to investors may not be less than three trading days.

With the agreement of the CMF and provided that the possibility has been provided for in the notice, the offeror may reserve the right to attach to its offer a minimum quantity of securities sold in order for it to be successful, or to increase the number of securities sold in response to demand for the offer, up to a limit of 25% of the total number of securities sold.

Article 181

On the day set for the completion of the public offering, the Stock Exchange shall centralize the purchase orders transmitted to it by stockbrokers. Only orders limited to the offer price, issued in response to the public offering alone and valid for that day, shall be accepted.

Article 182

Trading in the securities covered by the public tender offer shall resume two trading days after the publication of the notice of commencement of the offer or the notice of inadmissibility of the offer.

Article 183

With the approval of the CMF, the offeror may provide that orders placed in response to its public sale offer be allocated by differentiated categories under the conditions set out in Article 68 of these General Regulations.

Article 184

In parallel with the public offering, and if the transaction involves a quantity of securities equal to at least 20% of the number of equity securities of the company concerned or a capital amount of 2 million dinars, the CMF may authorize the distribution to be carried out, in part, by means of a guaranteed placement as defined in Article 56 and offered to one or more categories of investors.

In this case, the securities must be placed at a price at least equal to the price set for the public offering.

Article 185

At the end of the public offering period, the Stock Exchange shall provide the CMF with a detailed summary of the results of the offering. These results shall be published in a notice issued by the Stock Exchange.

TITLE V

AUCTION SALES

SUBTITLE 1: JUDICIAL SALES

Chapter 1: Judicial sales of securities of companies offering securities to the public

Article 186

Sales of securities in accordance with court rulings are carried out under the responsibility of the pursuing bailiff and the stockbroker in charge of the sale, according to one of two *p r o c e d u r e s* decided by the Stock Exchange:

- direct sale on the market
- public auction.

Article 187

The pursuing bailiff shall appoint a stock exchange intermediary to whom he shall entrust the sale and shall provide him with the following for this purpose:

1. a copy of the enforceable court decision;
2. the securities being sold or proof of their deposit with STICODEVAM or with an account keeper or with the issuing body;
3. the legal and financial documents relating to the issuer of the securities to be sold, the list of which is determined by a decision of the Stock Exchange.

Article 188

Without prejudice to the provisions relating to legal publicity provided for by the regulations in force, the judicial sale shall be announced in the stock exchange bulletin at the request of the stockbroker responsible for the sale, at least three trading days before the execution session.

Article 189

Direct sale on the market applies whenever the securities are listed and the quantity of securities to be sold does not exceed the normal capacity of the market.

The designated broker shall sell the securities under the conditions normally practiced on the market.

Article 190

The public auction takes place on the date and under the conditions determined by the Stock Exchange. This procedure is reserved for securities that are not listed on the Stock Exchange or for securities for which the direct sale procedure

direct sale procedure has not been adopted. It is announced by a notice from the Stock Exchange specifying the quantity of securities to be sold, the nature and specific characteristics of the securities, and the minimum price requested.

Bids are made by stock exchange intermediaries.

The auction is declared by the Stock Exchange as soon as the bids are exhausted. The auction price is published in a notice.

A decision by the Stock Exchange sets the conditions for conducting public auctions.

Article 191

The sale of seized securities may be carried out in one or more sessions, depending on market conditions.

Article 192

Restrictive clauses in the articles of association, such as approval and preemption clauses, shall be deemed null and void in the event of a judicial sale of securities on the stock exchange.

Chapter 2: Judicial sales of securities of companies not making a public offering

Article 193

Judicial sales of securities of companies not listed on a public stock exchange may be carried out at the discretion of the bailiff, either on the stock exchange, in which case they shall be carried out under the conditions set out in the previous chapter, or, at his discretion, outside the stock exchange. In this case, the auction must be registered on the stock exchange by a stock exchange intermediary appointed by the judicial officer in accordance with the provisions of Chapter 1 of Title III of these general regulations.

SUBTITLE 2: EXECUTIONS ON THE STOCK EXCHANGE FOR FAILURE TO PAY UP

Chapter 1: Executions on the Stock Exchange for failure to pay up shares in publicly traded companies

Article 194

Executions on the stock exchange for failure to settle referred to in Article 18 of Law No. 94-117 of November 14, 1994, are carried out under the responsibility of the issuing company and the stock exchange intermediary responsible for the sale, according to one of the following two procedures decided by the Stock Exchange:

- direct sale on the market.
- public auction.

Article 195

The issuing company shall appoint a stock exchange intermediary to whom it shall entrust the sale and shall provide the following for this purpose:

- 1 - copy of the decision to call for payment of the outstanding capital or portion of the outstanding capital;
- 2 - a copy of the notice of appeal for release published in the press or the document justifying the use of another means of information;

- 3 - proof that the legal, regulatory, and statutory formalities required to establish the failure to release have been complied with;
- 4 - Copy of the registered letter of formal notice and copy of its acknowledgment of receipt.

Execution on the stock exchange for failure to pay is announced in the stock exchange bulletin by the selling broker at least three trading days before the execution date.

Article 196

Direct sale on the market applies whenever the securities are listed on the stock exchange and the quantity of securities to be sold does not exceed the normal capacity of the market.

The designated stockbroker shall sell the securities under the conditions normally practiced on the market.

Article 197

The public auction takes place on the date and under the conditions determined by the Stock Exchange. This procedure is reserved for securities that are not listed on the Stock Exchange or for securities for which the direct sale procedure has not been selected. It is announced by a notice from the Stock Exchange, which also specifies the quantity of securities to be sold, the nature and specific characteristics of the securities, and the minimum price requested.

Bids are made by stock exchange intermediaries.

The auction is declared by the Stock Exchange as soon as the bids are exhausted. The auction price is published in a notice.

A general decision by the Stock Exchange sets the conditions for conducting public auctions.

Article 198

The sale of securities for failure to pay up may be carried out in one or more sessions, depending on market conditions.

Chapter 2: Executions on the stock exchange for failure to pay up shares in companies not listed on a public stock exchange.

Article 199

Companies that do not issue securities to the public may, in order to execute sales on the stock exchange for failure to pay up securities issued by them, use the stock market to carry out the said transaction. In this case, the provisions of the previous chapter shall apply.

Where the company concerned carries out enforcement for failure to pay up outside the stock exchange market, the sale must be registered on the stock exchange through a stock exchange intermediary in accordance with the provisions of Chapter 1 of Title III of these general regulations.

TITLE VI SETTLEMENT OF CAPITAL AND DELIVERY OF SECURITIES TRADED ON THE STOCK EXCHANGE

SUB-TITLE 1: GENERAL PRINCIPLES

Article 200

The provisions of this title apply to the settlement of capital and delivery of securities following trading on the stock exchange.

Article 201

All purchases or sales of securities are subject to settlement of funds and delivery of securities. *(amended by the order of the Minister of Finance dated January 12, 2016)*

For securities not handled by STICODEVAM, the settlement of funds and delivery of securities shall be carried out under the aegis of the stock exchange acting as a clearing house, in accordance with a procedure established by decision of the stock exchange.

Article 202

The settlement of funds and delivery of securities between intermediaries on the Stock Exchange shall take place within a maximum period set from the trading date. This period may depend on the nature of the security concerned. It shall be the subject of a decision by the Stock Exchange published in its bulletin.

Article 203

Once a trade has been recorded by the Exchange, it is considered irrevocable except in the cases of cancellation provided for in Article 121 of these Rules.

Trades executed are validated on a daily basis under the conditions and within the time limits specified by the Exchange.

Article 204

Each intermediary acting on its own behalf or on behalf of its clients shall receive from the Exchange for each day, in particular, the following documents:

- a statement of validated trades broken down by purchases and sales for which they are responsible for settlement and delivery, order by order;
- the amount of commissions due on stock exchange transactions;
- the amount of the regular provision that it must have in the books of the Market Guarantee Fund.

Article 205

On the day the order is executed, the buyer client becomes the owner of the securities concerned and the seller client loses ownership of them. *(amended by the order of the Minister of Finance dated January 12, 2016)*

SUBTITLE 2: SETTLEMENTS AND DELIVERIES BETWEEN INTERMEDIARIES ON THE STOCK EXCHANGE

Chapter 1: Securities handled by STICODEVAM

Article 206

The Stock Exchange shall send STICODEVAM the instructions for the settlement of funds and delivery of securities resulting from validated trades on a given day.

Article 207

The balances of stock exchange intermediaries in securities, with STICODEVAM, and in capital, with the clearing bank, must, at a minimum, cover, within the regulatory deadlines, the commitments arising from negotiations, so that STICODEVAM can process the movements transmitted by the Stock Exchange.

Transactions by stockbrokers that cannot be settled are automatically carried over by STICODEVAM as pending.
The suspended positions recorded by STICODEVAM are communicated to the CMF and the Stock Exchange.

Chapter 2: Securities not covered by STICODEVAM

Article 208

Instructions for the settlement of funds and delivery of securities resulting from validated trades relating to a given day are communicated by the Stock Exchange to the relevant stockbrokers in the clearing house, under the conditions set out in the Stock Exchange's decision referred to in Article 201 of these General Regulations.

Article 209

On the day scheduled for the settlement of transactions, settlements and deliveries shall be made at the convenience of the stockbrokers, either on a transaction-by-transaction basis or by clearing.

Article 210

The positions of stockbrokers which, for reasons accepted by the clearing house, cannot be settled within the prescribed time limits, may be carried over to the clearing house for a period not exceeding two trading days.

These positions are communicated to the CMF.

SUBTITLE 3: RESOLUTION OF SETTLEMENT FAILURES BETWEEN INTERMEDIARIES ON THE STOCK EXCHANGE

Chapter 1: Securities handled by STICODEVAM

Article 211

Without prejudice to the provisions of Article 207 of these regulations, and in the event of a securities or cash default by a stock exchange intermediary, STICODEVAM shall immediately send the Stock Exchange all details concerning transactions for which securities could not be delivered or cash could not be settled by the deadline, and shall place the transaction of the stock exchange intermediary concerned on hold. It shall also keep the CMF informed.

The Stock Exchange shall immediately give formal notice to the defaulting intermediary to rectify its situation.

Section 1 - Resolution of securities defaults

Article 212

Upon notification of the securities default, the defaulting intermediary shall be required to take immediate corrective measures.

Article 213

If, at the end of a period set by the Exchange, the default has still not been resolved, the Exchange will summon the defaulting seller. It will inform the seller that if the securities are not delivered within a period set by the Exchange, a repurchase procedure will be implemented. The terms and conditions of this procedure are determined by the Exchange.

If, at the end of the repurchase procedure, the default remains, it shall be resolved by a cash payment instead of a delivery of securities. The amount of the financial compensation paid to the counterparty of the defaulting broker shall be determined by the Exchange.

After the above procedures have been exhausted and if the default persists, the remainder shall be covered by the Market Guarantee Fund through recourse proceedings.

The Stock Exchange informs the CMF of the results of this procedure.

Section 2 - Resolution of cash defaults

Article 214

Upon notification of the cash shortfall, the defaulting broker is required to take immediate steps to rectify the situation before the next trading session.

Article 215

If, beyond a deadline set by the Exchange, any cash shortfall is still observed, the Exchange shall close access to the trading system to the defaulting intermediary, implement the Market Guarantee Fund intervention procedure, and simultaneously forward its file to the CMF.

Chapter 2: Securities not covered by STICODEVAM

Article 216

If, at the end of the periods specified in Article 210 above, the positions of the stockbrokers cannot be settled, the secretariat of the Clearing House shall issue a notice of default of payment or delivery to the defaulting stockbroker.

In light of this notice of default, the Stock Exchange shall immediately give formal notice to the defaulting intermediary to rectify the situation.

Article 217

If, following the formal notice provided for in the previous article, the default in securities or cash persists, the Exchange shall apply the procedures provided for in Articles 213, 214, and 215, except with regard to coverage by the Market Guarantee Fund.

A decision by the Exchange shall determine the guarantees to be provided by stockbrokers for transactions not covered by the Market Guarantee Fund.

TITLE VII

TRANSITIONAL PROVISIONS

Article 218

Within a period not exceeding one year from the date of entry into force of these general regulations, the President of the CMF may, acting within the framework of Article 52 of Law No. 94-117 of November 14, 1994, and whenever the circumstances of the transition from the regime of Law No. 89-48 of March 8, 1989, to that of Law No. 94-117 of November 14, 1994, either decide to suspend a measure provided for in these general regulations, or renew a regulation or practice in force on the date of publication of these general regulations, or grant a transitional exemption.

Article 218 bis (new) *(Order of the Minister of Finance of August 15, 2019, Art. 2)*

Companies whose securities are traded on the alternative market on the date of publication of these regulations shall be transferred to the main market in accordance with the terms and conditions and in the compartments determined by decision of the stock exchange.

The company must be accompanied by its listing sponsor for a period of one year from the date of its transfer to the main market.

Companies whose securities are traded on the main market on the date of publication of this regulation, as well as companies whose securities are traded on the alternative market and which will be transferred to the main market in accordance with the provisions of the first paragraph of this article, must, no later than one year from the date of publication of this regulation, provide the stock exchange with evidence of the existence of a statutory clause providing for the separation of the functions of Chairman of the Board of Directors and Chief Executive Officer and the appointment of at least two independent members and one representative of minority shareholders to its board of directors.

TITLE VIII

FINAL PROVISIONS

Article 219

Without prejudice to the provisions of Article 218 above, all provisions contrary to these general regulations, and in particular the general regulations of the Stock Exchange of January 8, 1990, and the general decision of the Stock Exchange No. 1 of October 29, 1991, are repealed.