

RULES
on Key Financial Information in the Summary of a Prospectus, the Publication and Classification of Prospectuses, Advertisements for Securities, Supplements to a Prospectus, the Notification Portal, and Notification of a Public Offering

Article 1

Scope

These Rules apply to the further implementation of the following provisions of Regulation (EU) 2017/1129; cf. Article 2, Paragraph 3 and Article 19, Paragraph 2 of the Act on the Prospectus to be Published when Securities are Offered to the Public or Admitted to Trading on a Regulated Market, no. 14/2020.

Article 2

Notification of public offering

In instances when securities to be offered are valued at EUR 1,000,000 to EUR 8,000,000, a notification of a public offering shall be sent to the Central Bank two weeks prior to the proposed offering; cf. Article 3, Paragraph 2 of Act no. 14/2020. The notification shall be submitted on the form included in the Appendix to these rules.

Article 3

Implementation of Commission Delegated Regulation

These Rules implement in Iceland the provisions of Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301, which is published in the EEA Supplement to the *Official Journal of the European Union* no. 73 of 12 September 2019, p. 3; cf. also Protocol 1 on horizontal adaptations to the Agreement on the Economic Area; cf. also the Act on the European Economic Area, no. 2/1993, which incorporates the Protocol into Icelandic law.

Article 4

Entry into effect

These Rules, which are issued pursuant to Article 19, Paragraph 2 of the on the Prospectus to be Published when Securities are Offered to the Public or Admitted to Trading on a Regulated Market, no. 14/2020, shall take effect immediately.

Temporary Provisions

The following shall apply until Regulation (EU) 1286/2014 has been incorporated into Icelandic law: Article 14, Paragraph 1, Item (d) of Regulation (EU) 2019/979 states that the comprehension alert required pursuant to Article 8, Paragraph 3, Item B of Regulation (EU) no. 1286/2014 of the European Parliament and of the Council shall be included in advertisements on prospectuses. If the requirements in Article 14, Paragraph 1, Item (d), Points (i) and (ii) of Regulation (EU)

2019/979 are satisfied, the comprehension alert shall state that the financial instruments being purchased are complex and could be difficult to understand.

The following shall apply until Directive 2014/65/EU has been incorporated into Icelandic law: Article 14, Paragraph 1, Item (d), Point (i) of Regulation (EU) 2019/979 makes reference to complex securities other than those referred to in Article 25, Paragraph 4, Item (a), Points (i), (ii), and (vi) of Directive 2014/65/EU of the European Parliament and of the Council. This refers to securities other than the following financial instruments:

- a) Shares admitted to trading on a regulated market or on an equivalent third-country market or on a multilateral trading facility, where those are shares in companies, and excluding shares in non-UCITS collective investment undertakings and shares that embed a derivative.
- b) Bonds or other forms of securitised debt admitted to trading on a regulated market or on an equivalent third-country market or on a multilateral trading facility, excluding those that embed a derivative or incorporate a structure that makes it difficult for the client to understand the risk involved.
- c) Other non-complex financial instruments.

Central Bank of Iceland

6 April 2020

Ásgeir Jónsson
Governor

Rannveig Jónúsdóttir
Director

APPENDIX
(see PDF document)

Section B — Date of publication: 7 April 2020