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Act of 15 March 2019 no. 6 on central securities depositories and securities settlement etc. (the Central Securities Depository Act)

Chapter 1. Introductory provisions

Section 1-1. *Implementation of the Central Securities Depositories Regulation*

The EEA Agreement Annex IX Regulation (EU) No 909/2014 (on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012 (the Central Securities Depositories Regulation)) applies as law with such adaptations as follow from Annex IX to the EEA Agreement, Protocol I to the EEA Agreement, and the EEA Agreement in general.

The Ministry of Finance may make regulations on central securities depositories and securities settlement in order to fulfil Norway's obligations pursuant to the EEA Agreement. In the regulations, exemptions may be granted from the provisions that are implemented pursuant to the first paragraph.

Finanstilsynet may by regulations decide that the legal and supervisory frameworks in third countries are equivalent.

Where reference is made in this Act to the Central Securities Depositories Regulation, the Regulation as implemented pursuant to this section is meant.

Section 1-2. *Scope of the Act*

Unless otherwise stated by a specific provision, this Act applies to central securities depositories for which Norway is the home state. The King may by regulations determine the extent to which this Act shall be made applicable to Svalbard and Jan Mayen.

The Ministry of Finance may by regulations grant exemptions from parts of this Act and any regulations issued pursuant to this Act to branches established outside Norway by central securities depositories for which Norway is the home state.

Section 1-3. *Regulations for functional and secure securities registration etc.*

The Ministry of Finance may make regulations on central securities depositories, securities settlement or the registration of rights to financial instruments if so required in the interest of ensuring secure and functional central securities depositories, secure, efficient and smooth settlement, or a secure, orderly and efficient system for the registration of rights to financial instruments.

Chapter 2. Type of company, police certificate, supplementary set of rules etc.

Section 2-1. *Requirements on the type of company and police certificates*

A central securities depository shall be organised as a public limited company.

Its board members, chief executive officer and others participating in the actual management of the central securities depository shall produce an ordinary police certificate pursuant to the Police Records Act, Section 40.

Section 2-2. *The central securities depository's supplementary set of rules etc.*

A central securities depository shall establish and publish a supplementary set of rules for its business, which may inter alia stipulate the following:

1. who shall be deemed to be the issuer of a financial instrument
2. further rules on the recording of financial instruments in the central securities depository and the procedure for when a financial instrument shall cease to be recorded
3. the fact that separate accounts must be established for specific purposes
4. requirements for how parties entitled to register shall document their identity
5. requirements regarding change notifications and statements of holdings
6. the fact that account holders and issuers can themselves carry out registrations in the register and the types of registration they can carry out
7. the fact that registrations on an account can be carried out by account operators other than the account operator for the account or financial instrument in question
8. further rules on account operators and their duties, including requirements in respect of their expertise, technical systems and capital, their right to outsource their functions, how account operators shall fulfil the duty to establish accounts pursuant to section 4-2, the requirement for account operators to obtain confirmations as mentioned in section 4-3, second paragraph, the revocation of authorisation to be an account operator, and how customers' interests shall be safeguarded in the event of revocation
9. the fact that the provisions of the Central Securities Depositories Regulation, Article 37, Paragraph 2, regarding reconciliation against other entities, and Article 34, Paragraph 5, regarding the duty to disclose to clients information about the risks associated with the services provided etc, shall apply equally to account operators
10. how the fact that an entity is entitled to access information pursuant to chapter 8 shall be documented.

The set of rules and subsequent changes thereto shall be approved by Finanstilsynet. Finanstilsynet shall decide on applications for approval of changes to the set of rules at the latest three months after receiving a complete application.

Finanstilsynet may order the central securities depository to establish rules on one or more matters as mentioned in the first paragraph.

Section 2-3. *The right to institute proceedings before a court of law if a decision on authorisation is not made within six months*

If Finanstilsynet has not made a decision on whether or not to grant permission pursuant to the Central Securities Depositories Regulation within six months of receiving a complete application, the central securities depository may institute proceedings before a court of law.

Chapter 3. Recording of financial instruments in a central securities depository etc.

Section 3-1. Duty to record bearer bonds in a central securities depository

Norwegian bearer bonds shall be recorded in a central securities depository authorised or recognised pursuant to the Central Securities Depositories Regulation including bonds that are not traded on a trading venue or transferred as a consequence of an agreement regarding financial collateral.

The Ministry of Finance may by regulations grant exemptions from or supplement the duty set out in the first paragraph.

Section 3-2. Duty to destruct physical documents etc.

If a document representing a financial instrument in a manner that may come into conflict with the provisions of this Act has already been issued, the financial instrument may only be recorded in a central securities depository once the document has been destructed, placed in safe keeping, or otherwise prevented from coming into circulation. Documents representing financial instruments issued in accordance with Norwegian law shall be destructed.

The Ministry of Finance may by regulations make further provisions on the calling-in of documents in connection with recording in a central securities depository.

Section 3-3. Decision to record financial instruments in a central securities depository and determination of fees

Unless otherwise provided by or pursuant to law, an issuer of financial instruments shall decide whether such financial instruments shall be recorded in a central securities depository.

The Central Securities Depositories Regulation, Article 49, Paragraphs 1 to 4, regarding the right of issuers to arrange for their financial instruments to be recorded in a central securities depository, fees, and complaints etc. shall apply equally to applications to record financial instruments not covered by Article 49.

Chapter 4. Securities accounts and nominees etc.

Section 4-1. Individual accounts and nominee accounts

Unless otherwise provided by or pursuant to law, financial instruments may be registered on individual accounts, which belong to individual investors and are in the name of an individual investor, or on nominee accounts, which are in the name of a nominee.

Section 4-2. Right to have an account established

A central securities depository is obliged to establish an individual account or a nominee account for the registration of financial instruments recorded in the central securities depository. A central

securities depository must not reject a customer unless the Money Laundering Act or another act or rules issued pursuant to law provide the basis for the customer to be rejected, or there is due cause to reject the customer.

Section 4-3. Requirements for nominees

Holders of nominee accounts shall be banks, credit institutions, investment firms, central securities depositories or securities fund management companies. The nominee must be subject to regulation and supervision in its home state and must be obliged to observe rules equivalent to Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing.

Before a central securities depository establishes a nominee account for a nominee for the first time, the central securities depository shall obtain confirmation from the nominee that it is familiar with and can fulfil the duty to provide information set out in section 4-4, fourth paragraph.

Finanstilsynet may in special cases grant a central securities depository authorisation to establish a nominee account in the name of a nominee that is not covered by the first paragraph.

Section 4-4. Nominee accounts

The register must show that an account is a nominee account, and who manages the account.

The nominee is entitled to dispose over holdings on the account with binding effect for the investor, and with such legal effects as are provided for in chapter 7.

Financial instruments belonging to the nominee itself may not be registered on a nominee account managed by the party concerned. For the purposes of the rules in Sections 5-3 and 8-3, the nominee is regarded as the holder of the financial instruments on the nominee account.

The nominee is obliged to disclose information on the end-investor to the same extent and in the same manner as the central securities depository is obliged to disclose information pursuant to section 8-3, first paragraph, or other legislation.

The nominee shall establish rules for when it shall be deemed to have received notification of the establishment of a right pursuant to section 7-7. Such rules shall be approved by Finanstilsynet.

The Ministry of Finance may by regulations make further rules concerning nominees and nominee accounts, including the nominee's duty to disclosure information and its duty to retain information.

Chapter 5. Registration of rights to financial instruments that are recorded in a central securities depository

Section 5-1. Parties entitled to register

A person is entitled to notify registration of rights to financial instruments when such right is evidenced by the register or he establishes that such a right has passed to him.

A person is entitled to notify deletion of a security interest or other encumbrance when such right is evidenced by the encumbrance document. Such deletion may also take place where it is established that the right has lapsed.

The issuer of a financial instrument has the right to notify deregistration of the instrument from the register where it is established that the financial instrument has ceased to exist owing to redemption or other circumstance.

Furthermore, the right to notify registration accrues to any person who is entitled or has authority under other legislation to establish or transfer rights in or to financial instruments without consent from the person mentioned in the first paragraph.

Section 5-2. Completion of registrations

A central securities depository shall process registration instructions without undue delay and shall carry out the registration when all the requirements for a registration have been met.

A central securities depository shall inform the party that submitted the registration instruction if it refuses to accept the instruction unless otherwise stipulated by law or a provision issued pursuant to law.

Section 5-3. Information that a register is required to contain

A register shall contain information related to the financial instruments and to the holders of rights to such instruments.

The Ministry of Finance may by regulations set further requirements regarding the information the register is required to contain pursuant to the first paragraph and how such information shall be organised.

Section 5-4. Correcting and deleting information in the register

A central securities depository shall correct errors in a registration when it finds the registration to be incorrect.

A central securities depository may delete from the register any information that is clearly of no significance.

Information deleted from the register shall be retained for at least ten years.

Section 5-5. Change notifications and statements of holdings

Unless otherwise agreed, a central securities depository shall notify holders of rights of any change in the register that may affect their rights. The same applies to other parties who have notified a registration.

A central securities depository shall once a year send holders of rights a statement of their holdings of or rights to registered financial instruments. The statement shall also contain any other information that may affect their rights.

Chapter 6 Account Operators

Section 6-1. Right to use account operators

A central securities depository may use account operators to record financial instruments and make registrations in the securities register. If a central securities depository uses account operators, the

rules in this Act on the division of functions and responsibilities etc. between the central securities depository and account operators shall apply.

‘Account operator’ means an entity to which a central securities depository has granted authorisation pursuant to section 6-2.

Using account operators does not prevent the central securities depository from making registrations itself.

Section 6-2. Authorisation to be an account operator etc.

A central securities depository may grant authorisation to be an account operator to the following entities:

1. Norges Bank and other central banks
2. Central securities depositories that are authorised or recognised pursuant to the Central Securities Depositories Regulation
3. Central counterparties authorised pursuant to Regulation (EU) No 648/212
4. Investment firms that are authorised pursuant to Directive 2014/65/EU
5. Banks or credit institutions that are authorised pursuant to Directive 2013/36/EU
6. Management companies for securities funds that are authorised pursuant to Directive 2009/65/EU.

The central securities depository may only reject an application for authorisation as an account operator if the applicant does not fulfil the requirements set in law, regulations or the central securities depository’s set of rules. The central securities depository shall provide the applicant with a written reason for its refusal.

The Ministry of Finance may by regulations make further rules on account operators and their duties, including to reduce or expand the group of entities that can receive authorisation to be account operators pursuant to the first paragraph.

Section 6-3. The duties of account operators etc.

An account operator is responsible for ensuring that the securities accounts and financial instruments for which it is the account operator at all times fulfil the requirements imposed by law, regulations and the central securities depository’s set of rules. The rules in sections 5-1 to 5-4 regarding the registration of rights to financial instruments etc. shall apply equally to account operators that receive registration instructions.

An account operator shall comply with the following provisions in the Central Securities Depositories Regulation for the accounts and financial instruments for which it is the account operator:

1. Article 36, which addresses the integrity of securities issues etc.
2. Article 37, Paragraph 3, which addresses the ban on securities creation etc.
3. Article 38, Paragraph 5, which addresses the duty to offer different types of accounts
4. Article 38, Paragraph 6, which addresses the duty to publicly disclose the levels of protection and costs associated with different types of accounts and to offer such services on reasonable commercial terms.

Account operators shall retain documentation in respect of the basis for registrations in the register for a minimum of ten years.

An account operator shall have clear and accessible arrangements for dealing with complaints associated with its activities as an account operator. An account operator shall be able to document the complaints and how they have been processed.

Section 6-4. *The right of account operators to outsource functions*

Account operators are not permitted to outsource their functions as account operators unless otherwise stated by the central securities depository's set of rules, cf. section 2-2.

If the central securities depository in its set of rules has given account operators the right to outsource functions, the provisions on outsourcing in the Central Securities Depositories Regulation, Article 30, Paragraphs 1 to 3 shall apply equally.

An account operator shall in the outsourcing agreement ensure that the outsourcing does not have any adverse effect on the central securities depository's ability to conduct control pursuant to section 6-5.

Section 6-5. *The central securities depository's control of account operators etc.*

A central securities depository shall carry out satisfactory control of whether the activities of its account operators are conducted in accordance with the law, regulations and the central securities depository's set of rules.

A central securities depository shall without undue delay inform Finanstilsynet if an account operator materially or repeatedly breaches provisions of law, provisions laid down in accordance with law, or the central securities depository's set of rules.

Account operators shall provide the central securities depository with the information that the central securities depository needs in order to comply with its duties pursuant to law, regulations and its own set of rules.

Section 6-6. *Revocation of authorisation to be an account operator*

A central securities depository may revoke an account operator's authorisation pursuant to section 6-2 either wholly or in part if the account operator:

1. no longer fulfils the requirements to be an account operator that are laid down in law, regulations, the central securities depository's set of rules or its authorisation
2. fails to use the authorisation during the 12 months after it was granted, expressly relinquishes the authorisation, or has not operated activities as an account operator for the previous six months
3. obtained authorisation to be an account operator by means of incorrect or incomplete information of material significance
4. has materially or repeatedly breached the law, regulations, or the central securities depository's set of rules
5. is dissolved or liquidated, cannot meet its liabilities as they fall due, enters into debt settlement proceedings, a compulsory debt settlement or bankruptcy proceedings, or a decision is adopted to apply resolution tools to it
6. does not provide the central securities depository with the information that it needs to carry out its functions pursuant to law or regulations
7. does not comply with its duty to provide information to Finanstilsynet or with a rectification order from Finanstilsynet.

Decisions to revoke authorisation pursuant to the first paragraph shall be handled in accordance with the rules on the handling of complaints laid down in accordance with the Central Securities Depositories Regulation, Article 32, Paragraph 2.

Section 6-7. *Unwinding the account operator model*

If a central securities depository decides to unwind the account operator model either wholly or in part, it shall notify Finanstilsynet and the account operators concerned in writing at the latest twelve months before the change enters into force.

Finanstilsynet may, within six months' of receiving notice pursuant to the first paragraph, set terms and conditions for the unwinding to be carried out.

Chapter 7. Legal protection and other effects of registration and notification

Section 7-1. Legal protection and other legal effects of registration on a securities account

Registering a right on a securities account in a central securities depository pursuant to section 4-1 provides legal protection and other legal effects as provided in this chapter.

A central securities depository shall establish rules for when a right shall be deemed to be registered. These rules shall be approved by the Ministry of Finance.

Section 7-2. Legal effects of registration for financial instruments that have been recorded through a link to another central securities depository etc.

If a central securities depository records financial instruments that have already been recorded in another central securities depository or in another register, the rights to the financial instruments shall have the legal effects set out in sections 7-3 and sections 7-4 when registered on a securities account in the first-mentioned central securities depository.

Section 7-3. Conflicting rights

A registered right takes precedence over a right that is not registered or that is registered at a later point in time.

Notwithstanding the first paragraph, an earlier right takes priority over a later right if the later right has been acquired by agreement and the acquirer of the later right knew or should have known of the earlier right upon registration.

Notwithstanding the first paragraph, an earlier right takes precedence over a later right if the later right has been acquired by inheritance.

Section 7-4. Defects in the transferor's title

Where a right that has been acquired by agreement is registered in accordance with section 7-1, it cannot be asserted against the acquirer that the transferor's title was not in accordance with the content of the register. This shall not apply if the acquirer knew or should have known of the transferor's defective title at the time the right was registered. The first sentence does not apply to conflicts between conflicting rights as mentioned in section 7-3.

Section 7-5. Issuer's objection

Where a right that has been acquired by agreement is registered in accordance with section 7-1, an issuer of debt instruments cannot assert objections as mentioned in the Promissory Notes Act, Section 15, against the acquirer. Such objections may nevertheless be made if the acquirer knew or should

have known of them at the time the right was registered. The Promissory Notes Act, Section 18, shall apply equally.

The issuer may in all cases assert objections as mentioned in the Promissory Notes Act, Sections 16 and 17.

Section 7-6. Payment releasing the debtor from his obligations

Payment by a debtor to the party who is registered as the party entitled to receive payment on the due date in accordance with the register entry releases the debtor from his obligations, even if the recipient was not entitled to receive payment. This does not apply where the debtor knew or should have known of the recipient's defective title when the payment took place.

Section 7-7. Legal effects of registration on a nominee account in a central securities depository

Dispositions of financial instruments registered on a nominee account shall have legal effects as provided in sections 7-3 and 7-4 when the nominee receives notification of the disposition. However, the legal effects only come into play if the nominee fulfils the requirements in section 4-3.

Nominees as mentioned in the first paragraph shall establish rules for when the nominee shall be deemed to have received notification of the establishment of a right pursuant to the first paragraph. Such rules shall be approved by Finanstilsynet.

Section 7-8. Regulations on financial instruments issued in accordance with the legislation of another state etc.

The Ministry of Finance may by regulations provide that the rules in this chapter shall not apply either wholly or in part to financial instruments issued in accordance with the legislation of another state if they are subject to legal effects pursuant to the legislation of the state in which they were issued that are not compatible with the provisions of this chapter.

The Ministry of Finance may by regulations provide that the legal effects as mentioned in section 7-2 shall not come into play for financial instruments that have already been recorded in another central securities depository or in another register and that are subject to legal effects that are not compatible with section 7-2.

Chapter 8. Duty of confidentiality and access to information

Section 8-1. Duty of confidentiality

Unless provided by this Act or another act, officers, employees and the auditor of a central securities depository are obliged to prevent anyone gaining access to or knowledge of information that they receive in the course of their work relating to anyone's business or private circumstances. The same applies to account operators and other persons who carry out work or assignments on behalf of a central securities depository or an account operator.

The duty of confidentiality also applies after the person concerned has completed the service, assignment or office.

Section 8-2. Duty of confidentiality in relation to notification of infringements

Officers and employees of a central securities depository or a credit institution that is designated pursuant to the Central Securities Depositories Regulation, Article 54, have a duty of confidentiality

in respect of the names and any other identifying information about persons who have reported or provided tip-offs or other information about infringements of this Act and its associated regulations, unless it is necessary for this information to be used as part of further investigations into the infringement or subsequent administrative or legal proceedings. The rules set out in the first sentence also apply to the name and any other identifying information about physical persons who are alleged to be responsible for the infringement.

The rules set out in the first paragraph shall apply equally to account operators and other persons that carry out work or functions on behalf of a central securities depository or account operator.

Section 8-3. *Right of access to information*

Notwithstanding the duty of confidentiality pursuant to section 8-1, the following applies with regard to the right to obtain information from a central securities depository:

1. An account holder is entitled to receive all information registered on the securities account.
2. A holder of a security interest or a holder of any other limited right registered on a securities account is entitled to receive all information registered on the account that may have a bearing on such right.
3. The District Court and the Execution and Enforcement Commissioner are entitled to be informed of any registered financial instruments belonging to a defendant, debtor or person adjudicated incompetent, and of whether other limited rights are attached to such instruments. The court, the administrator in bankruptcy and chairman of a debt settlement committee appointed by the court are entitled to receive all information recorded on a debtor in bankruptcy or a debtor undergoing debt settlement proceedings, or on a deceased person in connection with division of the decedent's insolvent estate, including all information on financial instruments recorded in the central securities depository. The same applies to the chairman of an administration board appointed for a financial institution by the Ministry of Finance or Finanstilsynet.
4. Unless otherwise provided by law or regulations, anyone is entitled to receive information registered about a financial instrument.
5. Where a party is entitled by law to receive information and such information exists in the register of a central securities depository, the party has a right to receive this information from the central securities depository.

Where a party is entitled by company legislation or equivalent legislation in another EEA state to receive information about owners and other holders of rights to financial instruments issued in accordance with the legislation of the EEA state in question, and the information exists in a central securities depository, the party has a right to receive this information from the central securities depository. With regard to shares and other financial instruments comparable to shares that are issued pursuant to the legislation of a country outside the EEA, the issuer has the right to receive information about who owns its shares if the issuer is entitled to receive such information pursuant to the issuer country's company legislation or equivalent legislation.

The Ministry of Finance may by regulations make further provisions on the right of access to information, including to expand the right of access to information pursuant to this provision, and may make provisions on the right of a central securities depository to provide information to another central securities depository with which it has established a link pursuant to the Central Securities Depositories Regulation, Article 48.

Section 8-4. *Information for use in research*

Finanstilsynet may decide that a central securities depository may provide information for use in research notwithstanding the duty of confidentiality pursuant to section 8-1 when this is found to be reasonable and does not create a disproportionate disadvantage for other interested parties.

Conditions may be attached to decisions as mentioned in the first paragraph in respect of inter alia who shall be responsible for the information and who shall have access to it, its storage, the return of borrowed material, the deletion of copies, whether the researchers shall have the right to approach or gather further information about the parties with whose information they were provided, and how the information can be used in general.

Requests for dispensation from the duty of confidentiality in accordance with the first paragraph shall be sent to the central securities depository, which shall make a recommendation on the matter to Finanstilsynet.

The Ministry of Finance may lay down regulations to supplement and implement the provisions of this section (8-4).

Section 8-5. *Researchers' duty of confidentiality*

Anyone who provides a service or carries out work in connection with research for which a central securities depository has, in accordance with section 8-4, first paragraph, provided information that is covered by the duty of confidentiality, has a duty to prevent others from gaining access to or knowledge of the information concerned.

The information can only be used for the purpose of research and in accordance with the stated purpose and any conditions that were applied as provided for in section 8-4, second paragraph.

The duty of confidentiality shall not prevent:

1. the information from being made known to those parties whom it directly concerns, or others to the extent agreed by those who are entitled to confidentiality
2. the information from being used when the need for protection must be deemed to be safeguarded by the information being provided in statistical form, or by the identifying characteristics being omitted in some other way.

Before providing the information, the central securities depository shall make the recipients of the information aware of the duty of confidentiality and the penal provisions of the Norwegian Penal Code, Sections 209 and 210. The central securities depository may demand a written statement to the effect that the recipients of the information are aware of the rules and will comply with the duty of confidentiality.

The Ministry of Finance may lay down regulations to supplement and implement the provisions of this section (8-5).

Section 8-6. *Access to information in central securities depositories*

The police shall have electronic access to information in central securities depositories. Searches of the register shall only take place on the basis of the police's need for information in connection with preventing and combating crime.

Finanstilsynet shall have electronic access to information in central securities depositories. Searches of the register shall only take place on the basis of Finanstilsynet's need for information in connection with its supervisory tasks.

Norges Bank shall have access to information in central securities depositories. Searches of the register shall only take place on the basis of Norges Bank's need for information in connection with its duties pursuant to the Central Bank Act or to support its surveillance of capital adequacy and financial stability.

Upon application from a regulated market, multilateral trading facility or organised trading facility that has its headquarters in an EEA member state, Finanstilsynet may, in special cases, order a central securities depository to give the applicant electronic access to all or parts of the registered information if this is necessary for effective market surveillance. The central securities depository may demand that the marketplace cover the costs of establishing and maintaining such electronic access.

Section 8-7. Payment

A central securities depository may demand payment for providing information to account holders, holders of rights and others, including for providing change notifications and statements of holdings. However, this does not apply in regard to information to which public authorities are entitled by law or regulations.

The Ministry of Finance may by regulations make provisions regarding a central securities depository's charges for providing information as mentioned in the first paragraph.

Chapter 9. Damages

Section 9-1. A central securities depository's liability for damages

A central securities depository is liable for direct financial losses inflicted as a result of errors arising in connection with its registration business. The first sentence also applies to errors in the securities register that have arisen as a result of settlement services.

The first paragraph does not apply where the central securities depository proves that the error is due to circumstances beyond the central securities depository's control and whose consequences it could not reasonably be expected to avoid or overcome. The first paragraph also does not apply to financial losses suffered by a party in its capacity as a settlement participant or account operator for the central securities depository.

Liability for damages as mentioned in the first paragraph is limited to direct losses, and such liability is in all cases limited to NOK 500 million for the same error.

In the case of financial losses other than as mentioned in paragraphs one to three, the central securities depository is liable if the losses are due to negligence on its part or on the part of any party for which the central securities depository is responsible.

Claims for damages shall be handled in accordance with the central securities depository's rules on the handling of complaints laid down in accordance with the Central Securities Depositories Regulation, Article 32, Paragraph 2.

Section 9-2. An account operator's liability for damages and the central securities depository's joint and several liability

If an error pursuant to section 9-1 can be attributed to an account operator, the account operator is liable. The provisions in section 9-1, first to fourth paragraphs, shall apply equally to account operators.

An injured party may in all circumstances direct its claim against the central securities depository. For losses that can be attributed to an account operator, the central securities depository is jointly and

severally liable with the account operator for NOK 50 million per error. Above this amount, the central securities depository is not liable for losses that can be attributed to an account operator.

Claims for damages submitted to an account operator shall be handled in accordance with the rules on complaints as mentioned in section 6-3, third paragraph.

Section 9-3. *Contributory negligence*

Where the injured party itself has wilfully or through negligence caused or contributed to the losses, the damages may be reduced or barred.

Chapter 10. Winding up and resolution

Section 10-1. *Decisions to dissolve or wind up*

Unless otherwise provided by law, any decision to dissolve or wind up the activity of a central securities depository shall be reached by the general meeting by voting on a decision with the same majority as required for changes to the articles of association. Such a decision shall be notified to Finanstilsynet, which may within 30 days of receipt request further information about the basis for the decision and its effects.

A decision pursuant to the first paragraph shall be approved by the Ministry of Finance, which may attach conditions to its approval. If the Ministry of Finance has not ruled otherwise within three months of Finanstilsynet having received the decision and any additional information, the decision shall be deemed to have been approved.

Approved decisions pursuant to the first and second paragraphs shall be published in the Brønnøysund Register Centre's electronic announcement publication and at least two national newspapers.

Section 10-2. *Notifying Finanstilsynet*

The board of directors and chief executive officer of a central securities depository are, each on their own account, obliged to notify Finanstilsynet if there is reason to fear that in the near future the central securities depository may not be able to:

1. fulfil requirements made in or pursuant to this Act
2. carry out its core functions
3. meet its liabilities as they fall due, or
4. continue its activities due to a serious loss of confidence, a financial loss that may materially impair or threaten the central securities depository's capital adequacy, or other circumstances that have arisen.

If the auditor of any central securities depository becomes aware of circumstances mentioned in the first paragraph, he shall notify Finanstilsynet as mentioned in the first paragraph unless he has received confirmation from Finanstilsynet that such notification has already been given.

The notification shall contain all relevant information related to the central securities depository's financial situation and market position, and shall explain the reasons for the difficulties.

Section 10-3. Prohibition against filing insolvency proceedings

Debt settlement or bankruptcy proceedings pursuant to the Debt Settlement Proceedings and Bankruptcy Act may not be initiated against a central securities depository that is authorised pursuant to this Act.

Section 10-4. Resolution

The rules in the Financial Institutions Act, Chapter 20, and associated regulations shall apply to central securities depositories authorised to provide banking-type ancillary services pursuant to the Central Securities Depositories Regulation, Article 54, Paragraph 2.

The Ministry of Finance may by regulations provide that the rules in the Financial Institutions Act, Chapter 20, and associated regulations shall also apply either wholly or in part to other central securities depositories. The Ministry of Finance may additionally by regulations make rules that waive or supplement the rules mentioned in the first sentence.

Chapter 11. Supervision, administrative measures and sanctions etc.

Section 11-1. Competent authority and supervision

Pursuant to the Central Securities Depositories Regulation, Article 11, Finanstilsynet is the competent authority.

Unless otherwise stated by a specific provision, Finanstilsynet shall supervise compliance with the provisions of this Act.

Section 11-2. Duty of confidentiality in relation to sanctions and notification of infringements etc.

Anyone who carries out work for, or provides a service to, Finanstilsynet or the Ministry of Finance has a duty of confidentiality in respect of information that concerns measures and sanctions that relate to infringements of the rules of this Act or regulations issued pursuant to this Act, provided that the publication of the information could damage the stability of the financial markets or an ongoing investigation, or could cause disproportionate damage to the parties concerned. The Public Administration Act, Section 13 a, shall apply equally insofar as it is relevant. The Public Administration Act, Section 13, first and second paragraphs, and Section 13 b, shall not apply to information as mentioned in the first sentence.

Anyone who carries out work for, or provides a service to, Finanstilsynet has a duty of confidentiality in respect of information as mentioned in section 8-2, first paragraph (on notification), unless use of the information is essential as part of further investigations into the infringement, a subsequent public administration case or a trial. The duty of confidentiality pursuant to the first sentence also applies to the provision of information to the parties to the case and their representatives. The Public Administration Act, Section 13, first and second paragraphs, Section 13 a and Section 13 b shall not apply to information as mentioned in the first sentence.

Section 11-3. Duty to provide information to Finanstilsynet

Central securities depositories and any entity within the same group are obliged to provide any information that Finanstilsynet requests related to circumstances concerning the entity's activities and

to present and provide Finanstilsynet with documentation concerning the activities. The first sentence shall apply equally to account operators and other persons that carry out work or assignments on behalf of a central securities depository or an account operator.

Section 11-4. *Duty of notification in respect of disposals of a significant proportion of a central securities depository's activities, mergers and demergers etc.*

A central securities depository shall send Finanstilsynet written notice of a decision to dispose of a significant proportion of its activities as mentioned in Section A of the Annex to the Central Securities Depositories Regulation and in the event of a merger or demerger. The change may at the earliest be implemented three months after Finanstilsynet has received notice as mentioned in the first sentence.

A central securities depository shall send Finanstilsynet written notice of a decision to establish a subsidiary company outside Norway or a branch in a country outside the EEA area before the decision to establish is implemented.

Section 11-5. *Rectification orders*

Finanstilsynet may issue a central securities depository with a rectification order if the company acts in violation of law, regulations issued pursuant to law, the conditions for its authorisation, or internal guidelines established in accordance with provisions in law or regulations, its own set of rules or its own terms of business. The same shall apply to any party that acts on behalf of a central securities depository.

Finanstilsynet may issue an account operator with a rectification order if the company acts in violation of law, regulations, or the central securities depository's own set of rules. The same applies to any party that acts on behalf of an account operator.

Finanstilsynet may issue a central securities depository whose home state is not Norway with a rectification order in the instances specified in the Central Securities Depositories Regulation, Article 24, Paragraph 5, Subparagraph 2.

Section 11-6. *Order barring voting rights attached to shares from being exercised*

If a shareholder that can exert control directly or indirectly over a central securities depository's management pursuant to the Central Securities Depositories Regulation, Article 27, Paragraph 6, does not fulfil the requirement to be a suitable person as specified in the paragraph in question or has not informed the central securities depository or Finanstilsynet pursuant to the Central Securities Depositories Regulation, Article 27, Paragraph 7, Finanstilsynet may issue an order to the effect that the voting rights attached to the shares of the shareholder in question cannot be exercised.

Section 11-7. *Measures in the event of a breach of the duties of nominees*

If any party manages a nominee account without fulfilling the requirements in section 4-3, Finanstilsynet may demand that the account be blocked. Where an account is blocked, the nominee loses the right to dispose over the financial instruments that are registered on the account, including the right to accept payments related to the financial instruments in full discharge of the payer's obligations. Blocking shall not prevent transactions approved by Finanstilsynet from being carried out.

The first paragraph shall apply equally where a nominee does not fulfil its duty to disclose information pursuant to section 4-4, fourth paragraph.

The Ministry of Finance may by regulations make further provisions regarding the forced sale of financial instruments registered on nominee accounts in a situation in which the account is managed by a party that does not fulfil the requirements in section 4-3, or where the nominee does not fulfil its duty pursuant to section 4-4, fourth paragraph.

Section 11-8. *Prohibition on holding a management function*

If a board member, a chief executive officer, or an actual manager at a central securities depository or a credit institution that has been designated pursuant to the Central Securities Depositories Regulation, Article 54, has infringed a provision as mentioned in the Central Securities Depositories Regulation, Article 63, Paragraph 1, and the infringement results in the individual concerned being deemed unsuitable to hold a management position at the company, Finanstilsynet may prohibit the individual concerned from holding such management functions. The same shall apply to other physical persons who may be held responsible for the infringement.

Section 11-9. *Fines for infringements*

In the event of an infringement of a provision as mentioned in the Central Securities Depositories Regulation, Article 63, Paragraph 1, Finanstilsynet may impose a fine. The same shall apply in the event of an infringement of the duty to notify the central securities depository or competent authority of the acquisition or disposal of shares pursuant to the Central Securities Depositories Regulation, Article 27, Paragraph 7, Subparagraph 2. Finanstilsynet may also impose fines for infringements of section 2-1, section 3-2 first paragraph, section 3-3 second paragraph, section 4-1, section 4-2, section 4-3 first and second paragraphs, section 4-4 first to fifth paragraphs, chapter 5, chapter 6, section 10-1 first paragraph, section 10-2 or sections 11-3 to 11-5, or of regulations issued pursuant to these provisions.

When an entity can be fined pursuant to the first paragraph, an infringement fine may also be imposed on the board members, chief executive officer, or an actual manager at the entity if they have displayed wilful misconduct or gross negligence.

Entities may be fined up to NOK 167 million or up to 10% of the entity's total annual revenue in accordance with its most recent approved annual accounts. For a parent company or a subsidiary company of a parent company that is required to produce consolidated financial statements pursuant to Directive 2013/34/EU, the total revenue shall be the total annual revenue or equivalent revenue pursuant to relevant accounting directives in accordance with the most recently available consolidated annual accounts approved by the parent company's board of directors. The infringement fine may be set at up to twice the earnings generated as a consequence of the infringement if the fine calculated in this way is higher than if calculated in accordance with the first and second sentence of this paragraph.

Physical persons may be fined up to NOK 42 million or twice the earnings generated as a consequence of the infringement if the fine is higher when calculated in this manner.

In the event that a party is late paying an infringement fine, interest will become payable in accordance with the Interest on Late Payments Act.

The right to impose an infringement fine is time-barred five years after the infringement came to an end. This time limit is restarted by Finanstilsynet providing initial notice or taking a decision regarding an infringement fine.

The Ministry of Finance may by regulations make further provisions on the calculation of infringement fines.

Section 11-10. Factors taken into consideration in relation to decisions on whether to prohibit a person from holding a management function and on infringement fines

When considering whether someone should be prohibited from holding a management function pursuant to section 11-8 or whether a fine for an infringement should be imposed pursuant to section 11-9, Finanstilsynet may take the following factors into account:

1. the seriousness and duration of the infringement
2. the degree of fault of the infringer
3. the financial means of the infringer as revealed by, for example, the entity's total revenue or by the annual income of the physical person responsible
4. gain or avoided loss as a result of the infringement
5. any losses suffered by third parties
6. the extent to which the infringer cooperates with the authorities
7. previous infringements committed by the individual responsible for the infringement.

The same factors may be considered when determining the size of infringement fines.

Section 11-11. Penalties

Any person who grossly or repeatedly infringes either wilfully or through negligence the provisions as mentioned in section 11-9, first paragraph, shall be punishable by fines or up to one year's imprisonment.

Any officer, employee or auditor of an entity operating a central securities depository who wilfully or through negligence infringes the provisions of section 10-2 shall be punishable by fines or, in particularly aggravating circumstances, up to three months' imprisonment.

Chapter 12. Entry into force, transitional rules and changes to other acts

Section 12-1. Entry into force and transitional rules

This Act shall come into force with effect from the date decided by the King. The various provisions of the Act may be put into force at different times.

The Act of 5 July 2002 No 64 on the Registration of Financial Instruments will be repealed with effect from the date that this Act enters into force. The various provisions of the former act may be repealed at different times.

The Ministry of Finance may make transitional rules.

Section 12-2. Changes to other acts

The following changes shall be made to other acts with effect from the date that this Act enters into force:

1. In the Act of 17 July 1953 No 2 on Compensation for War Damage to Property and Interests, Section 3, third paragraph, third sentence, shall read:

The ministry may also consent to bearer bonds or bonds registered in a central securities depository being issued for the loan.

2. In the Act of 7 December 1956 No 1 on the Supervision of Financial Institutions etc., the following changes shall be made:

Section 1, first paragraph, item 15, shall read:

15. central securities depositories,

Section 7, first paragraph, fourth sentence, shall read:

Neither does the duty of confidentiality prevent Finanstilsynet from passing to a regulated market authorised under the Securities Trading Act, to a central securities depository authorised under the Central Securities Depository Act, or to a central counterparty authorised under the Securities Trading Act, information on circumstances that is necessary for the discharge of those institutions' statutory functions.

3. In the Act of 25 June 1965 No 2 Authorizing the Regulation of Monetary and Credit Conditions, Section 15, shall read:

Section 15. The King may issue regulations to the effect that loans against the issuance of bearer bonds or bonds registered in a central securities depository or loans otherwise granted jointly by several lenders shall not be raised except with the consent of the King.

4. The Act of 18 May 1979 No 18 on the Limitation Period for Claims, Section 5, item 1, shall read:

1. When a debt certificate is issued for a claim, or the claim is registered in a central securities depository, the deadline for a claim is ten years, except for subsequently payable interest or company distributions and subsequently payable term payments as discussed in section 6.

5. In the Act of 8 February 1980 No 2 on Mortgages, the following changes shall apply:
The heading to chapter 4 shall read:

Chapter 4. Contractual security interests in securities, financial instruments registered in a central securities depository, shares, simple money claims, patents and plant breeders' rights etc.

The heading of Section 4-1 shall read:

Section 4-1. *Securities and financial instruments registered in a central securities depository*

Section 4-1, third and fourth paragraphs, shall read:

(3) A security interest may be granted over financial instruments registered in a central securities depository for which Norway is the home state by registering a security interest in the central securities depository, cf. the Central Securities Depository Act.

(4) A security interest may be granted over a life insurance policy by registering a security interest in the register of life insurance, cf. the Act of 16 June 1989 No 69 relating to Insurance Contracts, Section 17-1, second paragraph.

The heading of Section 4-2a shall read:

Section 4-2a. *Shares that are not registered in a central securities depository*

Section 4-2a, first paragraph, shall read:

(1) A security interest may be granted over shares that are not registered in a central securities depository unless otherwise stipulated by the company's articles of association.

Section 4-4, third paragraph, shall read:

(3) ‘Simple money claims’ means money claims that are not connected to securities, financial instruments registered in a central securities depository or redeemable debt instruments.

The heading to Section 5-7 shall read:

Section 5-7. Liens on securities, financial instruments registered in a central securities depository, redeemable debt instruments, shares, membership of a cooperative or simple money claims

Section 5-7, third paragraph, shall read:

(3) Execution liens on shares that are not registered in a central securities depository for which Norway is the home state shall have the legal protection stipulated by the provisions of section 4-2 a, second paragraph.

Section 5-7, seventh paragraph, shall read:

(7) Execution liens on financial instruments registered in a central securities depository for which Norway is the home state shall gain legal protection by registration in the central securities depository, cf. the Central Securities Depositories Act.

6. The Act of 22 May 1981 No 25 relating to Legal Procedure in Criminal Cases, Section 230, second paragraph, first sentence, shall read:

Witnesses who are subject to a duty of secrecy pursuant to Section 1-6 of the Insurance Act, Section 9-6 or 9-7 of the Financial Institutions Act, Section 10-5 of the Securities Trading Act, or Section 8-1 of the Central Securities Depository Act, are obliged to make a statement to the police concerning matters that are covered by the duty of secrecy or any contractual duty of secrecy.

7. In the Act of 8 June 1984 No 58 relating to Debt Settlement and Bankruptcy, the following changes shall be made:

Section 36, first paragraph, item 3), shall read:

3) a central securities depository, if rights are registered there that the debt settlement committee believes belong to the debtor, and

Section 79, fourth paragraph, item 2) shall read:

2) a central securities depository, if rights are registered there that the administrator in bankruptcy believes are covered by the estate’s right of attachment.

8. The Act of 24 May 1985 No 28 relating to Norges Bank and the Monetary System etc. Section 27, first paragraph, first sentence, shall read:

The King may, by means of regulations or individual decisions, decide that undertakings in the financial sector, including banks, insurance companies, finance undertakings, securities firms, regulated markets, central securities depositories and central counterparties shall disclose information to the Bank concerning their activities, financing, accounts, transactions and holdings on their own and customers' account, and any other information necessary for the Bank to perform its tasks.

9. The Act of 21 June 1985 No 78 on the Registration of Business Enterprises, Section 5-3, first paragraph, third sentence, shall read:

If the decision of the register operator concerns the issue of financial instruments, the central securities depository shall also be notified.

10. In the Act of 26 June 1992 No 86 on the Enforcement of Claims, the following changes shall be made:

Section 7-13, first paragraph, second sentence, shall read:

The same shall apply to assets recorded in an assets register, financial instruments registered in a central securities depository, shares, and documents of title to tenants rights or rights of occupation in relation to accommodation for which the defendant is registered as, or notified to be, the owner.

Section 7-14, second sentence, shall read:

The same shall apply to assets recorded in the assets register, financial instruments registered in a central securities depository, shares, and documents of title to tenants rights or rights of occupation in relation to accommodation for which a third party is registered as, or notified to be, the owner.

Section 7-20, fourth and fifth paragraphs, shall read:

When a lien is granted over a financial instrument registered in a central securities depository, the execution and enforcement officer shall promptly register that only the execution and enforcement officer can dispose over the account.

When a lien is granted over shares not registered in a central securities depository, the execution and enforcement office shall, if it is possible so to do, inform the company as soon as possible and prohibit the company from making payments or providing benefits to the defendant.

Section 10-3, first paragraph, fourth sentence, shall read:

When a request is made for settlement in financial instruments that are registered in a central securities depository or in intellectual property rights that can be registered in a special register, the statement from the central securities depository or special register concerned shall be attached to the request instead of a statement from the Register of Mortgaged Movable Property (Løsøreregisteret).

Section 10-4, first paragraph, first sentence, shall read:

Compulsory settlement in transferrable securities as mentioned in the Securities Trading Act, Section 2-4, and in financial instruments that are registered in a central securities depository shall take place by the sale of the asset using an appointed professional assistant.

11. In the Act of 13 June 1997 No 44 on Limited Liability Companies, the following changes shall be made:

Section 4-4 shall read:

Section 4-4. *Registration of shares in a central securities depository*

The articles of association may provide that the company's shares shall be registered in a central securities depository that is authorised or recognised pursuant to the Central Securities Depositories Regulation (Regulation (EU) 909/2014). In such case, the articles of association shall also stipulate the central securities depository in which the shares shall be registered. If the company's shares are registered in a central securities depository, the provisions on such registration in the Act on Public Limited Liability Companies shall apply, including Section 4-10 on trustee registration.

Section 4-11 shall read:

Section 4-11. *Transferring from a share register to shareholder registration in a central securities depository and vice versa*

(1) If a private limited company has decided that the company's shares shall be registered in a central securities depository, the company shall announce that those parties who are recorded as shareholders in the share register will be registered as owners of the number of shares indicated by the share register, unless it is proved that another party is the shareholder. The announcement shall state the time at which the registration shall take place.

(2) The announcement pursuant to the first paragraph shall, at the latest two months before the registration takes place, be sent to all parties recorded as shareholders in the share register, and shall be published in the Brønnøysund Register Centre's electronic announcement publication.

(3) If a private limited company has decided that the company's shares shall cease to be registered in a central securities depository, the company shall announce that those parties registered as shareholders in the shareholder register will be entered into the share register as owners of the number of shares indicated by the shareholder register, unless it can be proved that another party is the shareholder. The announcement shall state the time at which the registration shall take place. The second paragraph shall apply equally. Rights in a share that is registered in a central securities depository shall, at the time of transfer to the share register, be deemed to have been notified to the company with the same priority as they have pursuant to their registration in the central securities depository.

(4) The King may make regulations regarding the procedure for transferring from a share register to a shareholder register in a central securities depository and for transferring from a shareholder register in a central securities depository to a share register.

12. In the Act of 13 June 1997 No 45 on Public Limited Liability Companies, the following changes shall apply:

In Section 2-2, first paragraph, a new item 11 shall read:

11. in which central securities depository the shares are registered

Section 4-4, first paragraph, shall read

(1) When a public limited liability company has been formed, the board of directors shall without delay ensure the creation of a register of shareholders for the company in a central securities depository authorised or recognised pursuant to the Central Securities Depositories Regulation (Regulation (EU) No 909/2014). If the register of shareholders is established before the company has been registered in the Register of Business Enterprises, this shall be stated. When registration with the Register of Business Enterprises has been completed, the board of directors shall report this to the central securities depository without delay.

Section 4-7 shall read:

Section 4-7. *Change of owners*

In the event of change of ownership, the former owner shall forthwith ensure that this is reported to the central securities depository.

Section 4-8, second paragraph, second sentence, shall read:

When registration in the Register of Business Enterprises has been completed, the board of directors shall forthwith report this to the central securities depository.

In Section 4-9, a new third paragraph shall read:

(3) If the shareholder receives notification directly from the central securities depository in which the share is registered, it is not necessary for the company to notify the shareholder as mentioned in the first and second paragraphs.

Section 4-10, first paragraph, fourth sentence, shall read:

Another central securities depository may in accordance with rules issued by the King create a partial register which is incorporated in the register of shareholders on behalf of a shareholder.

In Section 4-10, a new sixth paragraph shall read:

(6) The King may by regulations make further rules concerning the forced sale of financial instruments registered on a nominee account where the account is managed by a party that is not authorised pursuant to the first paragraph, or where the nominee does not fulfil its duty to provide information pursuant to the fourth paragraph or regulations issued pursuant to the fifth paragraph.

Section 4-11, first paragraph, shall read:

(1) The company shall have a register of subscription rights in the central securities depository in which the company's shares are registered

Section 4-11, third paragraph, first sentence, shall read:

Subscription rights as mentioned above shall also be registered on an account that the holder of the rights shall have in a central securities depository.

Section 4-13, first paragraph, shall read:

(1) The legal effects of registration in a central securities depository for which Norway is the home state, cf. the Central Securities Depository Act, Section 1-2, first paragraph, are subject to Sections 7-3, 7-4 and 7-6 of the Central Securities Depository Act. If the shares are registered in a central securities depository that does not link legal protection with registration in the central securities depository, the rules set out in the Norwegian Limited Liability Companies Act, Section 4-13, on identification and legal protection on change of ownership shall apply equally.

Section 4-13, second paragraph, second sentence, shall read:

However, any distribution other than dividends only releases the company from the obligation towards a later acquirer in good faith, if it has been registered on the shareholder's account in a central securities depository.

Section 4-13, third paragraph, item 2, shall read:

2. the failure of registration is due to an error in a central securities depository.

In Section 4-13, a new fourth paragraph shall read:

(4) Information that relates to the legal effects of registration shall be publicly available. The same applies to the procedure for registering rights to shares.

Section 4-15 a shall read:

Section 4-15a. *Security interests in shares*

Shares may be subject to a security interest unless otherwise provided in the articles of association. Security interests in shares registered in a central securities depository for which

Norway is the home state shall obtain legal protection in accordance with the rules of the Central Securities Depository Act. The agreement may provide that dividends shall be distributed to the holder of the security interest, without the limitations in section 8-3, second paragraph. If the shares are registered in a central securities depository that does not link legal protection with registration in the central securities depository, the rules set out in the Norwegian Limited Liability Companies Act, Section 4-8, second and third paragraphs, on security interests in shares shall apply equally.

Section 4-16, first paragraph, second sentence, shall read:

The decision shall be made as soon as possible after the acquisition has been reported to the central securities depository.

Section 4-16, fourth paragraph, shall read:

(4) If the acquirer has not been informed that consent has been withheld within two months of the acquisition having been reported to the central securities depository, consent shall be deemed to have been granted.

Section 4-20, first sentence, shall read:

When the central securities depository receives notification pursuant to section 4-7, it shall immediately notify the company.

Section 4-23, first paragraph, second sentence, shall read:

The notification must have arrived at the company no later than two months after the notification on the change of ownership in accordance with section 4-20 was received by the central securities depository or the company.

Section 4-24, third paragraph, shall read:

(3) When the company has decided to execute a mandatory takeover under the Ministry's permission, the company shall be entered as the owner of the shares in the central securities depository. This does not apply to shares of shareholders who after the offer was presented have been registered as acquiring so many shares that they are no longer subject to the offer.

Section 4-25, fifth paragraph, shall read:

(5) When a parent company has decided to take over shares according to paragraph one above, the parent company shall be registered as the owner of the shares in the central securities depository. At the same time the parent company shall pay the total offer price to a separate account with a bank which can conduct business in Norway.

In Section 5-10, a new sixth paragraph shall read:

(6) When a proposal concerns changing the central securities depository in which the company's shares are registered, the proposal shall contain information on the most important effects that the change will have, including how shareholders will be able to set up an account at the proposed central securities depository and what rules on legal protection will apply following the change of central securities depository.

Section 5-11 b, first sentence, shall read:

For companies whose shares have been admitted to listing on a regulated market, cf. the Securities Trading Act, Section 2-7, fourth paragraph, and which are situated in, or carry on activity in an EEA state, the following special rules apply:

Section 10-6 shall read:

Section 10-6. *Entry of the preferential right in the register of subscription rights*

The preferential right to subscribe to new shares shall be entered in the subscription rights register in the central securities depository pursuant to the provisions in section 4-11.

Section 10-12, fourth paragraph, item 1, first sentence, shall read:

Such shares shall be provisionally registered in a separate account in the central securities depository.

Section 12-6, item 4, second sentence, shall read:

Any distribution made in connection with the capital reduction shall be registered on the shareholder's account with the central securities depository.

Section 13-18, third paragraph, shall read:

(3) Payment of consideration in assets other than shares to shareholders in companies that are registered in a central securities depository shall be entered into the shareholder's account with the central securities depository.

Section 13-18, fourth paragraph, second sentence, shall read:

If the shares in the assigning company or companies have been registered in a central securities depository, the assignee company shall also keep available a transcript of the register of shareholders as it is at the time of registration of the merger for at least ten years.

13. In the Act of 13 June 1997 No 55 on Food Service Businesses, Section 8, fourth paragraph, shall read:

Food service venues that are listed on a stock exchange or another regulated market are not obliged to make available information that is confidential pursuant to the Securities Trading Act and associated regulations.

14. In the Act of 17 July 1998 No 56 on Annual Accounts etc., Section 3-3 b, third paragraph, shall read:

Second paragraph, items 1, 2, 3, 5 and 6 shall not apply to entities required to prepare accounts that have not issued shares or equity certificates that are listed on a regulated market or on a multilateral trading facility, cf. the Securities Trading Act, Section 2-7, fifth paragraph.

15. In the Act of 26 March 1999 No 14 on Tax on Income and Wealth, the following changes shall be made:

Section 4-14 shall read:

Section 4-14. *Bearer bonds, bonds registered in a central securities depository, and other similar securities*

Bearer bonds, bonds registered in a central securities depository and other similar securities are valued at their market price, or at their estimated realisable value if there is no listed market price.

Section 9-11, fourth paragraph, letter a, shall read:

- a. the loan applies to a share, equity certificate or bearer bond admitted to listing on a regulated market as defined in the Securities Trading Act, Section 2-7, fourth paragraph, or to an equivalent listing on a foreign stock exchange, and

Section 9-11, fourth paragraph, letter c, shall read:

- c. the transaction is registered as a loan transaction in the central securities depository concerned, when the loan comprises securities that are registered in a central securities depository that is subject to the duty to provide information pursuant to the Tax Administration Act, Section 7-3, first paragraph, letter i.

16. In the Act of 17 December 1999 No 95 on Payment Systems etc., Section 4-4, third paragraph, shall read:

If financial instruments as referred to in Section 2-2 of the Securities Trading Act are pledged as collateral pursuant to the first paragraph, and the right to the financial instruments has been recorded in a register, an account or a central securities depository in an EEA Member State, the legislation in that country shall be determinative for the rights of the holder of the security interest.

17. In the Act of 26 March 2004 No 17 on Financial Collateral, Section 1, third paragraph, letter d, shall read:

- d) Clearing houses, central counterparties and similar institutions regulated by statute that handle financial instruments as mentioned in the Securities Trading Act, Section 2-4, seventh paragraph, or legal persons that handle such financial instruments in their capacity as asset managers or on the basis of a mandate from one or more persons, e.g. trustees for bondholders in the bond market or special purpose vehicles set up in connection with securitisation.

18. The Act of 1 April 2005 No 14 on European Companies following Implementation of the EEA Agreement, Annex XXII, item 10a (Council Regulation (EU) No. 2157/2001), Section 7, second paragraph, letter e shall read:

- e) the Act of 29 June 2007 No 75 on Securities Trading, Section 11-4,

19. The Act of 17 June 2005 No 90 on Mediation and Procedure in Civil Disputes, Section 34-4, fourth paragraph, second sentence, shall read:

The same applies to rights that are registered in a central securities depository or in a special intellectual property rights register.

20. In the Act of 29 June 2007 No 75 on Securities Trading, the following changes shall be made:

Section 9-3, first paragraph, item 8, shall read:

8. central securities depositories, subject to the exceptions stated in the Central Securities Depositories Regulation, Article 73, cf. the Central Securities Depository Act, Section 1-1,

Section 11-13, fourth paragraph, shall read

(4) The ministry may by regulations or by individual decision make exemptions from the duty of confidentiality with regard to the provision of information to other regulated markets, central securities depositories, central counterparties, foreign supervisory authorities, other official authorities and international or supranational institutions.

Section 12-5, third paragraph, first sentence, shall read:

The market operator may, notwithstanding the duty of confidentiality, require a central securities depository and a central counterparty to disclose to it such information as is required in order for the regulated market to fulfil its duties pursuant to the first and second paragraphs.

Section 19-2, fourth paragraph, shall read:

(4) Finanstilsynet may, notwithstanding the duty of confidentiality, require a central securities depository to disclose to it such information as it deems necessary for its supervisory activities and to do so by such means as Finanstilsynet deems appropriate.

21. In the Act of 26 March 2010 No 9 on Guardianship, Section 54, first paragraph, shall read:

The King may by regulations make rules regarding the fact that when assets are transferred to a minor or a person adjudicated incompetent, public administrative bodies, financial institutions, insurance companies, pension companies, fund management companies, central securities depositories and guardians shall notify the County Governor.

22. In the Act of 25 November 2011 No 44 on Securities Funds, the following changes shall be made:

Section 2-7, fifth paragraph, shall be repealed. The current sixth paragraph shall become the fifth paragraph.

Section 2-10, third sentence, shall read:

The provisions laid down in or pursuant to the Securities Trading Act, Section 10-22, second to sixth paragraphs, shall apply insofar as is appropriate.

Section 6-5, first paragraph, item 1, shall read:

1. are admitted to official listing or are traded on a regulated market in an EEA member state, including a Norwegian regulated market, as defined in Directive 2014/65/EU Article 4, Paragraph 1, item 21, and the Securities Trading Act, Section 2-7, fourth paragraph,

23. In the Act of 20 June 2014 No 28 on the Management of Alternative Investment Funds, the following changes shall be made:

Section 5-2, first paragraph, letter b, shall read:

- b) an investment firm established in an EEA member state, authorised to provide the ancillary service mentioned in the Securities Trading Act, Section 2-6, first paragraph, item (1), and having own funds not less than an amount in Norwegian kroner corresponding to EUR 730,000, or

Section 7-3 shall read:

Section 7-3. *Conduct of business rules*

The conduct of business rules referred to in the Securities Trading Act, section 10-15, first paragraph and associated regulations shall be complied with in the marketing of AIFs to non-professional investors.

24. In the Act of 10 April 2015 No 17 on Financial Institutions and Financial Groups, the following changes shall be made:

Section 7-8, first paragraph, letter i and a new letter j shall read:

- i) how the institution shall be wound up and the institution's capital distributed in the event of winding up,
- j) in which central securities depository the equity certificates are to be recorded.

Section 10-12, second paragraph, shall read:

(2) A financial institution shall ensure that a register of equity certificate holders is established without delay in a central securities depository authorised or recognised pursuant to the Central Securities Depositories Regulation (Regulation (EU) No. 909/2014). The equity certificates shall be registered without delay in the central securities depository as stated in the financial institution's articles of association. The Public Limited Companies Act, Sections 4-1 to 4-11, applies equally.

Section 21-11, third paragraph, third sentence, shall read:

The order shall also be registered with a central securities depository and judicially registered with the registrar of real property.

25. The Act of 27 May 2016 No 14 on Tax Administration, Section 7-3, first paragraph, letters h and i shall read:

h) investment firms, cf. the Securities Trading Act, Section 2-7, first paragraph

i) central securities depositories

26. In the Act of 16 June 2017 No 47 on Debt Information for Credit Assessments of Private Individuals, the following changes shall be made:

Section 12, fifth paragraph, second sentence, shall read:

The Central Securities Depository Act, Section 8-4, shall apply equally.

Section 17, second paragraph, shall read:

The Central Securities Depository Act, Sections 8-4 and 8-5, shall apply equally to information for use in research and to researchers' duty of confidentiality.

27. In the Act of 1 June 2018 No 23 on Measures to Combat Money Laundering and Terrorist Financing, the following changes shall be made:

Section 4, first paragraph, letter l, shall read:

- l) central securities depositories, in cases where the central securities depository does not use an external account operator which is an obliged entity. For account holders and issuers with an external account operator which is an obliged entity, such account operator is the obliged entity;

Section 22, first paragraph, letter h, shall read:

- h) central securities depositories that are obliged entities