

CHAPTER 1

General provisions

Section 1

The book-entry system

The book-entry system shall consist of book-entry accounts and lists of the owners of book entries registered in the accounts.

Section 2

Book entry

A book entry shall mean a share, participation or other right referred to in chapter 1, section 2, paragraph 1 of the Securities Markets Act (495/1989) incorporated in the book-entry system.

A share certificate, debt instrument or other such physical security shall not be issued on the existence and contents of a book entry. The book entries shall not be numbered. (15.9.2000/795)

The provisions on securities shall otherwise, where appropriate, be applied to book entries.

Section 2 a (15.9.2000/795)

A central securities depository and a book-entry register

The Central Securities Depository shall mean a limited company licensed to attend to the duties of a central securities depository referred to in this Act.

The book-entry register shall mean a register kept in the Central Securities Depository in Finland of book-entry accounts, book-entries registered in book-entry accounts as well as of rights and obligations pertaining to book-entry accounts and book entries.

Section 2 b (15.9.2000/795)

An account operator and an agent

An account operator shall mean an organization that has been granted the right to make registrations in the book-entry register.

An agent shall mean an organization that, under a contract concluded with the account operator, has the right to make registrations in the book-entry register on behalf of the account operator.

Section 3

Book-entry accounts

Book entries shall be registered in book-entry accounts kept in the book-entry register. Book-entry accounts shall be governed by the provisions of the Act on Book-Entry Accounts (827/1991). (15.9.2000/795)

Rights and restrictions pertaining to a book entry shall be registered in the same book-entry account as the book entry.

The provisions on the issuance and conveyance of a physical security shall correspondingly apply to the registration of a book entry in a book-entry account.

Section 4 (28 December 2001/1519)

Lists

The Central Securities Depository shall, for the account of the issuers, keep issuer-specific lists of shareholders and other corresponding lists of the owners of book-entries incorporated in the book-entry system and referred to in chapter 1, section 2, subsection 1 (1), (3) and (5) of the Securities Markets Act.

Lists of the owners of book-entries incorporated in the book-entry system and referred to in chapter 1, section 2, subsection 1 (2), (4) and (6) of the Securities Markets Act shall be kept in the Central Securities Depository. The Central Securities Depository shall also keep a list of the numbers of these book entries.

* Cf. Sections 5 a, 29 and 34 of the Act on Book-Entry Accounts 827/1991.

* Cf. Section 63 of the Act on Common Funds 48/1999.

* Cf. Chapter 1, section 2 of the Securities Markets Act 495/1989.

Section 5

Repealed by Act of 15.9.2000/795.

Section 6 (15.9.2000/795)

Supervision

Compliance with this Act and the provisions, regulations, rules and instructions issued and confirmed thereunder shall be supervised by the Financial Supervision Authority. This Act shall not affect the competence of the data protection authorities provided for in the Personal Data Act (523/1999).

* Act on the Financial Supervisions Authority 503/1993.

* Personal Data Act 523/1999.

CHAPTER 2

Account operators (15.9.2000/795)

Section 7 (15.9.2000/795)

Granting the rights of an account operator

The Central Securities Depository shall grant the rights of an account operator to the State of Finland, the Bank of Finland, a stock exchange and a clearing organization referred to in the Securities Markets Act, an option exchange referred to in the Act on Trade in Standardized Options and Futures (772/1988) as well as to a securities intermediary or clearing party:

- 1) the operations planned by which fulfil the technical requirements necessary for its operation;
- 2) which, on the basis of its earlier operations or for other justifiable reasons, may be deemed to fulfil the requirements relating to adequate legal competence and ethical standard necessary for the task and which has arranged the legal competence required by the registration operations carried out by it by appointing at least one registration officer;
- 3) the operations planned by which do not endanger the reliable and appropriate functioning of the book-entry system and the book-entry register;
- 4) the equity capital of which is at least five million euros; and
- 5) which fulfils the other requirements set in the Rules of the Central Securities Depository.

The Central Securities Depository may also grant the rights of an account operator to a foreign securities intermediary which has been granted an authorization by an authority in the European Economic Area corresponding to the license required from a securities intermediary in Finland and which fulfills the requirements set in paragraph 1.

The Central Securities Depository may grant the rights of an account operator under the conditions decided by the Ministry of Finance to another State, a foreign central bank, an organization referred to in section 16 as well as to another foreign organization which fulfills the requirements set in paragraph 1.

The Central Securities Depository may grant the rights of an account operator under the conditions decided by the Ministry of Finance also to another organization which fulfills the requirements set in paragraph 1 (1), (3) and (5) so that the organization may make registrations only on its own behalf.

Upon issuing the decision of the Ministry of Finance referred to in paragraphs 3 and 4, the provisions of section 9 (3) of the Act on Investment Firms (579/1996) on the account to be submitted when applying for the authorization of an investment firm shall be taken into consideration, where applicable.

The Central Securities Depository shall decide on the application for the rights of an account operator within six months from its receipt. If the Central Securities Depository, during this period, requests further information from the applicant regarding the application, the time limit shall be calculated from the day on which the Central Securities Depository receives the further information. Upon granting the rights of account operators, the Central Securities Depository shall comply with the principles of equality. The Central Securities Depository shall, without delay, inform the Financial Supervision Authority of its decision relating to the granting of the rights of an account operator. The organization applying for the rights of an account operator shall have the right to refer the decision of the Central Securities Depository to be handled by the Financial Supervision Authority within 30 days from receipt of service of the decision. The Financial Supervision Authority shall notify the Central Securities Depository of the referral of the matter to be handled by the Financial Supervision Authority.

To attend to its duties, the Central Securities Depository shall be liable to act as an account operator.

Section 7 a (15.9.2000/795)

Right of an account operator to keep agents

The Central Securities Depository may grant to an account operator the right to keep agents. The right shall be applied separately for each agent. Upon application of the right, the information corresponding to the information referred to in section 7 (1) shall be given on the agent as well as on the agreement concluded with the agent. Information on the manner in which the agent shall be liable for registrations made on behalf of the account operator shall also be given.

An organization referred to in section 7 (1) and (2) may act as an agent of an account operator. The equity capital of the agent shall, however, be at least 730,000 euros.

The Central Securities Depository shall decide on the application for the right to keep an agent within six months from its receipt. If the Central Securities Depository, during this period, requests further information from the applicant regarding the application, the time limit shall be calculated from the day on which the Central Securities Depository receives the further information. Upon granting the right to keep an agent, the Central Securities Depository shall comply with the principles of equality. The Central Securities Depository shall, without delay, inform the Financial Supervision Authority of its decision relating to the right. The account operator applying for the right shall have the right to refer the decision of the Central Securities Depository to be handled by the Financial Supervision Authority within 30 days from receipt of service of the decision. The Financial Supervision Authority shall notify

the Central Securities Depository of the referral of the matter to be handled by the Financial Supervision Authority.

Section 8

Repealed by Act of 15.9.2000/795.

Section 9 (15.9.2000/795)

Withdrawal of the rights of an account operator and restriction of its operations

The Central Securities Depository shall withdraw the rights granted under section 7 if the account operator no longer meets the requirements set for the granting of the rights referred to in section 7 (1) (1-4) or where the Financial Supervision Authority, in order to strengthen the trust in the book-entry system or for another weighty reason, so decides.

The rights may correspondingly be withdrawn in full or in part if:

- 1) the operations of the account operator have materially violated an Act, the conditions or restrictions contained in the rights or the Rules of the Central Securities Depository;
- 2) the account operator has not been operating for six months;
- 3) the operations of the account operator or a part thereof have not been started within 12 months from the granting of the rights; or if
- 4) misleading information has been given upon application for the rights.

Instead of withdrawal of the rights, the Central Securities Depository may, in accordance with paragraph 4, restrict the operations of the account operator if the restriction can be deemed a sufficient measure.

The Central Securities Depository may restrict the operations of an account operator for a set period of time if incompetence or carelessness has been found in the operations of the account operator or if it is evident that the operations of the account operator may seriously damage the stable operation of the book-entry system or the book-entry register or the interests of the investors.

When the rights have been withdrawn, the registration operations carried out by the account operator shall immediately be transferred to be attended to by the Central Securities Depository. The Central Securities Depository shall, without delay, attend to the termination of the registration operations of the account operator.

The Central Securities Depository shall, without delay, inform the Financial Supervision Authority of its decision relating to the withdrawal or restriction of the rights of an account operator. The account operator, the rights of which have been withdrawn or restricted, shall have the right to refer the decision of the Central Securities Depository to be handled by the Financial Supervision Authority within 30 days from receipt of service of the decision. The decision issued by the Central Securities Depository shall, notwithstanding its referral to be handled by the Financial Supervision Authority, be in force until further notice unless the Financial Supervision Authority decides otherwise or unless otherwise provided for elsewhere. The Financial Supervision Authority shall notify the Central Securities Depository of the referral of the matter to be handled by the Financial Supervision Authority.

The provisions of this section on the rights of an account operator shall, where applicable, also apply to the right of an account operator to keep an agent referred to in section 7 a.

Section 10 (15.9.2000/795)

The services offered by a book-entry register as an account operator

When the Central Securities Depository acts as an account operator of a book-entry account, the costs incurred from the book-entry accounts kept in the name of the owners of book entries referred to in section 4 (1) shall be borne by the issuers of the said book entries.

The Central Securities Depository may, however, charge from the holder of the account a fee for a registration and account statement necessitated by the transfer of a book entry from a cost-free book-entry account referred to in this section to an account kept by another account operator, by a pledge on or restriction on the conveyance of a book entry or by a measure referred to in section 5 of the Act on Book-Entry Accounts.

The costs incurred from the keeping of book-entry accounts may, however, in the manner determined in the Rules of the Central Securities Depository and the account agreement, be charged from an account holder other than a natural person.

The Central Securities Depository shall open a book-entry account to anyone who undertakes to comply with the account agreement and pays the fees and performs the other liabilities relating to the book-entry account.

Section 10 a (15.9.2000/795)

The fees to be charged for the services of the book-entry register

The fees to be charged for the services provided by the Central Securities Depository as a book-entry registrar shall be reasonable and equal with regard to all account operators and issuers.

The Ministry of Finance shall, where necessary, order what factors are to be taken into consideration when assessing the reasonability and equality referred to in paragraph 1. The fees in accordance with the orders shall, in addition to the costs incurred from the provision of the performances, also cover a reasonable profit on invested capital.

Section 11 (15.9.2000/795)

The registration officer

The registration officer shall decide on the rejection of an application for registration and other registration matters requiring legal expertise as well as on the disclosure of information or reports on a book-entry account to others than the holder of the account.

The registration officer appointed by an account operator and an agent shall meet the qualifications set by the Central Securities Depository.

The Financial Supervision Authority and the Central Securities Depository shall be notified of the appointment and dismissal of a registration officer.

CHAPTER 3

The Central Securities Depository (20.12.1996/1073)

Section 12 (20 December 1996/1073)

The authorisation of the Central Securities Depository

The Council of State shall, upon application, grant the authorisation of a central securities depository to a Finnish limited company if the company can prove that it is likely that it can handle all the book-entries incorporated in the book-entry system and perform all the duties referred to in section 13 in a reliable way and ensures the appropriate development of the book-entry system. The authorisation may be granted only if the financial and technical operating requirements of the applicant can be deemed to

be adequate for the attendance to the duties of a central securities depository, if the administration has been arranged in a reliable way and if the ability to bear risks of the applicant has been adequately safeguarded. The application shall be decided within six months from receipt thereof or, if the application has been defective, from the date on which the applicant has submitted the documents and accounts necessary for deciding the matter. However, a decision on an authorisation shall always be made within 12 months from receipt of the application. If the decision is not issued within the period laid down, the applicant may file an appeal. The appeal shall, in that case, be deemed to concern a rejecting decision. Such appeal may be made until the decision has been issued. The Council of State shall notify the appeal authority of the issuing of the decision if the decision is issued after the filing of the appeal. The provisions of the Administrative Judicial Procedure Act (586/1996) shall otherwise, where applicable, be applied to the filing and handling of an appeal referred to in this subsection. The Council of State shall request the opinions of the Bank of Finland and the Financial Supervision Authority on the application for the authorisation. The Council of State may, after hearing the applicant, include conditions and restrictions on the authorisation. (28 December 2001/1519)

The Council of State may withdraw the licence of a central securities depository if the operations of the Central Securities Depository have essentially derogated from the provisions of an Act or decree or from a regulation issued thereunder by the authorities, the rules of the Central Securities Depository or the conditions or restrictions contained in the licence, or if the conditions set for the granting of the licence no longer exist. When the licence has been withdrawn, the Council of State may issue further orders on the handling or transfer to another organization of the duties of the Central Securities Depository or on the termination of the operations of the Central Securities Depository.

An authorisation shall also be granted to a European company referred to in Council Regulation (EC) No 2157/2001 on the Statute for a European company (SE), hereinafter the SE Regulation, which has been granted a corresponding authorisation in another State belonging to the European Economic Area and which is aiming to transfer its registered office to Finland in accordance with section 8. The Council of State shall, in addition, request an opinion of the authority supervising the securities markets of the State in question on the application for the authorisation. The transfer of a registered office may not be registered before the issue of the authorisation. The same shall apply to the establishment of a European company by merger so that the receiving company whose registered office is in another State will be registered as an SE in Finland. (13 August 2004/756)

* Subsection 3 added by Act 756/2004 enters into force on 8 October 2004.

Section 12 a (22.10.1999/971)

Applying for a license

An applicant referred to in Section 12, Paragraph 1 shall provide in its application the information referred to in Chapter 4 a, Section 1 a of the Securities Markets Act in addition to the information referred to in Section 12 of this Act.

The Ministry of Finance may, at the cost of the applicant, acquire special clarification for the evaluation of an issue requiring expert knowledge and relating to the application or the Rules of the Central Securities Depository.

Section 12 b (22.10.1999/971)

Acquisition of voting rights and control

The provisions on notification of voting rights and control as well as opposition to an acquisition in Chapter 4 a, Section 3 a and 3b of the Securities Markets Act shall be applied also to the acquisition of voting rights and control in a Central Securities Depository.

Section 13 (15 September 2000/795)

Duties of the Central Securities Depository

The Central Securities Depository shall attend to the joint duties of the book-entry system. In order to attend to these duties, the Central Securities Depository shall:

- 1) maintain the central data systems necessary for the operation of the book-entry system;
- 2) attend to the book-entry register referred to in this Act and keep the lists referred to in section 4 of this Act as well as in section 3 and section 4 of the Act on Book-Entry Accounts;
- 3) offer services relating to the use and handling of the information in the lists kept in the Central Securities Depository as well as to the maintenance of the book-entry system;
- 4) maintain data systems, which may be used to maintain the public register on insider holdings referred to in chapter 5 of the Securities Markets Act (13 May 2005/304);
- 5) monitor that the number of book entries registered in the book-entry accounts corresponds to the number in circulation; as well as
- 6) attend to the other measures necessary for the reliable functioning and development of the book-entry system and, where necessary, issue instructions relating thereto.

The Central Securities Depository may, in addition to the operations referred to in this Act and the operations permitted for a clearing organization, carry on only operations closely related thereto.

The Central Securities Depository may, by permission of the Council of State, transfer attendance to the duties referred to in this Act to another organization.

Section 13 a (13 June 2003/484)

Preparedness

The Central Securities Depository shall ensure maintenance of the information in the book-entry register with as little disturbance as possible also in exceptional circumstances by participating in the preparedness planning of financial markets and by preparing in advance the actions to be taken in exceptional circumstances as well as by other measures.

If the tasks resulting from subsection 1 require measures which clearly differ from the operations of the Central Securities Depository to be considered ordinary and which entail considerable additional costs, such costs may be reimbursed from the National Emergency Supply Fund referred to in the Act on the Protection of National Emergency Supply (1390/1992).

The Financial Supervision Authority may issue instructions on the application of subsection 1.

Section 14 (20.12.1996/1073)

The application of the Limited Liability Companies Act

The Central Securities Depository shall be governed by the provisions of the Limited Liability Companies Act (734/1978) unless otherwise provided for in this Act or in other legislation relating to the Central Securities Depository.

The Central Securities Depository shall have at least two auditors or audit organizations approved by the Central Chamber of Commerce.

Section 14 a (13 August 2004/756)

Transfer of the registered office to a State belonging to the European Economic Area

If the Central Securities Depository intends to transfer its registered office to another State belonging to the European Economic Area as provided for in Article 8 of the SE Regulation, the Central Securities Depository shall submit a copy of the transfer proposal and the report referred to in Article 8 (2) and (3) of the SE Regulation without delay after the Central Securities Depository has notified the plan for registration.

The registration authority may not issue a certificate referred to in section 9, subsection 5 of the Act on European companies (742/2004) if the Financial Supervision Authority has notified the registration authority prior to the granting of the permission referred to in subsection 2 of the same section that the Central Securities Depository has not complied with the provisions on the transfer of the registered office or the termination of operations. The permission may be given prior to the due date referred to in chapter 6, section 6, subsection 1 of the Companies Act only if the Financial Supervision Authority has notified that it does not oppose the transfer of registered office.

* Section 14 a added by Act 756/2004 enters into force on 8 October 2004.

Section 14 b (13 August 2004/756)

Participation in the forming of a foreign SE by means of a merger

If the Central Securities Depository participates in a merger referred to in Article 2 (1) of the SE Regulation, the registration authority may not issue a certificate relating to such merger, referred to in section 4 (3) of the Act on European Companies, if the Financial Supervision Authority has notified the registration authority prior to the granting of the permission referred to in subsection 2 of the same section that the Central Securities Depository has not complied with the provisions on merger or on the termination of operations in Finland. The permission may be given prior to the due date referred to in chapter 6, section 6, subsection 1 of the Companies Act only if the Financial Supervision Authority has notified that it does not oppose the transfer of registered office.

* Section 14 b added by Act 756/2004 enters into force on 8 October 2004.

Section 15 (15.9.2000/795)

The rules and supervision of the Central Securities Depository

The Rules of the Central Securities Depository shall contain provisions on:

- 1) rules and principles relating to the exchange of information in machine-readable form between the Central Securities Depository and the account operators as well as on the distinctive codes to be used in the identification of the book entries and the holders of rights and other uniform practices necessary for the book-entry system;
- 2) the minimum opening hours of account operators;
- 3) the procedure for the rectification of errors and discrepancies in registration operations;
- 4) the data security and register security procedures to be complied with in the operation of account operators as well as on the keeping of the documents containing decisions made by the account operators or copies thereof;
- 5) the information required upon application for the rights of an account operator; as well as on
- 6) the manner of implementing the supervisory duties belonging to the Central Securities Depository under the law. (28 December 2001/1519)

The rules of the Central Securities Depository shall be confirmed by the Ministry of Finance on application. The application shall be decided on within three months from its receipt or, if the application has been defective, from the date on which the applicant has submitted the documents and accounts necessary to decide the matter. However, the decision shall always be made within six months from receipt of the application. If the decision is not issued within the set period of six (6) months, the applicant may file an appeal. The appeal shall, in that case, be deemed to concern a rejecting decision. Such appeal may be made until the decision has been issued. The Ministry of Finance shall notify the appeal authority of the issuing of the decision if the decision is issued after the filing of the appeal. The provisions of the Administrative Judicial Procedure Act shall otherwise, where applicable, be applied to the filing and handling of the appeal. The Ministry of Finance shall, prior to confirming the rules, request an opinion on the application of the Bank of Finland and the Financial Supervision Authority. If the opinion of the Bank of Finland is disapproving with regard to issues belonging to the statutory duties of a bank, the rules shall not be confirmed for that part. The Ministry of Finance may, in order to enhance trust in the book-entry system or for another especially cogent reason, order that the provisions of the rules it has confirmed be amended or supplemented. The Ministry of Finance shall, prior to issuing the order, request an opinion thereon of the Bank of Finland and the Financial Supervision Authority. (28 December 2001/1519)

The account operator and its agent shall undertake to comply with the rules of the Central Securities Depository. The issuer of a book entry shall undertake to comply with the rules of the Central Securities Depository before a book entry may be incorporated in the book-entry system.

The Central Securities Depository shall ensure the arrangement of sufficient and reliable supervision of compliance with the rules, regulations and instructions of the Central Securities Depository in the Central Securities Depository. In addition, the Central Securities Depository shall ensure the arrangement of sufficient and reliable supervision to safeguard compliance with the provisions issued on the operations of the Central Securities Depository as well as with the rules, regulations and instructions issued thereunder by the account management organisations and their account managers. The Central Securities Depository shall inform the Financial Supervision Authority of any procedure by an account management organisation or its account manager that is likely to be in violation of the said provisions, rules or regulations unless the procedure is immediately corrected or the situation is otherwise remedied. A procedure where the provisions, rules or regulations have been materially or repeatedly violated shall, however, always be notified. The account management organisations, their account managers and other parties using the services of the Central Securities Depository shall, on request, submit to the Central Securities Depository the detailed information necessary for the fulfilment of the duty to supervise in accordance with this section. (28 December 2001/1519)

Section 16 (15.9.2000/795)

International relations

In cooperation with foreign national and international book-entry registers and clearing and deposit institutions of securities as well as central securities depositories, the Central Securities Depository shall operate as the National Central Securities Depository of Finland. The accounts and lists required by the cooperation shall be maintained in the book-entry register. Provisions on the cooperation shall be issued in the rules of the Central Securities Depository.

Section 17 (15.9.2000/795)

Subsidiary liability in damages to be compensated by the account operator

If the account operator is unable to meet its liability in damages provided for in the Act on Book-Entry Accounts, the injured party shall be entitled to compensation from the Registration Fund referred to in section 18. In this case, the Registration Fund shall have the right to collect the compensation paid by it from the party liable for the compensation.

Section 18 (15.9.2000/795)

Registration Fund

In order to safeguard the fulfillment of the liability in damages of the account operator provided for in the Act on Book-Entry Accounts, the Board of Directors of the Central Securities Depository shall establish a fund (the Registration Fund). The account operators shall be liable to pay contributions to the Registration Fund. The rules of the Registration Fund may provide that the State of Finland, another State, the Bank of Finland and a foreign central bank shall be excluded from the liability to pay contributions. Contributions shall be collected to the Registration Fund so that the capital of the Registration Fund is at least 0.000048 percent of the average of the total market value of the book entries kept in the book-entry system during the last five years, however, at least 20 million euros.

The account operators shall pay contributions so that the share of each account operator liable to contribute corresponds to its share of the liabilities to be covered by the Registration Fund in the manner to be determined in the Rules of the Registration Fund. The contributions shall be based on the number of registrations made in the book-entry system, the amount of these registrations in euros as well as on the market value of the book entries kept. The calculation principles for the payment shall equal to each group of account operators liable to contribute to be determined in the Rules of the Registration Fund.

In derogation from paragraphs 1 and 2, an account operator which becomes member of the Registration Fund after the capital of the Fund has been raised to the minimum amount provided for in paragraph 1 shall, upon joining the Fund, pay as an advance contribution 3 percent of the minimum capital of the Fund. The advance contribution shall be accredited to the account operator upon deciding on the amount of the contribution of the account operator in accordance with section 20.

Section 18 a (15.9.2000/795)

Commencement of the duty of the Registration Fund to compensate

If an account operator has not paid an evident and undisputed claim of an injured party payable by it in accordance with the Act on Book-Entry Accounts, the injured party may notify the Financial Supervision Authority thereof.

Within 21 days from the receipt of the notification referred to in paragraph 1 or after being otherwise notified thereof, the Financial Supervision Authority shall decide whether the Registration Fund shall be liable to pay the claims of the injured party. A precondition for the determination of the duty to compensate shall be that the non-performance of the claim referred to in paragraph 1 has resulted from the placing of the account operator in bankruptcy or in company restructuring or from its other insolvency which is not deemed temporary by the Financial Supervision Authority and of which a sufficient account has been submitted.

The Financial Supervision Authority shall submit a notification of its decision referred to in paragraph 2 to the Registration Fund, the account operator, the Ministry of Finance and the Central Securities Depository.

For the implementation of the decision of the Financial Supervision Authority referred to in paragraph 2 and for the making of compensation decisions relating to individual injured parties, the account operator shall submit to the Registration Fund and the Financial Supervision Authority information on all holders of rights registered in the account and of their claims referred to in paragraph 1.

Section 18 b (15.9.2000/795)

Claims subject to compensation

The compensation to be paid to one injured party from the assets of the Registration Fund shall be equal to the amount of damages payable to the injured party from the same account operator, however,

not more than 25,000 euros. The duty of the Registration Fund to pay damages relating to one damage incident shall, however, be not more than 10 million euros.

Compensation from the Registration Fund shall be paid to natural persons before other injured parties.

The compensation to be paid to an injured party shall be calculated in accordance with the market value of the day on which the Financial Supervision Authority made its decision in accordance with section 18 a (2) or on which the account operator was placed in insolvency proceedings, depending on which date is the earlier. The compensation shall be payable to an injured party with a full-amount right to claims in custody of the account operator. If the compensation is to be paid to several joint owners, the share of each joint owner shall be taken into account when calculating the compensation to be paid to the injured party.

Assets resulting from a crime with regard to which a judgment has been rendered in accordance with chapter 32 (1) (2) of the Penal Code, cannot be compensated from the Registration Fund.

Section 18 c (15.9.2000/795)

Payment of compensations

The Registration Fund shall pay the claims of injured parties without undue delay, however, at the latest within three months from the decision of the Financial Supervision Authority referred to in section 18 a (2). If the account operator has been placed in liquidation, company restructuring or bankruptcy prior to the decision referred to in section 18 a (2), the time limit shall be calculated from the date of the decision on the placing into liquidation, company restructuring or bankruptcy. The outstanding claim shall be subject to interest on arrears in accordance with the Interest Act (633/1982) from the date of the decision of the Financial Supervision Authority referred to in section 18 a (2).

The Financial Supervision Authority may, for a special reason, grant the Registration Fund an extension of the time limit not exceeding three months for the payment of the claims of the injured parties. Despite the extension of time, the Registration Fund shall, however, pay the compensation without delay if the delay in payment of compensation were unreasonable with a view to the receiver of the compensation.

If the Registration Fund has not compensated the claim of the injured party within the time limit provided for in paragraphs 1 and 2, a claim has arisen for the injured party which the injured party may claim from the Registration Fund.

If the injured party or his representative is charged with a crime of concealment referred to in chapter 32, section 1 (2) of the Penal Code, the Registration Fund may, notwithstanding the provisions of paragraphs 1 and 2, suspend any payment pending the judgement of the court.

Section 18 d (15.9.2000/795)

The duty of the Registration Fund to notify

The Registration Fund shall notify all the customers of the account operator in question in writing of a decision by the Financial Supervision Authority referred to in section 18 a (2). The Registration Fund shall also submit a public notice of the measures which the injured parties have to take in order to protect their claims. The notice shall also be published in the biggest newspapers published in the operating area of the account operator in the official languages of the operating area.

The Registration Fund may set a time period of at least six months within which the injured parties shall have to take measures in order to protect their claims. Expiry of the set period may not, however, be invoked against an injured party who for a compelling reason has not been able to supervise the enforcement of his right to claim.

Section 19 (15.9.2000/795)

Clearing fund

The provisions of chapter 4 a, section 7 of the Securities Markets Act shall govern the duty of the Central Securities Depository to have a clearing fund.

The Registration Fund and the clearing fund may, by permission of the Ministry of Finance and in order to enhance rational and efficient asset management, be joined as one fund if it is possible to ascertain that the joining does not diminish the ability of the Central Securities Depository to meet its liabilities and that the payment obligations of the organizations contributing to the different funds do not increase from what they would be if the funds were separate.

Section 20 (15.9.2000/795)

Rules and administration of the Registration Fund

The rules of the Registration Fund shall be confirmed by the Council of State.

The rules shall include:

- 1) the name and place of registered office of the fund;
- 2) the basis for determining the contribution payments to be collected to the fund;
- 3) the items of property acceptable as contribution payments in addition to cash money as well as their valuation principles;
- 4) the manner for the payment of compensations from the fund;
- 5) the basic principles for the investment of the assets of the fund and the borrowing of the fund;
- 6) the grounds for the payment of annual profit of the fund and the refund of the assets of the fund to an account operator liable to contribute ;
- 7) the financial period of the fund;
- 8) the qualification requirements, number and term of office of the auditors; as well as
- 9) the manner in which the rules shall be amended.

The fund shall be administered by the Board of Directors of the Central Securities Depository as provided for in the rules of the fund.

Section 21 (15.9.2000/795)

Asset management of the Registration Fund

The Board of Directors of the Central Securities Depository shall semi-annually, after hearing the account operators liable to contribute, determine the minimum amount to be collected as contributions. The Ministry of Finance shall confirm the provision relating to the minimum amount on proposal of the Central Securities Depository. The Board of Directors of the Central Securities Depository shall decide on the amount of the contribution of each account operator liable to contribute. The assets of the Registration Fund shall be invested in a way that is reliable and ensures the liquidity of the Registration Fund.

The assets of the Registration Fund may not be invested in real estate or in a share or other security which alone or together with other securities produces proprietary rights to an apartment or a part of real estate.

The account operator that has contributed to the fund shall have the right to exchange an item of property used for the payment of the contribution to another in the manner to be determined in the rules of the Registration Fund. This may, however, not decrease the share of the payments of the organization liable to contribute.

If the capital of the Registration Fund decreases below the minimum capital referred to in section 18 (1) as a result of a compensation paid to an injured party or of a refund referred to in section 22 (3), the capital shall be increased again to the level of the minimum capital within three months from the payment of the compensation or the refund.

The Registration Fund may take a loan in the way provided for in the rules if its own assets are not sufficient to cover the liabilities of the fund.

Section 22 (15.9.2000/795)

Profit of the Registration Fund and refunding of assets

The share of an account operator that has paid the contribution may be included in the assets of the account operator. The account operator shall not, however, have the right to demand that its share of the Registration Fund be separated for it or conveyed to another party except in the case referred to in paragraph 3.

Notwithstanding the provisions of paragraph 1, the annual profit of the assets of the Registration Fund shall be distributed to the account operators in proportion to their contribution payments after deducting from the profit the necessary administrative costs arising from the management of the fund.

If the operations resulting in the liability to contribute are terminated, the Registration Fund shall, in the manner determined in the rules of the fund, on request, refund to the account operator its proportional share of the assets of the fund which it has paid to the fund. The refund may be effected at the earliest when three years have lapsed since the termination of the operations resulting in the liability to contribute.

The claims of holders of rights that have suffered damage from the operations of an account operator shall be covered by the Registration Fund until the refund of the contribution payments of the account operator. The share to be refunded shall not be included in the capital of the Fund and it may not be used to pay claims incurred after the termination of the operations of the account operator.

Section 22 a (15.9.2000/795)

Right of appeal

An account operator shall have the right to refer a decision made by the Registration Fund under this Act to be handled by the Financial Supervision Authority within 30 days from receipt of service of the decision.

Sections 23-24

Repealed by Act of 15.9.2000/795.

CHAPTER 4

Incorporation in the book-entry system

Section 25 (20.12.1996/1073)

Shares and corresponding book-entries

A Finnish limited company that has issued a share which has been admitted to public trading referred to in the Securities Markets Act shall incorporate its shares in the book-entry system unless the Financial Supervision Authority grants an exception for a special reason.

Upon an application of an issuer, the Central Securities Depository may approve other shares than those referred to in subsection 1 as well as other book entries referred to in chapter 1, section 2, subsection 1 (1), (3) and (5) of the Securities Markets Act to be incorporated in the book-entry system. A share or unit which either alone or together with other shares or units produces proprietary rights to a certain apartment or a part of real estate may, however, not be incorporated in the book-entry system. (28 December 2001/1519)

Section 26 (20.12.1996/1073)

Units in a bond and other corresponding book-entries

The incorporation in the book-entry system of a security other than one referred to in section 25 shall be decided on by the Central Securities Depository upon the application of the issuer. The Central Securities Depository shall, prior to making the decision, notify the Bank of Finland of an application significant with regard to the handling of its statutory duties. (28 December 2001/1519)

Securities to be issued after a date to be determined by Decree and to be admitted to public trading as referred to in the Securities Markets Act and referred to in paragraph 1 above shall be incorporated in the book-entry system unless the Financial Supervision Authority, for a special reason, grants an exception thereto.

The duty referred to in paragraph 2 above shall not apply to credit institutions directly or indirectly owned by or under the control of the municipalities.

Section 26 a (15.9.2000/795)

Incorporation of a bond and other security in the book-entry system (28 December 2001/1519)

If the application by the issuer relates to a security other than one referred to in section 25, the Central Securities Depository shall, in its decision referred to in section 26, determine the date from which the security may be incorporated in the book-entry system. The Central Securities Depository may in its decision issue further provisions on the information to be registered in the book-entry system as well as on the registration procedure when a security is incorporated in the book-entry system. Prior to making the decision, the Central Securities Depository shall verify that the issuer has, in an agreement concluded with one or several account management organisations or otherwise ensured that all the holders of the security have a possibility to have their rights registered in the book-entry system. (28 December 2001/1519)

From the date referred to in paragraph 1, the holder of a security or his representative may apply for the registration of his holding from the account operator designated by the issuer. The applicant shall convey his security to the account operator and prove that he has the right to dispose of the security in accordance with the provisions of the Promissory Notes Act (622/1947). The account operator shall register the security in the book-entry account designated by the applicant in compliance with the provisions of the Act on Book-Entry Accounts.

The physical security conveyed to the account operator shall be marked to indicate its incorporation in the book-entry system.

Section 26 b (18.12.1998/992)

Securities of a private limited company and foreign securities

Notwithstanding the provisions of section 2, the rules of the Central Securities Depository may provide that a security of a private limited liability company referred to in the Limited Liability Companies Act may be incorporated in the book-entry system. The provisions of this chapter and chapter 3 a of the Limited Liability Companies Act shall apply to the incorporation procedure. Further provisions on the procedure shall be issued in the rules of the Central Securities Depository.

In order to establish international links, the Central Securities Depository may, notwithstanding the provisions of section 2, incorporate in the book-entry system a foreign security kept in a foreign institution referred to in section 16 or a right attached to or based on such a security and handled in the foreign system. The securities or rights relating to the book entries to be incorporated shall, on the basis of an agreement between the Central Securities Depository and the foreign institution, be registered in the foreign system in the account of the Central Securities Depository or separated in another manner for the owners of the book entries. The total of the book entries incorporated shall correspond to the total of the securities or rights separated in the foreign institution. The book entries may be incorporated in the book-entry system notwithstanding the provisions on an issuer of this Act and of the Act on Book-Entry Accounts. Provisions on the incorporation procedure shall be issued in the rules of the Central Securities Depository.

Notwithstanding the provisions of section 2, the Central Securities Depository may, on application by the issuer, approve the incorporation of a foreign security or a right attached to or based on it in the book-entry system. If a certificate indicating the right has been issued of the book entry to be incorporated and if the certificate is not invalidated in connection with the incorporation, the Central Securities Depository shall ensure that the certificate is not put in public circulation simultaneously with the book entry. The same shall apply to a right attached to or based on a foreign security to be incorporated in the book-entry system. Prior to the incorporation of a foreign security in the book-entry system, the Central Securities Depository has to be able to ensure that the incorporation and handling of the book-entries may take place without endangering the reliable and appropriate operation of the book-entry system and the protection of the investor. Provisions on the incorporation procedure shall be issued in the rules of the Central Securities Depository.

Section 26 c (18.12.1998/992)

Conversion of a bond into euros

Upon the application by the issuer, the Central Securities Depository may approve that a bond or a corresponding obligation of the debtor incorporated in the book-entry system is redenominated from markka or another national currency units into euro units in accordance with Article 8 (4) of Council Regulation (EC) No. 974/98 on the introduction of the euro. The decision of the Central Securities Depository relating to the approval of conversion shall determine the time of the conversion. The account operator shall take the measures forming part of the conversion at the time of the conversion in accordance with the rules of the Central Securities Depository and the decision relating to the conversion. (15.9.2000/795)

Provisions on the conversion procedure shall be issued in the rules of the Central Securities Depository. It may simultaneously be provided that with regard to book-entry types determined separately, the total of each type in a book-entry account shall be redenominated at the same time and that in connection with the redenomination the total of the book-entry type shall be divided into units denominated in one cent if the division is requested in the application relating to the conversion. The conversion may be realized in accordance with these provisions notwithstanding the fact that the terms of the debt contain no agreement on the conversion.

If the amount of the bond in the book-entry account subject to the conversion referred to in this section does not correspond to the amount normally used in the trade of the book entry, the issuer may offer to redeem from the owner of the book entry an amount closest below the smallest amount normally used in clearing operations. The offer of the issuer shall indicate the manner for the determination of the redemption price, the manner for the taking into account of the redemption request of the owner as

well as the time of the redemption and other information of material importance to the investor. A description of the offer procedure shall be included in the application relating to the conversion to be submitted to the Central Securities Depository in accordance with paragraph 1.

Upon proposal by the Bank of Finland or the Financial Supervision Authority, the competent ministry may demand that the contents of the provisions of the rules it has confirmed be amended and supplemented so that the introduction of the euro in the operations of the Central Securities Depository can be ensured in an adequate manner in order to increase the confidence in the securities markets or with regard to binding international obligations.

An issuer shall have the right to refer the decision of the Central Securities Depository referred to in paragraph 1 rejecting its application to be reviewed by the Financial Supervision Authority within 30 days from the decision.

Section 26 d (08 November 2002/924)

Fund units and shares of a co-operative

A management company shall incorporate the units in a common fund managed by it in the book-entry system by a date to be determined by a Decree of the Council of State unless the Financial Supervision Authority, for a special reason, grants an exemption thereof. The same shall apply to the duty of the co-operative to transfer its shares in the book-entry system, when its share, supplementary share or investment share has been admitted to public trading referred to in the Securities Markets Act.

Section 27

Issue account

An issue account shall be opened upon the incorporation of a book entry in the book-entry register. (15.9.2000/795)

The issue account shall contain the information that, under the law, should be entered on the security issued for the book-entry in question as well as the number to be issued. With regard to book-entries referred to in chapter 1, section 2, subsection 1 (2) of the Securities Markets Act, the issuer account shall also contain information on the due dates, the possible security for the loan, the interest payable on the loan or other possible compensation, the repayment and other essential terms of the loan as well as how the terms of the loan are kept available to the public. (28 December 2001/1519)

For a book entry referred to in section 26 b, paragraph 2, the issue account shall contain information on the number to be incorporated in the book-entry system, the foreign identification code of the book entry as well as information of the type of right contained in the book entry, the foreign institution referred to in section 16 where the security or the right attached to or based on it is kept, information on where the basic information relating to the security is available as well as information on the issuer of the security. (18.12.1998/992)

CHAPTER 5

Miscellaneous provisions

Section 28 (8.12.1995/1386)

Nominee registration

If a book entry has been registered in the custodial nominee account referred to in section 5 a of the Act on Book-Entry Accounts or in the commission account referred to in section 16 of that Act, the custodian shall be entered in the list referred to in section 4 above instead of the holder. The custodian may be entered in the list instead of the holder also if the book entry is owned by a foreign person or a foreign organization or foundation. The nominee registration custodian may be an account holder of a commission account or the Central Securities Depository, an account operator or another organization

referred to in section 5 a (3) of the Act on Book-Entry Accounts which may be granted the right to act as an account holder of a custodial nominee account. The Ministry of Finance may restrict the rights of nominee registration of book entries referred to in section 4, paragraph 1, which are not subject to public trade abroad. (15.9.2000/795)

Shares or other book entries referred to in section 4, paragraph 1 and registered in the name of a nominee do not entitle one to exercise other rights of the owner vis-à-vis the issuer than the right to withdraw funds, to convert or exchange the book entry and to participate in an issue of shares or other book entries.

Upon request, the nominee registration custodian shall notify the Financial Supervision Authority of the name of the beneficial owner of the book entries, where this is known, as well as of the number of book entries held by the owner. If the name of the beneficial owner of the book entries is not known, the nominee registration custodian shall notify of corresponding information on the representative acting on behalf of the owner as well as to submit a written declaration to the effect that the beneficial owner of the book entries is not a Finnish legal or natural person. On a book entry referred to in section 4, paragraph 1, this information shall, upon request, be also given to the issuer. An institution referred to in section 16 acting on behalf of the owner shall, however, not be liable to submit a written declaration with regard to book entries referred to in section 4, paragraph 2. (18.12.1998/922)

The Financial Supervision Authority may issue further provisions on the manner in which the information on the beneficial owner of the book entries or on the representative acting on behalf of the beneficial owner of the book entries as well as the contact information necessary for their identification shall be given. The Financial Supervision Authority may issue provisions on the internal book keeping of the asset manager of the book-entries registered in the name of a nominee in a custodial nominee account referred to in section 5 a of the Act on Book-Entry Accounts. (15.9.2000/795)

Section 29 (15.9.2000/795)

Secrecy obligation

Anyone who, in the capacity of a member or a deputy member of a body of an account operator, an agent or the Central Securities Depository, their holding company or an organization which, in the manner referred to in chapter 1, section 5 of the Securities Markets Act, has control over the Central Securities Depository, a financial institution belonging to their consolidation group or their consortium or in the capacity of their employee has obtained information on the financial status or private circumstance of the owner or issuer of a book entry or any other person or on a business or trade secret shall be liable to keep it confidential unless the party in whose favour the secrecy obligation has been provided for consents to its disclosure. Nor may confidential information be disclosed to a General Meeting of the Shareholders or a Meeting of the Cooperative of an account operator, an agent or the Central Securities Depository or to a shareholder or a holder of a unit attending the meeting. With regard to information referred to in section 28, paragraph 3 and other information obtained by the issuer of a book entry in the said capacity, the secrecy obligation shall also bind a member and a deputy member of a body of the issuer, its employee or anyone commissioned by it.

Section 29 a (15.9.2000/795)

The duty to disclose

An account operator, an agent and the Central Securities Depository, their holding company or an organization which, in the manner referred to in chapter 1, section 5 of the Securities Markets Act, has control over the Central Securities Depository, a financial institution belonging to their consolidation group or their consortium shall be liable to disclose the information referred to in section 29 as well as other information relating to a book-entry account to an authority entitled to this information under the law. The duty to disclose information to a court shall be governed by chapter 17 of the Code of Judicial Procedure. Disclosure of information on book-entry accounts for taxation purposes shall be governed by separate provisions.

An account operator, an agent and the Central Securities Depository, their holding company or an organization which, in the manner referred to in chapter 1, section 5 of the Securities Markets Act, has control over the Central Securities Depository and a financial institution belonging to their consolidation group shall have the right to disclose information referred to in paragraph 1 to an organization of the same group if the members of its management bodies and employees are subject to the secrecy obligation referred to in paragraph 1 or a corresponding secrecy obligation and if disclosure of the information is necessary for the risk management of the organization receiving the information.

The provisions of chapter 9, section 12 (4) of the Limited Liability Companies Act shall not apply to an account operator, an agent or a company belonging to their consolidation group.

Section 29 b (15.9.2000/795)

Identification of clients

An account operator, an agent and the Central Securities Depository as well as a financial institution belonging to their consolidation group shall ascertain the identity of its regular client and be familiar with the nature of the business operations of the client as well as with the grounds for using the service. If it is likely that the client is acting on behalf of another, the identification shall be extended also to this person as far as this is possible with the means available.

The provisions of the Act on the Prevention and Investigation of Money Laundering (68/1998) shall also apply to the identification of clients.

The Financial Supervision Authority may issue further provisions on the procedures to be complied with in the identification of clients referred to in paragraph 1.

Section 30 (21.4.1995/607)

Violation of the secrecy obligation

A person who violates the secrecy obligation provided in section 29 shall be punished in accordance with chapter 38, section 1 or 2 of the Penal Code unless a more severe punishment is provided elsewhere in the law.

Section 30 a (15.9.2000/795)

Right of the Financial Supervision Authority to receive information

The Financial Supervision Authority shall be entitled to receive from an account operator referred to in section 7 (4) the information necessary for the supervision as well as copies of any documents it deems necessary for the supervision. The Financial Supervision Authority shall also have the right to perform an inspection necessary for the supervision in the premises of the organization.

Section 31

Standardized options and futures

The handling of standardized options and futures and the maintenance of accounts relating thereto shall be governed by the Act on Trade in Standardized Options and Futures (772/1988).

Section 32 (20.12.1996/1073)

Threat of a fine

If a company has not incorporated its shares in the book-entry system in accordance with section 25, paragraph 1, the Financial Supervision Authority may set a threat of a fine to obligate the company to incorporate the shares in the book-entry system by a set date. The fine shall be ordered payable by the Financial Supervision Authority.

Section 33 (20.12.1996/1073)

Further provisions

Further provisions on the implementation of this Act shall, where necessary, be issued by Decree.

Section 34

Entry into force

Provisions on the entry into force of this Act shall be issued by Decree.

* Act 826/1991 entered into force on 1 August 1991 by Act 1069/1991.

GP 1990/104; Banking Committee Report 1990/11; Grand Committee Report 1990/240.

Entry into force and application of the amendments:

22 July 1991/1070:

This Act shall enter into force on 1 August 1991.

GP 1991/8; Economics Committee Report 1991/6

22 April 1994/278:

This Act shall enter into force on 1 May 1994.

GP 1994/18; Economics Committee Report 1994/10

21 April 1995/607:

This Act shall enter into force on 1 September 1995.

GP 1993/94; Legal Committee Report 1994/22; Grand Committee Report 1994/10

8 December 1995/1386:

This Act shall enter into force on 15 December 1995.

Paragraph 2 repealed by Act of 8 November 1996/820.

GP 1995/98; Economics Committee Report 1995/21; Parliament's Reply 1995/110

8 November 1996/820:

This Act shall enter into force on 15 November 1996.

This Act shall repeal paragraph 2 of the provision on the entry into force of the Act on the Amendment of the Act on the Book-Entry System of 8 December 1995 (1995/1386).

GP 1996/102; Economics Committee Report 1996/16; Parliament's Reply 1996/125

20 December 1996/1073:

1. This Act shall enter into force on 1 January 1997.

2. Measures necessary for the implementation of the Act may be taken prior to the entry into force of this Act. The Council of State may, on application, grant a limited company established for the operation of a central securities depository the right to prepare measures for the commencing of the operations of the central securities depository until the licence of the Central Securities Depository referred to in section 12 of the Act has been granted. The company shall apply for the licence of a central securities depository and the licence of a clearing house referred to in the Securities Markets Act. The provisions on the operations and supervision of a central securities depository shall apply to the company carrying on its duties.

3. Book-entry registrars that have been granted a licence prior to the confirmation of the rules of the Central Securities Depository shall undertake to comply with the rules of the Central Securities Depository when the rules are confirmed or to terminate the keeping of the register within six months from the confirmation of the rules. The rules of the Central Securities Depository shall be binding on the book-entry registrar until the keeping of the register is terminated even if the registrar has not undertaken to comply with the rules of the Central Securities Depository. Issuers whose book entries have been incorporated in the book-entry system prior to the confirmation of the rules of the Central Securities Depository shall undertake to comply with the rules of the Central Securities Depository when the rules are confirmed or to remove the book entries from the book-entry system at the latest 18 months from the entry into force of the Act. The book-entry registrar in question shall, in that case, at the expense of the issuer, issue a promissory note for the book entries referred to in section 26 of the Act to the party who had, on the date notified to the Central Securities Depository by the issuer, been registered as the account holder in the book-entry account unless the entries registered prove otherwise. The costs incurred by the removal of the book entry shall be borne by the issuer. The rules of the Central Securities Depository shall be binding on the issuer until the book entries have been removed from the book-entry system even if the issuer has not undertaken to comply with the rules of the Central Securities Depository. The rules of the Securities Association and the regulations issued by the Association as well as the rules of the co-operative administering the Central Share Register shall be in force as the rules of the Central Securities Depository in so far as they handle the operations of a central securities depository until the rules of the Central Securities Depository are confirmed.

4. When the licence of the Central Securities Depository has been granted, the obligations and rights of the Securities Association and its guarantee fund including their assets and liabilities shall be transferred to the Central Securities Depository. The capital of the guarantee fund of the Securities Association with its profit shall at that point be transferred without consideration to the fund to be established and referred to in section 18. Simultaneously, the rights and obligations relating to the maintenance of registers referred to in section 4, paragraph 1 of the Act on Book-Entry System and the book-entry register of the Central Share Register as well as the other statutory duties of the co-operative administering the Central Share Register shall pass to the Central Securities Depository. The Board of Directors of the Securities Association shall draw up annual accounts from the financial period preceding the entry into force of this Act as well as a final account relating to the dissolution of the Association. The annual accounts and the final account shall be submitted to the delegates of the Association for adoption. The competent ministry shall be notified of the adoption of the annual accounts and the final account. The Association shall be deemed dissolved when the decision on the dissolution of the Association issued by the ministry on the basis of the notification has entered into force.

5. The provisions of paragraph 4 shall not, however, apply to such liability for damages of the Central Share Register referred to in the Act on Book-Entry Accounts, the basis of which has arisen prior to the granting of the licence of the Central Securities Depository. The liability for damages referred to in this paragraph shall be borne by the cooperative administering the Central Share Register until ten years have lapsed from the granting of the licence of the Central Securities Depository. The organizations which were members of the cooperative administering the Central Share Register at the latest at the date on which the licence of the Central Securities Depository was granted shall cover the liability for damages referred to in this paragraph in accordance with the rules of the cooperative administering the Central Share Register.

6. The persons employed in the Securities Association, the Cooperative for the Finnish Central Share Register and the Helsinki Money Market Centre Ltd as well as those employed in the clearing of transactions in the Helsinki Stock Exchange Ltd shall, with their consent, be transferred to the employment of the Central Securities Depository upon the entry into force of this Act. The provisions of section 7 of the Employment Contracts Act (320/1970) on the rights and duties of an employer shall apply to the transfer.

7. The lists of owners referred to in section 4, paragraph 2 and the lists referred to in section 13, paragraph 1, subparagraph 2 of the Act, excluding the registers referred to in section 3 of the Act on Book-entry Accounts, the accounts and lists and registers referred to in section 16 and the issue accounts of book-entries in accordance with section 27 and referred to in section 26, notwithstanding the provisions of paragraph 1, be maintained in the Central Securities Depository at the latest 12 months from the entry into force of the Act.

8. Any provisions or regulations issued elsewhere on the Securities Association or the cooperative administering the Central Share Register shall, after the entry into force of this Act, apply to the Central Securities Depository. If in a provision issued prior to the entry into force of this Act reference is made to a provision which has been amended or repealed by this Act, the reference shall apply to the provisions of this Act which have replaced the repealed provisions.

9. The appointment procedure in accordance with section 24 of this Act shall be complied with when members are appointed to the Rectification Committee for the first time after the entry into force of this Act.

10. A company whose share has been admitted to public trading shall fulfill the obligation referred to in section 25, paragraph 1 at the latest on 31 December 1998 unless the Financial Supervision Authority grants an exception for a special reason.

11. A book-entry registrar shall at the latest on 31 December 1998 apply to the Council of State for the renewal of the licence referred to in section 7, paragraph 1, subparagraph 3 or terminate its operations unless the competent ministry has, on proposal of the Central Securities Depository, by that time confirmed a plan for the centralization of book-entry registers into the Central Securities Depository. The competent ministry shall, prior to the confirmation of the plan, obtain the consent of the book-entry registrar that keeps a book-entry register whose centralization into the Central Securities Depository is covered by all or part of the plan. The provisions of section 8 on the granting of the licence shall apply to the renewal of the licence. If the licence of a book-entry registrar is not renewed or if the register is terminated, the book-entry register shall immediately be transferred to be maintained by the Central Securities Depository. The procedure of section 9, paragraph 3 shall be applied to the termination of the operations of the register.

12. This Act shall repeal sections 2 and 3, section 4, paragraph 1, subparagraphs 1 and 2 and paragraph 2 of the Act on the Entry into Force of the Book-Entry System and Related Legislation (1991/1069) as well as sections 1 and 5 of the Decree on the Book-Entry System.

GP 1996/192; Economics Committee Report 1996/23; Parliament's Reply 1996/219

8.5.1998/324:

This Act shall enter into force on 1 June 1998.

GP 1997/209; Economics Committee Report 1998/1; Parliament's Reply 1998/16

18.12.1998/992:

This Act shall enter into force on 1 January 1999.

Measures necessary for the implementation of this Act may be taken prior to its entry into force.

GP 1998/127; Economics Committee Report 1998/24; Parliament's Reply 1998/184

29.1.1999/52:

This Act shall enter into force on 1 February 1999.

GP 1998/202; Economics Committee Report 1998/35; Parliament's Reply 1998/219

22.10.1999/971:

This Act shall enter into force on 1 November 1999..

GP 1999/47; Economics Committee Report 199/5; Parliament's Reply 1999/28

15.9.2000/795:

This Act shall enter into force on 16 October 2000.

The Central Securities Depository may, on application, confirm the right to act as an account operator of an organization which has kept a book-entry register subject to a license granted prior to the entry into force of this Act. The organization shall, within three months from the entry into force of this Act, apply for the confirmation of its rights or terminate its operations. If the rights have been applied for within the said time limit and they have not been confirmed within six months from the entry into force of this Act, the operations shall be terminated and immediately transferred to be attended to by the Central Securities Depository unless the Ministry of Finance, for a special reason, grants an extension to the termination. An application for the confirmation of the rights may be considered and decided already prior to the entry into force of this Act. Even if the right has not been confirmed upon the entry into force of this Act, this Act shall be applied to such organization. The rights of an organization which is not deemed an organization referred to in section 7 (1) or (2) of this Act may, however, be confirmed only with respect to its keeping of a book-entry register of book-entries referred to in section 4 (1) of this Act.

The provisions of paragraph 2 on organizations other than the Central Securities Depository that have kept a book-entry register prior to the entry into force of this Act shall, where applicable, apply also to an organization carrying out corresponding operations on securities referred to in section 4 (2) of this Act.

Organizations referred to in paragraphs 2 and 3 shall not have the right to demand compensation for costs incurred by the transfer of book-entry accounts and related information.

Contribution payments shall be collected to the Registration Fund referred to in section 18 so that, within six months from the entry into force of this Act, the capital of the Fund is at least 20 million euros. The five-year-term to be used in the calculation of the minimum amount of the capital of the Registration Fund shall commence on 1 January 2001, whereafter one-tenth of the total market values of the book-entries in safekeeping and checked semi-annually as well as the market value of January 2000 shall be taken into account so that the sum total of the multipliers of the current values to be checked is one. Upon the entry into force of this Act, the funds collected to the Central Securities Depository Fund under section 18 of the Act in force upon the entry into force of this Act shall be transferred to the Registration Fund within six months from the entry into force of this Act.

Measures necessary for the implementation of this Act may be taken prior to its entry into force.

GP 2000/28; Economics Committee Report 2000/15; Parliament's Reply 2000/80.

28 December 2001/1519:

This Act enters into force on 1 January 2002.

The time limits set in this Act for making the decisions referred to in sections 12 and 15 shall not be applied to applications pending upon the entry into force of the Act.

The Central Securities Depository shall supplement its rules to comply with the requirements of this Act. The application for supplementing the rules shall be made within six months from the entry into force of this Act.

Measures necessary for the implementation of the Act may be undertaken prior to its entry into force.

GP 184/2001, Economics Committee Report 22/2001, Parliament's Reply 218/2001

8 November 2002/924:

This Act enters into force on 1 December 2002.

GP 89/2002, Economics Committee Report 18/2002, Parliament's Reply 120/2002

13 June 2003/484:

This Act enters into force on 1 August 2003.

The liability laid down in section 13 a of this Act shall be fulfilled at the latest within three years from the entry into force of this Act.

GP 200/2002, Defence Committee Report 2/2002, Parliament's Reply 267/2002

13 August 2004/756:

This Act enters into force on 8 October 2004.

GP 55/2004, Economics Committee Report 13/2004, Parliament's Reply 107/2004, Council Regulation (EC) No 2157/2001 (32001R2157); Official Journal L 294, 8.10.2001, p. 1

13 May 2005/304:

This Act enters into force on 1 July 2005.

GP 137/2004, Economics Committee Report 4/2005, Parliament's Reply 28/2005