
NEW RULES FOR SECURITIES MARKET INFORMATION DISCLOSURE

On 3 October 2016, Enactment no 43 of the Belarus Ministry of Finance of 13.06.2016 "Information disclosure on the securities market" (Enactment) entered into force. This sets a new procedure for information disclosure.

Who must disclose information?

The following must disclose information: **(i) non-resident issuers** whose securities are admitted to placement and (or) trading in the Republic of Belarus; **(ii) Belarusian issuers** of securities (except for the Belarus National Bank, the Belarus Ministry of Finance, local executive and administrative bodies); **(iii) professional securities market participants**; **(iv) stockholders** of five percent or more of common stocks of one issuer calculated by reference to the total number of ordinary stocks issued by that issuer.

What information must be disclosed?

The following information must be disclosed:

(i) periodic accounting (financial) reports;

(ii) operational information, including information on essential facts such as major transactions by the issuer, related party transactions or transactions with five percent or more of the issuer's own shares, reorganization (liquidation) of the issuer, payment of dividends on stocks (bonds) and other information.

How to disclose information?

1. a) Belarusian joint stock companies send **periodic reports** to the regional departments of the Belarus Ministry of Finance depending on the location of the company; professional participants and issuers of bonds do so to the Department of Securities within the time limits set in legislation.

b) In addition, all the above (except for closed-stock companies) must disclose their **annual reports** by placing the required information on the securities market web portal <http://www.portal.gov.by> as well as in the print media or on their official website (if any), or on the official website of the central depository <http://www.centraldepo.by/>.

c) Non-resident issuers disclose their annual reports in Russian or Belarusian (the translator's signature must be notarized) no later than 30 calendar days from the date of approval or disclosure according to the legislation of the foreign country in which the issuer is incorporated or in which the issuer registered their equity securities if the issuer is an international organization according to its founding or internal documents. This information must be located on the securities market web portal <http://www.portal.gov.by> and on the official website of the organizer of trading in the securities market.

2. The rules for disclosure and the content of **operational information** vary according to type. For example, information on major transactions by the issuer or related party transactions is disclosed no later than two working days from the date of the decision on the transaction. Information on transactions involving more than five percent of common stocks must be disclosed no later than five working days from the date of transfer of stocks to the "depot" account of the company (or write-off of shares from the "depot" account). Information on dividend payments is disclosed no later than two working days from the date of the decision by the general meeting of stockholders. Information on reduction of stocks is disclosed no later than five working days from receiving notification from the Department of Securities or territorial authority requiring changes in the State Register of Securities.

As a rule, operational information is disclosed by placing it on the securities market web portal <http://www.portal.gov.by>, and by publication in the print media or on the official website of the issuer or professional participant (if any) or on the official website of the central depository <http://www.centraldepo.by/>. In addition, the information is to be sent to the competent authority (Securities Department or territorial authority for Securities or organizer of trading in the securities market).

Non-resident issuers disclose operational information in Russian or Belarusian (the translator's signature must be notarized) no later than 30 calendar days from the date of approval or disclosure under the legislation of the foreign country in which the issuer is incorporated. The content and volume of information is set by the legislation of the foreign state. **Non-resident issuers** post information on the securities market web portal <http://www.portal.gov.by> and on the official website of the organizer of tender of securities as well as informing the Securities Department.

Thus, while making transactions or undertaking other legal acts Belarusian and foreign issuers should check whether they have a duty to disclose information, and if so the procedure involved.

Note that not only securities market participants but also the depository, broker or trustee with whom the participant signed a corresponding contract can disclose required information.

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We will be glad to advise you on the rules of disclosure for your company and on other legal issues.



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