



**FINANSTILSYNET**

THE FINANCIAL SUPERVISORY  
AUTHORITY OF NORWAY

Algorithmic Trading Group Netherlands  
Management B.V.  
Beursplein 5  
1012 JW Amsterdam  
THE NETHERLANDS

Our reference  
24/20162  
Your reference

01.04.2025

# Decision regarding violation penalty

## 1. Introduction

Reference is made to the advance notification regarding violation penalty dated 26 February 2025 from the Financial Supervisory Authority of Norway ("Finanstilsynet"), and Finanstilsynet's letter dated 19 December 2024. Finanstilsynet also refers to the response dated 27 January 2025 from Advokatfirma Hjort AS, who has been engaged as legal advisor for Algorithmic Trading Group Limited (ATGL) and/or Algorithmic Trading Group Netherlands Management BV. (ATG) and the e-mail dated 21 March 2025.

The case concerns ATG's sale of shares in November 2024 in EAM Solar AS ("EAM"), listed at Euronext Expand (regulated market operated by Euronext Oslo Børs) with ISIN NO0010607781.

Finanstilsynet has concluded that ATG has violated Regulation (EU) No 236/2012 on short selling and certain aspects of credit default swaps ("SSR"), cf. section 3-5 of the Norwegian Securities Trading Act ("NSTA").

Finanstilsynet has made an overall assessment of the circumstances in this matter and has therefore decided to impose a violation penalty of NOK 3 500 000, cf. sections 21-2 and 21-9 of the NSTA.

## 2. Legal basis

Article 2 paragraph 1 (b) of the SSR defines "short sale" in relation to a share as "any sale of the share which the seller does not own at the time of entering into the agreement to sell including such a sale where at the time of entering into the agreement to sell the seller has borrowed or agreed to borrow the share [...] for delivery at settlement, not including:

- (i) a sale by either party under a repurchase agreement where one party has agreed to sell the other a security at a specified price with a commitment from the other party to sell the security back at a later date at another specified price;
- (ii) a transfer of securities under a securities lending agreement; or
- (iii) entry into a futures contract or other derivative contract where it is agreed to sell securities at a specified price at a future date."

Article 12 of the SSR sets out restrictions on uncovered short sale of shares. Article 12 no 1 reads as follows:

*"A natural or legal person may enter into a short sale of a share admitted to trading on a trading venue only where one of the following conditions is fulfilled:*

- a) the natural or legal person has borrowed the share or has made alternative provisions resulting in a similar legal effect;*
- b) the natural or legal person has entered into an agreement to borrow the share or has another absolutely enforceable claim under contract or property law to be transferred ownership of a corresponding number of securities of the same class so that settlement can be effected when it is due;*
- c) the natural or legal person has an arrangement with a third party under which that third party has confirmed that the share has been located and has taken measures vis-à-vis third parties necessary for the natural or legal person to have a reasonable expectation that settlement can be effected when it is due".*

Pursuant to section 21-2, cf. section 21-5 third to fifth paragraphs of the NSTA, Finanstilsynet may, in the event of a violation of rules in the SSR on uncovered short sales, impose a violation penalty on legal entities of up to NOK 43 million, or up to 10 per cent of the total annual turnover according to the last approved annual accounts. The violation penalty can be set at twice the profit achieved or loss avoided, if this results in a higher penalty.

The conditions for imposing a violation penalty are set out in section 21-9 of the NSTA. For legal entities, reference is made to the second paragraph of section 46, first paragraph of the Public Administration Act. When an administrative sanction can be imposed on a legal entity, the culpability requirement is negligence unless otherwise determined.

It follows from section 21-14 of the NSTA that when deciding whether an administrative sanction is to be imposed and in the assessment of the penalty, a number of factors may be taken into account:

1. the gravity and duration of the violation,
2. the degree of culpability of the violator,
3. the violator's financial capability, in particular overall turnover or annual income and assets,
4. profit gained or losses avoided,
5. loss inflicted on any third party as a result of the violation,
6. willingness to cooperate with the authorities,
7. previous violations,
8. conditions as mentioned in the Public Administration Act section 46 second subsection,
9. other relevant factors.

The factors in section 21-14 are supplemented by partly overlapping factors in section 46 second subsection of the Public Administration Act, which apply to sanctions against legal entities. A factor that appears in section 46, second paragraph, is whether the legal entity could have prevented the violation by means of guidelines, instructions, training, control or other measures.

### **3. Background**

#### **3.1 The private placement in EAM Solar AS**

EAM announced in a stock exchange announcement dated 16 October 2024 at 15:59 CET that the general meeting of the company resolved that the company's share capital was to be increased by issuance of new shares. According to the stock exchange announcement, EAM would raise NOK 10-25 million through a private placement. The subscription price was set at NOK 0,10 per share. The subscription period commenced on 17 October 2024 at 08:00 (CET) and expired on 31 October

2024 at 08:00 (CET). The private placement was directed towards EAM's registered shareholders as of 30 October 2024.

In a stock exchange announcement dated 16 October 2024 at 22:31, EAM announced that the prospectus covering the private placement was approved and registered with the Business Register of Enterprises. In the prospectus it was informed that it was expected that the shares would be registered with the Business Register of Enterprises on 8 November 2024 and registered with VPS (renamed to Euronext Securities Oslo (ESO)) on 11 November 2024. On page 18 of the prospectus, it also explicitly says that *"trade in new shares cannot commence until the share capital increase has been registered with the Business Register of Enterprises and the shares have been delivered to the relevant investors' VPS-account"*.

According to the stock exchange announcement dated 5 November 2024, EAM confirmed that the capital increase reached a subscription of a total of NOK 14.66 million and that qualified subscribers would receive full allocation. The company wrote that the shares would be available in ESO on or about 11 November 2024. In the stock exchange announcement dated 8 November 2024 at 07:45 CET, EAM informed of a possible delay with the registration of the new share capital due to a technical system upgrade of the registers held by the Business Register of Enterprises.

On 12 November 2024 at 17:19 CET, EAM announced that the new share capital was registered with the Business Register of Enterprises and that the shares would be tradable as soon as these were registered in ESO. The new shares were tradable and available in the relevant investor's ESO-account on 13 November 2024.

According to a letter dated 14 November 2024 from [REDACTED] who acted as securities agent in the private placement, [REDACTED] was allocated 5 014 500 shares under the private placement. In its response to Finanstilsynet, [REDACTED] has confirmed that [REDACTED] acted as a nominee under the said private placement, and that the ultimate beneficial owner of the shares allocated under the private placement was ATGL.

On such background, Finanstilsynet enquired further information from ATG in a letter dated 16 December 2024 and sent an advance notification of violation penalty to ATG on 26 February 2025.

### 3.2 ATG's sale of shares

In the response received from Advokatfirmaet Hjort AS, acting as the ATGL/ATG' legal advisors, Advokatfirmaet Hjort AS has confirmed the following:

*"ATGL is a company registered in Hong Kong. ATGL is the sole owner of the company Algorithmic Trading Group Netherlands Management BV ("ATG"), which is registered in the Netherlands with the address that the FSA's letter was sent to. It is therefore correct that ATGL was the ultimate beneficial owner of the shares in EAM, as ABN AMRO Global Custody Services N apparently has confirmed. However, ATG is the entity that holds the memberships at the exchanges (in this case, Euronext), that manages the trading accounts at ABN Clearing, and that has been licensed as an investment firm under MiFID II and regulated by the Dutch Authorities for Financial Markets and the Dutch National Bank since 2018. The trades in question were executed solely by ATG, who also owns the account that was used for the trades. ATG will therefore respond to the FSA's letter."*

ATG has confirmed that they were allocated 5 014 500 shares in the private placement in EAM.

Following the stock exchange announcement on 12 November 2024 which confirmed the registration of the capital increase, the share price fell by 79.6 percent. ATG therefore made a profit compared to those investors who waited to sell the shares until the capital increase was registered with the Business Register of Enterprises.

Data collected from ESO shows the following transactions with settlement date 13 November 2024 and trade date in the period from 5 to 11 November 2024 on ABN AMRO's nominee account:

Trade date	Transaction holding (number of shares)	Settlement amount (NOK)
05.11.2024	-423,485	672,794.46
06.11.2024	-537,084	612,718.26
07.11.2024	-759,126	631,568.45
08.11.2024	-3,044,638	1,462,448.01
11.11.2024	-250,167	101,707.45
<b>Total</b>	<b>-5,014,500</b>	<b>3,481,236.63</b>

The total number of shares sold equals ATG's allocation in the private placement. The column "settlement amount (NOK)" shows that ATG received NOK 3 481 236, before transaction costs, for the 5 014 500 shares that were sold.

According to ESO, ATG owned 9 098 shares in EAM prior to 5 November 2024 i.e. the time when ATG initiated its sale of EAM shares.

Finanstilsynet has also obtained transaction data from Euronext Oslo Børs, which includes the name of the member behind the sales of EAM shares. This data made it possible for Finanstilsynet to identify ATG's transactions.

Finanstilsynet has based ATG's profit on the volume-weighted average price (VWAP) on Euronext Oslo Børs for 13 November 2024, NOK 0.1298. For shares traded by ATG, VWAP have been calculated for each day. Subtracting VWAP for 13 November from ATG's VWAP gives profit per share. Daily aggregate profit has then been calculated by multiplying profit per share with the number of shares sold short the actual day.

Based on the calculation method mentioned above, Finanstilsynet estimates that ATG obtained a profit of NOK 2 844 159 by selling the shares before they were registered in the Register of Business Enterprises.

The overview below shows ATG's daily trading in the period from 5 November 2024 to 12 November 2024 and includes the number of shares sold short and VWAP. The sum of the column "net amount (NOK)" is the profit before payment of the shares ATG was allocated.

The column "short position/admitted shares" shows that ATG's short position on 11 November 2024 was 73.9 percent. On 12 November 2024, the day before the new shares were tradeable, the short position was 67.8 percent.

trade date	net volume	number of shares sold short	short position (number of shares)	short position / admitted shares	ATG's VWAP (NOK)	profit on shorted shares vs. VWAP 13 Nov (NOK 0.1298*)	net amount (NOK)
01-Nov-2024	5,000	0	0	0.0 %	0.90	0	-4,500
04-Nov-2024	4,098	0	0	0.0 %	0.63	0	-2,583
05-Nov-2024	-432,593	-423,485	-423,485	6.2 %	1.59	617,846	687,264
06-Nov-2024	-537,084	-537,084	-960,569	14.0 %	1.14	543,030	612,718
07-Nov-2024	-759,126	-759,126	-1,719,695	25.1 %	0.83	533,069	631,568
08-Nov-2024	-3,044,638	-3,044,638	-4,764,333	69.5 %	0.48	1,066,479	1,461,531
11-Nov-2024	-302,506	-302,506	-5,066,839	73.9 %	0.41	83,735	122,986
12-Nov-2024	424,103	0	-4,642,736	67.8 %	0.57	0	-240,266
13-Nov-2024	-371,754	0	0	0.0 %	0.12	0	44,239
	<b>-5,014,500</b>					<b>2,844,159</b>	<b>3,312,958</b>



### 3.3 ATG's comments

In its response to Finanstilsynet dated 27 January 2025, ATG made a number of arguments.

ATG underlined in its response that they are a small trading firm with a team of only six traders / portfolio managers (including a newly hired corporate action trader which conducted the trades in question.) ATG only recently decided to broaden its trading activities to include corporate action-related events.

ATG says that the number of shares allocated to AGT significantly exceeded ATG's internal risk limit, and that the corporate action trader therefore made the decision to reduce the number of shares as quickly as possible.

In its response ATG says that *"EAM's press release on the early morning of 5 November 2024 indicated that the new shares were expected to be registered in VPS on or about 11 November 2024. This timeline was in line with the information in the prospectus, which had also indicated that the shares would be allocated on 4 November 2024 and registered in the Register of Business Enterprises on 8 November 2024. This was the timeline that was available to ATG on 5 November 2024. It was not until EAM's press release on the morning of 8 November 2024, that ATG received the first indication of a possible delay in the process."*

*"ATG believes that all or most of the trades conducted in the period between 5 November and 11 November 2024 complied with Article 12 of the SSR and common practice in the EU, and that ATG had a reasonable expectation that settlement of these trades could be effected when due."*

Furthermore, ATG says that *"[...] it is common practice in the EU that trade in public placements commences a few days before the shares are made available for settlement. There are many examples of this practice"*. ATG then refers to two other private placements completed in France and the Netherlands where investors were allocated shares which they sold 1-2 days before such shares were registered.

ATG also made certain comments on Finanstilsynet's calculation of ATG's profit as a result of the sale of shares. ATG argues that the calculations should be based *"on the difference between the settlement amount that ATG actually received and the settlement amount that ATG would have received if ATG had waited until the trades could legally have been entered into"*.

Finally, ATG says that *"[...] it is important for ATG to emphasize that the company never intended to violate any rules or even to operate in a "grey" area bordering on activities that are not admissible. ATG took the steps that ATG thought were appropriate and sufficient to ensure compliance with all relevant rules"*. ATG says that *"ATG has not done anything in Norway that deviates substantially from what was done by many in both France and the Netherlands in similar cases. As far as we know, the relevant authorities there have not questioned these activities."*

ATG claimed that the SSR does not require absolute certainty, but merely reasonable expectations based on certain third-party confirmations that the shares will be available in time for settlement. *"[...] Although the completion of a capital increase in Norway is dependent on registration in the Norwegian Register of Business Enterprises, this should not rule out the possibility of selling shares prior to registration if it at the time is reasonable to expect that the shares will be available for settlement."*

In its response to Finanstilsynet's advance notification of violation penalty, ATG says that the size of the violation penalty is *"a steep one and significantly impacts ATG. (...) However, ATG accepts the proposed penalty."*

## 4. Finanstilsynet's assessment

### 3.4 The conditions for imposing a violation penalty

#### The objective conditions

##### *Uncovered shortselling*

According to the SSR article 12 no 1, a natural or legal person may carry out a short sale of a share that is listed on a trading venue if the conditions in points a) to c) are fulfilled. If any of these conditions are not met, then short sale is prohibited.

Firstly, a decision must be made as to whether there was a short sale.

As mentioned above, in article 2 no. 1 b) of SSR, "short sale" is defined as any sale of a share which the seller does not "own" at the time the sale agreement is entered into.

When assessing whether there is a short sale, it is necessary to identify the point in time when the seller "owns" the shares. Sales made prior to this stage are considered short sales.

The time when the investor becomes the "owner" of the shares is not regulated in the SSR. It follows from Commission Delegated Regulation No. 918/2012, cf. the Norwegian Securities Trading Regulations section 3-7, that this would be subject to national law.

Finanstilsynet considers that the term "owner" must be interpreted on the basis of the purpose of the provision. The assessment in connection with new issues will be that the shares "exist", i.e. that they are registered in the Register of Business Enterprises, and that there is sufficient evidence that the share ownership is such that rights can be exercised, and that timely delivery can take place.

Various circumstances may indicate that an investor becomes "owner" of the shares at a later time than the time of registration. Finanstilsynet cannot see that there are any such circumstances in this case.

Finanstilsynet therefore considers that ATG became "owner" of the new shares when the capital increase was registered in the Register of Business Enterprises, i.e. immediately prior to the publication of the stock exchange announcement on 12 November 2024 at 17:19 CET.

Sales of new shares in EAM made before this point in time must therefore be regarded as short selling.

ATG has stated that they do not consider the short sales to be uncovered.

Finanstilsynet's starting point in the assessment is that the regular settlement for shares traded on Euronext Expand is T+2. The question is whether ATG had sufficient security for T+2 delivery of the shares that were sold.

According to the prospectus, the new share capital was planned for registration with the Business Register of Enterprises on 8 November 2024 and shares would be registered with ESO on 11 November 2024. In a stock exchange announcement dated 8 November 2024 at 07:45 CET, EAM also informed the market of a possible delay with the registration of the new share capital due to a technical system upgrade of the registers held by the Business Register of Enterprises.

In Finanstilsynet's assessment, it seems clear that EAM had not legally committed themselves to deliver the new shares on 11 November 2024 (T+2). Finanstilsynet underlines that an investor cannot rely on announced "expectation dates" or other statements regarding planned timelines for registration. On the contrary, investors need to ensure that the new share capital has – in fact – been registered with the Business Register of Enterprises before selling any shares. Otherwise, such sale is considered as uncovered short sale. In its recent practice, Finanstilsynet has underlined this point

specifically in its recent decisions e.g. in the FLYR and Nordic Mining-case complex where Finanstilsynet imposed violation penalties on investors who sold shares allocated under a private placement – prior to such shares being registered with the Business Register of Enterprises.

Accordingly, before the registration of the new share capital on 12 November 2024, the information provided to the market and to the investors did not provide sufficient security for ATG's timely delivery of the shares. Hence, Finanstilsynet considers that ATG did not have an "*absolutely enforceable claim...*" pursuant to SSR Article 12 no. 1(b) of SSR or that ATG had a "*reasonable expectation that settlement can be effected when it is due...*" according to SSR article 12 no. 1(c) of SSR. On the contrary, ATG was informed of the potential expected delays with the registration of the new share capital.

The "new" shares were not delivered until 13 November 2024. The "new" shares sold in the period 5 November 2024 to 8 November 2024 could therefore not be delivered within due time (T+2).

Furthermore, ATG has made no reference to any agreements or any other measures which, at the time of entering into the sales agreement, could provide sufficient evidence for the shares to be delivered in time. Based on the information provided, it seems clear that ATG intended to fulfill its delivery obligations with the "new" shares.

Finanstilsynet therefore considers that the conditions in the SSR article 12 a) to c) were not met. Consequently, the sales must be considered uncovered short sales in violation of article 12 of the SSR.

The objective description in SSR Article 12 is therefore fulfilled.

#### Violation of the reporting obligation

According to the SSR Article 5, a natural or legal person who has a net short position must send a notification to Finanstilsynet in accordance with the SSR Article 9 when the position reaches or falls below a relevant threshold. The time for calculating a net short position is at midnight at the end of the trading day when the natural or legal person obtains the position in question. Notification to Finanstilsynet must be given by 15:30 on the following trading day. The threshold for notification is 0.1% of the company's issued share capital, and each step of 0.1% above this.

Finanstilsynet's assessment is that ATG had a net short position from 5 November 2024. As of 5 November 2024, the company's net short position was 423 485 shares. This amounted to 6.2 percent of the issued share capital in EAM, based on the fact that the share capital at the time was NOK 6 852 210 distributed on 6 852 210 shares. This position should have been reported to Finanstilsynet by 15:30 on 6 November 2024.

The overview above under section 3.2 shows the net short position per day. As of 11 November 2024, the short position had increased to 5 066 839 shares, which represented 73.9 percent of the issued share capital. At the end of the trading day on 12 November 2024, the short position had been reduced to 67.8 percent. The short position did not fall below the reporting threshold before 13 November 2024. It is thus clear that the positions were not reported in accordance with SSR articles 5 and 9, cf. NSTA section 3-5.

#### The subjective conditions

The question is whether the subjective conditions for a violation penalty are met.

As mentioned in section 1 above, when imposing a violation penalty on a legal entity, the requirement is that the person or persons who have acted on behalf of the entity have shown negligence, cf. section 46 first paragraph of the Public Administration Act. The culpability requirement may be met regardless of whether there is negligence or a qualified degree of culpability (gross negligence or intent). The degree of guilt may, however, be taken into consideration when assessing the size of the violation penalty, cf. section 4.2 below.

Finanstilsynet considers that ATG had no cover in the form of borrowed shares or through any other measures, cf. SSR article 12.

In its response to Finanstilsynet's letter, ATG writes that "[...] *This timeline was in line with the information in the prospectus, which had also indicated that the shares would be allocated on 4 November 2024 and registered in the Register of Business Enterprises on 8 November 2024.*"

As Finanstilsynet has previously pointed out, the prospectus itself on page 18 also says that "*trade in new shares cannot commence until the share capital increase has been registered with the Business Register of Enterprises and the shares have been delivered to the relevant investors' VPS-account*". Hence, ATG's argument that the prospectus caused certain expectations / confusion amongst the investors regarding the shares' tradability cannot be taken into account. Furthermore, Finanstilsynet cannot see that EAM has given any other information in its stock exchange announcements which would give ATG an expectation that the shares could be traded at an earlier time or that the shares could be traded before being registered.

ATG initiated its sale of shares on 5 November 2024. Even if the shares would have been registered on 8 November 2024 as the prospectus indicated, ATG would not be in a position to deliver these shares in timely manner (T+2).

In the stock exchange announcement dated 8 November 2024, EAM informed of a potential delay with the registration of the new shares in the Business Register of Enterprises. As such all sales conducted by ATG after 8 November 2024 could in any event not be delivered on T+2.

The starting point of Finanstilsynet's culpability assessment is that ATG is a member of Euronext Oslo Børs, operating in the Norwegian securities market. A professional investor must be expected, when subscribing shares in a private placement, to obtain knowledge about factual circumstances concerning the tradability of the shares. Professional investors must, as a minimum, familiarize themselves with information from the issuer communicated to the market and to the investor.

As regards ATG's statement "*that [...] it is common practice in the EU that trade in public placements commences a few days before the shares are made available for settlement*", Finanstilsynet takes the view that it must be expected that a professional investor abides by the legislation applicable in the jurisdictions it performs trading activities. Finanstilsynet has in several similar cases of uncovered short sale underlined that the shares are not tradable until registration of the capital increase has occurred. Neither is it relevant for Finanstilsynet's assessment that similar actions and transactions do not seem to have been pursued by other European supervisory authorities.

In Finanstilsynet's assessment, ATG's conduct deviates significantly from the normal prudent course of action for a professional investor in the securities market. In Finanstilsynet's opinion, the behaviour constitutes gross negligence. Finanstilsynet's conclusion is that one or more persons acting on behalf of ATG acted with gross negligence. Finanstilsynet therefore considers that the subjective conditions for a violation penalty for a breach of SSR Article 12 have been met.

As regards the breach of the reporting requirement in SSR Articles 5 and 9, Finanstilsynet considers that professional operators in the securities market must be expected to have routines for identifying net short positions in a correct manner, so that time-critical reporting obligations are met. Against this background, Finanstilsynet's assessment is that one or more persons acting on ATG's behalf have acted negligently. Finanstilsynet therefore considers that the subjective condition for violation penalties for breaches of SSR Articles 5 and 9 has been met. Finanstilsynet's assessment is that both the objective and subjective conditions for violation penalties are met.

Finanstilsynet finds that the subjective and objective conditions for a violation penalty for breach of the SSR article 12 are met.



### 3.5 Assessment of whether a violation penalty shall be imposed and the size of the penalty

The NSTA section 21-14 and the Public Administration Act section 46 second subsection provide a number of various factors that may be taken into consideration when assessing whether a violation penalty shall be imposed and the size of the penalty. The overview of factors is non-exhaustive. Under any circumstances, the assessment must be made based on an overall evaluation in the specific case.

When assessing whether a violation penalty should be imposed, cf. the NSTA section 21-14, Finanstilsynet believes that the size of the trade and the degree of negligence indicate that a violation penalty is a proportionate and adequate response. Emphasis has also been placed on the fact that an illegal act was carried out at the same time as other investors loyally aligned themselves so that the newly issued shares could not be traded until they were registered in the Register of Business Enterprises. Such behavior is likely to undermine confidence in the integrity of the securities markets. In this context, Finanstilsynet refers to the purpose of the Act to facilitate safe, orderly and efficient trading in financial instruments and investor protection, cf. NSTA section 1-1.

It cannot be considered disproportionate that a violation penalty is imposed in this case. Finanstilsynet finds that a violation penalty should be imposed.

With regard to the criteria in the NSTA section 21-14, Finanstilsynet considers that ATG obtained a substantial profit in the total amount of NOK 2 844 159 through the illegal act, cf. the calculations above.

In its assessment, Finanstilsynet has also noted the size of the transaction. In addition, ATG carried out illegal actions at the same time as investors were loyal to the regulations. Such behavior undermines confidence to the securities market.

Finanstilsynet has also taken into consideration that gross negligence was shown in connection with the uncovered short sales. It is also emphasized that ATG, as a professional investor, must be expected to prevent such violations through internal routines, guidelines or other relevant measures.

It is also emphasized that the uncovered short sales were already made on 5 November 2024. In respect of these sales, it was clear that delivery of these shares could not take place T+2 (even if the new share capital was registered with the Business Register of Enterprises on 8 November 2024 as EAM initially indicated in its stock exchange announcement). The "new" shares were not delivered until 13 November 2024. In its overall assessment, Finanstilsynet has also taken into consideration that ATG failed to fulfill the reporting obligations in the SSR articles 5 and 9.

ATG has informed that the company's turnover for [REDACTED] [REDACTED] Finanstilsynet has therefore taken into consideration ATG's financial strength in its overall assessment of the size of the violation penalty.

Finanstilsynet's conclusion based on the above, and an overall evaluation of all relevant factors, is that the violation penalty should be set at NOK 3 500 000.

### 5. Decision regarding violation penalty

On the basis of the above, Finanstilsynet has decided to impose Algorithmic Trading Group Netherlands Management B.V. a violation penalty in the amount of NOK 3 500 000 for its violation of the NSTA section 3-5.

The legal basis is the NSTA section 21-2, 21-9 and 21-14, cf. the SSR Articles 5 and 9.

Please be informed that the decision will be published on Finanstilsynet's website.

This administrative decision can be appealed within 3 weeks after receipt. An appeal shall be sent to Finanstilsynet. The appellate instance is the Financial Supervisory Appeals Board

(Finanstilsynsklagenemnda). Sections 18 and 19 of the Public Administration Act, on the parties' right to become acquainted with the case documents, apply.

Violation penalties are collected by the Tax Administration at the Norwegian National Collection Agency (NNCA). If the administrative decision is not appealed, the NNCA will send a claim for payment after the deadline for an appeal has expired. If the decision is appealed, the claim will be sent after the appeal has been decided by the Financial Supervisory Appeals Board (Finanstilsynsklagenemnda). The NNCA's deadline for payment is 3 weeks after the invoice has been sent.

On behalf of Finanstilsynet

Marte Voie Opland  
Deputy Director General

Thomas Borchgrevink  
Head of section

*This document is electronically approved.*

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Advokatfirmaet Hjort AS