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Pursuant to Articles 63 Paragraph 2 of the Rules of Business Operations of the Belgrade Stock Exchange (no. 04/2-12143-1/15, hereinafter: the Rules), Director of the Belgrade Stock Exchange on 21st September 2016 passed the following

DECISION

On shortening the duration of individual trading phases
and handling trading orders
placed into the BelexFIX at the trading session on 21st September 2016
and
termination of temporary suspension of trading and
continuation of trading as of 22nd September 2016

Article 1.

AT THE TRADING SESSION ON 21st September 2016, at which trading was temporarily suspended from 11:30, pursuant to the Decision of the Exchange (01/1 No. 7579/16 as of 21.9.2016), in securities traded on the following segments:

I**REGULATED MARKET**

Duration of the following regular phases within the continuous trading method is SHORTEN as follows:

- **10:00- 11:30** – continuous trading;
- **11:30** – closing.

On all market segments of the Regulated Market (Prime Listing – Shares; Prime Listing – Bonds; Standard Listing – Shares; Open Market – Shares; Open Market – Bonds).

At the trading session held on 21st September 2016 closing price for each security traded by the continuous trading method is determined as an average weighted price of all securities traded during the entire duration of continuous trading phase from the Paragraph 1 of this Item.

Reference price for trading in securities on the market segments from Paragraph 1 of this Item for the next trading session shall be the closing price determined in accordance with the Paragraph 2 of this Item.

II**MTP BELEX**

Belgrade Stock Exchange Surveillance Officer shall **CANCEL TRADING ORDERS** placed in BelexFIX at the trading session held on 21st September 2016 **for securities trading by the Single Price Auction Method** on MTP Belex, market segments MTP Shares and MTP ZIF.

Reference price for trading in securities on the market segments from Paragraph 1 of this Item for the next trading session, shall be defined as a single price determined at the trading session preceding the day of the temporary suspension i.e. from 20th September 2016.

Provisions from the Item I of this Article shall apply to securities trading by the continuous trading method on the market segment MTP Belex – Bonds.

Article 2.

As of **next trading session, on 22nd September 2016:**

- Trading in all types of securities on all market segments of the Regulated Market and MTP Belex **shall resume;**
- Trading shall be organized in accordance with the duration and schedule of regular phases within a specific trading method on all segment of the Regulated Market and MTP Belex defined by the Decision on Duration of Trading Phases (01/1 No. 8372/15, as of 25.9.2015).

Article 3.

This Decision shall become effective on the day of its adoption.

This Decision is published on the Exchange webpage.

EXPLANATION

By the Exchange Decision from Article 1 of this Decision, trading in all securities on all market segments of the Regulated Market and MTP Belex has been temporarily suspended as of 11:30 on 21st Sep 2016 for the reasons stated in the said Decision.

Since in the meantime causes for the temporary suspension of trading, in terms of resolving the problems that Members of the Exchange experienced with the main telecommunication lines of the Telekom Srbija which enable uninterrupted access to and use of BelexFIX during the trading session organized on 21st Sep 2016 have not been resolved, it was noted that it is necessary to undertake measures which will enable completion of all activities commenced on the trading session on 21st Sep 2016, which pursuant to the Rules, among other things involves resolving the issue of the status of trading orders placed in BelexFIX until the occurrence of temporary trading suspension and the shortening of trading phases that already started.

In relation to the said, it was noted that by the time of start of the temporary trading suspension the regular continuous trading phase opened and lasted during which trading orders were placed and transactions concluded, hence the investor protection and regularity of trading in securities which is in accordance with the Rules of the Exchange, is provided by shortening of single regular trading phases within the continuous trading method with the closing prices determined in a prescribed manner. For trading in securities by single price auction method it was noted that the moment of temporary trading suspension occurred before the start of the auction phase in which pursuant to the Rules single auction price is determined on basis of trading orders placed. Hence, on the trading session organized on 21st Sep 2016 conditions for placement of all trading orders that Members of the Exchange might had placed until the end of pre-opening phase haven't been provided and in order to ensure fair and efficient market in securities and protect interest of investors it was necessary, in accordance with the Rules, to cancel trading orders placed in BelexFIX on the said trading session, and define reference price for the next trading session on the level of the single price determined at the previous trading session.

On the basis of information obtained from the services of Telekom Serbia that intese activities have been undertaken to eliminate the reasons and interference in functioning of telecommunication lines of the Exchange Members, and that it is most likely that the said will be eliminated until the beginning of the next trading session, it was decided to organize trading session as of 22nd Sep 2016.

Given the above, it was decided thereof.

BELGRADE STOCK EXCHANGE
Siniša Krneta, CEO

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