



BEOGRADSKA BERZA
BELGRADE STOCK EXCHANGE

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RULES OF BUSINESS OPERATION OF THE BELGRADE STOCK EXCHANGE

NOTE:

Only the Serbian version of this document is legally binding. This translation is provided for information purposes only

01/1 br. 1260-1/20
10.4.2020.

ANNOUNCEMENT OF THE AMENDMENTS AND SUPPLEMENTS TO THE RULES OF BUSINESS OPERATIONS OF THE BELGRADE STOCK EXCHANGE

The Rules of Business Operation of the Belgrade Stock Exchange (No. 04/2-3242/12, with amendments and additions No. 04/2-1521/13, 07/2-1148/14, 04/2-12143-1/15, 04/2-6512/18 and 04/2-7704/18 hereinafter: the Rules) are altered and supplemented by the Decision (No. 04/2- 1212/20 of 9.4.2020) and the said changes and supplements to the Rules are incorporated into the revised text of the Rules of Business Operation of the Belgrade Stock Exchange (No. 04/2-1212-1/20), which were consented by the Decision of the Securities Commission (No. 02/2-105-823/3-20, of 10.4.2020).

The Decision on Amendments and Supplement to the Rules of Business Operation of the Belgrade Stock Exchange (No. 04/2- 1212/20) along with the revised text of the Rules of Business Operation (No. 04/2- 1212-1/20) is

PUBLISHED ON THE EXCHANGE WEBSITE on 10.04.2020 and shall

COME INTO EFFECT

upon expiry of 8 (eight) days after being published on the Exchange webpage:

- ON 21st April 2020 -

BELGRADE STOCK EXCHANGE
Siniša Krneta, CEO

Belgrade, April 2020

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In accordance with the Article 116 of the Law on Capital Market (Official Gazette No. 31/2011, 112/2015 and 108/2016, hereinafter: the Law) and Article 49, Paragraph 2, item 13 of the Belgrade Stock Exchange Articles of Association (No. 04/1-954-1/16, hereinafter: the Articles), on the urgent-extraordinary meeting V/20, held on 9th April 2020, the Board of Directors of the Belgrade Stock Exchange adopted the Decision (04/2 No. 1212/20) on changes and supplements to the Rules of Business Operation of the Belgrade Stock Exchange (No. 04/2- 3242/12, with changes and supplements No.04/2-1521/13, 04/2-1148/14, 04/2-12143-1/15, 04/2-6512/18 and 04/2-7704/18, hereinafter: the Rules). Alterations and supplements to the Rules defined by the Decision (04/2 No. 1212/20) shall be incorporated into the revised text of the Rules (04/2-1212-1/20) as follows

RULES OF BUSINESS OPERATION OF THE BELGRADE STOCK EXCHANGE

-revised text-

I GENERAL PROVISIONS

Article 1

By these Rules of Business Operation (hereinafter: the Rules) the Belgrade Stock Exchange (hereinafter: Exchange) shall regulate the following issues:

- 1) Exchange operations, including terms and conditions of business conduct;
- 2) Requirements for obtaining and cancelling membership status and trading licenses, including the rights and obligations arisen from the membership at the Exchange;
- 3) Admission of financial instruments which, in compliance with the Law, may be traded on the Regulated Market and the multilateral trading platform organized and operated by the Exchange, including the terms for transition among market segments, temporary suspension and exclusion from trading;
- 4) Terms and conditions of trading;
- 5) Method of disclosing information on trading at the Exchange;
- 6) Surveillance of trading, including rules and procedures for detecting and preventing market abuse;
- 7) Other issues relevant for the Exchange operation.

All provisions of the Rules relating to securities shall be applied accordingly to all issues related to other financial instruments which are not specifically regulated by these Rules.

The provisions of these Rules related to the segment of the Regulated Market which is not listing shall be applied accordingly to all issues not specifically regulated for the multilateral trading platform operated by the Exchange (hereinafter: MTP Belex).

Article 2

Certain expressions used in the Rules and other Exchange regulation in the appropriate case and number shall have the following meaning:

BELEXFIX	Unique information system of the Exchange – electronic system (platform) for remote trading, based on communication with its users via the FIX protocol, which is accessed by the authorized broker by means of a personal user name and password using the certificate assigned to the Exchange Member by the Exchange;
BelexFIXAPI MODULE	Exchange program module enabling direct electronic connection between BelexFIX and user application of the Exchange Member (certified by the Exchange with respect to FIXAPI functionalities), for the purpose of using the Exchange FIXAPI service under the conditions defined by these Rules;
TRADING SESSION	Time when trading in securities is organized, and during which, pursuant to these Rules, it is possible to place trading orders in the BelexFIX and conclude transactions;

BLOCK TRADING	Block transaction in a security traded on the Regulated Market or MTP Belex, which has been concluded during a trading session outside the auction price method or continuous trading method, in a bilateral relation of one buyer and one seller, according to conditions prescribed by the Rules;
MEMBER'S BROKER/AUTHORIZED BROKER	Physical person who, in addition to conditions stipulated by the Law and by-laws, has fulfilled the conditions stipulated by the Rules for issuing the trading licence, who is authorized by the Exchange Member to participate in his name and for his account in concluding transactions at the Exchange and who was granted the trading licence by the Exchange decision;
PRICE INCREMENT	The smallest possible increment in the price relative to the last price achieved for every type of security;
MEMBER OF THE EXCHANGE	Legal entity – investment company (broker-dealer company or authorized bank) which in addition to conditions prescribed by the Law and by-laws regulating operations of investment companies, has fulfilled the conditions stipulated by the Rules and which was granted the membership status by decision of the Exchange;
ELECTRONIC ORDER BOOK	Electronic database containing the Members' trading orders placed to the BelexFIX, with the status of the trading order allocated in compliance with the Rules;
ELECTRONIC MAIL	Electronic address of the Exchange registered in the competent companies register, for receiving electronic mail and documentation submitted to the Exchange in accordance with these Rules;
FORM AND NOTARIZATION OF DOCUMENTS	Documentation submitted to the Exchange in accordance with these Rules (requests, acts, decisions, minutes, statements, etc.), unless otherwise regulated by these Rules, shall be drawn up in Serbian and made as a rule in the form of an electronic document in accordance with the law, signed by valid qualified electronic signature, or made in the form of a digitized document signed by valid qualified electronic signature of the legal representative, or by a representative authorized for signing the given document, and translated into the Serbian in case the original is in a foreign language. The identity of the signatory of the digitized document can be confirmed by a qualified electronic seal as well.
MAIN SITE OF EXCHANGE MEMBER	Information system of Exchange Member for trading on the Exchange, through which the Exchange Member performs all activities related to communication, network and processes required for access to and use of BelexFIX;
INDICATIVE PRICE	Auction price established at the previous trading session in the auction price method, i.e. closing price established at the previous trading session for continuous trading method. For the first trading in a security the indicative price shall be determined in compliance with the Rules;
INSIDE INFORMATION	Information on precisely established facts, relating directly or indirectly to one or more issuers of securities or to one or more securities, which has not been made public and which, if made public, would be likely to have a significant effect on the price of the said securities or the price of derivative financial instruments. Such likelihood of a significant effect shall be deemed existing if a reasonable investor would be likely to use such information as part of the basis of his investor decision;
ISSUER	Domestic or foreign legal entity, in accordance with the Article 2. item 38) of the Law, which issued the securities or other financial instruments traded on the Regulated Market or MTP Belex;

DERIVATIVES	Financial instruments whose value depends on the price of the underlying instrument (share, bond, foreign currency, certain types of commodity, exchange indices or others), with standardized elements (type, quantity, quality and other properties);
CLIENT APPLICATION	Exchange trading software installed on servers and client workstations of the Exchange Members and on the Exchange help-desks, which forms an integral part of the BelexFIX;
CLIENT WORKSTATION	Workstation of the Exchange Member satisfying technical requirements prescribed by the Rules, in the business premises of the Member, on which the client application is installed for access to and use of the BelexFIX under the terms and in the manner defined by the Rules;
LISTING COMMITTEE	Exchange Committee performing activities with respect to admission of securities and other financial instruments to the Listings of the Regulated Market as well as other activities stipulated by the Rules on Listing and the Rules;
USER APPLICATION	Software of the Exchange Member (by means of which the Exchange Member performs all its basic functions – back office), enabling electronic connection between his FIXAPI functionality (certified by the Exchange) and BelexFIX through the BelexFIXAPI module.
QUOTED PRICE	Price of a security from a trading order;
MARKET MAKER	Member of the Exchange who fulfilled conditions prescribed by the Law and signed a market making contract with the Exchange obliging him to continually submit buy and sell orders for his own account and for the securities defined by the contract, under the conditions stipulated by the contract and by the Rules;
FLUCTUATION ZONE MODEL	A set of applied fluctuation zones, which must contain AFZ, applied independently or in combination with SFZ and/or DFZ;
ABSOLUTE FLUCTUATION ZONE /AFZ/	The largest possible price deviation from the indicative price, e.g. the price range outside which a transaction is not permitted at the same trading session;
STATIC FLUCTUATION ZONE /SFZ/	Price deviation from the indicative price, which activates special trading phases;
DYNAMIC FLUCTUATION ZONE /DFZ/	Price deviation from the previous price of a security, activating a set of phases within an intraday auction;
TRADING ORDERS	Orders for trading in a specific security placed at trading sessions by Members of the Exchange, in compliance with the Rules. A trading order from the group of special orders cannot be used if it has not been explicitly allowed by the decision of the Exchange Board of Directors or by the Rules, thus the term "trading order" in the text of the Rules does not include an order from the group of special orders;
BOOK VALUE PER SHARE	Value of a share which is determined by dividing total capital, or loss exceeding the capital if any, by the total number of shares of an issuer;
HELP-DESK STATION	Workstation with the installed trading application, at the Exchange premises, which Members may use for independent placement of trading orders into the BelexFIX, in the cases and in the manner stipulated by the Rules;
REFERENCE PRICE	Price determined as a price of the last transaction on a given trading session concluded prior to the set of phases within the intraday auction, i.e. the price equal to the indicative price in case there were no transactions concluded at the given trading session;

BACK-UP SITE OF EXCHANGE MEMBER	Information system for performing operations on the Exchange which assumes the role of the main site of an Exchange Member in case of a failure of the main site of an Exchange Member, that could be set up by the Exchange Member, and which is designed to perform all functions of the Exchange Member in terms of provisions of these Rules, in the quality and within the scope of the main site of the Exchange Member;
SERVER – REGISTERED CLIENT CENTER	Server of the Exchange Member fulfilling technical conditions prescribed by the Rules, with the installed client application for access to and use of the BelexFIX under the terms and in the manner defined by the Rules;
TRANSACTION CONTRACT	Contract on buying and selling securities and other financial instruments, concluded at the Exchange, generated in electronic form;

II EXCHANGE OPERATIONS

Article 3

The Exchange performs the activities of a market operator in accordance with the Law, and manages, i.e. operates the Regulated Market and the multilateral trading platform (MTP).

The Exchange performs the following activities on the Regulated Market:

- (1) bringing together or facilitating bringing together of multiple third party buying and selling interests in securities on the market, in accordance with its nondiscretionary rules and in a way that results in a contract, in respect of the securities admitted to trading;
- (2) maintaining and making public information on the demand, supply, quotations and market prices of securities, as well as other information relevant for securities trading, in compliance with the Law and Securities and Exchange Commission regulations (hereinafter: By-Laws);
- (3) establishing and implementing of:
 - 1) criteria for Exchange membership,
 - 2) criteria for admitting securities to trading, suspension and exclusion from trading,
 - 3) criteria of securities trading,
 - 4) market surveillance of trading in securities for the purpose of preventing and detecting violation of the Rules, Law and by-laws, in particular, the provisions governing the market abuse,
 - 5) procedures for initiating disciplinary actions against Exchange members and authorized brokers of Exchange Members acting contrary to provisions of the Exchange regulation, Law and by-laws;
- (4) Performing other activities in relation to the Regulated Market in compliance with the Law and by-laws.

Provisions of Paragraph 2, Items (1), (2), and (3), sub-items 1) – 4) of this Article shall apply to MTP Belex accordingly.

In addition to activities set forth in Paragraph 1 of this Article, the Exchange shall perform other activities in accordance with the Law, By-laws, these Rules and other Exchange regulation.

III EXCHANGE MEMBERSHIP

Article 4

Trading in securities at the Exchange is performed by Exchange Members who acquired that status under the conditions and in the manner prescribed by these Rules.

Other persons may trade in securities at the Exchange only through intermediations of the Exchange Members.

Notwithstanding Paragraph 2 of this Article, the Republic of Serbia, National Bank of Serbia and Central Securities Depository and Clearing House (hereinafter: the Central Registry) may trade in securities at the Exchange directly, without intermediation of Exchange Members, having previously fulfilled staff and technical capacity requirements

defined by the Rules for obtaining the Exchange membership status and in accordance with the contract concluded with the Exchange, unless otherwise prescribed by these Rules.

Article 5

The activities prescribed by the Rules with respect to the Exchange membership are performed by the Exchange Board of Directors, unless otherwise prescribed by the Rules.

The activities prescribed by the Rules with respect to the authorized broker status are performed by the Exchange Managing Director, unless otherwise prescribed by the Rules.

1. Becoming a Member of the Exchange

Article 6

The Exchange membership may be obtained by investment firms (broker-dealer companies and authorized banks) who have been granted a licence by the Securities Commission allowing them to perform the activities of the investment firm and which have obtained membership status with the Central Registry and Investor Protection Fund.

The Exchange membership is voluntary and is obtained at the request of the person from the Paragraph 1 of this Article (hereinafter: Applicant), with prior fulfillment of the requirements stipulated by the Rules for acquiring Exchange membership, and said could be terminated at the request of the Exchange Member, except in cases defined by the Rules when it is terminated regardless of the will of the Exchange Member.

The Exchange Member is authorized to perform operations on the Exchange for which he was granted a licence by the Securities Commission by the decision set out in Paragraph 1 of this Article, in line with the Law and by-laws, and to trade in securities admitted to the Exchange.

By the day of admission to membership in terms of these Rules, the Exchange Member and its authorized brokers irrevocably accept all the provisions of these Rules and other acts of the Exchange, as well as their alterations and supplement, with the obligation to respect and implement them.

Article 7

In addition to complying with legal requirements for performing activities of an investment firm, the Applicant for Exchange membership is obliged to fulfill at any time, when applying and during its membership status, the following general conditions for the Exchange membership status:

- (1) staff qualifications for becoming a member:
 - 1) appointment of at least two persons employed with the Applicant, who are authorized to conclude transactions at the Exchange in his name and for his account and to access and use BelexFIX in the capacity of an authorized broker in compliance with these Rules and who meet the requirements defined by the Rules for granting the trading licence to the Exchange Member's broker;
- (2) technical equipment and organizational capacity for Exchange membership:
 - 1) to ensure the fulfillment of the minimal technical and telecommunication conditions for access to and use of BelexFIX defined by the decision of the Board of Directors of the Exchange, that directly ensures continuity of operations of the Exchange Member and indirectly continuity of operations of the Exchange and other members,
 - 2) to accommodate the server and the client workstation in safe and adequate premises in their business office, unless otherwise regulated by the Rules; the premises must be properly air-conditioned and with proper power supply equipment, including back-up supply systems, with prohibited access to the Exchange Member's unauthorized staff.
- (3) that the shareholder owning a majority interest (over 50%) in the capital of the Applicant and members of the Applicant's management do not have and have not had that status with an Exchange Member who was, in the period of 2 years prior to the application, imposed suspension for the duration of 6 months or terminated the membership status due to a permanent ban on trading at the Exchange.

In the event that the Applicant for membership has outstanding financial obligations towards the Exchange from an earlier period, he shall settle it by the date of submitting application for membership in terms of these Rules in all accordance with the invoices and/or decisions of the competent authorities, including those financial obligations that have become obsolete in the meantime.

Article 8

The regular procedure for becoming a member of the Exchange shall be initiated with a completed prescribed membership application form (hereinafter: Application) submitted to the Exchange.

The content and form of the Application from Paragraph 1 of this Article are determined by the decision of the Exchange Managing Director.

The shortened procedure for admission to membership of the Exchange shall include the procedure for acquiring the membership of the Exchange through the status change of a member of the Exchange in accordance with Article 22 of these Rules.

Article 9

Along with the Application Form, the broker-dealers company applying for the membership status shall submit the following documentation:

- (1) Memorandum of Association,
- (2) Articles of Association,
- (3) Rules of Business Operation,
- (4) Tariff Regulation,
- (5) Statement of the authorized registry certifying the Applicant's registration,
- (6) Licence of the competent body for performing the registered activities and approval on the acts from the Items 1-3 of this Paragraph,
- (7) A proof of membership at the Central Registry,
- (8) A proof of membership in the Investors Protection Fund in compliance with the Law,
- (9) Statement on qualified holdings pursuant to which the Applicant participates in the management or has a share in capital of another company in line with the Law,
- (10) Five blank bills of exchange as a collateral for securing fulfilling of its financial obligations towards the Exchange along with the bills of exchange's authorization for disposal of the said collateral and statement of the National Bank of Serbia certifying the registration of the collateral (bill of exchange/authorization) in the line with the law and decisions of National Bank of Serbia and the Sheet of Specimen Signatures of Authorized Signatories of the Applicant certified by the bank. In terms of this Item, by the decision Exchange Director may define other documentation as well as its content, which should be submitted along with the collateral,
- (11) Documentation, evidence and irrevocable statements on fulfilling the conditions for Exchange membership prescribed by these Rules,
- (12) Applicant's irrevocable statement on accepting all provisions of the Exchange regulation, as well as their amendments and modifications, with obligation to observe and execute the said provisions,
- (13) Irrevocable statement that he shall not initiate any activity with respect to termination of his membership at the Central Registry, Investors Protection Fund or his removal from the Securities Commission Registry of Investment Companies, before completing the procedure of termination of membership at the Exchange, all in line with the provisions of these Rules,
- (14) Applicant's irrevocable statement that he shall harmonize his regulations and business operation requirements with the Exchange regulations, within one month at the latest from the day of obtaining the membership status, and that the regulations and business requirements shall regularly be adjusted to the modifications and amendments to the Exchange regulations within the deadline defined by the Exchange act,
- (15) Appointment of persons who shall perform Exchange transactions and documentation set out by the Rules evidencing that that persons fulfill the Exchange requirements for granting the trading licence to an Exchange Member's broker,
- (16) consent that the written communication with the Exchange shall be made electronically, via the designated official e-mail address in the Membership Application, if agreed, i.e. the e-mail address registered by the Applicant in the competent register of companies,
- (17) Proof of fee paid for processing the application in the amount determined by the Exchange Tariff Regulations.

The documentation and declarations referred to in Paragraph 1 of this Article shall be made and submitted to the Exchange in accordance with Article 2 of these Rules, while declarations shall be given under the full material and criminal liability of a declarant.

Along with the membership application, the Applicant submits the Contract on Exchange Membership (form and content of which is defined by the Exchange Managing Director), signed by the registered legal representatives

of the Applicants.

The provisions of Paragraph 1 of this Article are applied accordingly to the authorized bank in the capacity of the Applicant, as well as to the entity which takes over Membership on the Exchange, in accordance with this Rules, through the status change of the Member of the Exchange.

In order to take into consideration all conditions for obtaining Exchange membership status, the Exchange may request additional proof and documentation.

In case the Application is not accompanied by the full and complete documentation in terms of this Article, the Exchange may leave the Membership Applicant with an appropriate deadline for submitting the entire and complete documentation.

In case Applicant fails to submit complete documentation within the subsequently extended deadline, the Exchange shall submit the Application to the Board of Directors for consideration, with the proposal that the application should be rejected.

The day of receipt of the Application along with the full and complete documentation shall be deemed as the day of receipt of the Membership Application in terms of this Article, i.e., the day upon expiration of the deadline set forth in Paragraph 6 of this Article.

Article 10

Within 30 days from the day of receipt of Membership Application the Exchange shall adopt a decision on the given Application, by which it:

- (1) Accepts it, and the Applicant acquires the status of the Exchange Member, in case when conditions stipulated by these Rules for acquiring membership in the Exchange have been fulfilled;
- (2) Rejects it, in the event when it finds that the conditions for membership of the Exchange prescribed by these Rules have not been fulfilled;
- (3) Dismisses it, as uncomplete, in case where the Application is not made in terms of the provisions of Articles 8 and 9 of these Rules.

The decision referred to in Paragraph 1 of this Article shall be submitted to the Applicant and the Securities Commission and it shall be final, while administrative proceedings may be instigated against it in accordance with the Law.

In the event set forth in Paragraph 1, items 1 and 3 of this Article, a new membership application may be filed upon the expiry of 6 months from the day of adopting a decision at the earliest.

Article 11

The Applicant shall pay the membership fee and other fees in accordance with the Exchange Tariff Regulations to the Exchange account within 15 days from the day of adoption of membership application.

The decision from the Paragraph 1 of this Article comes into force and is applied on the day of fulfilling the obligation set forth in Paragraph 1 of this Article and is published on the Exchange website, while the Exchange signs an agreement from its side submitted along with the Application, by which Agreement is considered as concluded.

In the event the Applicant fails to meet the obligations from Paragraph 1 of this Article, the Exchange Board of Directors may set a subsequent deadline for fulfilling the said obligation, which cannot exceed one month. If the Applicant fails to meet the obligation from Paragraph 1 of this Article upon the expiry of the subsequently set deadline, the Board of Directors shall annul the decision on granting the Exchange membership status.

Provision from the Article 10 of this Rules shall apply to the decision from Paragraph 3 of this Article, accordingly.

Article 12

The Exchange shall be authorized to activate bills of exchange if the Exchange Member fails to fulfill or fails to regularly fulfill due financial and other obligations arising from the concluded transactions or provisions of the Rules, other Exchange regulation or the Tariff.

If the Exchange activates the bill of exchange, or there is a justified need to replace the said due to formal-legal deficiencies and/or irregularities identified during the examination of bill of exchange, damage, etc., the Exchange Member is obliged to deliver new bills of exchange and authorizations in the missing number up to five blank bills of exchange, within 8 working days at the latest, from the day Exchange invites him to do so.

Article 13

The Exchange member is obliged to constantly – at any time – fulfill the requirements from Article 7 of the Rules.

In the event the Exchange Member ceases to fulfill one of the requirements from Article 7 of the Rules, the Exchange shall inform the Member of the Exchange thereof with the invitation to ensure fulfillment of the given requirement as soon as possible, and in case it fails to act upon the Exchange invitation within the given deadline, the Exchange shall deliver proposal to the Board of Directors. Acting upon the proposal from this Paragraph, Board of Directors may establish a deadline, which cannot exceed two months, within which the Exchange Member is obliged to fulfill the said requirement. If the Exchange member fails to comply with the requirement from Article 7 of the Rules even upon the expiry of the set deadline, the Board of Directors shall pass the decision on membership termination.

Article 14

The Exchange Director is authorized to change or amend the decision of the Exchange Board of Directors on granting the membership in the event when the Exchange member changed his business name, the scope of his registered activities and/or registered business unit, in all in line with the decision of the Securities Commission on approving the rules of the Exchange Member pursuant to the changes made.

2. Exchange Member's Broker

Article 15

The Exchange Member's broker is a natural person authorized by the Exchange Member to participate in his name and for his account in concluding transactions on the Exchange and who was granted the trading licence by the Exchange decision pursuant to the written application submitted by the Exchange Member.

The Exchange Member's broker may solely be a person who along with the previous fulfillment of the conditions prescribed by the Law and by-laws for performing broker operations, fulfills the following conditions:

- (1) Is signed in the registry of the Securities Commission on persons who have been issued a brokerage license,
- (2) Is in the Exchange records as a person who was successfully trained to work on the BelexFIX.
- (3) Is a full-time employee at the Exchange Member (upon the expiry of trial period, if applicable), with a full-time working hour and has been appointed as a broker or a dealer,
- (4) Is not registered in the Exchange records on persons who were, in the period of two years preceding the submission of application from Paragraph 1. of this Article, in the disciplinary procedure pronounced a final measure prescribed by these Rules, i.e., that a disciplinary procedure, in terms of provisions of the Rules hereof, is not being carried out against him at the moment of application.

Notwithstanding the Paragraph 2 Item 2 of this Article, Exchange Member's broker may also be a person:

- (1) who is part-time employed as a replacement of a temporarily absent authorized broker, following the Article 37 of these Rules
- (2) who performs activities of one of the Exchange Member's directors, in accordance with the by-law and if not contrary to the Law.

Article 16

In addition to the application, the Member shall submit the following documentation and proofs:

- (1) confirmation of the Securities Commission that the broker is written in register of persons who have the brokerage licence,
- (2) confirmation of person's registration to obligatory social security within the competent registry and statement of the Member certifying that the person is employed for indefinite period (whom with the contract on trial period has not been signed, i.e., the trial period has expired), with a full-time working

- hours with the Member and that is assigned to a position of „a broker“ or „a dealer “,
- (3) Statement of the Member certifying that the person fulfills conditions for performing broker operations prescribed by the Law and by-laws,
 - (4) Member's decision on appointing the broker to conduct Exchange operations in his name and for his account and to access and use BelexFIX, with irrevocable statement that it accepts all broker's obligations as his own,
 - (5) Statement of the Member confirming that the collateral instruments of the Member submitted to the Exchange may be used as collateral instruments for executing obligations arising from the business transactions the broker has concluded at the Exchange,
 - (6) Proof of paid application fee for processing Application for issuing a trading licence in the amount established by the Exchange Tariff,
 - (7) Other documentation and evidence in line with the Rules.

The documentation and declarations set forth in this Article shall be made and submitted to the Exchange in accordance with Article 2 of these Rules; the statements shall be given irrevocably, under the full material and criminal liability of a declarant.

Article 17

The day of receipt of the Application for a Trading Licence is considered to be the day when the Application is received with complete and full documentation per Article 16 and Paragraph 3 of this Article, and the Exchange shall pass the decision within 30 days from the day of its receipt.

When deciding whether to grant the trading licence, the Exchange may consider the following:

- Number of issued trading licences within the same investment firm during the previous year,
- Number of trading licences issued to that person according to authorizations of the Exchange Members during the previous year,
- Number of investment firms the person was employed with during the previous year.

The Exchange may require additional evidence and documentation in order to consider the fulfillment of the requirements for issuing a trading licence and/or a cause of the circumstances set forth in Paragraph 2 of this Article.

The provisions of the Rules with respect to the decision on application for the Exchange membership are applied accordingly to the decision on granting the trading licence.

The decision on granting the trading licence transfers the Exchange Member authorization to a broker to perform operations at the Exchange in his name and in line with the Rules and other Exchange regulations.

The Exchange Member shall promptly notify the Exchange in writing of any change in the rights and responsibilities conveyed to its authorized broker, especially if the authorized broker is facing legal consequences such as conviction according to Law, or if his licence for a performing broker operation is revoked, as well as a change in facts based on which the person was issued a trading licence.

Article 18

The Exchange maintains a record of persons who were granted the trading licence, including the information about their successful completion of training to work on the BelexFIX. A person has been successfully trained for working in the BelexFIX if, after the training to work in the BelexFIX, it has correctly answered more than 50% of the total number of questions of the Exchange test on how to access to and perform the activities of a Stock Exchange Member through the BelexFIX.

The Exchange shall erase the information that the person was trained to work on the BelexFIX from the record set out in Paragraph 1 of this Article in the event of substantial and/or conceptual modifications of the Rules and/or functionalities of the BelexFIX.

At the request of the Exchange Member, the Exchange shall issue a certificate that the person (named in the request) was registered in the registry kept by the Exchange in terms of the provisions of this Article. The said certificate may also be issued at the personal request of a person from the Paragraph 1 of this Article.

The Exchange may also issue a certificate on the data from the records in terms of Paragraph 1 of this Article at the request of the body and persons requiring such information within the scope of their competence with respect

to public procurement, proceedings conducted by the competent authority for internal affairs, proceedings conducted before a competent court, investigation or criminal proceedings and in other cases when the Exchange assesses that acting upon the request for providing such data is reasonable or justified.

3. Termination of Membership

Article 19

The Exchange membership may be terminated for the following reasons:

- (1) at the written and reasoned request of the Exchange Member, under the conditions determined by the Rules (hereinafter: voluntary termination of membership),
- (2) In case the competent authority revokes the Exchange Member's working licence,
- (3) In case the Exchange Member fails to comply with the provisions of the Articles of Association, Rules of Business Operation and other Exchange regulations,
- (4) if the Exchange Member harms the reputation of the Exchange and other Exchange Members by its conduct, action and representations,
- (5) if the Exchange Member fails to harmonize its rules and business conduct with the Exchange regulations within the given deadline,
- (6) if the Exchange Member fails to submit the collateral determined by the Exchange regulations, along with the certification of the National Bank of Serbia as stipulated in Article 9, item (11) and Article 12, item 3. of the Rules,
- (7) by cessation of any of the requirements for acquiring the membership in line with the Rules,
- (8) if the Exchange Member, in spite of a warning, within the deadline set forth in the warning, which cannot be less than eight days from the day of receipt, fails to meet the financial obligations towards the Exchange,
- (9) in the event the Exchange Member was issued a permanent trading ban.

The Exchange membership can also be terminated if the Board of Directors concludes that the Exchange Member in its application and/or documents enclosed along with the membership application for the Member, i.e., the authorized broker, fails to state important facts or provided incorrect information.

Article 20

The Exchange membership status cannot be terminated before the expiration of trading orders placed to the BelexFIX, which have not been withdrawn in line with the Rules.

Exceptionally from Paragraph 1 of this Article, and in the event referred to in Article 19, Paragraph 1, item (2) of this Article, the Exchange membership status shall be terminated on the first next day upon receipt of the final decision of the competent authority on revocation of the working licence of the Exchange Member unless otherwise stipulated by the said decision, and the Exchange shall promptly withdraw his trading orders placed to the BelexFIX.

Article 21

In the event of requesting a voluntary termination of membership, along with the request, the Exchange Member – Applicant – shall submit to the Exchange the decision of the Exchange Member's competent body on the submission of request for termination of the Exchange membership, stating the reasons because of which the termination of Exchange membership is requested.

Upon receipt of request and decision from Paragraph 1 of this Article, the Exchange shall immediately suspend the right of the Exchange Member and its authorized brokers to use BelexFIX for placement of trading orders, unless otherwise stipulated by the Rules hereof.

Upon receiving the clients' orders for withdrawing the orders placed to the BelexFIX, the Exchange Member shall immediately submit the received orders to the Surveillance Officer but not later than the beginning of the first next trading session, so that they can be withdrawn from BelexFIX.

The Exchange shall pass the decision on the submitted request for voluntary termination of membership in terms of this Article upon the expiry or withdrawal of the Exchange Member's last trading order placed to the BelexFIX.

Provisions of this Article shall apply accordingly to the termination of membership for other reasons specified in the Article 19 Paragraph 1 of this Rules, unless otherwise regulated by this Rules.

Article 22

In the event of the status change due to which Member ceases to exist (hereinafter: Exchange Member-company in the process of cessation), its rights and obligations under the Exchange membership can be overtaken by:

- 1) Another Exchange member, or
- 2) Another company or bank, which by taking over the Exchange member - company in the process of cessation in the given status change procedure, ensures the fulfillment of the legal requirements for an investment firm in accordance with the general rules and regulations and the consent of the Republic of Serbia Securities Commission in accordance with this Article.

The common name for the entities referred to in Paragraph 1, items 1) and 2) of this Article is "Acquirer".

The Exchange shall not suspend the right of the Exchange Member - a company in the process of cessation, to access BelexFIX in terms of the provisions of Article 21 of these Rules.

Along with the request for voluntary termination of membership for the reasons referred to in Paragraph 1 of this Article, signed by registered legal representatives of the Exchange Member - company in the process of cessation and the Acquirer, which is submitted to the Exchange no later than 15 days before the date referred to in Paragraph 8 of this Article, the following shall be submitted:

- 1) resolution or agreement on a status change in part of the provisions from which the takeover by Acquirer of the business activities and operations of the Exchange Member - company in the process of cessation in performing investment services in accordance with the Law could be confirmed with certainty;
- 2) document on the dynamics of implementation of activities on a given status change with the specified date when the Acquirer takes over all rights and obligations of the Exchange Member - a company in the process of cessation,
- 3) prior consent of the Republic of Serbia Securities Commission regarding the change of the conditions from the license for performing the activity of investment company of the Exchange Member - a company in the process of cessation and the Acquirer,
- 4) evidence of payment of the membership fee in the shortened procedure in the amount determined by the Tariff.

In the case referred to in Paragraph 1 item 2) of this Article, in accordance with Article 9 of these Rules, the Contract on Exchange Membership (form and content of which are defined by the Exchange Director) shall be submitted to the Exchange, signed by the registered legal representatives of the Acquirer.

In order to take into consideration all conditions for termination, i.e. acquiring Exchange Membership status through a status change in accordance with the provisions of this Article, the Exchange may request additional evidence and documentation.

By the Decision the Exchange defines the day on which Exchange Membership of a company in the process of cessation, is terminated, and the date on which Acquirer shall gain the Exchange Membership in the case referred to in Paragraph 1, item 2) of this Article (hereinafter: Exchange Member Acquirer).

The membership status of the Exchange Member - a company in the process of cessation, shall terminate on the first next day after the the status change is registered with the authorised company register, while the Acquirer, by the date from this Paragraph, shall take over over all the rights and obligations of the Exchange Member – company in the process of cessation arising from its Exchange Membership and business operations on the Exchange, as well as the rights and obligations of the Exchange Member – company in the process of cessation arising from the contracts concluded with the Exchange.

With the day referred to in Paragraph 8 of this Article, the Exchange shall sign and certify the agreement submitted along with the request in accordance with this Article, on which date the contract is considered to be concluded.

The documentation set forth by this Article shall be made and submitted to the Exchange in accordance with Article 2 of these Rules.

Article 23

The decision on termination of membership is passed by the Exchange Board of Directors, and it becomes final as of the day of passing.

As an exception from Paragraph 1 of this Article, the decision on termination of membership may be passed by the Exchange Director in the case of voluntary membership termination:

- (1) upon completion of the procedure from Article 20 of the Rules and under the condition that the Exchange Member (who applied for voluntary termination of membership) has settled all outstanding obligations to the Exchange arising from its membership;
- (2) upon completion of the activities of status change of the Exchange Member in terms of Article 22 Paragraph 1 Item 1) of the Rules.

The decision on termination of membership shall contain the following:

- (1) reason for terminating the membership status;
- (2) date of termination of membership, by which the Exchange Member is obliged to settle all financial obligations toward the Exchange, as well as other obligations determined by the Exchange regulation and the said decision;
- (3) provision on handling procedure concerning the trading orders placed to the BelexFIX by the Exchange Member whose membership is terminated for reasons set out by Article 19, Paragraph 1, item (2)-(9) of the Rules, and in terms of Article 20 of the Rules.

Against the Director's decision referred to in Paragraph 2 of this Article a complaint may be filed to the Board of Directors within eight days from the day of its receipt, and complaint shall stay the execution of the decision. Decision of the Board of Directors to reject the complaint or reverse the decision of the Managing Director becomes final as of the day of passing the decision.

The decision of the Director from Paragraph 2 of this Article becomes final on the day of the expiry of the period of notice if the complaint is not declared, or on the day of the complaint's disclaimer if the Exchange Member waives the right to make a complaint, or on the day of the complaint's withdrawal, if the complaint is declared.

The Exchange shall deliver the decision on termination of membership to the Exchange Member and, after becomes effective, publish it on its website and notify the Securities Commission in the manner set forth in Article 10 of the Rules.

In in event of termination of membership, a new Membership Application may be submitted to the Exchange not earlier than three months from the day of membership termination.

4. Temporary suspension of a Member

Article 24

In case of a well-founded suspicion that the Exchange Member has committed an act prohibited by the Law, by-laws and the Rules and for which a procedure is underway for establishing the Member's responsibility for the said act, the Board of Directors may pass a decision on temporary suspension of the Member suspending the right of the Member to perform operations at the Exchange for the period which shall not be longer than one month.

The Board of Directors shall pass the decision from the previous Article on its own initiative or at the proposal of the competent commission before which the proceedings under Paragraph 1 of this Article are being conducted.

The temporary suspension of the Member in terms of Paragraph 1 of this Article:

- (1) shall terminate on the day when the decision of the competent commission, i.e., (second instance) decision of the Board of Directors passed in the said proceedings by which the suspended Exchange Member was relieved of responsibility or was imposed a sanction under the Rules becomes final.
- (2) shall continue until the expiry of the suspension period imposed by the final decision of the competent commission, i.e., (second-instance) decision of the Board of Directors, and the suspension period determined by the final decision in this procedure encompasses the period during which the Exchange Member was temporarily suspended in terms of Paragraph 1 of this Article.

In the event of a temporary suspension per the terms of this Article, the provisions of Article 21, Paragraph 3 of the Rules are applied accordingly to the Exchange Member's trading orders, unless otherwise specified by the Board of Director's decision set out in Paragraph 1 of this Article, i.e., by the decision set out in Paragraph 3 of this Article.

5. Temporary suspension of authorized broker status (cancellation of trading licence)

Article 25

Trading licence may be cancelled on following grounds:

- (1) by revocation of broker's authorization to perform exchange operations,
- (2) by cessation of any of the requirements for granting the licence,
- (3) in the event of termination of membership status of the Exchange Member who authorized him to perform operations at the Exchange.

The decision on cancellation of the trading licence is passed by the Exchange Director and a complaint may be filed against it to the Board of Directors within eight days from the day of receipt of the said decision. Complaint to the decision shall not postpone the execution of the decision.

6. Temporary suspension of Member's broker**Article 26**

In case of a reasonable doubt that the Exchange Member's broker has committed any of the acts prohibited by the Law, by-laws and the Rules, and with respect to which the proceedings to establish responsibility may be conducted or are being conducted against the said broker, the Board of Directors may pass a decision on temporary suspension of the Exchange Member's broker, suspending the right of the Exchange Member's broker to perform operations of an authorized broker in terms of the Rules.

The Board of Directors shall pass the decision under Paragraph 1 of this Article on its own initiative or at the proposal of the competent commission before which the proceedings from Paragraph 1 of this Article are being conducted.

The temporary suspension of the Exchange Member's broker in terms of Paragraph 1 of this Article:

- (1) shall terminate on the day when the decision of the competent commission, i.e., (second instance) decision of the Board of Directors passed in the said proceedings by which the suspended broker of the Exchange Member was relieved of responsibility or was imposed a sanction in compliance with the Rules, becomes final.
- (2) shall continue until the expiry of the suspension period pronounced by the final decision of the competent commission, i.e., (second-instance) decision of the Board of Directors, whereas the suspension period determined by the final decision in this procedure encompasses the period during which the Exchange Member was temporarily suspended in terms of Paragraph 1 of this Article.

Exceptionally, in case when a broker ceased to fulfill some of the conditions for issuing the license, prescribed by this Rules, or in case of occurrence of the event set out in Article 37 of the Rules, the Exchange shall by urgent procedure pass the decision on temporary suspension of the Exchange Member's broker.

The Decision from Paragraph 4 of this Article shall be passed by the Exchange Director, and the temporary suspension of the Exchange Member's broker shall continue until the establishment of the full facts based on evidence, documentation and publicly available data on the Exchange Member's broker, that is until the return of the Exchange Member's broker from the longer absence in terms of the Article 37 of the Rules.

7. Revocation of trading licence**Article 27**

The Exchange shall revoke the trading licence in the following cases:

- (1) Exchange Member's broker was issued a permanent ban for trading at the Exchange, and
- (2) Exchange Member's broker damages the reputation of the Exchange and other members by his conduct, action and representations.

The decision on revocation of the trading licence is passed by the Board of Directors.

The Exchange shall publish the decision from the Paragraph 2 of this Article on its webpage.

In case under Paragraph 1, Item 2) of this Article, the person whose licence has been revoked by the Exchange

cannot be issued another trading licence before the expiry of one year from the day of the Board of Director's decision.

8. Code of ethics

Article 28

In order to provide a fair and efficient operation of the securities market, Members shall at all times adhere to the principles of good business practice regulated by the Law and by-laws and follow the principles of the code of ethics:

1. Legality

Members are obliged to organize their business activities and execute them in compliance with all the regulations prescribed by the Law, by-laws and all the rules and regulations of the Exchange. This principle comprises the prohibition of executing business activities misusing the inside information;

2. Due Care

In operating with clients Members are obliged to act with due care, abiding by the rules of profession. This concept particularly applies to dealing with clients on the basis of full information on the client, as well as providing the client with all the information necessary for making the investment decision on the basis of complete information, taking into consideration and respecting the level of information and knowledge of the client;

3. Trustworthiness, Honesty and Fairness

Members are obliged to perform their business operations with the appropriate level of reliability and integrity and to make contacts with the public, clients, employees and other Members in the manner providing an honest and fair operation. This principle particularly comprises the respect of priorities of the client's interest, protection of the client's property, provision of complete and timely information as well as informing the clients on all actual and possible conflicts of interests in order to provide fair and unbiased dealing with clients. The Member is obliged to avoid conflicts of interests with the client and, if it is impossible, to provide a fair relation toward the client;

4. Professionalism

Members are obliged to perform their business activities in a professional manner which creates a model picture of their company and profession, as well as to maintain and improve their professional competences. This concept includes particularly the operational rules related to the activities with clients' orders, activities with the Member's orders and its employees and related persons, as well as continuous education of the participants in operations;

5. Confidentiality

Members are obliged to provide confidentiality of client data in compliance with the Law, by-laws and rules and regulations of the Exchange and the Members.

6. Prohibition of Unfair Competition

Members shall not use unfair competition, involving: dumping, unethical obtaining of information on competition and particularly spreading untrue information thereof. Members shall not use unfair forms of market cooperation, which are contrary to good business practice, particularly: price agreements, market division, boycott of clients, restriction in providing services or any form of clandestine agreements for the purpose of achieving a privileged market position.

9. Mutual rights and obligations of the Exchange and Member/Member's Broker

Article 29

All Members are equal with respect to their rights and obligations.

Article 30

The rights of a Member are the following:

- (1) to trade at the Exchange trading sessions through its authorized broker;
- (2) to use the facilities provided by the Exchange and the available Exchange equipment in compliance with the Exchange rules and regulations;
- (3) to use the BelexFIX in compliance with the Rules and other rules and regulations of the Exchange;
- (4) to have equal access to all information relevant for trading at the Exchange;
- (5) other rights determined by the Rules and other Exchange regulations.

Article 31

The Member is obliged:

- (1) to comply with the provisions of laws and by-laws, Exchange regulation and contract concluded with the Exchange,
- (2) to comply with the principles of ethical code prescribed by the Rules,
- (3) to perform the business activities at the Exchange in a professional manner, and conscientiously and in compliance with the good business practice and moral,
- (4) to notify the Exchange in writing, without delay, on any change in its authorizations, rights, obligations and responsibilities in legal transactions, and particularly on changes related to conditions on the basis of which the Member has been granted the Membership approval of the Exchange, and on changes of data from the membership Application and request for the trading licence, including documentation submitted along with the said applications,
- (5) to pay the membership fee and commission on the transactions concluded at the Exchange and other fees determined by the Exchange Tariff,
- (6) to execute all obligations with respect to transactions concluded at the Exchange, including the settlement of concluded transactions subject to valid regulations,
- (7) other obligations stipulated by the Rules and other Exchange regulations.

Article 32

The Member shall mark its offices in such a way as to eliminate any confusion by their clients as to the entity they are doing their business with and the same obligation applies accordingly in cases when the Member concludes a contract with another investment firm in compliance with the Law.

The Member shall notify the Exchange of the contract concluded with another company in compliance with the Law without delay. The Member is fully responsible for the accuracy of the trading orders entered into the BelexFIX, including the trading orders it received from another investment firm under the contract from Paragraph 2 of this Article.

The provision of Paragraph 1 is applied accordingly if the Exchange Member's business premises are located within the same business premises as the other companies or entities, and they can be separated by dividing walls, but the company name must be displayed at the entrance.

The Member shall display in public and on his website his working hours with clients and shall previously without delay notify the Exchange of every change concerning his working hours with clients.

Article 33

The Member shall not give counsels and recommendations, issue or distribute written materials, nor use the media at the expense of the interest and reputation of the Exchange or any other Member.

The Member may state the fact that it is the Member of the Exchange on its business letters or website and may, with prior written consent of the Exchange, use the Exchange logo in a manner which does not mislead the third parties into believing that they are dealing with the Exchange.

Article 34

The Member is particularly obliged:

- (1) to restrain from misuse of inside information which is not available to all the participants at the Exchange;
- (2) to place the client's trading order in compliance with the Law, by-laws and the Rules;
- (3) to refrain from participating in artificial formation of the price of securities;
- (4) to submit to the Exchange the data on the transactions concluded by the Member outside the Exchange for record keeping, in compliance with the Law, by-laws and the Rules;
- (5) to regularly and timely submit to the Exchange the information and documents as stipulated by the Law, by-laws and the Rules;

- (6) to submit the information, data, reports and other relevant evidence essential for protection of the integrity of the securities market and interest of participants in trading, which particularly involves their submission in line with the requirements of the surveillance and control conducted by the Exchange subject to the Rules;
- (7) to notify the Exchange of changes of related entities and operations from registered activity, as well as of the intention of foundation of another legal entity with a significant interest;
- (8) to promptly submit to the Exchange a detailed report in case of:
 - 1) change in business operation, solvency and liquidity, including the possibility of becoming insolvent or if it has already become insolvent; change of the head or branch offices; amount of share capital, change in the legally prescribed percentage for acquiring a qualified interest in the capital of the Exchange Member; change in other data entered into the competent register of economic entities; change in the interest in other legal entity;
 - 2) legal action taken against the Member by the authorized government authority or by another Exchange it is the Member of
- (9) to take care of the good reputation of the Exchange during public appearances as well as in the business activities at the Exchange;
- (10) to adjust the time in the local computer network with the time of BelexFIX.

All data, reports, documentation and proofs submitted to the Exchange shall be complete, true and correct, and in all shall be timely submitted within the period and in the manner prescribed by the Exchange.

Article 35

The Member shall make the provisions of the Law, by-laws, Rules and other Exchange regulations known to its employees who conduct operations related to the Exchange trading and/or access the BelexFIX.

The Member shall ensure that its employees comply with the rules of business practice prescribed by by-laws.

The Member, i.e., the Member's employee, shall promptly notify the Exchange in case a Member or any other participant at the Exchange:

- (1) violates the Law and/or by-laws and/or the Rules;
- (2) does not comply with the ethical code principles stipulated by the Rules;
- (3) if the Member suspended its broker or restricted his authorizations, as well as of the occurrences of events set out in Article 37 of the Rules.

The Exchange Member's employee shall promptly, without delay, notify his employer of the events referred to in Paragraph 3 of this Article.

Article 36

The rights and obligations of a Member's broker arise from the rights of the Member represented by the broker.

In addition to the rights and obligations from Paragraph 1 of this Article, the Member's broker has the following obligations:

- (1) to conduct his business with clients and at the Exchange in compliance with the principles of a secure and good business practice;
- (2) to maintain the reputation of the Exchange in its business operations and in public;
- (3) not to misuse the certificate assigned to the Exchange Member, user name and password with which he accesses and uses the BelexFIX exclusively personally, nor to reveal them or in any other way make them available to other persons.
- (4) to notify the Exchange of noted irregularities related to the BelexFIX (technical errors, i.e. defects).

Article 37

The Member shall promptly, without delay, notify the Exchange of the following:

- (1) cancellation of the employment contract concluded between the Exchange Member and the authorized broker,
- (2) occurrences due to which the Member's authorized broker temporarily, for a period exceeding one month, shall not perform the activities with the Member (sick-leave, absence in accordance with the rules regulating working relations, dormancy of employment and the like).

In the case set out in Paragraph 1, item 2) of this Article, immediately upon the Member's notification, the

Exchange shall suspend that person's access to the BelexFIX until receipt of notification on the cessation of reasons for imposing the suspension, in accordance with the rules regulating working relations and for the purpose of replacing temporarily absent authorized broker who is still employed by the Member of Exchange for indefinite time, Member of the Exchange may employ another person for a definite period of time for performing broker or dealer operations, provided that other requirements prescribed by these Rules for issuing trading license have been met.

In the event that the Member prior to the occurrence from Paragraph 1 of this Article performed operations at the Exchange with the minimum requirement with respect to the professional qualification for membership (two authorized brokers), the Member shall cease to fulfill the said condition:

- (1) on the day of the expiry of the period of notice in the case set forth in Paragraph 1, item 1) of this Article, i.e.,
- (2) on the day of the commencement of temporary absence as set forth in Paragraph 1, item 2) of this Article.

If the Member ceases to fulfill the requirement of professional qualification for membership in terms of Paragraph 3 of this Article, it shall provide the fulfillment of the said condition as soon as possible.

The Exchange Board of Directors shall take into consideration the conduct of the Member with respect to the obligation from Paragraph 4 of this Article when deciding whether to establish the appropriate deadline stipulated by Article 13 of the Rules and for how long.

Article 38

The Member shall receive and act in all with the clients' orders in compliance with the Law, by-laws, the Member's regulations, the Rules and other Exchange regulations.

The provisions of Paragraph 1 of this Article particularly refer to the manner of receipt of trading orders, elements of trading orders, as well as handling of the received client's orders.

The Member shall place trading orders at the Exchange in line with authorizations contained in the decision on the Exchange Membership and the decision on granting the trading licence to its authorized broker.

The Member shall adjust the record keeping and standardize the forms according to the form prescribed by the Exchange and shall develop internal procedures for handling the client's trading order in accordance with the Law, by-laws and his regulations.

Article 39

The Member is fully responsible for executing the obligations arising from the trading orders and for handling the trading orders and is liable for the damage suffered by the client and/or other participants in trading and the organization of trading arising from his incorrect, irresponsible or negligible handling of the client trading order, i.e., contrary to the provisions of the Law, by-laws and his regulations.

The Member shall put the interests of his clients before his own interests when performing his registered activities and providing services to clients and shall conduct his business operations in a fair, honest and professional manner, in the best interest of the client, in compliance with the provisions and principles prescribed by the Law, by-laws and the Rules.

The Member shall regulate with its regulations the schedule of placing clients' orders at the Exchange as well as the schedule of placing, during the same trading, orders of clients; orders of his brokers, employees and members of the management body, as well as members of their close family; orders of brokers of other broker-dealer companies and authorized banks; and shall determine the way of handling the orders when the Member acts as a broker or a dealer at the same trading.

10. Market makers

Article 40

Pursuant to the Rules, Market Maker is a Member of the Exchange who fulfills legally prescribed criteria and who has concluded the contract on market making with the Exchange obliging him to continually and for his own account, within the period of time during the trading session specified in the contract, simultaneously submits

buying and selling orders for securities defined by the contract, under the conditions defined by the decision of the Exchange Director.

Article 41

The contract referred to in Article 40, whose content is determined by the Exchange Managing Director, defines the following:

- (1) detailed rights and obligations of Market Makers and the way of fulfilling the conditions of the decision set out in Article 40 of this Rules, individually for each of the securities;
- (2) date of the first trading session when the contractual obligations from Paragraph 1 of this Article shall begin.

The Exchange shall inform the issuer of the securities specified in the contract about each of the concluded contracts from Paragraph 1 of this Article in writing, immediately after conclusion of the contract. The Exchange shall publish the information concerning the concluded contract on its webpage.

Article 42

The Exchange may conclude the contract from Article 40 of the Rules, concerning the same security, simultaneously with a number of Members.

Article 43

The Member of the Exchange - Market Maker shall not place trading orders which would result in a transaction in which he would simultaneously be the seller and the buyer.

Article 44

Each decision concerning any change in the requirements for performing the market making activities must be published not later than eight days before coming into effect.

Article 45

The Exchange Director can suspend a concluded contract or certain provisions of a concluded contract on market making:

- 1) if the Exchange Member who has concluded such contract:
 - (1) makes such justified proposal in case of failing to fulfill his contractual obligations;
 - (2) fails or is objectively unable to not perform his contractual obligations defined by the contract, or
 - (3) violates other provisions of the Rules and other Exchange regulations;
- 2) In the event it is necessary for the purpose of protecting the interest and safety of participants in trading.

The suspension from Paragraph 1, item 1 of this Article can be withdrawn only in case of a written request of the Member whose rights under the contract on market making are suspended, with enclosed explanation concerning the fulfillment of obligations from the cited contract.

Article 46

The Exchange Director may terminate a market making contract in the following cases:

- a) if the Member violates the market making contract, the Rules and other Exchange regulations, or
- b) if it is necessary to ensure security of trading or secure the interests of other participants in trading.

Article 47

In cases from Articles 45 and 46 of the Rules, the Exchange shall notify the issuer of the securities from the market making contract in writing of the measures taken, as well as the Member with whom the contract is concluded. The Exchange shall publish the information concerning the measures on its website.

1.1. Resolution of disputes between Exchange and Members and disputes between Members

Article 48

The Exchange and the Member shall try to resolve all mutual disputes in an amicable way, and if it is not possible

shall refer the case to the competent court in Belgrade.

Article 49

The Exchange Arbitration may be formed by the decision of the Exchange Assembly for the purpose of a resolution of disputes between the Members with respect to transactions concluded at the Exchange in an amicable way through mediation.

The Exchange regulations more closely define the constitution of the Arbitration and the codes of the arbitration procedure.

IV SUPERVISION OF EXCHANGE MEMBERS' OPERATIONS

Article 50

The Exchange shall supervise and control trading on the Exchange and business operation of Members related to the activities they perform on the Exchange, and shall take measures within its competence in order to provide an organized, uninterrupted, fair and efficient operation of the Regulated Market, i.e., MTP Belex. The Exchange Board of Directors may adopt special instructions for the performance of supervision and control.

Article 51

The supervision and control in terms of Article 50 of the Rules is conducted by:

- 1) the Exchange employee who is appointed to the position of performing supervision and control in terms of Article 50 of the Rules (hereinafter: Surveillance Officer),
- 2) another person in accordance with the provisions of the Rules.

Article 52

The person referred to in Article 51, Paragraph 1, item 1) of these Rules, which is a "Surveillance Officer", within the meaning of the provisions of these Rules, shall have at least three years of work experience in securities operations, college or university degree and fulfill the conditions prescribed by these Rules with respect to the granting of the trading licence.

Article 53

In the procedure of supervision and control in terms of Article 50 of the Rules, the Exchange Director may authorize other persons in writing to collect and process the data and documentation related to the business activities, employees or property of the Exchange Member.

Article 54

The Member and his employees shall provide the persons from Article 51 of the Rules with the information, documentation or give a statement with respect to the issue under control and shall not prevent the persons from Article 51 of the Rules from performing the supervision and control of the Member.

Article 55

The Member and his employees shall enable access to their business premises and to the business books, records and other documents necessary for control.

Article 56

Should the control performed in line with the Rules establishes irregularities in the business activities of the controlled Exchange Members, the control expenses shall be borne by the Member in the amount of justified actual expenses of the Exchange employees who performed the control and supervision, such as travel expenses, daily allowances, accommodation and other justified expenses necessary for residing at a place and performing control and supervision.

Article 57

The Rules closely define the manner of supervision of the trading in securities included in the Regulated Market

segments, i.e., MTP for the purpose of preventing and detecting the Member's failure to comply with the Rules, particularly the rules and procedures for detecting and preventing market abuse.

V EXCHANGE MARKETS

Article 58

The Exchange organizes and manages:

- (1) Regulated Market composed of:
 - 1) listing segments (hereinafter: Listing)
 - 2) non-listing segment – Open Market
- (2) Multilateral Trading Platform – MTP Belex.

Article 59

On the Regulated Market and the MTP Belex trading is organized for financial instruments allowed for trading on the capital market according to the Law.

Exceptionally from Paragraph 1 of this Article, short-term debt securities shall not be traded on Listing segments.

Article 60

Securities admitted to trading on the Regulated Market and the MTP Belex are grouped (segmented) according to conditions and criteria for admission to trading to Regulated Market or MTP Belex respectively; types of securities; trading methods; phases and duration of trading phases; trading orders, as well as other market elements (hereinafter: market segments).

VI ADMISSION OF SECURITIES

1. Regulated Market

Article 61

Securities may be admitted to the Regulated Market, upon the request of the issuer to one of the segments from Article 58, Paragraph 1, Item (1) of the Rules, determined by the submitted request.

If the request from Paragraph 1 of this Article is submitted for admission of securities to the Listing, the securities are admitted to the specified listing in line with the Exchange regulations governing the conditions and procedure for admission of securities to the Listing.

Securities shall be admitted to the Open Market in case they do not fulfill the conditions for admission to the Listing in terms of Paragraph 2 of this Article, or the Open market is specified by the request from Paragraph 1 of this Article.

In case the security does not fulfill the conditions for admission to one of the segments of the Regulated Market, they are admitted to the MTP Belex.

Article 62

The conditions and procedure for admission of securities to the Regulated Market listings, as well as other issues related to the Regulated Market listings, are regulated by the Listing Rules (hereinafter: Listing Rules).

Article 63

The activities prescribed by the Rules and the Listing Rules concerning the decision on admission of securities to the Regulated Market listings, as well as other activities concerning the Regulated Market listing are performed by the Listing Committee in line with the Listing Rules, unless otherwise stipulated by the Rules and the Listing Rules.

The activities prescribed by the Rules with respect to the decision on admission of securities to the Open Market and the MTP Belex, as well as other activities related to this market segment and the MTP Belex, are performed

by the Exchange Director in accordance with the Rules and other acts of the Exchange, unless otherwise stipulated by the Rules and other acts of the Exchange.

As an exception from Paragraph 2 of this Article, the decision on admission of securities to the Open Market is passed by the Listing Committee if the securities for which the request for the admission to listing has been submitted do not fulfill the conditions stipulated by the Exchange Listing Rules.

2. Open Market

Article 64

In order for the securities to be admitted to the Open Market, as well as continuously during the quotation of securities on the Open Market, the issuer is obliged to meet the following requirements:

- (1) the issuer did not enter the procedure of liquidation or bankruptcy,
- (2) for shares and depositary receipts alternatively, at least:
 - 1) EUR 300,000 – amount of the equity capital, i.e., book value of the capital according to the financial statements from the last accounting period preceding the submission of request from Article 61 of the Rules or the amount of the market capitalization of shares traded on the other segment of the Regulated Market, or MTP, or
 - 2) 15% of shares in free float;
- (3) for debt securities value of issue of at least – EUR 200.000.

Exceptionally from Paragraph 1 of this Article, the Exchange may approve admission of the issuer's securities to the Open Market if the Exchange determines that it is in the interest of the issuer or the investor, considering the minimum amount of capital, i.e., market capitalization and the percentage of the issuer's shares in free float.

The issuer shall be obliged to execute the obligations set out in Article 67 of the Rules continuously during the quotation of securities on the Open Market in a regular and timely manner.

Article 65

The procedure for admission of securities to the Open Market begins with a completed application form for admission to the Open Market, whose content and form are determined by the Exchange Managing Director, which shall refer to all issued securities of the issuer of the same ISIN – a unique securities identification number (hereinafter: ISIN).

Along with the request for admission to the Open Market, the applicant shall submit the following documents:

- (1) Issuer's Profile Document – document outlining the basic data on the issuer and the securities, composed according to the decision of the Exchange Board of Directors which regulates the form, content, manner of outlining data in the Issuer's profile and other issues relevant to the admission of securities and organization of trading (hereinafter: Exchange decision on Issuer's Profile Document).
- (2) Issuer's Prospectus – approved by the Securities Commission, for the securities requested to be admitted to the Open Market, which is valid in terms of Article 22 and 33 of the Law, or
 - 1) issuer's statement that he uses his right to be excluded from the obligation of publishing a Prospectus according to the Article 13 of the Law, in which case he shall outline in the Issuer's profile the important characteristics of the securities to be admitted to the market, description of the rights contained therein and the quantity, or
 - 2) issuer's statement that he uses the exception from Article 5 of the Law, concerning the obligation to obtaining a decision, approval or permits issued by the Securities Commission with respect to the issuing and admission of securities included to the Exchange, with the obligation of providing data in the Issuer's Profile in terms of item (2), sub-item 1) of this Article;
- (3) two blank bill of exchange – collateral for securing execution of the issuer's financial obligations to the Exchange with respect to the organization of securities trading on the Open Market, with authorization of disposal thereof, and certification of the National Bank of Serbia confirming the registration of the collateral (bill of exchange/authorization) pursuant to the law and decisions of the National Bank of Serbia;
- (4) copies of all decisions, approvals and permissions issued by the Securities Commission approving the admission of securities to the market;
- (5) document certifying the opening of the issuing account and registration of securities into the Central Securities Depository and Clearing House (hereinafter: the Central Registry);
- (6) report of the public offering of securities which should be admitted to the Regulated Market, in case when the admission is preceded by public offering of the said securities;

- (7) the issue's guarantee, if the issue is guaranteed;
- (8) for standardized derivatives – standard, as well as the data on the underlying instrument of the derivative;
- (9) proof of paid application fee and fee for admission of securities to the Open Market in the amount specified by the Tariff Regulations.

The documentation referred to in Paragraph 2 of this Article prepared by the issuer must be composed and certified within the meaning of Article 2 of these Rules, and the statements shall be given under the full material and criminal responsibility of the declarant.

Along with the Application for Admission to Open Market, the applicant shall enclose the Contract on Admission of Securities to the Open Market, signed by the authorized persons of the issuer, and certified in accordance with the issuer's acts.

In order to properly consider all requirements for admission and organization of securities trading, the Exchange may require additional evidence and documentation from the issuer.

Instructions on the procedure and manner of delivery of documentation from Paragraph 2 of this Article and the manner of communication of the applicant, i.e., issuer with the Exchange concerning the admission and organization of securities trading at the Exchange shall be passed by the Exchange Director.

In the event when the issuer, the applicant for admission to the Open Market has outstanding financial obligations towards the Exchange from the previous period, he is obliged to settle it by the date of submission of the given Application in everything in accordance with the invoices or executive decisions of the competent authorities, including those financial obligations which in the meantime have become obsolete.

Article 66

The applicant for admission on the Open Market may be defined an additional deadline for acting upon and regulating the said Application in a case when:

- 1) it fails to submit the application and documentation in accordance with the Guidelines of Article 65 of these Rules, or
- 2) The application and the documentation are neither not correct nor complete in terms of Article 65 of these Rules.

The deadline referred to in Paragraph 1 of this Article cannot exceed 15 days. Exceptionally, on a written reasoned request by the Applicant, the Exchange may extend the period of time from Paragraph 1 of this Article, but not longer than one month.

In case that an Applicant for admission to the Open Market does not act and fails to eliminate the deficiencies in terms of Paragraph 1 and 2 this Article, after the expiration of deadline determined in accordance with this Article, the Exchange shall reject, by the decision, such application as incomplete and shall distribute it to the applicant and the Securities Commission. The applicant will be alerted to this consequence in the invitation to make the application complete.

Day of the receipt of a complete Application for admission to the Open Market shall be considered as the day of receipt of the Application with full and complete documentation in accordance with Article 65 of these Rules and according to Paragraph 1 and 2 of this Article.

Article 66a

By receiving a complete application for admission to the Open Market, within 5 working days of receipt of the Application in terms of Article 66 Paragraph 4 of these Rules, the Exchange shall:

- 1) adopt a Decision on the admission of securities to the Open Market - if the conditions defined by these Rules for admission in the Open Market are fulfilled;
- 2) adopt a Decision on the admission of securities on the MTP Belex, when the conditions defined by these Rules for admission in the Open Market have not been met;
- 3) adopt a Decision on rejecting the application when it is determined that the conditions defined by the Law, bylaws and these Rules for the admission of securities in the Open Market or MTP Belex are not fulfilled.

The Decision from Paragraph 1 of this Article, the Exchange shall be delivered to the Applicant and submitted to the Securities Commission within three working days of its adoption.

Upon the adoption of the Decision referred to Paragraph 1 item (1) and (2) of this Article, the Exchange and the issuer shall conclude an Agreement on the admission of securities to the Open Market or MTP Belex. The Exchange publishes on its website the list of the issuers and the type of securities included to the Open Market or MTP Belex.

Until the decision of the Exchange, per the submitted application for admission of securities to Open Market in terms of Article 66 of these Rules and the provisions of this Article, is made, the issuer may withdraw its request, of which is obliged to submit to the Exchange a written statement signed and certified by the legal representative of the issuer, in which case the Exchange adopts a decision to discontinue the procedure and informs the Securities Commission thereof.

Article 66b

In case of a new issue of securities of the same ISIN as the securities already included on the Open Market or MTP Belex, upon receiving notification on registration in the Central Registry, the Exchange shall invite the issuer to submit to the Exchange a Request for a Change of Number of Securities Included in the Open Market, in accordance with the Law and these Rules.

In addition to the request from Paragraph 1 of this Article, issuer shall submit to the Exchange an updated Issuer's Profile containing data on the securities registered with the Central Registry and changes and supplements to the documentation from Article 65 of the Rules.

In case when the issuer fails to comply with the invitation from the Paragraph 1 of this Article, the Exchange shall release on its webpage information about inconsistent data on securities number registered in the Central Registry and included on the Open Market, or MTP Belex, and shall inform the Securities Commission thereof.

The provisions of this Article shall apply accordingly in the case of a reduction in the number of securities included in the Open Market or MTP Belex.

3. Obligations of issuer whose securities are admitted to the Open Market

Article 67

The issuer whose securities are admitted to the Open Market is obliged to comply with the obligations stipulated by the Law, by-laws and the Rules continually during the quotation of securities on the Open Market.

The issuer shall submit to the Exchange, in line with the Law and by-laws, the following:

- (1) annual report for the previous business year;
- (2) semi-annual report for the current business year;
- (3) annual document on published information;
- (4) report on a new share issue, including the information on a new allocation, subscription, cancellation or replacement of shares, as well as on a new issue of debt securities, particularly on the insurance or guarantee concerning the issue;
- (5) additional reports and information at the request of the Exchange, which the Exchange considers important for protecting the investors and securing a correct, efficient and transparent trading in the given securities at the Exchange;
- (6) other prescribed data (reports, information, decisions) in compliance with the Law and by-laws;
- (7) report on any fact or circumstance (which has not been deemed a publicly available fact and circumstance) which may have a significant effect on the business activity of the issuer or on the price of its securities included on the Open Market, unless disclosure of such fact or circumstance has been delayed in accordance with the Law and By-Laws, in which case it is treated as insider information.

In addition to the reports and notifications from the Paragraph 2 of this Article, the issuer of shares shall be obliged to submit to the Exchange the following:

- (1) reports on changes in the rights arising from shares, for each particular class of shares, including changes in the rights arising from derivatives issued by the issuer, which give the right to acquire its shares;
- (2) report on changes in significant share in the issuer's capital;
- (3) notification on acquisition and disposal of own shares;
- (4) notification on holding the assembly meeting, with invitation to the meeting in line with the Law that regulates Business Companies and the Law, including the proposal for modifications of the issuer's Articles of Association or Memorandum of Association if the said meeting should decide thereon;
- (5) notification on distribution and payment of dividends,

(6) other notifications and information defined by the Law and By-Law regulation.

In addition to the reports and notifications from the Paragraph 2 of this Article, unless otherwise stipulated by the Law, the issuer of securities which are not shares shall also submit to the Exchange reports on changes in the rights arising from the securities, including the changes in the conditions which might indirectly affect the changes in the rights of the securities, particularly changes concerning the borrowing terms and interest rate.

The reports and notifications in terms of provision of this Paragraph shall be submitted by the issuer to the Exchange all in the manner defined by the Instruction referred to in the Article 65, Paragraph 6 of the Rules, within the deadlines prescribed by the Law, By-Laws or this Rules, and in case there is no deadline prescribed the said shall be delivered immediately without delay.

If the issuer's report or notification contains data defined as part of the content of the Issuer's Profile, along with the delivered report or notification the issuer shall enclose the Issuer's Profile updated with the said data in line with the Exchange decision on the said Profile.

The issuer shall submit to the Exchange, no later than 30 April of the current year, the Issuer's Profile updated with the data from the annual financial report for the previous business year.

If the Issuer's Profile in terms of Paragraph 7 of this Article is updated with the data from the annual financial report which has not been audited, the said Profile shall contain a note that the data provided in the Profile is from a non-audited annual financial report, until the date of submission of the audit report.

Unless otherwise stipulated by the Law, the provisions of this Article are applied accordingly to the obligations of the issuer whose securities are included in the MTP Belex.

Article 67a

The Exchange shall post on its website reports, information, decisions, notices and other prescribed information submitted by:

- 1) the issuer in accordance with the Law and the provisions of these Rules,
- 2) other persons, through the Exchange Member, in order to fulfil their obligations in accordance with the law and reporting of the Regulated Market.

Disclosure referred to in the Paragraph 1 of this Article, Exchange shall publish no later than the next working day from date the said was submitted to the Exchange provided that the person referred to in Paragraph 1 of this Article has submitted to the Exchange document for publishing in all in accordance with these Rules and Instructions on the procedure and manner of delivery of documentation referred to in Article 65 of these Rules.

Notwithstanding the Paragraph 2 of this Article, Exchange shall publish the Issuer's Profile on its website, updated in accordance with Article 67 of these Rules, as soon as possible upon its submission to the Exchange, after performing logical and computational check.

In accordance with the Law, Exchange shall not check the accuracy of the information provided by the issuer and is not responsible for the accuracy and integrity of the data specified in any part of the document referred to in Paragraph 1 of this Article.

4. MTP Belex

Article 68

Securities are admitted to the MTP Belex by the decision passed in accordance with Article 66a, Paragraph 1, item (2) of the Rules.

The securities excluded from the Open Market due to the following may be admitted to the MTP Belex:

- (1) securities admitted to the Open Market ceased to fulfill the requirements from Paragraph 1, item 2 of Article 64 of the Rules;
- (2) a particular security has not been traded on that segment of the Regulated Market for at least 180 days;
- (3) upon decision of the Exchange pursuant to Article 173 and 174 of the Rules;
- (4) issuer fails to properly fulfill his financial obligations towards the Exchange with respect to the

- organization of securities trading on the Open Market;
- (5) per request of the Securities Commission in compliance with the Law, and
 - (6) in other cases, specified by the Rules.

As an exception from Paragraph 2, item (1) of this Article, with respect to Article 64, Paragraph 2 of the Rules, the Exchange shall not exclude a security from the Open Market if it assesses that it is in the interest of the issuer or investor, considering the minimum amount of capital, i.e., market capitalization and percentage of issuer's shares in free float.

Article 69

The Exchange shall review the fulfillment of the requirements from Article 68, Paragraph 2, Items 1) and (2) on the 20th day of each calendar month while the continuation of trading in securities excluded from the Open Market by the Exchange decision based on the given grounds is organized on the MTP Belex from the first working day of the next calendar month.

During the period between the review and the day of continuation of trading on the MTP Belex in terms of Paragraph 1 of this Article, trading in the particular securities shall be organized on the Open Market.

Article 70

Securities excluded from the Open Market based on the grounds stated in Article 68, Paragraph 2, item (3), with respect to Article 172, Paragraph 1, item (3) of the Rules, are marked on the Exchange website with a special mark 'BI' (without Issuer's Profile).

Article 71

Securities excluded from the Regulated Market listing, i.e., Open Market based on the grounds set forth in Article 68, Paragraph 2 of the Rules may be admitted to the Regulated Market upon a new Application of the issuer, provided the issuer fulfilled the requirements for the said segment of the Regulated Market.

With respect to the Exchange procedure concerning the admission of securities into the Regulated Market segments in terms of Paragraph 1 of this Article, the provisions of Articles 61-67 of the Rules are applied accordingly.

VII TRADING AT THE EXCHANGE

Article 72

The Decision on Admission of Securities to the Regulated Market or the MTP Belex defines the segment and the market segment of the Regulated Market or the MTP Belex, trading method, indicative price for the first trading, first trading date, as well as the manner of expressing the price of a security in terms of the Rules.

Article 73

The indicative price for the first trading in securities under the Rules is determined according to the following criteria, in the amount of:

- (1) book value of the share in line with the Rules or equal to the price from the contract on the sale of capital in the process of privatization, by which the investor (buyer) is obliged to pay the minimum buying price of shares, if the price from the contract is higher than the book value of shares;
- (2) issuing price of the security in the initial public offering pursuant to the Law.

As an exception to Paragraph 1 of this Article, the indicative price for the first trading in shares is determined upon the explained proposal of the issuer, or Applicant, at the level of:

- (1) price established by the decision of the issuer's assembly, which is higher than the book value of the share and equal to the estimated value of the share established by the law, provided the said valuation is given in the period not longer than 6 months before the date of submission of the request from the Article 65 of the Rules and that it is published on the issuer's website, or
- (2) last reference price of the security (closing price, single auction price, etc.) executed on another Regulated Market or the MTP in the Republic, provided it was executed in the period which does not precede the submission of the Application by more than three months, or
- (3) the price reasonably defined by the Applicant for admission in accordance with these Rules, where:

- (1) the issuer is a company that neither does not have, nor did not have, a legal obligation to be admitted to the organized market in accordance with legal regulations,
- (2) the decision to sell capital via organized market was made in accordance with the regulations governing privatization,
- (3) the book value of shares is negative.

The indicative price for the first trading in debt securities issued by the Republic of Serbia, as well for the other financial instruments, is determined as the price from the application for admission of the said instruments reasonably defined by the applicant.

The indicative price for the first trading in shares and depositary receipts cannot be lower than 10 dinars.

The indicative price for continuation of trading in securities on the other segment of the Regulated Market, i.e., the MTP Belex in line with the provisions of the Rules is determined at the level of the closing price, i.e., at the level of the auction price method established at the last individual trading session organized for trading in the given securities.

Article 74

When the indicative price for the first trading in securities on the Regulated Market is established at the level of the book value of shares, it is expressed in the decision referred to in Article 72 of the Rules at the level of the book value of shares expressed in the Issuer's Profile, which is determined in everything by the Exchange decision on the Issuer's Profile.

Article 75

Trading in securities (hereinafter: trading) shall be organized for all securities pursuant to the Law, by-laws and the Rules.

If the issuer has a number of securities admitted to the Exchange:

- (1) securities of the same type and class (with the same ISIN) are traded on the same segment of the Regulated Market, i.e., the MTP Belex,
- (2) securities of a different type, or the same type but different class (established from the data in the Central Registry) are traded separately for each type or class of securities, for each ISIN, with a clear distinction between the rights in the particular issues stated in the issuer's prospectus, and the said securities may be traded on different segments of the Regulated Market or the MTP Belex.

The issuer of securities traded on the Regulated Market shall previously notify the Exchange of the submission of an application for admission of the securities to another Regulated Market, or MTP, unless the applicant is another person.

Article 76

Trading is organized by segments and market segments of the Regulated Market, or the MTP Belex to which the securities are admitted, in the following manner:

- (1) on the Regulated Market – continuous trading method,
- (2) on the MTP Belex – continuous trading method and auction price method.

Trading is organized at trading sessions within the Regulated Market and the MTP Belex (hereinafter: trading session) and is executed in BelexFIX.

Article 77

Trading sessions are held according to the Exchange calendar determined by the Exchange Board of Directors.

As an exception from Paragraph 1 of this Article, in case of extraordinary circumstances, i.e., circumstances which could not have been planned when the decision referred to in Paragraph 1 of this Article was passed, due to which the Exchange is required to act promptly, the Exchange Director may establish a different calendar of trading sessions for each market segment from the calendar from Paragraph 1 of this Article. The Director's decision shall be published on the Exchange website.

The decision from Paragraph 2 of this Article, on the grounds of justified reasons requiring a prompt decision,

which were established during the adoption of the decision, shall come into force immediately, or not later than the next working day from the day of passing the decision.

The duration of the trading phases within a particular trading method, i.e., beginning, duration and ending of particular phases within a particular trading method shall be established by the Director or a person authorized by the Director by his/her decision for each segment of the Regulated Market and the MTP Belex, i.e., for each security.

1. Trading orders

Article 78

The elements of a trading order are the following:

- 1) unique identification of the Member (the order-issuing party),
- 2) mark of the security (name or symbol),
- 3) mark of the number of an order from the Member's Order Book (the order-issuing party),
- 4) mark of the type of transaction (buy or sell),
- 5) quantity of the security,
- 6) mark of the order type by price, with price determination,
- 7) mark of the time duration of the order, with expiration day for Good-till-Day Orders,
- 8) identification of a client from the trading order in the manner prescribed by procedures harmonized between the Exchange and the Central Registry,
- 9) type of a security account, with the selection of account depositor,
- 10) type of money account with selection of the account depositor,
- 11) mark of the amount of fee
- 12) mark of the type of operation (broker or dealer),
- 13) date and time of placing the order,
- 14) special order execution conditions,
- 15) other elements.

The types and elements of orders as well as minimum value at which order can be placed, as well as other elements in terms of Paragraph 1 of this Article, are established by the decision of the Board of Directors of the Exchange.

Article 79

The Exchange Members can place the types of orders according to:

- (1) type of transaction:
 - buy order
 - sell order;
- (2) time limit:
 - day order
 - good-till-day order, no longer than 90 days
 - good-till-cancelled order – valid until cancelled within the period of 90 days;
- (3) price:
 - limit order
 - market order - a day order only by duration time;
- (4) cancellation order;
- (5) orders with special execution conditions (hereinafter: special orders):
 - all-or-none (fill or kill – FOK)
 - immediate or cancel – IOC)
 - edit order
 - order with hidden total quantity (Iceberg)
 - market maker order
 - order for block trading
 - at-the-close (ATC)

Types and methods of placing orders which the Exchange Member may place to the BelexFIX depending on the market segment are prescribed by the decision of the Exchange Board of Directors, if the aforesaid have not previously been prescribed by the Rules.

A trading order belonging to the group of special orders may not be used if its use has not been explicitly approved by the decision of the Exchange Board of Directors or by the Rules, thus the term "trading order" hereinafter shall not include orders from the group of special orders.

The decision from Paragraph 3 of this Article particularly defines market segments and trading phases within which it is permitted to place orders from the special orders group, as well as conditions and manner of participation of the said orders in trading.

The Exchange Board of Directors may prescribe other types of trading orders.

The Exchange Member places trading orders to the BelexFIX through the client workstation and/or electronically, by using the BelexFIXAPI module.

The maximum number of trading orders entered by the same Exchange Member in the time unit or time period expressed in seconds is established by the decision of the Exchange Director.

Article 80

In a trading order:

- 1) prices of shares are expressed in RSDs as a whole number, unless it has been prescribed otherwise by the Decision on admission of securities in the Regulated Market or the MTP Belex;
- 2) prices of other financial instruments are expressed as a percentage of their nominal value, or in the absolute or indexed absolute amount, in accordance with the Decision on Admission of Securities to the Regulated Market or MTP Belex.

The Exchange Director shall make the decision on the minimum price increment (*tick size*) for every type of securities.

Article 81

Status is assigned to all orders entered into the BelexFIX, according to the price conditions from a trading order.

With respect to the status, limit orders may be:

- a) active – limit orders containing the price within the determined AZF, or
- b) inactive – limit orders containing the price out of the determined AZF.

Market orders may have only and solely the active status.

Depending on the given status, trading orders are entered into the electronic order book as active or inactive orders.

Only active orders participate in the Exchange trading session.

For every scheduled trading session, the BelexFIX automatically checks and changes the status of the entered orders according to the new indicative price, i.e. new AZF range for the scheduled trading session.

Article 82

All trading orders entered into the BelexFIX are marked with the unique time stamp of order entry and with the unique identification number under which the placed order is registered in the Electronic Order Book of the Exchange.

Article 83

The Member may place trading orders into the BelexFIX through the help desk under the conditions and in the manner prescribed by these Rules.

Article 84

The data contained in the Member's trading order are deemed confidential and are accessible exclusively to authorized persons employed with the Exchange and to persons to whom these data may be accessible according to the Law.

Article 85

Trading orders placed into the BelexFIX are cancelled by the placement of cancel orders.

The Member may at any time during the trading session cancel the already placed trading orders, as well as unexecuted quantities of the placed trading orders, unless the order is in the phase of execution, or when that action is not permitted by the trading method rules for a given security.

The Exchange may cancel a Member's trading orders in the following cases:

- 1) cessation of trading,
- 2) temporary suspension of trading or exclusion of the security from the Regulated Market or the MTP,
- 3) suspension of the Exchange Member,
- 4) upon written authorization of the Exchange Member if, due to the lack of power supply, interruption of telecommunication or other justified reason, telecommunications connection between the Exchange and the Member was terminated,
- 5) in other cases, provided by the Rules and other rules and regulations of the Exchange.

2. Trading

Article 86

Securities trading at the trading sessions can be organized, in accordance with the Rules, by the following trading methods:

- (1) single auction price method,
- (2) continuous trading method.

Article 87

Trading is organized within the fluctuation zone range determined for each individual market segment.

The fluctuation zone model is a set of applied fluctuation zones, which can be:

- (1) absolute fluctuation zone /AFZ/ - the largest possible price deviation from the indicative price, e.g. the price range within which the transaction is permitted at the same trading session;
- (2) static fluctuation zone /SFZ/ - price deviation from the indicative price, which overpassing activates special trading phases;
- (3) dynamic fluctuation zone /DFZ/ - price deviation relative to the previous price of the security, which overpassing activates a set of phases of the intra-day auction;

The fluctuation zone model in terms of Paragraph 1 of this Article always contains AZF, which can be applied independently or combined with SZF and/or DZF.

SZF may be part of the fluctuation zone model on the market segments applying the auction price method trading method or the continuous trading method.

SZF is activated if a transaction is possible outside the range of SZF, which activates one of the following special trading phases:

1. extension of pre-opening – in auction price method and continuous trading,
2. set of phases of the intra-day auction in the continuous trading method.

The number of SZF activations during a trading session is limited to one activation at every SZF border.

DZF can be part of the fluctuation zone model only on the market segments with the continuous trading method.

DZF is activated if a transaction is possible outside the range of DZF, which activates the special phase – set of phases of the intra-day auction.

The maximum number of DZF activations during one trading session is determined by the fluctuation zone model.

Article 88

On the market segments of the Regulated Market and the MTP Belex, the applied fluctuation zone model contains AZF and SZF.

The fluctuation zone model in terms of Paragraph 1 of this Article, for the market segments trading by the

continuous trading method, may be reduced by the Board of Director's decision so that it contains only AZF or can be extended to contain, in addition to AZF and SZF, DZF, with the range of SZF or DZF, in line with the Rules.

Article 89

For the first trading in a particular security, as well as for every next trading in the given security until the first transaction is concluded (hereinafter: the first trading):

- (1) AZF is determined relative to the indicative price in the following range:
 - a) -50% to +300%, for shares, and
 - b) +/-50% for other securities.
- (2) SZF is determined relative to the indicative price in the following range:
 - a) -10% to +50% for shares, and
 - b) +/- 10% for other securities.

For the next trading sessions, the indicative price for a particular security is set as:

- auction price, determined at the previous trading session – in the auction price method, or
- closing price, determined at the previous trading session – in the continuous trading method.

Article 90

For the next trading sessions:

- (1) AZF is determined uniquely in the range of:
 - a) +/- 20% for securities traded on the Regulated Market listings,
 - b) +/-30% for securities trading on the Open Market
 - c) +/-50% for share trading on the MTP Belex,
 - d) +/- 40% for other securities and other financial instruments on the MTP Belex.
- (2) SZF is determined uniquely in the range of:
 - a) +/- 10% for securities on the Regulated Market listings
 - b) +/- 15% for securities on the Open Market,
 - c) +/- 25% for shares on the MTP Belex,
 - d) +/- 20% for other securities and other financial instruments on the MTP Belex.
- (3) DZF is determined by the decision referred to in Article 88 of the Rules, whereby DZF range cannot exceed the range of SZF from item (2) of this Paragraph.

Article 90a

The Exchange Director may pass a decision changing the range of the AZF from Article 90 of these Rules, in case of the following:

- (1) corporate actions of the issuer whose shares are traded on the Regulated Market, which may cause significant adjustment in the price of the issuer's securities;
- (2) Execution of obligations from the debt securities admitted on the Regulated Market as well as activities that may result in a significant adjustment of the price of debt securities.

The decision from Paragraph 2 of this Article shall be passed no later than the end of a trading session at which the acquisition or disposal of the particular security does not affect the execution of the rights arising from the corporate action referred to in the previous Paragraph.

In case of a trading in particular securities organized using the auction price method and if in three consequent trading sessions it is not possible to determine the particular security price on the basis of orders placed in the BelexFIX within the determined AZF, the Exchange may decide to change the AZF range following a submitted request. Dispositive of the decision is published on the Exchange website.

The submission of the proposal in terms of Paragraph 4. of this Article is permitted solely for trading in securities of the issuer whose Issuer's Profile has been updated at least with the data from the adopted annual financial statement for the previous year in accordance with Article 67, Paragraph 7 of the Rules.

If upon the proposal from Paragraph 3 of this Article, the Exchange does not pass the decision within three business days from the day of submission, it shall be considered that the request was not approved.

3. Auction price auction

Article 91

Trading by the auction price method comprises of the regular trading phases and the special trading phase, if the fluctuation zone model contains SZF which activates it.

The regular phases of the auction price method are the following:

- 1) pre-opening – time period intended for placement and receipt of Members' orders,
- 2) auction – time moment when the auction price is determined,
- 3) trading – time moment when transactions are concluded at the auction price, and/or
- 4) at-the-close trading – time period intended for receipt of orders and conclusion of transactions at the auction price.

The special phase of the auction price method is the continuation of the pre-opening phase, namely representing continuation of the time period intended for placement and receipt of trading orders.

Article 92

The pre-opening phase represents the period in which the Members may place trading orders.

The pre-opening phase comprises the following sub-phases:

- a) order entry – period of entering trading orders, followed by
- b) random period - period of a variable duration.

The duration of the random period sub-phase is determined in the BelexFIX by a special procedure for generating random numbers, which determines the duration of the period of admission of trading orders in the time interval not longer than the duration of this sub-phase.

Article 93

In the random period sub-phase Members may place trading orders, but not the cancellation orders and orders for order modification.

Article 94

In the pre-opening phase the auction price is not determined and conclusion of transactions is not allowed.

Article 95

The provisions of Articles 92-94 of the Rules are applied accordingly to the special phase of the auction price.

Article 96

The auction phase represents the moment of auction price determination based on the trading orders placed.

During the auction price determination, the following criteria are applied:

1. maximization of the trading volume,
2. minimization of the difference between the possible price and the indicative price.

Article 97

By applying the criterion from Article 96 of the Rules, the auction price is determined as the price at which the highest trading volume is made, measured by the amount of the given security.

If the highest trading volume can be achieved at more than one price, the price closer to the indicative price is determined as the auction price, except in the first trading when the higher price is determined as the auction price.

If it is possible to determine two prices at which the equally greatest trading volume can be achieved and which are equally distanced from the indicative price, the higher price is determined as the auction price.

If only market orders have been placed on both bid and ask sides, the auction price is equal to the indicative price.

The auction price is the indicative price for the next trading session.

Article 98

If the auction price cannot be determined by the relevant criteria, the indicative price for the next trading session shall remain unchanged.

Article 99

Transactions are concluded during the trading phase.

Transactions may be concluded solely at the auction price.

If there is an imbalance of amounts on the bid and ask sides at the determined auction price, meaning that all trading orders with prices allowing the conclusion of transactions at the determined auction price cannot be matched, the following order execution priorities are established:

- 1) market orders;
- 2) limit orders with a price "better" than the auction price, that is:
 - (1) for buy orders – orders with the price higher than the auction price,
 - (2) for sell orders – orders with the price lower than the auction price;
- 3) orders with the limit price equal to the auction price.

Among the trading orders with equal prices the execution priority is given to the trading order which has been placed earlier.

Article 100

In at-the-close trading phase transactions may be concluded only and exclusively at the determined auction price, or at the indicative price, if the auction price has not been determined.

In the at-the-close trading phase the BelexFIX shall transfer all unexecuted and partially executed trading orders with the status of active orders, which may be executed at the determined auction price.

In the at-the-close trading phase Members may place solely and exclusively the ATC orders and cancellation orders.

4. Continuous trading

Article 101

The trading by the continuous trading method comprises of regular and special trading phases, if the fluctuation zone model contains SZF and/or DZF which activate them.

The regular phases of the continuous trading are the following:

- 1) pre-opening – time period intended for Member's order placement,
- 2) opening – time moment when the opening price is determined,
- 3) at-the-open trading – time moment when transactions are concluded at the determined opening price,
- 4) continuous trading – period of continuous placing and matching of trading orders,
- 5) closing – moment when the closing price is determined, and
- 6) at-the-close trading – period intended for order placement by Member at the closing price and the conclusion of transactions at the closing price.

The special phases of the continuous trading are the following:

- 1) pre-open extension phase;
- 2) set of phases of the intra-day auction comprising the following phases:
 - (1) intra-day pre-opening – can comprise one or a combination of the following sub-phases:
 1. order receipt
 2. random period
 - (2) intra-day auctions,
 - (3) trading at the price of intra-day auction;

Article 102

The provisions of the Rules concerning the pre-opening phase in the auction price method are applied accordingly to the pre-open phase of the continuous trading method.

Article 103

The provisions of the Rules related to the auction phase in the auction price method are applied accordingly to the

opening phase of the continuous trading method.

Article 104

The provisions of the Rules concerning the trading phase in the auction price method are applied accordingly to the at-the-open trading phase of the continuous trading method.

Article 105

The continuous trading phase represents the time period in which the Members may continuously place trading orders.

Article 106

Trading orders continuously placed to the BelexFIX are entered into the electronic order book with the status of active or inactive orders, in compliance with the price conditions of the order.

In the continuous trading phase, the BelexFIX continuously compares the price conditions and the quantity of the existing placed but unexecuted orders to the newly placed trading orders, and when the conditions of trading orders permit, the transaction is concluded.

Trading orders waiting for execution are executed according to the price priority of the order and if the prices in two or more orders are equal, the priority is given to the order placed earlier.

Article 107

The execution of a particular trading order is possible if an order of the opposite transaction type exists in the BelexFIX with the price equal to or better than the active status order waiting for execution.

Article 108

A market order is immediately matched with an opposite order of the highest execution priority.

If at the moment of placing a market order there are no trading orders of the opposite transaction type, the market order is entered into the electronic order book with the status of the active order with the limit price equal to the price of the last transaction, unless until that moment transactions have not been concluded, when an order with the active status is entered into the electronic order book at the indicative price.

Article 109

If two opposite trading orders contain different prices at which a transaction can be concluded during the continuous trading phase, the transaction shall be concluded at the price of the earlier placed order.

Article 110

If in the pre-opening phase trading orders have been placed to the BelexFIX such that the highest limit price in the buy order is lower than the lowest limit price in the sell order, or there are solely sell orders or solely buy orders, or there are no trading orders, the price of the first concluded transaction in the continuous trading phase represents the opening price.

Article 111

For trading during the set of phases of the intraday auction the reference price shall be considered as the indicative price.

The provisions of the Rules regulating the auction price method are applied accordingly to the special phases of the continuous trading method.

Article 112

At-the-close trading phase represents the time moment in which the closing price is determined.

The closing price is determined alternatively as:

1. price of the last transaction in the continuous trading phase, or
2. average weighted price of a specified number of the last-traded units of each security, or
3. average weighted price of the last-traded specified percentage of the total traded units of each security, or
4. average weighted price of the traded units of each security in a specified time interval.

The decision on the closing price determination for every single market segment or security is made by the Exchange Director.

Article 113

The provisions of the Rules related to at-the-close trading phase in the auction price method are applied accordingly to at-the-close trading phase in the continuous trading method.

Article 114

If no transaction has been concluded on the market segments with the continuous trading method, the closing price equal to the indicative price is published.

In the event set out in Paragraph 1 of this Article, the indicative price remains unchanged for the next trading session.

5. Block trading

Article 115

Block trading represents a block transaction with a security traded on the Regulated Market or the MTP Belex.

A block transaction is a transaction agreed outside the trading session at which trading is performed by the auction price or the continuous trading methods, in a bilateral relation of a buyer and a seller.

All securities and financial instruments traded on the Regulated Market and the MTP Belex may be the subject of a block transaction.

Block transactions are concluded on the basis of buy and sell orders for the same security, the same quantity, at the same price, and placed by one or two members of the Exchange

Article 116

A block transaction may be concluded only during the trading session if trading in a security which is the subject of the block transaction:

- (1) is not temporarily suspended, or
- (2) is not the subject of a special report in terms of the Rules, in which case there are no conditions for a block transaction in a said security in accordance with the Rules within the period of 30 days from the day when the special report is submitted to the Securities Commission, unless the Securities Commission upon receipt of the said report decided otherwise and notified the Exchange in writing thereof.

Article 117

Block transaction may be concluded if a security of the same ISIN which is the subject of a block transaction fulfills the following conditions depending on the trading method:

- 1) security traded by auction price method (alternatively):
 - (1) the quantity of securities in the block transaction is at least 5% of the total number of issued securities, or
 - (2) value of a block transaction is at least RSD 60 million;
- 2) security traded by continuous trading method (alternatively):
 - (1) the quantity of securities in the block transaction is at least 5% of the total number of issued securities, or
 - (2) the value of the block transaction is at least:
 - RSD 250 million, if the subject of the block transaction are shares, or
 - RSD 10 million, if the subject of the block transaction is a debt security, or

Article 117a

Block transaction in securities included in the Regulated Market, i.e. MTP Belex may be concluded without fulfilling the requirements from the Article 117 of these Rules, by:

- 1) the Republic of Serbia or the National Bank of Serbia, when, in accordance with the Law or By-laws, they sell securities owned by them on the Regulated Market or the MTP;
- 2) legal entities established by the Law that can be used in accordance with the Law with the exception from the obligation of secondary trading of securities on the Regulated market or MTP.

Article 118

The Broker of a seller initiates the block transaction in the BelexFIX by entering all elements of the transaction in the block trading order, except the data on the buyer, and sends the order to the broker of a buyer for confirmation.

The confirmation of a block transaction by the buyer's broker is considered to be the input of the required data on the buyer and the delivery of such confirmed transaction to the Exchange no later than 15 minutes from the moment when the seller's broker sent the block transaction for confirmation to the buyer's broker.

The confirmation of a block transaction by the buyer's broker must be done at the same trading session at which the seller's broker initiated the block transaction, no later than at the time defined by the calendar of the trading sessions.

Upon receiving the block trade confirmation in terms of Paragraph 3 of this Article, the Exchange Surveillance Officer shall examine existence of the reasons from the Article 116 of the Rules as well as check logical and computational conformity of the elements of the block trading orders by:

- checking the logical correctness – examining whether the elements of the orders for block trading have been harmonized in terms of corresponding security, price and trading method by which trading in the said security is organized, and
- checking computational accuracy – checking whether the elements of the order for block trading, price and quantity, are in compliance with the terms for block trading from the Article 117 of the Rules.

In case during the examination referred to in the Paragraph 4 of this Article the following is established:

- (1) the existence of the reasons from the Article 116 of the Rules and/or logical or computational inconsistency of the elements of the orders for block trading with the requirements from the Article 117 of the Rules, it shall be considered that no conditions for concluding block transaction have been met in accordance with the Rules, hence block transaction shall not be concluded, of which brokers from Paragraphs 1 and 2 shall be notified via BelexFIX;
- (2) the absence of the reasons from the Article 116 of the Rules, and logical and computational consistency of the elements of the orders for block trading with the requirements from the Article 117 of the Rules, it shall be considered that conditions for concluding block transaction have been met in accordance with the Rules, therefore at latest until the end of the trading session from Paragraph 3 of this Article, block transaction shall be concluded in BelexFIX and transaction contract made in the form and manner prescribed by these Rules.

Concluded block transactions are displayed separately and marked by a special mark.

Article 119

The prices and trade volume of approved block transactions shall not influence the prices and trade volume achieved in trading in securities during a regular trading session, or the value of the index comprising of the given securities.

The data related to block trading form a separate part of the Exchange report.

6. Derivatives trading**Article 120**

Derivatives trading is organized in the BelexFIX.

Article 121

The Exchange Board of Directors shall determine elements of the standard of financial derivatives, as well as standardized rights and obligations of contractual parties, the first and the last trading day and the way and the place of clearing and settlement of obligations from concluded derivative transactions.

Article 122

The standard of a financial derivative particularly contains:

- the name,
- the underlying,
- maturity date/s or the delivery date/s, if any
- the quotation unit,
- the minimal price increment (tick),
- the tick size, if any
- the first and the last trading day,
- the method of determining the daily settlement price, if any
- the method of determining the exercise price, if any
- the delivery method, if any
- the manner and place of clearing and settlement of obligations from concluded derivative transactions.

Article 123

Financial derivatives are traded by the continuous trading method.

Article 124

The Board of Directors may allow, by a specific decision, trading in futures and options only to the Exchange Member who fulfilled the requirements specified by the Board of Director's decision.

Article 125

The Board of Directors of the Exchange may determine additional organizational and financial conditions for Members trading in the futures and options markets.

When passing the decision from Paragraph 1 of this Article, the Board of Directors shall be guided by the security of trading and interests of trading participants.

Article 126

With respect to any issue pertaining to derivatives trading that has not been specifically regulated by the Rules, the provisions of the Rules relating to the securities trading are applied accordingly.

7. Transactions

Article 127

The transaction is concluded on the basis of a trading order placed to the BelexFIX, which is in compliance with the rules of a particular trading method executed in full or partially, by matching with the appropriate order opposite in terms of the type of transaction of the same or another Member.

Article 128

The subject of a transaction is a security stated in the trading order, in the executed quantity.

Article 129

Transaction is concluded at the moment when in compliance with the Rules the total quantity or portion of a quantity of a particular trading order placed to the BelexFIX has been executed.

Following the transaction from Paragraph 1 of this Article, the transaction contract is made in the electronic form, which is submitted in that form to the Central Registry and the Exchange Member who concluded the transaction.

Article 130

The Exchange Board of Directors prescribes the elements of the transaction contracts.

Article 131

All transactions concluded in the BelexFIX are considered to be final without additional confirmations of the Exchange Members who concluded the transactions.

Article 132

The request for cancellation of transactions in securities trading is permitted only if a transaction has been concluded during the phase of the continuous trading and if it has been concluded due to an obvious technical error which may be clearly identified by examining the order book and other relevant documents of the Member who filed the request for transaction cancellation, except if the price and quantity of the transaction do not affect the course of trading and the determined closing price.

A technical error is considered to be an error due to:

- omission to enter the digit from the authentic numeric data,
- repeated entering of one of the digits from the authentic numeric data,
- permuted sequence of digits from the authentic numeric data.

The request for transaction cancellation can be filed by the Member of the Exchange, along with his explanation, to the Exchange Surveillance Officer in the written form and in the period of 30 minutes from the conclusion of transaction, until the end of the continuous trading phase at latest. Along with the request, the applicant shall submit the proof of paid fee in the amount specified by the Tariff Regulations.

A transaction may be cancelled only upon the written consent of the other Member whom with the Member – applicant concluded the said transaction.

The decision on transaction cancellation is passed by the Director of the Exchange or an authorized person, upon a reasonable proposal of the Exchange surveillance officer.

A block transaction cannot be cancelled.

Article 133

Under the circumstances evaluated as necessary for maintaining a fair and orderly trading and for protection of investors and public interest, the Exchange Surveillance Officer may cancel any transaction concluded in trading, if one or more elements of the transaction, such as the price and the quantity of the traded securities, are obviously erroneous or indicate market manipulation or market abuse in accordance with the Law and By-Laws.

The Exchange Surveillance Officer may cancel the Members' trading orders in case of an error in the functioning of the BelexFIX or some other technical error in the BelexFIX.

The Exchange Surveillance Officer shall cancel the trading orders of the Members which are contrary to the Rules and other Exchange regulations, as well in case when the National Bank of Serbia delicenss the bank, which is at the same time authorized bank in accordance with the Licence of the Securities Commission in line with the Law and Exchange Member in accordance with the Stock Exchange Decision.

The Exchange Surveillance Officer shall without delay notify of the cancelled transactions or trading orders the parties in the transaction, i.e., the Members whose trading orders have been cancelled.

Upon the end of the trading session, the Exchange supervisor shall submit to the Director of Business Operations a detailed written report on the cancelled transactions and orders.

Article 134

Concluded transactions may be cancelled in compliance with the Rules solely prior to their submission to the Central Registry.

Article 135

For any Member who concluded a transaction in the BelexFIX, the Exchange shall provide an outline of all transactions concluded by that Member.

If the outline of concluded transactions from Paragraph 1 of this Article is not in accordance with the Member's record of the concluded transactions, the Member must without delay and at the latest until the beginning of the next trading session notify in writing the Exchange Surveillance Officer thereof.

In case that the reason for the incompatibility of data cannot be clearly determined from the record of the Member or that of the Exchange, including the comparison of the incompatible data with the data from the record of Members who concluded the aforesaid transactions on the opposite side, the record kept by the Exchange shall be applicable.

Article 136

During the installation of the user part of the BelexFIX, the unique identification code (certificate) is generated which identifies the Exchange Member in communication with the Exchange.

Transactions in which a particular Member has been identified are considered to be the transactions of that Member and he shall be obliged to execute them.

Article 137

With respect to the clearing and settlement of transactions concluded at the Exchange, Members are obliged to act in compliance with the Law and Rules of the Central Registry.

8. Reporting transactions concluded on OTC

Article 138

Trading in securities, which are traded at the Exchange on the Regulated Market or the MTP Belex, performed off the Exchange is executed in the manner and under the conditions prescribed by the Law.

The Exchange Member, i.e., member of Central Registry representing the seller in the transactions referred to in Paragraph 1 of this Article, shall report the said transaction in accordance with the Law to the Exchange in electronic format via the Exchange application for OTC transactions.

The Exchange shall publish in real-time the reported data from the Paragraph 2 of this Article, including: the type, class, CFI code, ISIN number, price and number (quantity) of securities traded off the Regulated Market or MTP Belex, as well as of the date of the concluded transaction.

9. Temporary suspension of trading on the Open Market

Article 139

The Exchange may temporarily suspend trading in all or particular securities on the Open Market (hereinafter: temporary suspension of trading) if it assesses that it is necessary in order to protect investors or for the purpose of a fair and orderly trading in securities or if trading in a particular security is no longer in compliance with the Rules.

The Exchange shall also temporarily suspend trading in case of malfunctioning of the BelexFIX or if a larger number of Exchange Members cannot simultaneously, equally and under equal conditions access to and use the BelexFIX, under the terms and in the manner defined by these Rules.

In case of a reason for temporary suspension of trading in terms of the provisions of this Article and Article 140 of these Rules, the Exchange shall suspend trading by decision.

The Exchange shall also temporarily suspend trading in securities if it is requested by the decision of the Securities Commission.

Article 140

In the case from Paragraph 1 of Article 139 of the Rules, when deciding upon temporary suspension of trading the Exchange shall take into consideration (but shall not be limited to) the following reasons:

- (1) Occurrence of circumstances that may endanger the conditions for trading in all or in specific securities; if it is deemed necessary for the protection of participants in trading; violation of trust in securities trading; if securities trading causes or may cause disruption on the market;
- (2) occurrences disabling the transfer of ownership of the security;
- (3) in cases of irregularities determined by subsequent control.

Members are obliged to immediately notify the Exchange of the occurrence of facts or circumstances set out in Paragraph 1 of this Article.

Article 141

A proposal for temporary suspension of trading may be submitted, pursuant to this Article, by the following persons authorized by the Rules:

- (1) issuer - provided that the issuer in his proposal (which shall be signed and certified) explains in detail and in an adequate way the reasons for demanding a temporary suspension (along with appropriate evidence) and defines the deadline in which conditions for the continuation of trading can be realistically fulfilled, in accordance with the decision of the issuer's Assembly, which is an integral part of the issuer's request;
- (2) issuer – in case of replacement of the existing shares by the shares of a new issue due to a change in the ISIN of the shares admitted to the Open Market, in line with the decision of the issuer's Assembly which is an integral part of a said request;
- (3) legal owner who owns at least 5% of the securities which suspension of trading is requested – if he provides detailed explanation and justified reasons for demanding a temporary suspension with appropriate evidence and defines the gives a deadline in which conditions for the continuation of trading can be realistically fulfilled;

The issuer may submit the request for temporary suspension of trading in case of a decision to withdraw shares from the Open Market pursuant to Article 123 of the Law, in which case is obliged to submit to the Exchange along with the proposal and the said decision, the following:

- (1) extract from the competent registry of business companies concerning the registration of the said decision;
- (2) minutes from the assembly meeting at which the said decision was passed, which contains the information on the majority of votes passing the decision or the statement of the assembly chairman thereof;
- (3) irrevocable statement about the fulfillment of conditions from Article 123, Paragraph 2 of the Law.

The proposal from Paragraph 1, item (3) and the statement from Paragraph 2, item (3) of this Article shall be certified in compliance with the rules regulating certification of signatures, unless the applicant is a business enterprise, in which case the said documents shall be made and prepared in accordance with the Article 2 of this Rules.

Enclosed with the proposal, the applicant shall submit the proof of paid compensation prescribed by the Tariff Regulations.

In case of submission of proposal in terms of this Article, the Exchange may demand from the applicant to submit additional documents and evidence which confirm the declarations from the proposal, and if the applicant fails to act in accordance with the Exchange requirements, it is considered that he waived the claim.

Provisions of these Rules relating to the application for admission of securities to Open Market and acts of the Exchange made in relation to the said application shall apply accordingly to the proposal for the temporary suspension of trading, unless otherwise regulated by these Rules.

In connection with well-configured proposal in accordance with this Article, the Exchange shall issue a decision on:

- 1) suspension of trading when the proposal has been found justified in accordance with Article 140 of these Rules;
- 2) rejection of the proposal in case the conditions for temporary suspension within the meaning of the provisions of these Rules are not fulfilled.

Article 142

(deleted)

Article 143

Temporary suspension of trading in securities shall last until the conditions to continue trading are fulfilled, but no later than passing the deadline defined by the decision on temporary suspension of trading, unless otherwise prescribed by the Rules.

By the decision on temporary suspension of trading, unless otherwise prescribed by the Rules, the Exchange determines the duration of temporary suspension of trading and the procedures concerning the orders entered into the BelexFIX, in the following manner:

- (1) determines abeyance of trading orders until temporary suspension of trading is terminated.
- (2) withdraws all trading orders for the security with temporary suspension of trading which have already been placed into the BelexFIX until temporary suspension of trading, or
- (3) determines the deadline until which all members of the Exchange are obliged to withdraw their trading orders.

In case of Paragraph 2 of this Article, Members whose trading orders are in the state of abeyance in the BelexFIX are obliged to send the received clients' orders for withdrawal of trading orders entered into the BelexFIX to the Exchange supervisor, no later than the next working day until 11:00am, from the day of receipt of the given order, for the purpose of their cancelation in the BelexFIX.

10. Termination of temporary suspension of trading on Open Market and continuation of trading on Open Market, or MTP Belex**Article 144**

Upon fulfillment of the conditions for continuation of trading, the Exchange shall pass the resolution on termination of temporary suspension of trading and continuation of trading in securities on the Open Market, provided the issuer upon the expiry of temporary suspension of trading fulfills the requirements defined by Article 64 of the Rules and unless otherwise stipulated by the Rules.

The provision of Paragraph 1 of this Article is applied also in case of the expiry of the deadline defined in Article 143, Paragraph 1 of the Rules if within the set deadline the issuer did not complete the procedure from Article 123 of the Law in the way and manner stipulated by the Law.

The decision from Paragraph 1 of this Article regulates the following:

- (1) date of the trading session at which the organization of trading is continued;
- (2) indicative price of the security for continuation of trading at the level of the closing price, i.e., at the level of the auction price determined at the last individual trading session organized for the given securities before the temporary suspension of trading.

As an exception from Paragraph 3, item (2) of this Article, upon termination of the temporary suspension of trading in terms of Article 141, Paragraph 1, item (2), when the ISIN number of shares was changed due to a stock split or reverse-split with a change in the nominal value of shares such that the share capital of the issuer remained unchanged, the indicative price for continuation of trading is determined at the level of the price from Paragraph 3, item (2) of this Article, adjusted by the parameters of the executed stock split or reverse-split, respectively.

Article 145

The Exchange shall pass the decision on exclusion of securities from the Open Market and shall include the said securities into the MTP Belex if:

- 1) the issuer has fulfilled the conditions for termination of temporary suspension of trading, but in the meantime, he has stopped fulfilling the conditions in Article 64 of the Rules, the Exchange shall pass the decision on exclusion of securities from the Open Market and shall include the said securities into the MTP Belex, and determine the resumption of securities trading on MTP Belex
- 2) the conditions for a resumption of trading on the Open Market were not fulfilled in terms of the decision or resolution of the Exchange on temporary suspension of trading in terms of the Provisions of this Rules.

In case of Paragraph 1 item 2 of this Article, decision may determine:

- 1) extension of duration of temporary trading suspension on MTP Belex according to Provisions of this Article and Article 146 of this Rules, or
- 2) resumption of securities trading on MTP Belex in case when the decision or resolution on temporary suspension of trading on Open Market, as a condition for termination of temporary suspension of trading ordered the issuer to submit evidence and documentation according to his obligation to prepare and update the Issuer's Profile, and reporting obligations which he has as a public company in line with the Law, by-laws and other rules and regulations of the Exchange.

In case of Paragraph 2. item 2 of this Article, above said securities the Exchange marks with label „BI“ (which means without Issuer's Profile), and when the issuer fulfills its obligation of reporting in everything according to Paragraph 2 of this Article, the label is deleted.

11. Temporary suspension of trading on MTP Belex

Article 146

The provisions of Articles 139-144 of the Rules are applied accordingly to temporary suspension of trading in securities included in the MTP Belex, unless otherwise specified by this Article.

In case the reasons for temporary suspension of trading were not eliminated in terms of the resolution of the Exchange on temporary suspension of trading in securities included in the MTP Belex within the deadline set by the said resolution, the Exchange shall pass a resolution, pursuant to Articles 139 and 140 of the Rules, on the following;

- 1) termination of temporary suspension of trading and continuation of trading in the issuer's securities on MTP Belex;
- 2) extension of temporary suspension of trading in issuer's securities. In the event when during the additionally approved deadline the reasons for temporary suspension of trading have not been resolved the Exchange shall adopt a decision or resolution by applying the provisions of this Article accordingly.

Notwithstanding Paragraph 2 of this Article, if continuation of trading in the said securities is no longer in compliance with the Law and the Rules, the Exchange shall exclude the said securities from the MTP Belex in accordance to Article 127 of the Law.

As an exception to the Paragraph 2 item (2) and Paragraphs 3 and 4 of this Article, the Exchange shall decide differently if instructed by the Securities and Exchange Commission.

12. Termination of temporary suspension of trading and exclusion from Open Market or MTP Belex

Article 147

The Exchange shall pass a decision on exclusion of issuer's shares from the Open Market or MTP Belex when trading in the said security was temporarily suspended and the issuer successfully completed the following;

- (1) replacement of the existing shares of the issuer by shares of a new issue due to the change in ISIN shares included in the Open Market, except in case of stock split or reverse stock split of the issuer with a change in the nominal value of shares such that the share capital remained unchanged;
- (2) payment of dissenting shareholders in line with the decision on withdrawal of securities from the Open Market in terms of Article 123 of the Law and upon the issuer's request in line with the Article 149 of these Rules.

In case of Paragraph 1, item (1) of this Article, when the issuer simultaneously, on the day of exclusion of replaced shares from the Open Market, i.e., MTP Belex, fails to submit a new request for admission of shares into the Open Market in line with the law, the Exchange shall ask the issuer to fulfill the legal obligation and if the issuer fails to act upon the Exchange request within the period set by the Exchange, the Exchange shall notify the Securities Commission of the issuer's failing to comply with the law.

13. Exclusion from the Open Market or MTP Belex

Article 148

The Exchange passes resolution to exclude securities from Open Market:

- (1) if the issuer entered bankruptcy or liquidation procedures;
- (2) at the request of the issuer which ceases to be a public company in accordance with Article 70 and 122 Paragraph 2 Item (2) of the Law.
- (3) if securities have been de-registered from the Central Registry due to the procedure prescribed by the Law, in which case organization of trading in a said security is no longer in compliance with the Law and the Rules, in accordance with the provision of the Article 127 of the Law;
- (4) by instruction of the Securities Commission in accordance with the Law;
- (5) by resolution of the Exchange in accordance with Article 173 and 174 of the Rules.

By the decision the Exchange excludes securities from MTP Belex in cases stipulated in Paragraph 1 item (1) and of this Article.

Evidence of the fee payment prescribed by the Exchange Tariff Regulations must be submitted along with the request from Paragraph 1 item (2) of this Article, i.e. Paragraph 2 in connection to Paragraph 1 item (2) of this Article,

The Exchange shall delete debt security from the Open Market, without a resolution from the Paragraph 1 of this Article, upon the date of its maturity and after the last trading session organized for trading in the said securities defined by the Exchange Decision on admission of the said security to Open Market.

Provisions of these Rules relating to the application for admission of securities to Open Market and the acts of the Exchange related to the said application shall apply accordingly to the Request for exclusion of securities from the Open Market or MTP Belex.

Article 149

By the decision, the Exchange shall exclude the securities from the Open Market or the MTP Belex at the request of the issuer in the case when:

- (1) the issuer of debt securities has fulfilled the conditions for termination of a public company status in terms of Article 70. Paragraph 1, item (1) of the Law, in which case evidence and documentation of fulfillment of given conditions in line with the Law should be submitted along with the application
- (2) when the issuer successfully completed the procedure of payment of dissenting shareholders pursuant to a valid decision to withdraw securities from the Open Market in accordance with Article 123 Law and by-Law, in which case along with the application and given decision, the issuer shall submit:

- (1) extract from the competent register of business companies verifying the registration of the decision;
 - (2) minutes from the assembly meeting adopting the decision, which contains the data on disagreeing shareholders or statement of the chairman of the issuer's assembly thereof;
 - (3) irrevocable statement, under substantial and penal liability, that the procedures for payment of dissenting shareholders have been complied and that all disagreeing shareholders of the issuer have been fully paid for the value of their shares in line with the law regulating business companies, i.e. that there were no dissenting shareholders regarding given decision, and that there are no legal or other obstacles for exclusion of the issuer's shares from the Exchange.
- (3) When the shares of the issuer have been taken over, or redeemed in accordance with Article 70 Paragraph 2 Items 1 and 2 of the Law, in which case along with the application the issuer shall submit:
- (1) Assembly's decision on the termination of a public company status made by the votes of shareholders who have taken over, or redeemed given shares, along with the minutes of the meeting at which the decision was made, which contains the information given about the votes or the statement of the President of the Assembly of the issuer on the given issue
 - (2) irrevocable statement, under full substantial and penal liability, that the legal conditions for the termination of the status of a public company are fulfilled and that there are no legal or other obstacles for the exclusion of shares from the Exchange

- (4) changes in status of the issuer in accordance with Article 70. Paragraph 2. Item 3. of the Law, in which case, in accordance with the by law act, along with the the application the issuer shall submit documentation referred to the item 2. of this Article.

The statement referred to Paragraph 1. item (2), sub-item 3) and item (3) sub-item 2) of this Article shall be signed by the chairperson of the board of directors, i.e., chairperson of the supervisory body if the company is with a two-tier management structure, and if the organization and management of the issuer is regulated by a special law, by the chairperson of the issuer's managing board, and written and delivered to the Exchange in accordance with Article 2. of these Rules.

The Exchange may require from the applicant, by the conclusion, additional documentation and evidence confirming the statements from the application and if the applicant fails to act as required in the conclusion by the Exchange it shall be deemed that the applicant has waived the claim.

Along with the request in terms of this Article, the applicant shall submit proof of fee determined by the Exchange Tariff Regulations and appropriate proof of fulfillment of his obligations towards the Exchange arising from the organization of trading in the applicant's securities at the Exchange.

Upon submission of the full and complete request in terms of this Article, the Exchange shall pass a decision if on the day of passing the issuer's valid decision referred to Paragraph 1, item (2) of this Article all conditions from Article 123, Paragraph 2 of the Law were fulfilled.

Provisions of the Rules, relating to the request for admission of securities to Open Market and acts of the Exchange issued pursuant to the said request, shall apply accordingly to the request of the issuer in terms of Paragraph 1 of this Article and acts of the Exchange adopted per the said request, unless otherwise regulated by the Rules.

14. Legal remedy

Article 150

Against the Managing Director's decision on admission of securities to the Open Market or the MTP Belex, temporary suspension of trading, termination of temporary suspension of trading and exclusion of securities passed in line with the Rules, an appeal may be filed to the Exchange Board of Directors, as a second instance in these proceedings, no later than 8 (eight) days from the day of receipt of the said decision. The claim to the decision in terms of this Paragraph shall not delay enforcement of the decision.

The appeal shall contain indication of the act against which it is filed, the scope of contesting (in its entirety or just some parts of it), the reasons for filing an appeal and the appellant proposal. In addition to the appeal the proof of payment of the fee for the appeal to the first instance act, prescribed by the Tariff Regulation, shall be submitted.

The decision referred to in Paragraph 1 this Article becomes final on the day of the expiry of a deadline specified for the complaint if the complaint is not filed or on the day the decision of the Board of Directors to reject the complaint or reverse the first instance act is passed.

The decisions of the Board of Directors passed in compliance with the Rules shall be considered as final.

VIII SUPERVISION AND CONTROL

Article 151

It is strictly forbidden to perform or to try to perform market abuse activities, as defined by the Law and by-laws, at the Exchange which include:

- (1) use of inside information in the manner violating the provisions of the Law and by-laws,
- (2) market manipulation.

The Exchange performs supervision and control of trading activities in order to detect and prevent an action or attempt to perform an act that commits abusive behavior on the market and in these activities:

- 1) applies procedures and measures in accordance with these Rules;
- 2) notifies and reports to the Securities and Exchange Commission the facts collected indicating market abuse or that a specific person is the perpetrator of that action;
- 3) provides assistance to the Securities and Exchange Commission in exercising its supervision within the scope of the Exchange's statutory powers and authorities.

Article 152

The person to whom the inside information is accessible must not use it directly or indirectly to acquire, dispose of or attempt to acquire or dispose of for his own account or for the account of third parties of securities information is related to, i.e., must not convey it to third parties, neither directly nor indirectly, or on the basis of it recommend other persons to acquire, buy and sell securities or dispose of securities in any other manner.

All persons are obliged to treat inside information in the manner prescribed by the Law and by-laws.

Article 153

A member of the Exchange acts in contrary to these Rules if he performs or attempts to perform, or participates in the actions having characteristics of market abuse defined by the Law and by-laws, including but not limited to one or more of the following activities:

- (1) successive buying or selling of one and the same security for the purpose of creating a false impression in the public on the activity of the security;
- (2) pooling of several entities who by mutual transactions raise, or attempt to raise a price to an artificially high level, after which the securities are sold;
- (3) pooling of several entities which by mutual transactions decrease, or try to decrease the price to an artificially low level, after which the securities are bought;
- (4) placement of trading orders immediately before closing of the market, with the purpose of manipulating the closing price, or single auction price, especially if at that moment the trading order can be executed under significantly better conditions;
- (5) placement of buy or sell orders on the basis of the fact that someone else has placed or shall place the buy or sell orders for the same securities at the same or at the approximate price;
- (6) usage of information and perform the following activities:
 - (1) when the Member is aware that the client has a high quantity in his order or an order which may influence the market and places an order by himself by which he benefits from that information;
 - (2) when he uses the strategy of his client and repeats the moves of that client for his own account or for another client's account;
- (7) fraud or performing activities in order to commit a fraud related to trading on the Exchange;

A member of the Exchange acts contrary to the rules of the Exchange if it fails to fulfill its prescribed obligations towards the Exchange and fails to respect the prohibitions established by these Rules, as in the case of:

- 1) refusal to declare in writing and / or verbally during the procedure of supervision of an Exchange Member,
- 2) fails to submit complete and orderly documentation at the request of the Exchange surveillance officer, or fails to submit it in a timely manner,
- 3) performs actions that are not in the interest of the Exchange business conduct and which damage the Exchange's reputation.

1. Measures and procedures for detection and prevention of market manipulation**Article 154**

In order to detect and prevent market abuse, the Exchange applies the following procedures:

- (1) systematic collection and analysis of trading data and other available data,
- (2) monitoring trends and detecting significant deviations in the price movement or turnover of particular securities;
- (3) monitoring trends and detecting significant deviations in the frequency of placement of trading orders, their presence at the market and their execution in concluded transactions,
- (4) monitoring and analyzing price formation during certain trading phases in trading in particular securities,
- (5) monitoring correlation between public disclosure made by the issuers of securities with the turnover or price movements prior to and after the public disclosure,
- (6) monitoring correlation between market analysis of the Exchange Members or related persons and their trading in particular securities with the price or turnover movements prior to or after publishing of the analysis,
- (7) supervision of the Exchange Members' operations,
- (8) obtaining additional information and reports from issuers, at the request of the Exchange or similar.

In addition to the procedures referred to in Paragraph 1 of this Article, the Exchange shall also apply the following preventive and surveillance measures in accordance with the Law, by-laws and these Rules:

- 1) education of investors and participants in the capital market,
- 2) providing an adequate information system and trading methodologies,
- 3) imposition of measures during the surveillance procedure which the Exchange may conduct in accordance with these Rules.

2. Assessment indicators in determining suspicion of market manipulation

Article 155

When estimating whether the activities of an Exchange Member or any other person are of such character to indicate a possible market manipulation, the Exchange shall consider specific circumstances of each particular case, and in addition to the principles stipulated by the by-law it shall consider the following:

- (1) whether the activity may affect market liquidity and efficiency,
- (2) whether the activity enables a timely and appropriate reaction by all market participants to new market conditions, created by such activity,
- (3) whether the activity is detrimental to the market integrity,
- (4) whether there are significant changes in conditions on the market,
- (5) findings of similar cases before, if any,
- (6) the history of involvement in the trading of securities over which the relevant activity has been conducted,
- (7) type of security,
- (8) dispersion of ownership, i.e., to what extent individual investors are represented,
- (9) detailed instructions, opinions and recommendations of competent institutions, if there are any.

3. Supervision and control of Exchange Member

Article 156

The Exchange shall perform the activities related to supervision and control of trading on the Exchange and operations of the Exchange Members concerning their activities on the Regulated Market and the MTP Belex and shall take measures within its authority in order to provide an organized, undisturbed, honest and efficient functioning of the Regulated Market and the MTP Belex, pursuant to the Law, by-laws, provisions of the Rules and other regulations passed according to the Rules.

Subject to Article 119, Paragraph 3, and Article 129, Paragraph 7 of the Law, within the activities of supervision and control of the Members in terms of Paragraph 1 of this Article, the Exchange shall initiate proceedings and take measures against the Member in line with the Rules.

The Exchange Surveillance Officer is independent in the activities of supervision within the authority established by the Rules and other regulations based on the Rules.

Article 157

Regular supervision of trading and control of the Member's operations concerning the transactions concluded at the Exchange shall be carried out:

- (1) through special supervision workstations, in the following manner:
 - 1) in real-time during a trading session,
 - 2) upon the end of a trading session, by analyzing trading data,
- (2) by reviewing documentation, records and business books of the Member related to the transactions in securities.

The control in terms of Paragraph 1, item (2) of this Article may be done on the business premises of the Member, or the Exchange may require that the said documents and books are delivered to the Exchange seat.

The Member should not necessarily be notified in advance of the supervision and control carried out in terms of Paragraph 1 and 2 of this Article.

In the event that during the supervision and control performed on the business premises of the Member the Surveillance Officer and/or person from Article 53 does not find the responsible person of the Member, the procedure shall be carried out without his presence, unless the Surveillance Officer assesses that the supervision and control is not possible in the absence of the responsible person of the Member, in which case the Surveillance Officer shall send invitation to the responsible person to be present at a certain time for supervision, and the said person shall be obliged to act upon the request of the Surveillance Officer or enable supervision by appointing a

person who shall replace him in the given case.

If the responsible person acts contrary to Paragraph 4, it shall be deemed that the Member refused to provide the information, proof and documentation required in the procedure of supervision and control and that he committed an act which the Member is forbidden to commit by the Rules.

In the process of supervision and control performed by the Exchange, the Exchange may use all available information on the issuer, as well as all electronical, financial and other information services.

Article 158

An extraordinary supervision and control of the Member may be performed upon written initiative of some other Exchange Member, i.e., some other interested party, and the initiative must be explained so that it clearly demonstrates the forbidden actions of the Member with respect to his activities at the Exchange and the consequences they cause or might cause.

Article 159

If there is an unusual movement with respect to the price, quantity or with respect to the activity of the Exchange Member in trading in any security, the person authorized by the Exchange shall be obliged to identify it as the subject of a special analysis and monitoring.

If the unusual movements and activities in terms of Paragraph 1 of this Article cannot be explained based on available documentation, data and information, the Surveillance Officer shall make a special report and submit it to the Securities Commission along with the collected information and data.

Special reports are considered to be a business secret for all participants involved in making the report and can be submitted only to the competent supervisory bodies of the Exchange.

Article 160

The report on control of the Exchange Member operations in line with the Rules and other Exchange regulations is made by the Exchange Surveillance Officer and is delivered to:

- Exchange Director
- Exchange Member who is under control
- competent supervisory body of the Exchange, upon request.

Article 161 (deleted)

Article 162

The course and order of a trading session is supervised by the Surveillance Officer.

Article 163

If the Surveillance Officer identifies irregularities in the procedure of supervision and control in terms of the Rules, he can issue a written non-public warning notice to the Member without initiating the procedure before the competent Exchange Commission.

The warning from Paragraph 1 of this Article shall be issued by the Surveillance Officer if he assesses that the given irregularity did not harm the interest of the client and/or the integrity of the securities market, other Exchange Members and the Exchange itself and that the purpose of eliminating the irregularity in the Exchange Member's operations shall be achieved by issuing the warning.

The provisions of these Rules governing the appeal and deciding in disciplinary proceedings shall apply accordingly to the appeal of an Exchange Member, which may be filed against the warning by the Surveillance Officer in accordance with the provisions of this Article.

The Exchange Member shall pay to the Exchange the fee defined by the Exchange Tariff, for conducting the supervision procedure during which the final written, non-public warning notice within the meaning of this Article has been issued to him or his authorized broker.

Article 164

The Surveillance Officer may by shortened procedure restrict or ban the access to the BelexFIX to the Exchange Member or his broker in the following cases:

- (1) his access jeopardizes security of investors, Exchange Members or the Exchange itself;
- (2) Exchange Member fails to comply with the Rules and the contract concluded with the Exchange;
- (3) Exchange Member has become illiquid or his financial and operational position is such that his further business activities affect the business confidence of investors, other participants in Exchange operations and the Exchange itself.
- (4) By the decision on imposing a supervisory measure, the Securities Commission has ordered the Exchange to suspend access to BelexFIX to the Exchange member and/or its authorized broker.

In the case referred to in Paragraph 1 of this Article, the person against whom the measure has been taken shall be notified in writing and proceeding is initiated and measures are taken in compliance with the Rules.

The provisions of Paragraph 1 this Article shall apply accordingly in the case when the National Bank of Serbia has revoked the license of the bank which is also authorized bank in pursuance of the permission of the Securities Commission in accordance with the Law and a Member of the Exchange pursuant to the decision of the Exchange.

Article 165

Upon reasonable doubt that the Exchange Member performed or attempted to perform an act of manipulation on the market, or in other way acted contrary to the provisions of the Rules and other Exchange acts, within the statutory powers of the Exchange in conducting supervision and control of its members, a procedure shall be initiated before the Disciplinary Committee which is pursuant to the Law and the Rules competent for initiating and conducting disciplinary procedures against the Members, i.e., authorized brokers.

The Member shall be liable for each violation in terms of Paragraph 1 of this Article committed by the authorized broker, member of his management or the Member's employee.

Article 166

The Disciplinary Committee, as the first-instance body competent for executing the procedures in terms of Article 165, Paragraph 1 of the Rules and issuing measures to the Exchange Members or authorized brokers who were found liable by the decision of the Disciplinary Committee for committing the acts from Article 165, Paragraph 1 of the Rules is appointed by the Exchange Board of Directors.

Article 167

The provisions regulating the composition and term of the members of the Disciplinary Committee, as well as on the procedure, legal remedies and deciding upon legal remedies, criteria for establishing the flat rate expenses of the procedure and other issues relevant to the said procedure are stipulated by the Rulebook adopted by the Exchange Board of Directors.

Article 168

As a rule, the Disciplinary Committee shall initiate the procedure at the request of the Surveillance Officer or a member of the Exchange Management.

The Disciplinary Committee may also initiate proceedings ex officio when it became aware during the disciplinary proceedings, and there is a reasonable suspicion that the member of the Exchange, which is not under the procedure, or his authorized broker, has committed an act that has a characteristic of an action within the meaning of Article 165, paragraph 1 of these Rules, taking into account the existing facts or circumstances of the case within the proceedings which is already being held before it.

Exceptionally, the Commission may initiate the procedure upon the request of the Member or the authorized broker.

Article 169

The Disciplinary Committee may impose the following measure to the perpetrator of a prohibited act within the

meaning of Article 165, Paragraph 1 of these Rules, whom it has declared responsible for the execution, or attempt to commit that act:

- (1) warning, which may be:
 - (1) non-public warning,
 - (2) warning announced to the Exchange Members,
 - (3) public warning published on the Exchange website and/or public media service;
- (2) suspension in trading at the Exchange for all or particular securities,
 - (1) for a particular pre-defined period, no longer than six months, or
 - (2) until the occurrence of circumstances required by the decision of the Disciplinary Committee, for its termination;
- (3) permanent trading ban at the Exchange, with proposal to the Board of Directors to pass the decision on termination of membership, i.e., status of authorized broker. The Board of Directors may accept the proposal and issue a decision on termination of the Exchange Member status or by a decision modify or cancel the decision of the Disciplinary Committee on the imposition of a given measure. If the Board of Directors of the Exchange revokes the decision, it will return the matter to the Disciplinary Committee for retrial.

The measures under Paragraph 1, item (1), sub-item 2) and 3) and item (2) of this Article can be issued as a probation and the period set for control shall be three months at least and one year at most.

The Exchange Member shall pay fee determined by the Exchange Tariff Regulations for the conduction of the previous supervision and the disciplinary procedure upon which he or his authorized broker were issued the measure in terms of Paragraph 1 and 2 of this Article by the final decision.

Article 170

When deciding upon the severity of violation of the Rules and weighing the measures within the limits prescribed by the Rules, it will consider the purpose of the measure taking into account all circumstances affecting the measure smaller or greater (aggravating or mitigating circumstances), particularly the circumstances of the given act, earlier business conduct and actions of the perpetrator with respect to the compliance with the Exchange regulations, behavior of the perpetrator after the committed act, severity of the damage with respect to the client's interest and/or integrity of the securities market, other Exchange Members and the Exchange itself.

When deciding under Paragraph 1 of this Article, the aggravating circumstance may be the circumstance that the perpetrator with respect to previous acts committed in terms of Article 165 of the Rules had been declared liable for an act committed in terms of Article 165, Paragraph 1 of the Rules, considering particularly the severity of the previous offence, circumstances under which said offence was made and the time that has elapsed since the previous offence.

When deciding upon a conditional measure, the Disciplinary Committee, considering the purpose of the probation measure or sanction, shall particularly consider previous business conduct of the Member, i.e., authorized broker, their behavior after the committed act, level of responsibility and other circumstances under which the offence has been made.

Article 171

A complaint may be filed against the decision of the Disciplinary Committee to the Exchange Board of Directors, as the second-instance body, within eight days from the day of delivering the first-instance decision, in all in accordance with the regulation from the Article 167 of the Rules. In addition to the complaint the proof of payment of the fee for the appeal to the first instance act, prescribed by the Tariff Regulation, must be provided.

The procedure which ends with the final decision in terms of Paragraph 1 of this Article may be repeated based on the decision of the Exchange Board of Directors passed upon the request of the person which was declared liable by the given final decision by virtue of the extraordinary legal remedy stipulated by Article 167 of the Rules.

4. Supervision of issuers admitted to the Open Market and supervisory measures

Article 172

The Exchange shall supervise the execution of obligations of the issuer whose securities are admitted to trading at the Open Market in line with the Law, by-laws, the Rules and the contract which the issuer shall conclude with the Exchange, particularly with respect to the obligation of submitting the following:

- (1) annual report – by 30 April of the current year at the latest;
- (2) semi-annual report – by 31 August of the current year at the latest;
- (3) Issuer's Profile, updated with the data from the regular annual financial statements for the previous business year in compliance with Article 67 of the Rules – by 30th April of the current year at the latest.

The Exchange shall check the delivery of the reports and the Issuer's Profile from Paragraph 1, item (1)-(3) of this Article on the 20th of the calendar month upon the expiry of the deadline set out in Paragraph 1 of this Article.

Securities of the issuers who fail to deliver to the Exchange the Issuer's Profile referred to in the Paragraph 1 Item (3) all in accordance and within the deadline prescribed by the Rules shall be marked with the special mark «BI» (no Issuer's Profile) as of 1st May of the current year.

Article 173.

In case the control in terms of Article 172 of the Rules establishes that the issuer has not fulfilled the obligation to submit reports and Issuer's Profile from Paragraph 1, Article 172 of the Rules, the Exchange shall by decision exclude the issuer's securities from the Open Market and include them in the MTP Belex, and the trading in the issuer's securities included in the MTP Belex shall be organized from the first business day of the calendar month following the passing of the said decision.

A complaint may be filed against the decision from Paragraph 1 of the Article in terms of Article 150 of the Rules.

Article 174

When it is identified after checking the official registry of information of the Securities Commission or in any other manner that the issuer of securities admitted to trading at the Open Market fails to comply with the obligations stipulated by the Law, by-laws, the Rules and/or the contract concluded between the issuer and the Exchange, the Exchange may, by decision, perform the following:

- (1) issue one of the following measures to the issuer:
 - 1) non-public warning,
 - 2) public warning,
- (2) exclude the issuer's securities from the Open Market and include it in the MTP Belex.

In passing the decision from Paragraph 1 of this Article:

- (1) when the true and full fact state of affairs cannot be identified from the publicly available data of the competent registers or from the data available to the Exchange, the Exchange shall require the issuer to submit a written statement, within the deadline set by the Exchange, concerning the circumstances due to which he failed to fulfill, or failed to properly fulfill, the obligation stipulated by the Law, by-laws, the Rules and/or the contract concluded between the issuer and the Exchange.
- (2) consider all circumstances;
 - 1) causing the breach of the Law, by-laws, the Rules and/or the contract concluded between the issuer and the Exchange,
 - 2) impact on the integrity of the securities market, investors' interests and the reputation of the Exchange,
 - 3) related to earlier conduct of the issuer concerning the required reporting obligations.

By the Decision on imposing measures from Paragraph 1 of this Article, the Exchange may instruct the issuer to eliminate the established irregularities within a specified deadline. The issuer shall submit to the Exchange, within the period and in the manner determined by the said decision, a written report concerning the activities undertaken to eliminate the said irregularities. In case the issuer fails to act in the manner and within the specified period set by the decision from Paragraph 1 of this Article, the Exchange shall pass the decision on exclusion of the issuer's securities from the Open Market and inclusion in the MTP Belex.

The decision made during the supervision procedure in terms of the provisions of this Article shall be passed by the person authorized by Article 63 of the Rules, as a first instance body.

An appeal may be filed against the decision referred to in Paragraph 4 of this Article to the Board of Directors, as a second-instance body, within eight days from the day decision was delivered to the issuer. The appeal shall not postpone execution of the decision. The decision of the Board of Directors is final.

IX ORGANIZATION AND USE OF BELEXFIX**Article 175**

The Exchange shall organize the BelexFIX which enables the accuracy and reliability of collection, entering, processing, transfer and use of data available to the Exchange and which provide and fulfill other requirements prescribed by the Law and by-laws.

The Exchange shall provide the following conditions for proper functioning of the BelexFIX:

- (1) Organizational and spatial conditions – provision of separate premises - technical room with appropriate: power supply provided by the backup power supply (aggregate and UPS); prescribed grounding; antistatic floor; air-conditioning units to secure temperature stability; fire prevention, access control devices, and other.
- (2) Technical conditions – appropriate hardware and software capacity of the Exchange and communication structure of the Exchange business activities which fulfill the following criteria at the minimum:
 - 1) Sufficient number and capacity of the servers, as well as sufficient number of workstations for performing stock exchange activities;
 - 2) Appropriate software capacity, which enables uninterrupted electronic trading in all securities and by all trading methods in compliance with the Rules.
- (3) Telecommunication conditions in terms of Paragraph 2 of this Article shall particularly comprise provision of the appropriate number and type of telecommunication lines.

Article 176

In addition to the BelexFIX in terms of Article 175 of the Rules, the Exchange shall organize a backup information system, which in case of the collapse of the BelexFIX takes over its function, no later than the following working day, with trading data that cannot be older than the data at the end of the Exchange trading session held on the day before the collapse of the BelexFIX.

Article 177

In case of force majeure or circumstances upon which the Exchange cannot have influence (unexpected breaks or other damages to the external equipment and installation or damages to the equipment caused by third persons, theft etc.), which prevent properly functioning of the BelexFIX and after undertaking measures for providing its functioning during the extraordinary circumstances, the Exchange shall:

- (1) temporary suspend trading until conditions for proper functioning of the BelexFIX are reestablished, and/or
- (2) apply measures which shall enable finalization of all business activities commenced during the trading session, such as shortening of trading phases, of which all Members shall be notified without delay through the BelexFIX; or

5. Conditions for access to and use of BELEXFIX**Article 178**

With regard to the BelexFIX, Exchange Members are obliged to perform their activities in all in compliance with the rules of access to and use of the BelexFIX prescribed by the Rules and other rules and regulations of the Exchange and to bring their rules and procedures in line with the Rules and procedures of access to and use of the BelexFIX.

Exchange Members are obliged to harmonize their business conducts from Paragraph 1 of this Article in line with the supplements and amendments to the Rules as well as with the decisions, measures and instructions prescribed in compliance with the Rules.

By decision the Exchange Director shall determine organizational units of the Exchange and appoint authorized persons from the Exchange for performing particular activities related to the BelexFIX.

The provisions of the Rules related to the conditions for access to and use of the BelexFIX are applied accordingly to the conditions for access to and use of the BelexFIX through the help desks.

Article 179

The Exchange Member shall provide the conditions for access to and use of the BelexFIX from his main site and under the requirements and in the manner prescribed the Rules by previously fulfilling the requirements for the Exchange Membership with respect to the technical capacity and organization in accordance with the Rules.

The Exchange Member's backup site shall fulfill the minimum technical and organizational requirements prescribed for the Exchange Member's main site as stipulated by the Rules.

The Exchange Member who setup a backup site, may access to and use the BelexFIX from its backup site provided that the Exchange Board of Directors, upon his written and reasoned request, approved access to and use of the BelexFIX from the backup site under the conditions and in the manner prescribed by the Rules.

The provisions of the Rules concerning the access to and use of the BelexFIX define the Exchange Member's main site and shall be applied to the Exchange Member's backup site unless otherwise regulated by the Rules.

Article 180

As a rule, the Exchange Member shall access to and use the BelexFIX from its main site.

The transition to the access to and use of the BelexFIX from the Exchange Member's backup site, if established, is done by applying the rules of the following procedure prescribed by the provisions of this Article.

In case there is a reason for the migration to a backup site of the Exchange Member, the Exchange Member shall immediately, without delay, notify the Exchange by telephone and shall confirm the need, i.e. the request in the written form by e-mail. The Exchange shall publish on its webpage contact details of the persons at the Exchange designated to perform activities from this Paragraph.

With respect to the request from Paragraph 3 of this Article, the Exchange Member shall immediately, without delay, ensure that the person engaged in IT activities related to the Exchange Member's backup site contacts the person authorized by the Exchange in terms of Paragraph 3 of this Article and shall undertake all other activities necessary to establish the conditions for activation of the Exchange Member's backup site.

Upon submitting of request from Paragraph 3 of this Article, the Exchange shall in cooperation with the Exchange Member and after checking the telecommunication and other conditions for access to and use of the BelexFIX from the backup site of the Exchange Member, in the shortest possible time and no longer than the next trading session, enable the access to and use of the BelexFIX.

Article 181.

Through the help desk the Exchange Member may place trading orders into the BelexFIX, in the case of malfunction of the client workstation and / or server of the Member, or when due to the power outages or for any other justified reasons telecommunication links between the Exchange and the Member have been broken.

The Exchange shall provide at least three help desks at its head office.

Detailed conditions for the use of help desks are defined by an Exchange decision and their use upon the Exchange Member's written reasoned request shall be approved by the employee authorized by the Exchange Director.

The Exchange Member who has been authorized to use the help-desk, during the period of use, cannot place trading orders in the BelexFIX neither through its functional client workstation (main and / or backup site of the Exchange Member in terms of the provisions of these Rules), nor electronically using the BelexFIXAPI module.

Article 182

Upon cessation of reasons on the grounds of which the Exchange Member was approved access to and use of the BelexFIX from the Exchange Member's backup site, the activities shall be undertaken to transfer the access to and use of BelexFIX from the Exchange Member's main site, according to the procedural rules from Article 180 of the Rules.

Article 183

In case when, due to a specific organizational and technical capacity of the Exchange Member, there is a justified need to regulate certain mutual rights and obligations of the Exchange and the Exchange Member concerning the conditions and manner of access to and use of BelexFIX in a manner deviating from the Rules, with respect to the following:

- a. procedure and competence concerning the installation, maintenance and fine-tuning of the Exchange Member's equipment;
- b. support in eliminating problems regarding the access to and use of the BelexFIX;
- c. liability for the damage caused by installation, adjustment and maintenance of hardware and software components of the Exchange Member's equipment, as well as
- d. other deviations from the provisions of the Exchange Rules,

The foregoing issues shall be regulated, upon prior consent of the Board of Directors, by concluding a separate contract, the content of which is determined by the Exchange Director.

A copy of the concluded contract within the meaning of the Paragraph 1 of this Article shall be presented to the Board of Directors at the first following session.

Article 184

Only employees of the Exchange Member who have acquired the status of an authorized broker in accordance with these Rules have the right to access and use BelexFIX.

Notwithstanding Paragraph 1 of this Article, limited access to the BelexFIX:

- (1) with the permission to use the said, limited only to placing trading orders within performing procedures and operations on the organized market, prescribed by the law and in accordance with the agreement from the Article 4 of the Rules, shall be granted to the employees of the Republic of Serbia, National Bank of Serbia and the Central Registry;
- (2) Without the permission to use the said for placing trading orders, shall be granted to employees of the Exchange Member who perform the following:
 - 1) Internal/external control;
 - 2) Securities management in the name of and for the account of investors (portfolio manager)
 - 3) Provide consulting services in connection with securities operation (investment advisor).

The Exchange shall grant licence for limited access to the BelexFIX to the person from Paragraph 2 of this Article even though that person does not hold a broker license in accordance with the Law and By-Laws, provided other requirements prescribed by the Rules for issuing trading license have been met.

Provisions of the Rules regulating the application and requirements for issuing trading license to an authorized broker shall apply accordingly to the request and requirements for granting the license for a limited access to BelexFIX in terms of Paragraphs 2 and 3 of this Article.

The obligations of the authorized broker defined by the Rules shall apply accordingly to the obligations of a person who have been issued a licence from Paragraph 2 of this Article.

Article 185

For the needs of the Exchange Member, for the fee according to the Tariff Book of the Exchange, the Exchange shall provide the following:

- (1) client trading application, for the server and the client workstation, for the main site and for the backup site of the Exchange Member respectively;
- (2) certificate for access to and use of the BelexFIX from the main and backup sites of the Exchange Member;
- (3) BelexFIXAPI module for connecting the User Application to the BelexFIX.

Article 186

The authorized persons from the Exchange perform the following:

- (1) installation of the client application on the server and client workstations of the Exchange Member for the main site of the Exchange Member;
- (2) Connecting the server and the client workstation to the BelexFIX and final adjustment of the client application for both the main and backup sites of the Exchange Member.

Article 187

During the usage of the client workstations, Exchange Members are obliged to comply with the following rules:

- (1) after the installation of the client application, the Exchange Member is not allowed to install new hardware components or change any existing hardware component, except the monitor and the mouse, without an approval of the Exchange.
- (2) Exchange Member shall not give the installed server, or the client workstation, to other system users.
- (3) installed server or workstation may only be used for remote trading at the Exchange,
- (4) Exchange Member shall not modify the server or the client workstation by any means, copy their contents or install the remote trading software on another server, or/and, client workstation, except in case when copying is performed for the purpose of setting up the Exchange Member backup site, with prior consent of the Exchange.
- (5) Exchange Member shall not, upon the installation of the client application by the Exchange, install or launch the implementation of any software on the server, and/or the client workstation after the installation of the client application by the Exchange, except when the said activities are for the purpose of organizing and/or maintaining the Exchange Member backup site according to the procedure established by the Rules.
- (6) Exchange Member shall not use any software or hardware auxiliary means (helping device, tools etc.) which provide functionality not provided in the client application of the Exchange.

Article 188

If the Exchange Member wants to change the purpose of the server, and/or the client workstation, as well as when he stops using the BelexFIX regardless of the causes, the Exchange Member shall immediately inform the Exchange on that matter.

The Exchange shall immediately, but not later than five working days, uninstall the server and/or the client workstation and disconnect it from the BelexFIX, after which the Exchange Member may change the purpose of the said server, and/or workstation.

Article 189

In using the BelexFIX the principle of equality shall be applied, which implies the following:

- (1) equal possibility of accessing the BelexFIX for all Exchange Members,
- (2) data released from the BelexFIX are simultaneously available to all Exchange Members.

The BelexFIX provides equal treatment of all trading orders received to the BelexFIX server.

Article 190

Exchange Member is forbidden to misuse the authorization for access to and use of the BelexFIX, i.e., to use the aforesaid contrary to the provisions of the Rules or the decisions, measures and instructions prescribed by the Rules.

Article 191

The BelexFIX is accessed by the certificate assigned to the Exchange Member and by the personal user name and password assigned by the Exchange to the authorized broker who is obliged to use it only for the access and use of the BelexFIX only personally.

The Exchange shall initially define the password from the Paragraph 1 of this Article, and the authorized broker shall be obliged to change it, immediately without a delay, when accessing the BelexFIX for the first time and shall not communicate it nor in any other way make it available to third persons.

In case an unauthorized person learns the password from Paragraph 2 of this Article, the authorized broker shall immediately change the password and notify the Exchange accordingly.

The Exchange Member whose authorized broker is the person from Paragraph 3 of this Article is responsible for any consequences of a possible damage arising from the misuse of the exposed password due to failing to comply with the obligation referred to in Paragraph 3 of this Article.

Article 192

(deleted)

In cases of cessation or change in any of the conditions for obtaining the authorized broker status, the Exchange

Member shall inform the Exchange accordingly and without delay.

Article 193

Exchange Member may develop and use his own internal applications provided that they do not threaten the operation of the BelexFIX.

The applications from Paragraph 1 of this Article cannot be developed nor installed on the server and the client workstation.

In case of endangering the BelexFIX from the server or the client workstations, the Exchange may limit or prohibit their use.

Article 194

Exchange Member is fully responsible for transmitting trading orders to the BelexFIX and for the accuracy and completeness of the data contained therein.

Exchange Member shall provide technical, organizational and control mechanisms such that orders sent out to the BelexFIX do not endanger the regularity and accuracy of trading and market integrity by their volume, price or other characteristics.

Article 195

Exchange Member shall enable authorized persons of the Exchange to audit the technical equipment of the Exchange Member, at any moment, to monitor the manner in which the equipment is used and compliance with provisions of the Rules.

In order to control the operation of BelexFIX, the Exchange may, unless otherwise specified in the contract referred to in Article 183 of these Rules, without the consent of the Exchange Member, install on all parts of BelexFIX special software for monitoring the performance of all BelexFIX elements and/or use other technical and technological means and tools for monitoring and controlling the operation of all BelexFIX.

Authorized persons of the Exchange shall perform the activities from Paragraph 1 and 2 of this Article with the least possible interruption of the current trading operations of Exchange Member.

Article 196

The Exchange shall enable System Users access to the information on orders, prices and trade volume in the BelexFIX, in compliance with their authorization and technical capacity of the equipment they use.

Exchange Members shall use information available to them within the meaning of Paragraph 1 of this Article in compliance with the provisions of the Rules.

Article 197

The Exchange is authorized to use, inspect and examine the data obtained from the BelexFIX and to publish the same in compliance with its acts.

Article 198

Exchange Members shall inform the Exchange without delay on any event due to which they are unable to use the BelexFIX, meaning that they cannot access, place trading orders or carry out other operations in the BelexFIX.

In case from Paragraph 1 of this Article, the support system of the BelexFIX, set up by the Exchange, is available to the System Users, which particularly includes giving verbal instructions and directions and activities undertaken by the authorized persons of the Exchange to remove the cause from Paragraph 1 of this Article.

In case of being unable to access the BelexFIX, Exchange Members may use the help-desks in compliance with the provisions of the Rules and other acts of the Exchange.

Immediately after cessation of conditions from Paragraph 1 of this Article the Exchange Members shall notify the

Exchange thereof.

Article 199

The authorized persons of the Exchange shall provide support for the Exchange Members either verbally or in the written form, by using all appropriate means of communication, for the purpose of removing the problems connected with access to and use of the BelexFIX which are of such kind that the Exchange Member with the help of the appropriate instruction of the authorized persons of the Exchange may resolve it by himself.

For the purpose of providing communication with persons from Paragraph 1 of this Article, the Exchange shall provide the Exchange Members with the appropriate number of telephone lines and other appropriate means of communication.

The provisions of the Rules concerning the conditions for access to and use of the BelexFIX from the Exchange Member's backup site are applied accordingly to the procedure of communication between the Exchange Member and the Exchange in case the Exchange needs to provide support to the Exchange Member.

Article 200

The Exchange shall perform the following activities:

- (1) maintenance and configuration of client applications for the server and client workstations,
- (2) replacement of the old version with a new version of the client application,
- (3) modification and other activities related to the client application.

The Exchange does not perform activities of installation, maintenance and technical support for the hardware and system software on the Exchange Member's equipment.

Article 201

The Exchange shall be held responsible for the proper functioning of the client application under the terms defined by these Rules and is liable for the damage incurred by the Exchange Member, his clients or third persons only in case the damage was caused by improper functioning of the client application due to negligence or an intentional mistake made by an employee of the Exchange.

Article 202

The Exchange shall not be liable for:

- (1) impossibility of partial or full use of the BelexFIX due to the malfunctioning of telecommunication lines or failure at the site of the Exchange Member due to force majeure, error or wrong handling of the equipment by the Exchange Member;
- (2) irregularity of the system software and hardware on the Exchange Member's equipment;
- (3) irregular or incomplete data processing or data transfer;
- (4) errors of the Exchange Member in using the BelexFIX or changes in the connection to the BelexFIX;
- (5) errors in the procedures for enabling normal operation of the BelexFIX system in extraordinary situations including force majeure;
- (6) impossibility of partial or full use of the BelexFIX due to problems occurring during transition from the main site of the Exchange Member to its backup site or transition from the backup site to the main site of the Exchange Member.
- (7) other problems, errors or irregularities in the BelexFIX caused by third persons, unexpected circumstances or events that cannot be influenced by the Exchange, i.e. which are beyond the control of the Exchange, as well as in cases where the installation, setting up and maintenance of hardware and software components of the Exchange Member's equipment and other activities were not performed by the Exchange, performed by a third party in accordance with the contract referred to in Article 183 of these Rules..

Article 203

In the event of force majeure or circumstances occurring at the Exchange Members which could not be affected (such as sudden failures or other damage to external devices and installations or damage to equipment caused by a third party, theft, etc.), and due to which, according to the Exchange assessment, a larger number of Exchange Members is unable to access to or use the BelexFIX, which is in function, simultaneously, equally and under equal conditions, the Exchange shall apply the provision of Article 177 of these Rules, accordingly.

A larger number of members, in terms of Paragraph 1 of this Article, is considered to be (alternatively):

- (1) more than 40% of the total number of Members, or
- (2) less than 40% of the total number of Members if they, measured by their participation in the total value of turnover of the Members, according to the last monthly report of the Exchange sent to the Securities Commission, account for more than 50% of the turnover.

Article 204

If during the course of trading the authorized persons of the Exchange ascertain that the activities of the server or the client workstation of Exchange Member have caused disruption of the normal functioning of the BelexFIX, the Exchange shall temporarily disconnect the server of the aforesaid Member of the Exchange from the BelexFIX, stating the reasons for disconnection and shall warn the Exchange Member to discontinue the foregoing activities.

Exchange Member shall be obliged to immediately undertake all the activities necessary to cease the actions from Paragraph 1 of this Article or remove their cause and shall immediately notify the Exchange thereof, which shall, upon considering his report on undertaken actions, reconnect their server to the BelexFIX.

Exchange Member, as defined in this Article, shall be liable to the Exchange and other System Users and their clients for the damage caused by the activities from Paragraph 1 of this Article.

Article 205

Exchange Member and the authorized broker shall be liable for any activity contrary to the provisions of the Rules.

In the cases referred to in Paragraph 1 of this Article, as well as in case of repeated activities referred to in Article 204 of the Rules, the Exchange shall disconnect the server or the client workstation from the BelexFIX and shall notify the Exchange Member, stating the reasons for disconnection.

6. Conditions for access to and use of BelexFIX via BelexFIXAPI module

Article 206

The Exchange enables all members of the Exchange to use the BelexFIXAPI module in an equal manner and under the conditions laid down in these Rules and in the procedure regulated by the Exchange's instructions.

The BelexFIXAPI module enables the use of the following FIXAPI services of the Exchange:

- a. automatic electronic placement of trading orders into the BelexFIX, from the user application into the BelexFIX (excluding the orders for block transactions);
- b. automatic electronic transmission of information on the order status in the Order Book, as well as information concerning the status of transaction contract in the Book of transaction contract from the system BelexFIX into the user application;

In addition to the FIXAPI service set forth in Paragraph 3. of this Article, the Exchange may develop other FIXAPI services.

The Exchange FIXAPI services are not available at the Exchange Help-Desks.

Article 207

The BelexFIXAPI module may be used by the Exchange Member whose user application, in the part of the functionality enabling the electronic connection of the user application to BelexFIX via the BelexFIXAPI module (hereinafter: FIXAPI functionality), was certified by the Exchange during the procedure define by the Instructions from the Article 206 of the Rules.

Article 208

The procedure for granting approval to the Exchange Member to access to and the use of the BelexFIX through the BelexFIXAPI module is initiated by his written request submitted to the Exchange. Along with the request, the contract on using BelexFIX module (which form and content is defined by the Exchange Director) shall be submitted, signed by the registered legal representatives of the applicant.

Upon receiving the request set forth in Paragraph 1 of this Article, the Exchange delivers to the User of the

BelexFIXAPI a module with the accompanying documentation (for the purpose of developing FIXAPI functionality) and performs the installation of the BelexFIXAPI module onto the server of the Exchange Member, remotely from the location of the Exchange.

Exceptionally from Paragraph 2 of this Article, the Exchange Member who has concluded the contract with the Exchange in terms of Article 183 of the Rules, performs the installation of the BelexFIXAPI module onto his server himself.

Exceptionally, in case the request referred to in Paragraph 1 of this Article indicates that the Exchange Member intends to use an application whose FIXAPI functionality has already been certified by the Exchange, a shortened procedure for the implementation of the FIXAPI application of the Exchange Member shall be carried out, which shall include only trial trading taking place in the production environments of the Stock Exchange and Exchange Member.

Article 209

Before launching into production of the certified FIXAPI functionality of the user application, the Exchange shall sign and certify for its part a contract from Article 208 of the Rules, by which day the contract is deemed concluded.

Article 210

Exchange Member who concluded the contract set forth in Article 209 of the Rules is obliged to have at least one operating client working station with the installed client application for the access to and the use of the BELEXFIX.

Article 211

In case of changes on the certified FIXAPI functionality of the user application, the procedure of its testing and certification is repeated in the manner set forth in Articles 208 and 209 of the Rules.

The procedure of repeated testing and certification as set forth in Paragraph 1. of this Article is also performed in case of changes in other functionalities of the user application which might affect the functioning of the certified FIXAPI functionality of the user application in terms of:

- (1) they may violate compatibility of the user application and BelexFIX or
- (2) they may arise from the introduction of the new functionality of the user application which may affect communication with the BelexFIX.

Exchange Member is obliged to timely notify the Exchange of any planned change in terms of Paragraphs 1 and 2 of this Article.

Upon a successful retesting and certification in terms of Paragraphs 1 and 2 of this Article, the Exchange Member may start to use the altered user application.

Article 212

In case of changes in the BelexFIX which involve changes in the user application, the Exchange is obliged to notify the Exchange Member at the shortest possible notice of the incoming changes in detail and establish an appropriate deadline for adjusting the user application to the changes in the system BelexFIX.

Depending on the type and scope of changes set forth in Paragraph 1. of this Article, the Exchange shall determine whether the Exchange Member, upon adjusting the user application to the given changes, should repeat the testing and certification of the FIXAPI functionality of the user application.

The repeated testing and certification of the FIXAPI functionality set forth in Paragraph 2 of this Article is performed according to the procedure defined by the Exchange instructions.

Article 213

If persons authorized by the Exchange establish that the user application disturbs normal functioning of BelexFIX and/or threatens the integrity of the BelexFIX, the Exchange shall immediately and without previous notice, suspend the Exchange Member's further use of the BelexFIXAPI module.

Article 214

In the case set forth in Article 176 of the Rules, the use of the BelexFIXAPI module is defined by a special Exchange enactment (Disaster Recovery Plan).

Article 215

The provisions of the Rules regulating the rights, obligations and responsibilities of the Exchange Member and the Exchange related to the access to and the use of the BelexFIX through the client working station are applied accordingly to the access to and the use of the BelexFIX through the BelexFIXAPI module.

X REPORTING AND EDUCATION**Article 216**

The Exchange submits to the Securities Commission notices and reports within the deadlines, in content and in the manner defined by the Law and by-law of the Securities Commission.

Article 217

Issuers shall be obliged to submit the reports, notifications and information to the Exchange, as prescribed by the Law, by-laws of the Securities Commission and regulations of the Exchange, in a manner defined by instructions of the Rules, regulating the manner of communication between the Exchange and issuers.

Article 218

(deleted)

Article 219

The Exchange shall keep records on the submitted reports of the public company, chronologically, according to the time of receipt and the type of report, and shall publish it on its website.

The records from Paragraph 1 of this Article shall include particularly:

- (1) name and the registered office of the public company;
- (2) name of the report of the public company;
- (3) date of publishing the public company's report on the Exchange website.

For issuers whose securities are included in the Regulated Market, the Exchange shall also keep records of the submitted:

- (1) Issuer Profiles;
- (2) issuer's annual and semi-annual reports within the deadlines set by the Law;
- (3) quarterly reports of the issuer of securities listed on the Regulated Market within the deadlines set by the Law.

Article 220

The Exchange shall keep records on the transactions in financial instruments admitted to trading on the Regulated Market or MTP Belex, by means of its information system.

Article 221

The information on the course of the trading session which is not publicly disclosed may be available upon the approval of the Exchange Director only to authorized persons employed with the Exchange, i.e., persons who are, in compliance with the Law and the Exchange regulations, authorized to obtain such information, upon their written request and with prior written consent of the Exchange Director.

Article 222

The Exchange shall issue the following:

- (1) daily trading report containing the trading data by market segments and index values;
- (2) weekly report containing trading data and turnover structure by segments, participation of the most active members and the index values;
- (3) monthly report containing trading data and turnover structure by segments and members, the index

values.

Article 223

The Exchange shall provide transparency before and after transactions in the manner stipulated by the Law and by-laws of the Securities Commission.

The Exchange shall enable the distribution of trading data through the Belex service, in real time and out of real time.

The volume and terms of the distribution and the use of data referred to in Paragraph 1 of this Article are defined by a contract concluded between the user and the Exchange depending on the type of service.

Article 224

Members shall neither distribute, communicate or analyze the information, analyses, comments and announcements of the Exchange nor release or publish them to the public under their name, without stating the source.

Article 225

In their communication with the public and in making recommendations, Members and their employees are obliged to comply with the provisions of the Law, by-laws and the principles of the code of ethics in compliance with the Rules.

Exchange Member is obliged to issue information from the scope of operations of the Exchange in its original form.

Article 226

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Article 227

The Exchange issues the official gazette - the Bulletin, releasing the data on securities trading, information on the status and operation of the Exchange, information on activities of the Members, texts of the rules and regulations of the Exchange which are upon decision published in the gazette of the Exchange, special supplements and other data prescribed by the Exchange Director.

All data, news, information and rules and regulations published in the Bulletin are official.

The Exchange publishes the Bulletin on a monthly basis, in electronic and/or printed format, and, if it is considered necessary, special issues may be released.

1. Education

Article 228

The Exchange shall organize educational activities for the employees of the Exchange, employees of the Members, representatives of media and other interested parties, in the form of courses, seminars, lectures, presentations and in other forms.

The Exchange may organize educational programs in co-operation with educational, scientific and other institutions.

The subject of the education shall focus on the stock exchange operation and its particular aspects.

Education is intended to spread the knowledge of the financial market, stock exchange business, securities and other financial instruments and the related economic and legal issues from this area, in order to increase the circle of potential participants in trading and to enable timely and accurate information to the public.

Article 229

The Exchange may organize educational training for acquisition of knowledge or for improving the knowledge and skills necessary for performing operations on the financial market.

Article 230

The Exchange shall organize publishing activities. They shall involve publications on the financial market and its particular aspects.

The Exchange shall participate in the publishing activities of other publishers, when their subjects are publications on different issues of the financial market business.

XI RESOLUTION OF CONFLICTS OF INTEREST**Article 231**

The Exchange and the Exchange Members, members of the bodies and the Exchange's and Member's employees shall, in case of a conflict of interest with interest of other participants on the capital market, for the purpose of maintaining a fair, unbiased and transparent market, act in such manner as to protect the interests of the capital market.

Conflict of interest exists when the person referred to in Paragraph 1 of this Article decides or participates in the decision for which he or she has a personal interest or is closely related to the person to whom the decision relates, having regard to the circumstances from which it can logically and tangibly be assumed that existence of such a relationship may (consciously or unconsciously) diminish his objectivity and impartiality in making the decision.

The conflict of interest in terms of provisions of this Article exists for example (but is not limited to) in cases when the person from Paragraph 1 of this Article decides upon an issue which for the employer of that person or someone to whom such a person provides consulting or other business services or someone with whom such a person has a significant business relationship or is that person's business partner, spouse or close relative or equivalent person is directly or indirectly interested in the outcome of decision-making.

Conflicts of interest within the meaning of the provisions of this Article exist, for example (but not limited to) in cases where the person referred to in Paragraph 1 of this Article decides on an issue of which the employer of that person is directly or indirectly interested in, or another person to whom the person referred to in Paragraph 1 of this Article provides consulting or other business services or is in a significant business or life relationship (business partners, spouse, relative and similar) with that person.

In case of doubt that the person referred to in paragraph 1 of this Article may come into conflict of interest within the meaning of the provisions of this paragraph, proceedings shall be initiated before the Board of Directors to determine whether there is a conflict of interest in the specific case and if so recommend measures and procedures for avoiding the possible negative consequences of such conflict.

The Exchange shall initiate proceedings before the Board of Directors on its own initiative or at the proposal of the persons referred to in Paragraph 1 of this Article, as well as persons who are aware of the reasons why, according to the provisions of this Article, there is a suspicion of a conflict of interest.

XII RISK MANAGEMENT, PERSONAL TRANSACTIONS AND PREVENTION OF DISCLOSURE OF CONFIDENTIAL OR INSIDE INFORMATION**Article 232**

The Exchange shall continually identify and assess the compliance risk of the Exchange operations and shall identify the source of the potential lack of compliance of the Exchange operations. The risk assessment involves the process of recognizing events which represent, or might represent, a potential source of risk concerning the compliance of the Exchange operations and qualitative assessment of potential weaknesses, need for corrective measures in the organization of business activities, liability for risk exposure occurred and proposal for resolution of issues.

The Exchange shall implement measures and procedures for (1) prevention of disclosure of the inside, confidential and/or information not available publicly that the Exchange has on its disposal (2) realization of personal transactions of relevant persons, by contracting with the Exchange employees the obligation to declare their investment accounts and investment activities, including the related persons.

Board members shall give a statement under the full material and legal responsibility that they are aware that they and their related persons may invest in securities that are included in the Regulated Market segments or MTP Belex, if such investment is not inconsistent with the provisions of the Law and by-laws, or contrary to the principles of business conduct (conflict of interest, ban on the use of privileged information, ban on manipulation, ban of dissemination of false information, a confidential information...).

The issues from Paragraph 1 and 2 of this Article, as well as the measures and procedures for identifying and managing the risks of the Exchange risks are more closely defined by the Exchange Rulebook regulating the internal organization of the Exchange operations.

XIII TRANSITORY AND FINAL PROVISIONS

Article 233

(deleted)

Article 234

Provisions of the Rules related to at-the-close trading phase shall not be implemented until the Board of Directors passes a decision on activating trading in at-the-close phase.

Article 235

Primary trading in financial instruments (public offer of securities during the procedure of issuing) may be organized at the Exchange at the request of the issuer, by the trading methods defined by the Rules, according to the provisions of these Rules relating to the first trading.

Notwithstanding the provision of Paragraph 1 of this Article, in relation to Article 21 Paragraph 1 Item 1 of the Law, if the issuer is in the prospectus approved by the Securities Commission has defined the criteria and conditions according to which the final price in the offer is determined, AZF is determined in accordance with the data from the given prospectus.

The indicative price for primary trading is defined as the price set by the issuer in the request referred to in Paragraph 1 of this Article, and in accordance with data from an approved prospectus in accordance with the Law.

Article 236

The Board of Directors of the Exchange shall issue an authentic interpretation of the provisions of the Rules on a reasoned request, in written form.

The headings of certain chapters of the Rules, as well as the subheadings within the chapters, shall solely have the function of enabling an easier navigation through the text and have no significance for the interpretation of particular provisions of the Rules.

Upon a reasoned request, in writing, Board of Directors gives its opinion in case it is necessary for the implementation and enforcement of the provisions of these Rules.

Article 237

The Directors of the Exchange prescribes more detailed instructions for the implementation of the provisions of the Rules.

Article 238

The Rules and their alterations and amendments are published on the Exchange website on the next day from the

date of receipt of the approval of the Securities Commission and shall enter into force 8 (eight) days from the date of publication.

As an exception from Paragraph 1 of this Article, for justified reasons which call for urgent alterations and amendments to the Rules, established by decision on their adoption, the said may enter into force earlier.

Article 238a

Unless otherwise prescribed by the Rules, delivery of documentation and statements in the form of electronic document signed by a valid qualified electronic signature, or in the form of a digitized document signed by a valid qualified electronic signature of the legal representative to the electronic address of the Exchange, in accordance with these Rules, shall begin on the day determined by the decision of the Exchange Director, but not earlier than 1.4.2019.

Until the implementation of the decision referred to in Paragraph 1 of this Article, documentation and/or statements in accordance with these Rules submitted to the Exchange, unless otherwise regulated by these Rules or the decision referred to in Paragraph 1 of this Article, shall be submitted to the Exchange certified in line with the regulation of the legal entity delivering the said to the Exchange, or certified in accordance with the law that governs signature certification in case documentation and/or statements is delivered by a natural person.

Article 239

Exchange Members who hold that status on the day these Rules come into force, as well as in case of change of these Rules due to which the conditions for membership on the Exchange have been changed, shall retain that status on condition that they ensure fulfillment of the conditions for membership established by the Rules and submit missing documentation from the Articles 9 and 16 of these Rules, that is, evidence of the fulfillment of the changed conditions for membership within the meaning of this Paragraph, not later than three months after the Rules enter into force.

The Exchange shall revoke the membership status to the Exchange Member who fails to act in the manner prescribed under the previous Paragraph of this Article.

Notwithstanding the Paragraph 2 of this Article, the Board of Directors of the Exchange may set an appropriate deadline to the Exchange Member, which may not exceed two months, within which to the Exchange Member is obliged to act in all in accordance with Paragraph 1 of this Article. In the event that after expiration of the deadline, the Exchange Member has still failed to comply with the obligation referred to in Paragraph 1 of this Article, the Board of Directors shall issue a decision on termination of membership status of the Exchange Member.

Article 240

The authorized brokers of the Member who holds that status on the day of the Rules coming into force are required to be trained for working on the BelexFIX in line with the Rules, within the time slot set by the Exchange.

The Exchange shall revoke the status of the Member's authorized broker in case he fails to act in accordance with the previous Paragraph of this Article.

Exceptionally from Paragraph 2 of this Article, the Exchange Director may set a new time slot for training of the authorized broker, and the authorized broker is obliged to act upon the Exchange requirement and successfully complete the said training for working on BelexFIX. In case he fails to do so, the Exchange Director shall pass the decision on termination of the authorized broker's trading licence.

Authorized broker who is at the same time one of the directors of the Exchange Member shall retain the status of an Authorized Broker provided that the Exchange Member, who appointed him to conduct operations on the Stock Exchange, has submitted to the Exchange missing statement from the Article 16 Paragraph 2 Item (2) Sub-Item 3 of the Rules within 15 days from the day of entry into force of these Rules. In the event when the Exchange Member fails to deliver the missing statement provisions of the Paragraphs 2 and 3 of this Article shall apply accordingly.

Article 241

Securities admitted to the Prime Market of the Regulated Market until the day of the Rules coming into force shall

be deemed as being admitted to the Prime Listing of the Regulated Market on the day of the Rules coming into force.

Securities admitted to the Standard Market of the Regulated Market until the day of the Rules coming into force shall be deemed as being admitted to the Standard Listing of the Regulated Market on the day of the Rules coming into force.

Securities admitted to the Unregulated Market until the day of these Rules coming into force, shall be admitted to the Open Market or the MTP Belex, depending on:

- (1) whether in trading in the said security there were transactions concluded over the period of 180 days preceding the day of the Securities Commission approval regarding the Rules (hereinafter: cut-off day);
- (2) whether the security on the cut-off day is marked by a special mark 'BP' (without prospectus);
- (3) whether the security on the cut-off day fulfills the conditions stipulated by Article 64 of the Rules.

If according to the Exchange records, after the trading session on the cut-off date:

- (1) there were transactions concluded in the security in terms of Paragraph 3 item (1) of this Article and the said security is not marked by 'BP', and it fulfills conditions from Article 64, Paragraph 1 of the Rules, the said security shall be deemed admitted to the Open Market;
- (2) there were not transactions concluded in the security in terms of Paragraph 3, item (1) of this Article or it bears the mark 'BP', or it does not fulfill the conditions from Article 64, Paragraph 1 of the Rules, the said security shall be deemed admitted to the MTP Belex;

Article 242

The market segment into which a particular security from Article 241 of the Rules is included shall be determined by the decision of the Exchange Director without passing decisions on alterations and amendments to particular decisions on admission of securities to the Regulated Market, i.e., decisions on admission of securities to the Unregulated Market passed before the implementation of the Rules. The list of the securities by market segments shall be published on the Exchange website.

Article 243

The fluctuation zone model containing only the AZF, in terms of provisions of the Rules, shall be applied until decision of the Board of Directors on applying the fluctuation zone model AZF in combination with the SZF and/or DZF, according to the Rules, in securities trading is made.

Article 244

Trading orders which have been placed into the BelexFIX prior to the day the Rules entering into force of, and which according to the time are marked as a Good-till-Day Order or a Good-till-Cancelled Order, within the time period of no longer than 90 days from the day of placing, shall be valid until the expiry of the set period.

Article 245

The proceedings initiated before the Exchange prior to these Rules coming into force, and according to the Rules (number: 04/2-3821/07, with alterations and amendments number: 04/2-236/08, 04/2-1020/08, 04/2-3153/08, 04/2-3154/08 and 04/2-690/09) and the rulebooks adopted pursuant to that Rules, shall be finalized in compliance with that acts of the Exchange.

Duration of temporary suspension of trading of securities determined on the basis of the provisions of the Rules that were in force until the day of the alterations and amendments of the Rules coming into force (04/2 No 12143-1/15), due to inconsistency of data on the number (quantity) of securities included in the Exchange's markets with data from the Central Registry, shall be decided by the Exchange in accordance with the amended and supplemented Rules (04/2 No. 12143-1/15).

Article 246

Upon these Rules coming into force, the rulebooks, decisions, instructions, resolutions and other enactments made by the Exchange prior to the Rules coming into force shall continue to be effective, except for the provisions of the said acts which are contrary to the provisions of these Rules, in which case the provisions of these Rules

shall be directly applied.

Article 247

Contracts concluded with the issuers whose securities are admitted to trading at the Regulated Market or Unregulated Market prior to these Rules coming into force, shall not be cancelled by the Exchange on the day the Rules come into force and the said, until new contracts regulating mutual rights and obligations in relation to the admission and organization of trading in securities in accordance with these Rules are concluded, shall continue to be effective with respect to all provisions of the concluded contract except for the provisions which are contrary to the provisions of these Rules, in which case the provisions of these Rules shall be applied directly.

Without submitting a special request, issuers whose securities are classified in accordance with Article 241 of these Rules, shall be obligated to deliver to the Exchange a collateral for securing the financial obligations from the Article 65 Paragraph 2 Item 3 of these Rules.

Article 248

The prospectus for organization of trading at the Exchange submitted to the Exchange prior to these Rules coming into force shall be deemed the Issuer's Profile in terms of the provisions of these Rules.

The provisions of the Rules related to the Issuer's Profile shall be applied until at least ½ of the issuers out of the total number of the issuers whose securities are included into the Regulated Market or MTP have the prospectus for issuing of securities by public offering or admission to the Regulated Market or the MTP Belex approved by the Securities Commission.

The Exchange Board of Directors shall pass a decision on ascertaining the circumstances referred to in Paragraph 2 of this Article and declaring the provisions of the Rules regarding the Issuer's Profile null and void.

Article 249

In the event when the issuer, for which decision was made in accordance with the regulations governing privatization, to sell the capital through the organized market in accordance with the regulations governing the securities market, fails to submit to the Exchange application for the inclusion of shares in the regulated market in accordance with the Law and these Rules, the said shall be included on MTP Belex at the request of the Ministry responsible for economy affairs (hereinafter: the Ministry).

In addition to the Application from Paragraph 1 of this Article, the applicant of the request shall be obliged to submit to the Exchange the following documentation and evidence:

- (1) Copy of the decision from Paragraph 1 of this Article as well as information that the issuer did not act in accordance with the given decision within the prescribed deadline;
- (2) Last annual financial report on the issuer's business conduct submitted to the competent registry of financial reports authorized in accordance with the law regulating accounting.

For the purpose of considering all conditions for admission and organization of shares trading in accordance with this Article, the Exchange may require additional evidence and documentation.

Pursuant to the provisions of this Article, the provisions of these Rules relating to the admission of securities per issuer's application as well as to the indicative price for the first trading shall apply accordingly to admission of securities to MTP Belex and indicative price for the first trading in the said shares.

Shares that are included in the MTP Belex, in accordance with the provisions of this Article, shall be marked with the special tag "BI" (without Issuer's Profile) on the Exchange website, which shall be deleted when the issuer fulfills the requirements from the Articles 64 and 65 of these Rules.

Article 250

The Rules shall be submitted to the Securities Commission for approval.

Upon obtaining the approval in terms of Paragraph 1 of this Article and the approval of the Tariff List of the Belgrade Stock Exchange submitted to the Securities Commission in the procedure of harmonization of the Exchange with the Law, the Rules shall be published on the Exchange website.

The Rules shall come into force and shall be applied upon the expiry of 8 days from the day of their publishing on the Exchange website, except the Articles 88–90 of the Rules, which shall be applied from 21 May, 2012.

On the day of these Rules entering into force the Rules of Business Operation of the Belgrade Stock Exchange jsc. Belgrade no. 04/2-3821/07, with modifications and amendments no: 04/2- 236/08, 04/2-1020/08, 04/2-3153/08, 04/2-3154/08, 04/2-690/09 and 04/2-3043/09 shall cease to be valid.

BELGRADE STOCK EXCHANGE
Board of Directors
Olivera Zdravković, President