



04/2 No. 550/09

Articles of Association **of the Belgrade Stock Exchange, jsc,** **Belgrade**

Belgrade, February 26, 2009

Pursuant to article 53, paragraph 1, item 7 of the Contract of Organisation of the Belgrade Stock Exchange, and for the purpose of adjusting to the Law on Business Companies (Exchange number: 04/1-1449-1/08, last certif. number of the IV Municipal Court III-906/08), the Board of Directors of the Belgrade Stock Exchange jsc, Belgrade, at the meeting XII/08 held on 7.10.2008, adopted the Articles of Association of the Belgrade Stock Exchange jsc, Belgrade (No: 04/2-3063/08), which in the procedure of obtaining approval of the Securities Commission was adapted and modified at the meeting XV/08 held on 25.11.2008 (number: 04/2-3554/08) and at the meeting II/09 held on 26.2.2009, when the Board of Directors of the Exchange determined the following text of the Articles of Association of the Belgrade Stock Exchange jsc, Belgrade (number: 04/2-550/09):

ARTICLES OF ASSOCIATION OF THE BELGRADE STOCK EXCHANGE jsc, BELGRADE

I GENERAL PROVISIONS

Article 1.

Belgrade Stock Exchange, joint stock company, Belgrade (hereinafter: Exchange) is a legal entity with the rights, obligations and responsibilities defined by the Law on the Market of Securities and Other Financial Instruments (hereinafter: Law) and by the law governing business companies.

Article 2.

The Exchange is established with the aim to:

1. regulate, facilitate and upgrade trading in securities and other financial instruments,
2. provide an open, public, equal, efficient and economical securities market,
3. enable compliance with fair principles and implement fair and correct procedures on the organized market.

Article 3.

By the Contract of Organization of the Belgrade Stock Exchange, in compliance with the Law on Business Companies (hereinafter: Memorandum of Association of the Exchange), the following issues of importance for the position and operations of the Exchange shall be governed: business name and head office, activity of the Exchange; form and responsibility of the Exchange; Exchange's assets; proxy of the Exchange; original capital of the Exchange; number, value and class of shares of the Exchange and rights from shares; number of shares of each type and class which are registered and issued; share issue; distribution of profit and coverage of loss; bodies and decision making at the Exchange; duration and cessation of the Exchange; other matters arising relevant to the Exchange position and operations.

The issues relevant to the position and operations of the Exchange not regulated by the Memorandum of Association from paragraph 1 of this article shall be governed by the Articles of Association, in compliance with the Law and by-laws of the Securities Commission, and these issues are: Listing and Quotation Committee, criteria for acquiring membership at the Exchange, loss of membership; supervision of operations of the Members of the Exchange; settlement of disputes between Members and participants on the Exchange; publishing of the Exchange rules and information on the Exchange operations; reporting to the Securities Commission; interpretation of the Exchange rules; environment protection, as well as other issues relating to the organisation of the Exchange operations in compliance with the Law.

II LISTING AND QUOTATION COMMITTEE

Article 4.

The Exchange has a Listing and Quotation Committee.

In addition to the Committee from paragraph 1 of this article, other committees can be constituted by the decision of the Board of Directors.

Article 5.

The Listing and Quotation Committee has 5 members named by the Board of Directors.

Article 6.

The members of the Listing and Quotation Committee (hereinafter: Listing Committee) are elected from the employees on the Exchange, shareholders, Members of the Exchange and other qualified experts.

The person named for the member of the Listing Committee can be a person with at least three years of experience in dealing with securities.

Article 7.

The term of office of members of the Listing Committee shall last for two years, with the re-election option.

The term of office of a member of the Listing Committee can cease prior to expiration of the term in the following cases:

1. by the re-call of the Board of Directors,
2. by the cessation of one of the conditions based on which he was elected,
3. if he resigns from membership in the Committee.

Article 8.

The Listing Committee shall make decisions at meetings.

Exceptionally from paragraph 1 of this article, in urgent cases the Listing Committee can make a decision in writing, by fax, electronic mail or other technical means, if none of the members of the Listing Committee is opposed to that.

At the first meeting of the Listing Committee the members elect the chairman and the deputy chairman among themselves.

The Listing Committee issues valid decisions if at least three members of the Listing Committee are present at the meeting.

Article 9.

Documents prescribed by the Rules of the Exchange are filed along with the request for quotation of securities.

The Listing Committee, based on the request and submitted documents, as well as other available information, shall pass a resolution on the request within the deadline prescribed by the law.

Article 10.

The Listing Committee makes decisions by the majority of votes of its members, except on the procedural issues on which the Listing Committee decides by the majority of votes of the present members of the Committee.

Against the resolution of the Listing Committee appeal may be filed with the Board of Directors within the deadline established by the Exchange rules.

III

CONDITIONS FOR OBTAINING THE MEMBERSHIP AT THE EXCHANGE AND STATUS OF BROKER OF THE EXCHANGE MEMBER

Article 11.

Trading in securities at the Exchange is performed by the Exchange Members who obtained the membership status by the decision of the Board of Directors, under the provisions of the Articles of Association. Trading in securities at the Exchange can also be performed by the Republic of Serbia and the National Bank of Serbia according to the contract concluded with the Exchange, subject to the conditions from article 12, paragraph 1, item 1 of the Articles of Association.

1.Acquiring the Membership Status

Article 12.

Members of the Exchange may be the broker-dealer companies and the authorized banks (hereinafter: the applicant) which, besides the conditions prescribed by the law and the by-law regulating the activity of a broker-dealer company shall also comply with the following conditions:

1. Professional and technical organization and ability for membership approval:
 - Appointment of an authorized representative – the applicant is obliged to appoint at least two representatives from amongst the employees of the applicant for concluding contracts at the Exchange, who fulfill the conditions prescribed by the Exchange for obtaining the permission to trade as a broker of a Member of the Exchange.
 - The applicant must have the organizational and technical expertise in compliance with the criteria prescribed by the Exchange
 - The applicant must fulfill the technical conditions for using the remote trading system – Belex based on the FIX protocol (hereinafter: BelexFIX) prescribed by the Exchange Rules.
2. References – the applicant must obtain the reference in the written form from at least two Exchange Members;
3. Signed Code of Ethics within the business branch;
4. That the shareholder, broker/dealer and members of the applicant's governing body do not and did not work in that capacity with another Exchange Member who, in compliance with the special Exchange rules regulating determination of the existence of Exchange violations and appropriate measures and sanctions, is registered with the Exchange and against whom the Exchange Commission authorized for determining the Exchange violations and appropriate measures and sanctions has imposed a penalty.

Article 13.

The number of Exchange Members is not limited.

Article 14.

All Members are equal in exercising their rights and obligations.

Article 15.

The procedure for membership approval begins on the basis of a filled out request for membership approval (hereinafter: Request) which is submitted to the Exchange.

The contents and form of the request from paragraph 1 of this article is established by the decision of the Exchange Board of Directors.

Article 16.

Along with the request from article 15 of the Articles of Association, the broker-dealer company in the capacity of the applicant must also submit the following documentation:

- 1) Contract of Organization, i.e. decision on organization;
- 2) Articles of Association;

- 3) Rules of Business Operation;
- 4) Tariff Regulations;
- 5) resolution of the authorized registry to register the applicant;
- 6) licences of the authorized bodies for performing the registered activity and approvals of rules from items 1-4 of this paragraph;
- 7) proof certifying membership in the Central Registry of securities, Depot and Clearing House (hereinafter: Central Registry), i.e. if the applicant is not a member of the Central Registry, the contract with a member of the Central Registry by means of which he would be able to meet its obligations in the Central Registry, undertaken by the business operations concluded on the Exchange;
- 8) last financial statement in compliance with the law regulating accounting, with the report of the authorized auditor;
- 9) recommendation in the written form from at least two Members of the Exchange;
- 10) information concerning the qualified ownership share based on which it participates in the management or has an interest in the capital in another legal entity in compliance with the Law;
- 11) appropriate collateral determined by the Managing Director of the Exchange by his/her decision, for the purpose of meeting financial obligations to the Exchange, along with the authorization to dispose of the said collateral;
- 12) documentation, proofs and statements on fulfillment of conditions from article 12 of the Articles of Association;
- 13) irrevocable statement of the applicant on accepting all provisions of the Articles of Association, the Rules of Business Operation at the Exchange and general rules and regulations by the Exchange, and regulations passed on the basis of the mentioned enactments, as well as their changes and amendments, with the obligation to comply with and implement the above said;
- 14) irrevocable statement of the applicant certifying that the applicant shall harmonize its rules and regulations with the rules and regulations of the Exchange, within the period of three (3) months from the date of obtaining the membership approval;
- 15) name of the persons who will trade on the Exchange and documentation required by the Articles of Association which certify that the authorized persons fulfill the conditions prescribed by the Exchange to the broker of the Member of the Exchange for obtaining the licence to trade;

Along with the request for membership approval, the Contract on membership approval signed by the applicant must also be submitted. The form and the content of the Contract are prescribed by the Managing Director of the Exchange.

The provisions from paragraph 1 of this article are applied to the authorized bank as the applicant accordingly.

For the purpose of considering the conditions required for the membership status, the Exchange Board of Directors may request additional proofs and documentation;

If the applicant does not submit complete documentation in terms of this article, the Exchange may prolong the submission deadline, which shall not exceed eight (8) days for submission of complete and full documentation to the Exchange.

If the applicant does not submit complete documentation within the additionally determined period, the Exchange shall submit the said application to the Board of Directors for consideration along with the recommendation for rejection of the given application.

The day of receipt of the request shall be deemed to be the day of receipt of the request along with complete and full documentation, according to this article, i.e. the date of expiration of the deadline as set out in paragraph 5 of this article.

Article 17.

The Board of Directors shall make the decision on the request within fifteen days from the date of receipt of the request.

Article 18.

Upon receiving the request, the Board of Directors may issue:

- 1) The decision to reject the request in case it has not been made in compliance with the provisions of articles 15. and 16. of the Articles of Association, which the Exchange sends to the applicant;
- 2) The resolution to refuse the request in case the conditions for membership approval have not been fulfilled according to the provisions of the Articles of Association, which the Exchange sends to the applicant and publishes on the Exchange internet page;
- 3) The resolution to approve the membership status upon establishing that the conditions for membership approval have been fulfilled in compliance with the provisions of the Articles of Association, which the Exchange sends to the applicant and publishes on its internet page according to article 20 of the Articles of Association.

The resolution of the Board of Directors is final and administrative procedure may be taken against it in compliance with the law.

In case from paragraph 1, items 1. and 2. of this article, a new request for membership approval may be submitted no sooner than six months after the day when the decision, i.e. the resolution was passed.

Article 19.

The Exchange shall deliver the notification on either the membership approval or refusal of membership to the Securities Commission, along with the decision, i.e. resolution from article 18, paragraph 1 of the Articles of Association within three (3) days after it has been passed.

Article 20.

The applicant is obliged, within the period of 15 days from the date of receipt of the resolution from article 18. paragraph 1, item 3 of the Articles of Association, to pay into the account of the Exchange the membership fee and other fees and duties determined by the Exchange Tariff Regulations.

The resolution from article 18, paragraph 1, item 3 of the Articles of Association shall come into force and be effected upon the date of fulfillment of obligations from paragraph 1 of this article and is published on the Exchange internet page. Upon its coming into force, the Exchange concludes with the applicant the contract as set out in article 16, paragraph 2 of the Articles of Association.

In case of failing to meet the obligations from paragraph 1 of this article, the Exchange Board of Directors may establish for the applicant a subsequent deadline for fulfilling the set obligation, which cannot be longer than one month. In case the applicant does not fulfill its payment obligation in terms of paragraph 1 of this article within the established deadline, the Board of Directors shall cancel the resolution on membership approval.

The Exchange shall deliver the resolution from paragraph 3 of this article to the applicant, publish it on the Exchange internet page and notify the Securities Commission in the way set out in article 19 of the Articles of Association.

Article 21.

On the day of obtaining the membership status, on the basis of the positively solved applicant's request, the Member and his authorized brokers irrevocably accept all provisions prescribed by the Articles of Association, the Rules of Business Operation, general rules and regulations of the Exchange and acts passed on the basis of these, as well as their modifications and amendments, with the obligation to comply with and implement the aforesaid.

Article 22.

Members are obliged to have their rules and regulations modified in compliance with the rules and regulations of the Exchange within three (3) months from the date of obtaining the membership status.

The obligations of the Member from paragraph 1 of this article are valid also for all

modifications of and amendments to the Exchange rules and regulations.

Article 23.

Member of the Exchange is obliged to:

- 1) comply with all laws and by-laws and the rules and regulations of the Exchange;
- 2) conduct his business at the Exchange conscientiously and in line with a good business practice and ethical conduct;
- 3) immediately, without delay, inform the Exchange, in the written form, on any changes of authorization, rights, obligations and responsibilities regarding transactions, and particularly on changes concerning the requirements based on which he obtained the membership status, as well as on changes of facts in the request for membership approval and application for the trading licence and documentation filed along with the submitted applications;
- 4) pay the membership fee, the commission for trades concluded on the Exchange and other fees determined by the Exchange Tariff Regulations.

The Rules of Business Operations of the Exchange closely regulate mutual rights and obligations of the Member of Exchange and the Exchange.

Article 24.

Member of the Exchange is obliged to meet defined conditions from article 12 of the Articles of Association continuously – at every moment.

In case the Member of the Exchange fails to fulfill the condition from article 12 of the Articles of Association, the Exchange Board of Directors may determine an appropriate period, which cannot be longer than two months, within which the Member of the Exchange shall fulfill the required condition. If the Member of the Exchange does not meet the requirements from article 12. of the Articles of Association within the additionally determined deadline, the Board of Directors shall cancel the membership approval.

2.The Broker of the Exchange Member

Article 25.

The Broker of the Member is a physical person authorized by the Member to act on his behalf and for his account in concluding businesses at the Exchange, and to whom the Board of Directors, by the resolution, has issued the permission to trade on the basis of the request filed in the written form by the Member of Exchange.

The Broker of the Member may solely be the person fulfilling the conditions prescribed by the law, by-laws and the Articles of Association and who:

- 1) has the permission of the Securities Commission to perform the activities of the broker, i.e. is registered in the registry of persons who have the permission to perform brokerage activities in compliance with the by-law of the Securities Commission;
- 2) is registered at the Exchange among the persons trained for working on the BelexFIX;
- 3) is employed with the Member of Exchange for indefinite period of time (after the trial period if it was included in the contract), with the full working time and on the position of a „broker“ or „dealer“;
- 4) has no criminal charges and no criminal investigation or legal proceedings have been initiated against him with respect to working relations, industry criminal, property, legal establishment, money laundry, public order, legal transactions and official duty, and for which the least prescribed sanction is one-year imprisonment, or with respect to criminal charges defined by the law;
- 5) has not performed a serious violation of the provisions of the Law on the rules of safe and good business, on prohibition of using and disclosing privileged information, i.e. prohibition of manipulation, rules of business ethics, conscientious business practice and rules on risk management or in any other way seriously jeopardized the interests of participants on the organized market.
- 6) is not registered at the Exchange as a person against whom sanctions have been imposed for exchange violations, i.e. on the date of filing the request no procedure has been taken against him for determining the existence of Exchange violations and defining measures and penalties.

Article 26.

Along with the request for licence to trade, the Member submits the following documentation and proofs:

- 1) permission of the Securities Commission for performing the brokerage activities, i.e. diploma, confirmation or certificate of the Securities Commission that the broker has passed the professional exam for performing activities at the Exchange;
- 2) a certificate of the Member that the person is employed with the Member for an indefinite period (without closing the contract on trial work, or the trial period had expired), in the full time on the position for performing a „broker“ or „dealer“ activities;
- 3) statement from the Ministry of Internal Affairs that he has no criminal record from article 25, paragraph 2, item 4 of the Articles of Association, not older than three (3) months, with confirmation of the competent court that at the moment of filing the application no proceedings have been initiated against him for the said criminal acts;
- 4) confirmation of the Commercial Court that he has no criminal record from article 25, paragraph 2, item 5 of the Articles of Association, not older than three (3) months;
- 5) decision appointing a broker to trade, access and use the BelexFIX in the Member's name and for the Member's account at the Exchange with an irrevocable statement of the Member certifying that the Member shall accept all broker's obligations as his own;
- 6) irrevocable statement of the Member of Exchange that the security instruments of the Member of the Exchange submitted to the Exchange may be used as security instruments for execution of obligations arising from the business activity the broker has concluded at the Exchange;
- 7) card with the deposited signature of the proposed person – the broker and one photo;

For the purpose of meeting the conditions from article 25, paragraph 2, item 2 of the Articles of Association, and in case the person proposed for the trading licence is not registered at the Exchange, that person is obliged, upon filing the request for the trading licence with proofs from paragraph 1 of this article, in the period determined by the Exchange, to successfully complete the training for working on the BelexFIX.

The day of receipt of the request is considered to be the day when the request is received with complete and full documentation as set out in article 25, and paragraphs 1 and 2 of this article.

Article 27.

The Board of Directors passes the resolution on the request within fifteen days from the date of receipt. On deciding to issue the licence to trade, the Board of Directors may take into consideration the number of broker-dealer companies, i.e. authorized banks, in which the named person was employed during the previous year, and especially the number of licences to trade which were issued to the named person under the authorization of the Members in the same period. The Board of Directors may request additional proofs and documentation in order to analyze the reasons for frequent changes of the broker-dealer companies, i.e. authorized banks, by the named person.

In the resolution on issuing the licence to trade the authorizations of the Member have been transferred so that business activities at the Exchange are performed on behalf of the Member, in compliance with the Articles of Association, Rules of Business Operation and Exchange regulations.

The Member is obliged to immediately inform the Board of Directors, in the written form, of any changes concerning the rights and responsibilities which he has transferred to his broker, and particularly on the change of facts on the basis of which he obtained the licence to trade.

The Board of Directors can transfer the authorization from paragraph 1 of this article to the Managing Director of Exchange.

Article 28.

The provisions of the Articles of Association referring to the Board of Directors decision-making concerning the request for membership approval shall be applied accordingly to the Board of Directors decision-making concerning the request for licence to trade at the Exchange.

IV

TERMINATION OF THE STATUS OF THE MEMBER AND STATUS OF THE BROKER OF THE MEMBER

1. Termination of the Member Status

Article 29.

The Board of Directors passes a resolution on termination of a Member's status:

- 1) Upon the Member's request, in the written form, under the conditions defined by the Articles of Association;
- 2) if the Member's licence to trade has been revoked by an authorized body,
- 3) if the Member has failed to act in compliance with the provisions of the Articles of Association, Rules of Business Operation and other rules and regulations of the Exchange;
- 4) if the Member by his behaviour, activities and operations damages the reputation of the Exchange and other Members;
- 5) if the Member does not harmonize his regulations with the Exchange regulations within the determined period;
- 6) if he has failed to provide the security instrument as prescribed by the Exchange rules and regulations
- 7) upon cessation of any of the conditions under which the Exchange membership has been approved, according to the provisions of the Articles of Association;
- 8) if after being served with a formal notice, in the period determined by the notice and which must not be shorter than eight days from the date of receipt of the notice, the Member has failed to fulfill its financial liabilities to the Exchange;
- 9) If the Member has been permanently prohibited from trading at the Exchange;

The membership status cannot cease before the expiration of the trading order the Member placed in the BelexFIX, which has not been cancelled according to the provisions of the Articles of Association.

Exceptionally, in case from paragraph 1, item 2 of this article, the membership status ceases on the first working day after the day of receipt of the final resolution of the competent body to revoke the licence to trade of the Member, and his trading orders placed in the BelexFIX are immediately cancelled by the exchange controller, if not otherwise regulated by the said resolution.

In case of paragraph 1, item 8 of this article, a new request for membership at the Exchange can be submitted no sooner than six months from the day of termination of the membership status.

Article 30.

Along with the request from article 29, paragraph 1, item 1 of the Articles of Association is the Member is obliged to submit the decision of the Member's competent body on:

- termination of the membership status, with explanation or
- status change due to which the Member of the Exchange ceases to exist.

Upon receiving the request and decision from paragraph 1 of this article, the Exchange immediately suspends the right of the Exchange Member and of his authorized brokers to use the BelexFIX for placing trading orders.

The Member of Exchange is obliged to deliver the orders received from the client to withdraw the trading orders placed in the BelexFIX to the exchange controller immediately upon receipt of the given orders, and not later than before the next trading session, for the purpose of their withdrawal from the BelexFIX.

The Board of Directors decides and passes a resolution on the request submitted under this article upon expiration of or upon withdrawal of the last trading order placed by the Member in

the BelexFIX.

Article 31.

Exceptionally from article 29, paragraph 2, and article 30 of these Articles of Association, in case of the request for termination of membership status because of the change of status due to which the Member of Exchange – the applicant, ceases to exist (hereinafter: Member of Exchange – company which ceases to exist) and his rights and obligations are taken over by another Member of Exchange (hereinafter: Member of Exchange – acquirer), the status of the Member of Exchange – company which ceases to exist terminates on the day when the change of status is entered into the competent company registry.

The Member of Exchange – acquirer is obliged to immediately, without delay, notify the Exchange on the day of entering the change of status into the competent company registry and deliver the resolution from paragraph 1 of this article to the Exchange.

On the day of termination of the status of the Member of Exchange – company which ceases to exist, the Member of Exchange – acquirer takes over all the rights and obligations of the Member of Exchange – company which ceases to exist, arising from its membership at the Exchange, and also the activities at the Exchange, as well as the rights and obligations of the Member of Exchange – company which ceases to exist, arising from the contracts concluded with the Exchange.

Article 32.

The Resolution on termination of the status of the Member of Exchange shall contain:

- 1) reason for termination of the status of the Member of Exchange;
- 2) date of termination of the status of the Member of Exchange, before which the Member is obliged to fulfill all financial obligations to the Exchange, as well as other obligations prescribed by the rules and regulations of the Exchange and the given Resolution;
- 3) procedures with the trading orders placed in the BelexFIX by the Member of Exchange whose membership status ceases to exist due to reasons defined by article 29, paragraph 1, items 2-9 of the Articles of Association, and according to article 30 of the Articles of Association.

The Resolution of the Board of Directors on termination of the status of the Member of Exchange is final and administrative procedure may be initiated against it in compliance with the Law.

The Exchange delivers the Resolution from paragraph 1 of this article to the Member of Exchange, publishes it on the its internet page and notifies the Securities Commission in the way described in article 19 of the Articles of Association.

2. Temporary Exclusion and Suspension of the Member of Exchange

Article 33.

Due to a well founded suspicion that a Member has committed any of the activities prohibited by the Exchange Rules of Business Operation and against which proceedings for determining the existence of violation at the Exchange and prescribing measures and penalties is initiated, the Board of Directors may pass a decision on temporary exclusion of the Member from trading at the Exchange.

The Board of Directors shall make the decision from the previous paragraph at its own initiative or upon the proposition of the Commission authorized for determining the existence of violations at the Exchange and imposing measures and penalties.

The temporary exclusion from paragraph 1 of this article may last at the latest until passing the final decision in the procedure from paragraph 1 of this article.

The right of the Member of Exchange to conclude transactions at the Exchange is temporarily

suspended in case when, by the resolution of the Exchange Commission authorized for determining the existence of violation at the Exchange and prescribing measures and penalties, he has been suspended from trading, i.e. when, by the resolution of the Securities Commission, a measure has been imposed prohibiting him temporarily from trading at the Exchange, until expiration of the deadline determined by the given resolution.

In case of temporary exclusion or suspension in terms of this article, the provisions of article 30, paragraph 3 of the Articles of Association are applied accordingly, if not otherwise regulated by the decision of the Board of Directors under paragraph 1 of this article, i.e. resolution from paragraph 4 of this article.

3. Depriving of the Trading Licence

Article 34.

The Board of Directors passes the resolution on termination of the trading licence:

- 1) by revoking the licence issued to the broker for performing business activities at the Exchange;
- 2) upon cessation of one of the conditions due to which the licence was issued,
- 3) if the Member who has given him the authorization to perform business activities at the Exchange has lost the status of a Member of the Exchange.

The Decision of the Board of Directors shall be final and shall be published in the official gazette of the Exchange.

The Board of Directors may cede powers from paragraph 1 of this article to the Managing Director of the Exchange.

4. Temporary Exclusion and Suspension of the Broker of the Member of Exchange

Article 35.

Due to a well founded suspicion that a broker of the Member has committed any of the activities prohibited by the Exchange Rules of Business Operation and against which proceedings for determining the existence of violation at the Exchange and prescribing measures and penalties is initiated, the Board of Directors may pass a decision on temporary exclusion of the broker of the Member from trading at the Exchange.

The Board of Directors shall make the decision from paragraph 1 of this article at its own initiative or upon the proposition of the Commission authorized for determining the existence of violations at the Exchange and imposing measures and penalties.

The Board of Directors may cede powers from paragraphs 1 and 2 of this article to the Managing Director of the Exchange.

The temporary exclusion from paragraph 1 of this article may last at the latest until passing the final decision in the procedure from paragraph 1 of this article.

The right of a broker of the Member of Exchange to conclude transactions at the Exchange is temporarily suspended in case when, by the resolution of the Exchange Commission authorized for determining the existence of violation at the Exchange and prescribing measures and penalties, he has been suspended from trading, i.e. when, by the resolution of the Securities Commission, a measure has been imposed prohibiting him temporarily from performing broker activities, until expiration of the deadline determined by the given resolution.

5. Deprivation of the Trading Licence

Article 36.

The Board of Directors passes the resolution on termination of the trading licence if:

1. the broker of the Member of Exchange has been permanently prohibited to trade at the Exchange, or
2. the broker of the Member of Exchange by his behaviour, activities and operations damages the reputation of the Exchange and other Members.

The resolution of the Board of Directors is final and is published on the internet page of the Exchange.

In case described in paragraph 1, item 2 of this article, the person who has been deprived the trading licence by the resolution of the Board of Directors may not be issued a trading licence before expiration of the period of one year from the day when the Board of Directors passed the resolution.

V

SUPERVISION OF BUSINESS OPERATIONS OF THE MEMBERS

Article 37.

The Exchange supervises and controls trading at the Exchange and Members' operations at the Exchange, and undertakes measures in accordance with its authorization in order to provide an organized, uninterrupted, fair and efficient functioning of the regulated and unregulated market. The Board of Directors passes special instructions for executing supervision and control.

The supervision and control, according to paragraph 1 of this article, are performed by the Supervisor of the Exchange, who is appointed and released by the Director from among the employees of the Exchange.

The Supervisor of the Exchange can be an Exchange employee who meets the following criteria:

- has a university or higher education degree;
- has at least three years of working experience in the business activities related to securities;
- fulfills the conditions defined by the Articles of Association for the broker of the Member of Exchange;

Upon the written authorization of the Managing Director of the Exchange, according to paragraph 1 of this article, other persons may participate in the process of supervision and control, in order to collect and process the data and documentation related to the business operations, employees or property of the Member.

Article 38.

The Exchange shall perform the supervision and control of Members' business operations:

- 1) by means of special supervision work stations:
 - in real time during the trading session (unusual price movements and turnover volumes, which may indicate various ways of misuse in trading),
 - by analyzing the trading information at the end of the working day
- 2) by means of control performed in the business premises of the Exchange or in the business premises of the Member by checking the documentation and business records related to securities operations.

Article 39.

The supervision and control of the Members' business operations ought not to be announced in advance. In performing the activities of supervision and control, the persons from article 37 of the Articles of Association may use all available information on the issuer, electronic, financial and other information services.

Article 40.

The Exchange performs extraordinary supervision and control of the Members' operations upon the written initiative of another Member or another entity concerned. The written initiative shall be outlined in such a way that it clearly explains the prohibited activity of the Member of Exchange related to the operations performed at the Exchange and the consequences it causes or may cause.

Article 41.

Members and his employees are obliged to disclose information and documentation to the persons from article 37 of the Articles of Association or to make a statement on the issues which are the subject of control.

The Member and its employees must not disturb or prevent the persons from performing the procedure of supervision and control in compliance with the request of the persons from article 37 of the Articles of Association.

The Members are obliged to enable the persons in charge of supervision and control access to their business premises, their business books, records and other papers and documents required for carrying out the control.

Article 42.

If by control, performed under the Articles of Association, irregularities in the business activities of the controlled Member have been registered, the expenses of the control shall be born by the Member, in the amount of justified real expenses of the Exchange employees who participated in the control and supervision, such as traveling expenses, traveling allowance and accommodation, and other justified, necessary expenses for staying at the place and performing control and supervision.

Article 43.

The Rules of Business Operation of the Exchange further govern the manner of performing control of Members' business activities and trading at the Exchange, reporting on executed supervision and control.

VI RESOLUTION OF DISPUTES BETWEEN MEMBERS AND PARTICIPANTS OF THE EXCHANGE

Article 44.

The Arbitration is formed for resolving disputes between participants at the Exchange, in connection to transactions concluded at the Exchange.

Article 45.

The Arbitration of the Exchange has a list of arbitrators appointed (prescribed) by the Assembly of the Exchange.

Persons from paragraph 1 of this article shall be elected from among the Members of the Exchange, employees of the Exchange, legal experts and other persons qualified in the field of the Exchange trading, securities and other financial instruments.

Article 46.

The Members of the Exchange management cannot be the members of the Arbitration Committee.

Article 47.

The Arbitration of the Exchange shall determine the Rules of Operations regulating the manner of work of the Arbitration Committee.

VII REPORTING TO THE SECURITIES COMMISSION

Article 48.

The Exchange delivers to the Securities Commission the announcements, reports and final decisions within the deadlines, with the content and in the manner prescribed by the Law and by-law of the Securities Commission.

VIII PUBLIC RELEASE OF EXCHANGE RULES AND REGULATIONS AND INFORMATION ON EXCHANGE OPERATIONS

Article 49.

Upon obtaining the approval from the Securities Commission, the Articles of Association of the Exchange, the Rules of Business Operation and the Tariff Regulations of the Exchange are published on the webpage of the Exchange and in the official bulletin of the Exchange.

Upon decision of the bearer, the individual rules and regulations of the Exchange are published on the internet page of the Exchange.

Article 50.

Other relevant information on business operation of the Exchange, except those deemed as confidential, shall be published and distributed through the information and communication system of the Exchange, i.e. the Exchange webpage as well as its official newspaper.

IX INTERPRETATION OF RULES

Article 51.

The interpretation of the provisions of the Exchange general and individual rules and regulations shall be performed by the body authorized for passing the aforesaid.

A proposal for the interpretation of the rules and regulations may be submitted by the shareholders of the Exchange, Members of the Exchange, participants on the Exchange or any other interested party.

The body which passed the rules and regulations is obliged to reply to the request for the interpretation of rules within thirty days from the date of receipt of the request.

The interpretation shall be published in the Exchange official bulletin and displayed on its internet page.

X PROTECTION OF THE ENVIRONMENT AND SAFETY AT WORK

Article 52.

In carrying out its business activities and in purchasing and using the equipment in its business operations, the Exchange shall act in compliance with the provisions of the law and other relevant regulations and standards governing the protection of the environment and safety at work.

XI TRANSITIONAL AND CLOSING PROVISIONS

Article 53.

The Articles of Association are published on the Exchange internet page, upon obtaining the approval from the Securities Commission and shall enter into force on the eight day from the day of being displayed on the Exchange internet page.

The Articles of Association are published in the official gazette of the Exchange - »Bulletin«.

Article 54.

With the date of entering of the Articles of Association into force, the Articles of Association of the Belgrade Stock Exchange, Belgrade, number 04/1-2890/06, from 7.12.2006, ceases to be valid.

CHAIRMAN OF THE BOARD OF DIRECTORS
Veroljub Dugalić, Prof. PhD

01/1 br. 610/09

**ANNOUNCEMENT OF THE
ARTICLES OF THE BELGRADE STOCK EXCHANGE
(number: 04/2-550/09)**

The Board of Directors of the Belgrade Stock Exchange at meeting XII/08 held on 7.10.2008 adopted the Articles of Association of the Belgrade Stock Exchange (number: 04/2-3063/08) which in the procedure of obtaining approval from the Securities Commission was modified and adapted at meeting XV/08, held on 25.11.2008 (number: 04/2-3554/08), and at meeting II/09, held on 26.2.2009, when the Board of Directors of the Exchange determined the text of the Articles of Association of the Belgrade Stock Exchange jsc, Belgrade (number: 04/2-550/09) which was approved by Resolution of the Securities Commission (no. 5/0-06-5471/19-08, dated 5.3.2009) and

PUBLISHED ON THE EXCHANGE INTERNET PAGE, ON 9.3.2009,

**ENTERING INTO FORCE
eight days upon being published on the Exchange internet page:**

ON 17 MARCH 2009.

**BELGRADE STOCK EXCHANGE
Gordana Dostanić, Managing Director**