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**RULES AND PROCEDURES OF THE BROKERAGE AND DEALER OPERATIONS  
DEPARTMENT OF ALTA BANK A.D. BELGRADE**

Belgrade, September 2024

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Based on Article 155 of the Capital Market Law ("Official Gazette of the RS", No. 129/2021) and Article 33, Paragraph 3, Item 14) of the Statute of ALTA Banka a.d. Belgrade (consolidated text) from May 20, 2024, the Executive Board of ALTA Banka a.d. Belgrade, at its 112th session held on September 2, 2024, adopted the following:

## **RULES AND PROCEDURES FOR THE OPERATIONS OF THE BROKERAGE-DEALER DEPARTMENT OF ALTA BANKA A.D. BELGRADE**

### GENERAL PROVISIONS

The Rules and Procedures for the Operations of the Brokerage-Dealer Department of ALTA Banka a.d. Belgrade (hereinafter: the Rules) regulate the conditions of business operations, i.e., the provision of investment and additional services to clients, in accordance with the Capital Market Law (hereinafter: the Law), accompanying regulations of the Securities Commission (hereinafter: KHOV), the market operator Belgrade Stock Exchange a.d. Belgrade (hereinafter: the Exchange), and the Central Registry of Securities Depositories and Clearing (hereinafter: CRHOV).

### Basic Terms

Certain terms in the context of these Rules have the following meanings:

Bank – ALTA Banka a.d. Belgrade

Law – The Capital Market Law

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Belgrade Stock Exchange a.d. Belgrade - Exchange: A legal entity, or company, authorized by the Securities Commission to perform market operator services in the domestic market in accordance with the Capital Market Law and manages or performs activities related to the functioning of a regulated market and multilateral trading platform (MTP).

Securities Commission - KHOV: An independent and autonomous organization of the Republic of Serbia, established as a legal entity, with responsibilities including, among others, issuing regulations for the implementation of the law, granting permits to investment companies to conduct business, monitoring and supervising their activities, secondary trading, approving prospectus publication for public offers, etc.

Central Securities Depository and Clearing (CRHOV): A legal entity, authorized by KHOV, that performs tasks related to the management of financial instruments registers, clearing, and settlement of transactions with financial instruments, and other tasks defined by law.

MTP (Multilateral Trading Facility): A multilateral system operated by an investment firm or market operator that, within the system and following binding rules, connects buy and sell offers of financial instruments from multiple interested third parties in a way that leads to the conclusion of contracts per the Capital Market Law.

OTP (Organized Trading Platform): A multilateral system that is not a regulated market or MTP, where buy and sell offers for bonds, structured financial products, issuance units, or derivative financial instruments are connected between multiple interested third parties in a way that leads to the conclusion of contracts under the Capital Market Law.

OTC (Over-the-Counter Market): A decentralized system of secondary trading outside of a regulated market, MTP, or OTP.

## **General Terms and Conditions of Business**

### **Article 1**

These Rules regulate the general terms and conditions of business operations of the Brokerage-Dealer Department of ALTA Banka a.d. Belgrade, specifically:

- Types of investment services and activities provided by the Bank and the conditions and manner in which they are provided.
- Business conduct rules when providing services.
- Categorization/classification of clients and changes in client categories.
- The content of contracts that the Bank enters into with clients.
- Types of client orders, the method, and conditions for order acceptance.
- Order execution policy and delegation of order execution.
- Information the Bank provides to clients and potential clients.
- Mutual rights and obligations of the Bank and its clients.

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- Protection of client assets.
- Conditions for borrowing financial instruments.
- Procedures for handling client complaints.
- Other matters of importance to the Bank's operations.

## **Article 2**

The Rules of Business, together with the Tariff Regulation, are posted on the Bank's website in a visible and accessible location ([www.altabanka.rs](http://www.altabanka.rs)) and in the business premises of the Bank where client orders are received, or in the business premises of another authorized investment company that, under a contract with the Department, accepts client orders on behalf of and for the Department. Access to the Rules of Business and the Tariff Regulation is available to all Bank clients and other interested parties on an equal basis, with the possibility to download and print them. Unauthorized changes to the contents of the aforementioned Regulations are not allowed for third parties.

## **Article 3**

- In case of amendments or additions to the Rules of Business and the Tariff Regulation, the Bank will, after obtaining approval from the Commission, allow clients to review the amended documents no later than seven days before their application begins, by publishing them on its website.

## **Types of Investment Services and Activities Provided by the Bank**

### **Article 4**

Following the provisions of Article 2, paragraph 2) of the Capital Market Law, the Bank performs the following activities:

- Receipt and transmission of orders related to one or more financial instruments.
- Execution of orders on behalf of clients.
- Trading on its account.
- Portfolio management.
- Investment advisory services.
- Conducting procedures for offering financial instruments without the obligation to purchase.

The provisions regarding the Bank's activities related to trading financial instruments also apply to activities involving derivative financial instruments and financial derivatives.

## **Article 5**

The Bank may change its activities during its existence under the provisions of the Law. The Bank also performs additional investment services and activities by Article 2, paragraph 3) of the Law:

- Custody and management of financial instruments on behalf of clients (custody services) and related services, such as administration of margin funds, except for the maintenance and management of securities accounts under Chapter XIV of the Law.
- Granting loans or credit to an investor to conclude transactions involving one or more financial instruments, when the entity providing the loan or credit is involved in the transactions.
- Providing advice to companies regarding capital structure, business strategy, mergers and acquisitions, and similar matters.
- Currency conversion services related to the provision of investment services.
- Research and financial analysis or other forms of general recommendations regarding financial instrument transactions.

### **Types of Financial Instruments with which the Bank Trades**

## **Article 6**

The Bank's activities include trading financial instruments as defined in Article 2, paragraph 1) of the Law, specifically:

- Transferable securities:
  - Shares and other securities equivalent to shares that represent participation in capital or voting rights, as well as deposit certificates related to shares.
  - Bonds and other forms of securitized debt, as well as deposit certificates related to these instruments.
  - Other transferable securities in accordance with the Law.
- Money market instruments:
  - Treasury bills.
  - Promissory notes.
  - Commercial papers.
  - Certificates of deposit.

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- Other financial instruments following the provisions of the Law and relevant regulations.

**Article 7**

- The Bank conducts investment activities based on a permit for operations in the organized market issued by the Securities Commission, once the conditions regarding personnel and organizational capacity, technical equipment, and other requirements set by the Law and the KHOV regulations are met.
- The Bank employs individuals authorized to perform investment services, ensuring that such individuals meet all other conditions per the Law, secondary legislation, and Bank regulations.
- The organizational structure of the Brokerage-Dealer Department is regulated by the Organizational Structure Regulation of ALTA Bank a.d. Belgrade.
- The Bank ensures efficient control and protection of information systems, as well as measures to ensure business continuity of information systems under the acts of ALTA Bank a.d. Belgrade, as prescribed by the Information Security Policy, Security Policy, Privacy Policy, and Personal Data Protection Policy.

**Article 8**

- The Bank may perform investment activities on a regulated market or a multilateral trading facility (MTF) and of the regulated market (OTC) under the provisions of the Law and relevant regulations.
- When providing investment services, the Bank is required to perform the tasks per the following principles:
  - **Solvency Principle**, i.e., the Bank must be permanently capable of meeting all its financial obligations.
  - **Liquidity Principle**, i.e., the Bank must at all times fulfill its due financial obligations promptly.

**Outsourcing of Services and Business Processes to Another Party**

**Article 9**

The Bank may outsource to another party tasks related to:

1. Promotion of its services,
2. Providing investment recommendations,
3. Receipt and transmission of orders, under the following conditions:
  - Ensuring that the third party has the necessary knowledge, capabilities, resources, and required authorizations to professionally perform the outsourced tasks.

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- The Bank must enter into a written agreement with the service provider that regulates mutual rights and obligations, particularly the service provider's obligations to:
  - Safeguard confidential information related to the Bank and its clients,
  - Appropriately monitor the performance of the outsourced tasks,
  - Manage risks related to the outsourced tasks,
  - Keep records of personal transactions and provide them upon the Bank's request,
  - Timely inform the Bank of any circumstances that may affect the efficient execution of outsourced tasks,
  - Cooperate with auditors, the Commission, and other competent authorities regarding outsourced tasks.
- The Bank must determine methods for evaluating the efficiency of outsourced tasks and take measures if it finds that the outsourced tasks are not being performed efficiently and in compliance with regulations.
- The Bank, together with the service provider, must develop, implement, and regularly update a backup plan for restoring information in case of a main system failure, and periodically test its application.
- The Bank must ensure that the termination of the contract does not negatively affect the continuity and quality of services.
- The Bank must take other measures to avoid risks, ensure the quality of internal control, and conduct supervision.

The Bank is obliged to notify the Commission of the conclusion of the contract within 7 days from the date of signing, as well as to provide any relevant documentation related to the outsourcing of tasks within the period specified by the Commission.

## **Article 10**

Outsourcing tasks to another party must not result in:

1. Changes to the conditions under which the Bank was granted its operating license, nor the transfer of responsibility from the Bank's management to other parties,
2. Changes in the relationship and obligations toward clients,
3. Creation of unnecessary additional business risks,
4. Deterioration in the quality of internal controls and supervision.

## **Code of Business Conduct**



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**Article 11**

- When providing investment services, the Bank is obliged to place the interests of its clients ahead of its interests and operate fairly, honestly, and professionally, following the best interests of the client and the principles established by the Law.

**Article 12**

- The Bank classifies clients of professional and retail investors based on their knowledge, experience, investment goals, and financial position, all per the Client Categorization Regulation.
  - A **professional client** is considered a client who possesses sufficient experience, knowledge, and expertise to independently make investment decisions and assess the associated risks correctly, and who meets the conditions prescribed by the Law.
  - The Bank may treat other clients as professional clients upon their request or when it assesses that such a client possesses sufficient experience, knowledge, and expertise to make independent investment decisions and correctly assess the associated risks, depending on the type of transaction or service.
  - **Retail clients** are all other clients of the Bank who are not categorized as professional clients.
  - The Client Categorization Regulation is available to clients at the Bank's headquarters and on the Bank's website.

**Article 13**

- The Bank is obligated to obtain information about the client or potential client regarding their knowledge and experience in the investment field that is relevant to the financial instrument or service being offered or requested by the client, based on which a profile of their knowledge and experience can be created.
- The profile of the client or potential client must include:
  - The types of services, transactions, and financial instruments known to the client.
  - The nature, scope, and frequency of transactions with financial instruments and the period during which they were executed.
  - The client's knowledge and current occupation or relevant previous profession.
- The Bank must obtain information regarding the knowledge and experience of the client or potential client before concluding the contract and throughout the provision of investment services.
- The information about the client's knowledge and experience must be provided in writing by the client or potential client.
- The Bank cannot rely on information received from the client if it is known or should have been known to the Bank that the information is outdated, inaccurate, or incomplete.

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**Article 14**

- The Bank is obligated to provide the client or potential client with a written warning if:
  - Based on the information received from the client, the Bank determines that a specific financial instrument or investment service is not suitable for the client.
  - If the client does not provide information about their knowledge and experience, or provides insufficient information, the Bank is unable to assess whether a specific financial instrument or service is suitable for the client.

**Article 15**

- The Bank is not obligated to request information from the client or potential client regarding their knowledge and experience if the Bank only provides investment services related to the execution or reception and transmission of orders from clients without performing additional services, provided that the following conditions are met:
  - The service is provided at the initiative of the client.
  - The service relates to:
    - Stocks listed on a regulated market or MTF or equivalent markets in third countries.
    - Money market instruments, bonds, and other forms of securitized debt, excluding bonds and securitized debt containing derivative financial instruments.
    - Other similar financial instruments.
  - The client is informed in writing that the Bank is not obligated to assess the suitability of the financial instrument or service offered or provided.
  - The Bank fulfills its legal obligations regarding the prevention of conflicts of interest.

**Article 16**

- When investment services are provided to professional investors, the Bank may consider that the client has sufficient knowledge and experience in investment matters and an understanding of the risks associated with the financial instrument or transaction.
- The Bank is not obligated to:
  - Provide the professional-client with appropriate information to understand the nature and risks of the investment services and types of financial instruments to make an adequate investment decision.
  - Collect necessary information regarding the professional client's knowledge and experience in the investment field, financial situation, and investment objectives when providing investment advice or portfolio management services.
  - Inform the professional client in writing that the financial instrument or service is unsuitable for the client.

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- Provide the professional-client with appropriate information regarding the execution of orders.
- Obtain written consent from the professional-client regarding procedures for executing orders.
- Inform the professional-client about the possibility of executing orders outside the regulated market or MTF and obtain the client's explicit consent before executing the order.
- Notify the client of any significant changes related to the manner or procedures for executing orders.
- Demonstrate to clients, upon their request, that orders were executed per the order execution procedures.
- Provide a report on the services rendered.

**Article 17**

- All information provided by the Bank to its clients or potential clients must be truthful, clear, and not misleading.
- Marketing information must also meet the following additional conditions:
  - Marketing material must be marked as such.
  - It must be consistent with all other information provided by the Bank to the clients during the provision of investment services.

**Article 18**

- The information provided to clients and potential clients must:
  - Contain the business name and registered office of the Bank.
  - Be understandable to the average client within the targeted group.
- The information must not:
  - Emphasize the potential benefits of a service or financial instrument without simultaneously providing an impartial warning about the associated risks.
  - Conceal, diminish, or make important details, statements, or warnings unclear.
  - Contain the name of any relevant authority in a way that would imply or suggest approval of the instrument or service by that authority.

**Article 19**

- Referring to information comparing services provided by different entities or financial instruments is allowed only if:
  - The comparison is designed and presented in an impartial and balanced manner.
  - All key facts and assumptions used for the comparison are stated.
  - The sources of information used for the comparison are listed.
- Referring to information that:
  - Contains past performance indicators of a financial instrument, financial index, or service.

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- Includes or refers to simulated results from a past period, which must be linked to the financial instrument or financial index.
- Concerns about future outcomes.
- Refers to specific tax treatment.
- Is allowed only if it contains the required elements and meets the conditions prescribed by the Law and relevant regulations.

**Information Provided by the Department Before Concluding the Contract with the Client**

**Article 20**

- The Bank is obligated to provide the client or potential client with access to the Bank's Business Rules and Tariff Regulations, as well as any amendments to these documents, in the following ways:
  - In the business premises where client transactions are conducted.
  - By publishing them on the Bank's website.
- The Bank must allow clients to access amendments to the Business Rules and Tariff Regulations at least 7 days before they take effect.

**Information Provided Specifically to Small Clients**

**Article 21**

- The Bank is required to provide small clients and potential small clients with the following information before providing investment services or concluding a contract:
  - Information about the Bank and the services it provides.
  - Information about financial instruments.
  - Information about the protection of financial instruments.
  - Information about costs and fees.
- The Bank must notify the client or potential client of any significant changes to this information. Information must be provided through the Bank's website or another permanent medium.

**Information About the Bank and Services It Provides**

**Article 22**

- Information about the Bank and the services it provides includes the following:
  - The business name and registered office of the Bank.
  - The number and date of the license resolution for conducting business, as well as the name and contact address of the relevant authority that issued the license.
  - Possible methods and languages of communication between the Bank and clients, including methods of giving and receiving orders, as well as delivering documents and other information by the Bank.
  - The scope, frequency, and periods of reporting to clients about the services provided by the Bank.
  - A brief description of the protection of instruments, including general information about the Investor Protection Fund.
  - A brief description of the conflict of interest management policy.

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**Information About Financial Instruments and Protection of Financial Instruments**

**Article 23**

Information about financial instruments must contain the following:

- Risks associated with a particular type of financial instrument.
- The price volatility of the financial instrument.
- An explanation that a transaction involving such an instrument, in addition to the acquisition cost of the instrument itself, may include additional costs.
- Any condition arising from a loan under which the instrument was purchased.

The Bank is obligated to provide the following information when providing information about a financial instrument:

- If the instrument is subject to a public offering and a prospectus has been issued, the Bank must inform the client of how the prospectus is available.
- If the instrument includes a third-party guarantee, the Bank must provide sufficient information about the guarantor and the guarantee.
- If the instrument consists of two or more different instruments or services, and the risk associated with that instrument may be higher than the risk for each component, the Bank must provide an appropriate description of the components and explain how their interaction increases the risk.

**Information Regarding the Protection of Financial Instruments**

**Article 24**

(1) The Bank, which is authorized to hold financial instruments, must provide the following information:

1. That financial instruments may be held by a third party on behalf of the investment firm, along with the obligations of the investment firm regarding the actions or omissions of the third party, and the consequences for the client in case of the insolvency of the third party.
2. When a third party holds financial instruments in a pooled account, a warning about the risks arising from this situation.
3. A notification when accounts containing a client's or potential client's financial instruments are or will be under the jurisdiction of the laws of another country (or countries that are not members of the European Union), and an indication that the rights of the client or potential client concerning the specified financial instruments may, therefore, differ.
4. A notification about the existence and conditions of any collateral rights the Bank has or may have on the client's financial instruments.
5. Before executing transactions that involve securities financing, which relate to financial instruments held by the investment firm on behalf of a small client, or before otherwise using such financial instruments, the investment firm is required to promptly provide the small client with clear, complete, and accurate written information about the obligations and responsibilities of the investment firm regarding the use of the financial instruments, including the terms for their return to the client, as well as the associated risks.

(2) The Bank must provide the information specified in paragraphs 1, points 4 and 5 of this article before offering services to a professional client.

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**Costs and Fees Information**

**Article 25**

(1) Information about costs and fees includes the following:

1. The total price the client is required to pay in connection with a financial instrument or service, including all related commissions, fees, and other charges, as well as all payments made through the investment firm.
2. The basis for calculating the price, in cases where the total price cannot be stated.
3. A warning regarding the currency and relevant exchange rate and costs, in cases where any part of the total price from point 1 of this paragraph must be paid or represents an amount in a foreign currency.
4. A notification that there may be other costs, including taxes or other payments related to the transaction concerning the financial instrument or service, which may arise for the client and are not payable through the investment firm or imposed by the investment firm.
5. The method of payment.

(2) In cases mentioned in paragraph 1, points 1 and 2 of this article, the commission charged by the Bank must be explicitly stated for each case.

**Contracts with Clients**

**Article 26**

- A Bank's client may be any domestic or foreign legal or natural person.
- A person referred to in paragraph 1 of this article becomes a client of the Bank by concluding a written agreement for the provision of services related to financial instruments.
- The Bank is obligated to keep a record of contracts.

**Article 27**

- The Bank is required to conclude a written contract with the client, which includes:
  - The rights and obligations of the contracting parties.
  - The terms under which the Bank provides services to the client.
  - A statement by the client that they are familiar with the contents of the Bank's Business Rules and Tariff Regulations before the conclusion of the contract.
  - Other statements and consents from the client may be included as an integral part of the contract.
  - Other statements, notifications, and consents may also be provided in a separate document along with the contract or for each transaction, following the legal regulations.

**Article 28**

Based on the signed contract, the Bank is required to open a financial instruments account for the client at CRHOV.

The Bank may open financial instruments accounts directly or through another CRHOV member.

**Article 29**

The Bank is not obligated to enter into a contract with a professional client to whom it provides services for receiving and transmitting orders, or executing orders, or additional services related to them, if the

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following conditions are met:

If the client is:

- A credit institution.
- An investment company.
- Other financial institutions whose operations are authorized or supervised by the relevant supervisory authority.
- The Republic, autonomous provinces, and local government units, as well as other states, national or regional bodies.
- The National Bank of Serbia and central banks of other states.
- International and supranational institutions (International Monetary Fund, European Central Bank, European Investment Bank, and other similar international organizations).
- For professional clients with whom a contract is not mandatory, the Bank opens a financial instruments account based on their order in accordance with CRHOV rules.

**Article 30**

The Bank may refuse to enter into a contract with a client or potential client if such a contract would be contrary to the Bank's business policy, mandatory regulations, or general ethical principles.

**Article 31**

By this agreement, the Bank undertakes to provide the client with services for receiving and transmitting orders for the purchase/sale of financial instruments, as well as executing orders on behalf of the client and other additional services per the Law and relevant regulations. The client undertakes to pay the commission for these services according to the Bank's tariff.

**Article 32**

By this agreement, the Bank undertakes to provide the client with services for receiving and transmitting orders for the purchase/sale of financial instruments, as well as executing orders on behalf of the client and other additional services following the Law and relevant regulations. The client undertakes to pay the commission for these services according to the Bank's tariff.

**Agreement on the Opening and Maintenance of Financial Instruments Accounts**

**Article 33**

By this agreement, the Bank undertakes to open financial instruments accounts for the client at CRHOV, and provide services for safekeeping and administering financial instruments on behalf of the client, including safekeeping of instruments and related services. The client undertakes to pay the commission for these services according to the Bank's tariff.

The services provided by the Bank based on the signed agreement for the opening and maintenance of financial instruments accounts are:

1. Opening accounts and sub-accounts for financial instruments within CRHOV.
2. Transfer of rights on financial instruments between accounts of the same holder.
3. Transfer of rights on financial instruments to the account of a new holder.
4. Registration and deletion of third-party rights on financial instruments.
5. Other services in accordance with the Law and relevant regulations.

The Bank will establish special procedures to determine measures and procedures for opening

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financial instruments accounts and the conditions and methods for handling registered financial instruments.

### **Agreement on Issuance Agent**

#### **Article 34**

By this agreement, the Bank undertakes to organize the issuance of financial instruments through a public offer by facilitating third parties to subscribe to and pay for financial instruments. The client undertakes to pay the commission for these services according to the Bank's tariff.

The services provided by the Bank based on the signed agreement are:

1. Taking the necessary actions to collect data essential for preparing the prospectus for issuing financial instruments, or other documentation, and preparing such documentation.
2. Organizing presentations and other forms of public awareness regarding facts essential for the success of the issuance.
3. Organizing the subscription and payment for securities.
4. Organizing the inclusion of financial instruments on the organized market, preparing prospectuses and other documentation for listing securities on the market.
5. Other tasks in accordance with the Law and relevant regulations.

### **Loan Agreement**

#### **Article 35**

By the loan agreement, the Bank undertakes to mediate in the lending of financial instruments, to borrow financial instruments from the client for its own account, and to lend financial instruments to the client, whose legal holder the Bank is. The issuer undertakes to pay the commission for these services according to the Bank's tariff.

Key elements of the loan agreement, or authorization for lending:

- Mutual rights and obligations of the contracting parties.
- CFI code and ISIN number, or another internationally recognized identifier of the financial instrument, and the quantity of financial instruments that can be lent or that are being lent.
- Duration of the agreement, which cannot exceed one year.
- The time period for which the client's financial instruments can be lent, or the time period for which they are being lent.
- Authorization granted by the client to the Bank to transfer the financial instruments covered by the agreement.
- Provisions regarding fees, commissions, and payment terms.

#### **Article 36**

The Bank may lend financial instruments:

- To another client.
- To another investment company.
- To a credit institution that is a member of CRHOV, provided that these financial instruments meet the following conditions:
- The Bank is the legal holder of the financial instruments.
- The legal holder of these financial instruments is a client with whom the Bank has agreed with the



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management of financial instruments accounts, provided that the Bank enters into a loan agreement with this client or that the client has authorized the Bank in writing for such a loan.

The Bank may lend financial instruments from the client for its account if the legal holder of these financial instruments is a client with whom the Bank has entered into an Agreement for the Management of Financial Instruments Accounts, provided that the Bank enters into a loan agreement with this client or that the client has authorized the Bank in writing for such a loan.

**Article 37**

The Bank may mediate on behalf of the client in entering into a loan agreement for financial instruments.

**Article 38**

Financial instruments on which a lien has been constituted, or whose trade is restricted, may not be the subject of a loan agreement.

**Article 39**

Upon the conclusion of the loan agreement, the lender is required to transfer the securities that are the subject of the agreement to the borrower's securities account.

**Article 40**

The Bank is required to notify the client in writing no later than the next business day from the date of transfer of financial instruments from the client's account, regarding the transfer date, quantity of transferred financial instruments, and the period for which the instruments have been lent.

**Article 41**

If the borrower fails to settle their obligation under the loan agreement upon maturity, the lender may determine the value of their claim about the value of the financial instruments held:

1. On the date of the conclusion of the agreement.
2. On the date of fulfillment of the borrower's obligation, and sell the pledged assets by the regulations governing obligational relationships.

**Corporate Agency Services Agreement**

**Article 42**

By this agreement, the Bank undertakes to carry out the procedure for the payment of dividends in securities and cash for the issuer of financial instruments, the payment of coupons or principal on bonds, provide a unique shareholder record from CRHOV for each shareholders' meeting, change data in the unique record, and provide other services in accordance with the Law and relevant regulations. The client undertakes to pay the commission for this service according to the Bank's tariff.

Other agreements, such as the Issuance Agent Agreement, may be incorporated into the Corporate Agency Services Agreement.

**Agreement with Authorized Investment Company**

**Article 43**

The agreement is concluded between the Bank and the authorized investment company/Bank for the

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reception of client orders at the premises of the authorized investment company/Bank.

The essential elements of the agreement with the authorized investment company are as follows:

1. The method and deadline for transferring client orders to the authorized investment company.
2. The obligations of the authorized investment company:
  - Warning to the client regarding the deadline and receipt of orders:
    - The deadline in which the order will reach the Authorized Bank.
    - That the order is considered received upon being received by the Authorized Bank.
  - The responsibility of the authorized investment company for the completeness and accuracy of the data forwarded to the Authorized Bank.
  - To keep data about the client and their orders as business secrets.
3. Handling of complaints and claims from clients and potential clients.

**Article 44**

The Bank may conclude other agreements following the Law and relevant regulations.

**Article 45**

- The Bank executes client orders and dealer orders (buying and selling financial instruments in its name and on its account to achieve a price difference).
- The type of orders that the client can issue is determined by the market organizer, as well as the essential elements of each type of order, under the Law and relevant regulations.

**Article 46**

- A client order is considered received when it is received at the Bank's headquarters or another investment company authorized to execute orders.
- The Bank can receive orders:
  - At its headquarters.
  - At the premises of the authorized investment company.

**Article 47**

- The Bank may receive client orders:
  - Directly in writing.
  - By mail.
  - By phone, fax, email, or other electronic means (through a secure internet service where the content of the received document cannot be modified) if provided for in the agreement with the client.

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- The order can be given by phone if a device is used that has the technical capability to record audio recordings ensuring accuracy and reliability, and meets the following cumulative conditions:
  - Determining the exact time of order reception (date, hour, and minute).
  - Identification of the phone number from which the order was given.
  - Accurate identification of the client who issued the order.
- In the case of recording phone conversations between the Bank's employees and clients, the Bank is obligated to inform the client about this fact before the conclusion of the contract and at the beginning of the phone conversation that will be recorded.

**Article 48**

- The Bank may agree with the authorized investment company for the receipt of orders if such receipt:
  - Does not result in an increase in fees and other costs for the client compared to the fees and costs the client would incur if the agreement had not been concluded.
  - Does not increase unnecessary business risks for the Bank.
  - Does not significantly jeopardize the quality of internal control.
  - Allows for supervision by the Commission.
- The Bank is obligated to act in the best interest of the client when transmitting orders to the authorized investment company for execution and to take measures to ensure:
  - The best possible outcome for the client, considering the factors relevant for executing the order and the criteria based on which the significance of those factors is determined.
  - Compliance with the client's instructions priority over the Department's policy on executing orders under the best possible conditions.

**Confirmation of Acceptance/Refusal of Client Order Execution**

**Article 49**

The Bank is obligated to immediately, and no later than the next business day after the receipt of the order, notify the client about:

- The time and place of order receipt, amendments, and cancellations of the order.
- Acceptance or refusal of order execution, including the reason for refusing the order.  
The notification from paragraph 1 of this Article must be provided to the client via a durable medium or in paper form.

**Article 50**

The Bank's client is required to:

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- Have an adequate financial instruments account opened with CRHOV from which and into which the Bank will be authorized to transfer rights from financial instruments related to their purchase and sale and registration of third-party rights.
- Have a cash account opened with a bank, a member of the Central Register, from which the Bank will be authorized to make payments and receipts of funds related to the purchase and sale of financial instruments.
- Authorize the company to transfer and register rights from points 1 and 2 of this Article and to perform payments and receipts.  
Authorization from paragraph 1, point 3 of this Article can be:
  - Included in the securities account management agreement.
  - Given based on another legal transaction.

**Record of Received Orders - Order Book**

**Article 51**

The Bank is obligated to maintain a separate Order Book in electronic form, where all client orders, amendments, and cancellations of those orders, as well as orders transferred to an authorized investment company, are immediately recorded upon receipt.

The Order Book is maintained in a way that immediately after the receipt of the order, the time of receipt and the order's sequential number are recorded, preventing any subsequent changes to the entered data (chronological order of order receipt).

The Order Book contains:

1. The name, surname/business name, or other identifier of the client;
2. The name, surname/business name, or other identifier of the person representing the client;
3. Order number;
4. The date and exact time of order receipt, amendments, and cancellations;
5. Identification of the financial instrument;
6. The price of the financial instrument and the currency in which it is expressed;
7. The quantity of the financial instrument;
8. The purchase/sale indicator;
9. The nature of the order if it is not a purchase or sale order;
10. The type of order;
11. The status of the order;
12. Other details, conditions, and instructions received from the client regarding the execution of the order.

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**Article 52**

When the Bank transfers orders for execution to an authorized investment company, or vice versa, the Order Book also contains additional information:

- The name, surname/business name, or other identifier of the client.
- The business name or other identifier of the authorized investment company to which the order is transferred.
- The date and exact time of the order transfer or amendments.
- The conditions of order transfer.

**Order Coverage**

**Article 53**

Before executing a client's order, the Bank is required to verify:

- Whether the client's financial instruments account contains enough financial instruments to cover the sale.
- Whether the client's cash account contains enough funds to cover the obligations arising from the purchase of financial instruments.  
The Bank is obligated to ensure that, on the settlement date, the client's financial instruments account, or the designated account for purchase, contains sufficient financial instruments or funds to settle the transaction.

**Order Cancellation**

**Article 54**

The client may cancel an order before the transaction based on the order has been concluded. If the transaction has been concluded, the Bank will inform the client and will not accept the cancellation of the order. In cases where the order has been partially executed, the client may cancel the order.

**Reasons for Refusing to Execute a Client's Order**

**Article 55**

The Bank is required to refuse the execution of a purchase/sale order if there are grounds for reasonable suspicion that executing such an order would:

- Violate the provisions of the Law or the law regulating the prevention of money laundering and financing of terrorism.
- Constitute an act punishable by law, such as a criminal offense, economic offense, or misdemeanor.

In deciding to refuse a trading order, the Bank has the right to rely on its information and the information it receives from its clients or potential clients, unless it is aware, or should be aware, that such information is outdated, inaccurate, or incomplete.

The Bank shall immediately notify KHOV of the refusal to execute a trading order.

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**Article 56**

The Bank may refuse to execute an order when:

- The client's financial instruments account does not contain sufficient financial instruments for sale.
- The client's cash account does not contain sufficient funds to settle the obligations arising from the purchase order.  
The Bank is not obligated to refuse order execution if the client's order can be executed from realized but unsettled transactions or by borrowing financial instruments.

**Order Execution Policy**

**Article 57**

When receiving and executing orders, the Bank will act in accordance with its Order Execution Policy. The Order Execution Policy defines the following issues:

- The factors relevant to order execution, as well as their significance.
- The different places where the Bank executes client orders and the factors affecting the selection of the place for order execution.
- A warning that any specific instructions from the client, considering the factors covered by such instructions, may prevent the Bank from acting by the Order Execution Policy when executing the client's order in order to achieve the best possible outcome for the client.  
The Bank, within the Order Execution Policy, has established effective systems and measures for the quick, fair, and efficient execution of client orders in relation to orders from other clients, as well as in relation to the Bank's own orders.  
The Policy regulates for each class of financial instruments the following details:
  - Different places for executing client orders.
  - Factors influencing the selection of an appropriate place for order execution.

**Article 58**

The Bank is obligated to:

- Monitor the effectiveness of the adopted order execution policies to promptly identify and address shortcomings.
- At least once a year, assess whether the systems and measures established by the Order Execution Policy at the execution venues achieve the best possible outcomes for clients, and, if necessary, make changes to the existing Policy.
- Inform clients of any significant changes to the order execution policies and the methods of order execution.
- Upon client's request, provide evidence that the client's orders were executed following the Bank's order execution policy.

**Market Maker Operations**

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**Article 59**

The Bank performs market-making activities by mandatory buying and selling of financial instruments in its own name and for its own account, at a price determined by itself, by the Law and relevant regulations.

**Protection of Client Rights and Property**

**Article 60**

• To protect the rights of its clients, a Bank that holds financial instruments of clients with the approval of KHOV is required to:

- Keep records, accounts, and correspondence related to the client:
  - Accurately and precisely.
  - Regularly reconcile with records and accounts of third parties that hold client assets.
  - Maintain in a way that at any moment and immediately distinguishes one client's assets from those of other clients and the Bank's assets, even when the client's assets are held in a pooled account.
- Take measures to ensure that:
  - The client's financial instrument account held with CRHOV is kept separate from the Bank's financial instruments.
  - All client funds deposited in a credit institution that is a member of CRHOV are held in an account distinct from the account where the Bank holds its funds.
  - Efficient systems and measures are established to ensure the quick, fair, and efficient execution of client orders concerning orders from other clients, as well as the Bank's orders.
  - The operational risk of loss or reduction of client assets, or rights related to those assets, is minimized.
    - Financial instruments held by the Bank on behalf of a client may only be used for the Bank's account or the account of other clients with the explicit consent of the client who owns the financial instrument.

**Article 61**

- The Bank is obligated to:
  - Use the client's financial instruments from the client's account only based on the client's order.
  - Use the client's financial instruments only under the specific conditions to which the client has given consent, or written consent in the case of a minor client.  
The Bank must not:
    - Transfer or pledge financial instruments owned by the client without the client's prior written authorization.

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- Buy, sell, or lend financial instruments based on a contract for managing financial instruments solely to collect a commission or other fee.
- Use the client's financial instruments to settle its obligations or the obligations of other clients.
  - If financial instruments are held in a pooled account, the Bank may use them under the following conditions:
- If each client has given explicit prior consent for the use of their financial instruments under specific conditions.
- If the Bank has established a control system that ensures that financial instruments are only used with the client's written consent.
  - The Bank is required to maintain a record of:
- Details of the client whose instructions led to the use of financial instruments.
- The number of financial instruments used, categorized by client, and recorded in a way that ensures the correct allocation of any potential losses.

## **Client Reporting**

### **Article 62**

The Bank is obligated to provide each individual client with a report on the client's assets or financial instruments held by the Bank for the client, via a durable medium or in paper form.

The Bank is required to deliver the asset report to the client at least once a year. Different reporting periods may be agreed upon with the client.

The Bank is not obligated to provide an asset report if such a report is provided as part of another periodic report.

The asset report provided to the client must include:

- Details of all financial assets held by the Bank for the client at the end of the reporting period.
- How financial instruments were used/disposed of during the reporting period.
- The profits/returns earned based on such use/disposal.
- Information in the report is based on the settlement date. The Bank is required to specify in the report any transactions that have not been settled by the end of the reporting period.

### **Article 63**

The Bank is required to:

- Immediately after executing the client's order:
  - Provide the client with essential information about the order execution.
  - For a minor client, send a confirmation of the order execution as soon as possible, but no later than:
    - The first business day after execution.



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- The first business day after receipt of the confirmation if the Bank received the confirmation from a third party.
- The confirmation of the order execution must be provided via a durable medium.
- The client cannot waive the right to be informed about the execution of the order. The client may instruct the Bank to send the notification to an authorized person.
- The order execution confirmation must include:
  - The business name and registered office of the investment firm.
  - The client's full name/business name or other designation.
  - The date, time, and place of the transaction.
  - The identification code of the financial instrument.
  - The quantity of the financial instrument.
  - The individual and total price, along with the currency in which the price is expressed.
  - The buy/sell designation.
  - The nature of the order if it is not a buy/sell order.
  - The type of order.
  - The total amount of calculated commissions and fees, specified by item.
  - The client's obligations regarding settlement, including the payment or delivery deadline, and relevant account details.
  - Information about the other party to the transaction if the other party is an investment firm or another related person or client of the Bank unless the trading system where the order was executed allows for anonymous trading.

## **Handling of Client Complaints**

### **Article 64**

- The Bank shall act following the Procedure for Handling Client Complaints in the Brokerage and Dealer Departments in case of a client complaint.
- The Bank is obligated to retain documentation regarding all complaints and the measures taken based on them for 5 years.

## **Management and Retention of Business Documentation**

### **Article 65**

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- The Bank is obligated to maintain proper documentation and electronic records of all executed investment services and transactions in a manner that allows for the supervision of the Bank's operations, especially the supervision of the Bank's obligations towards its clients.
- The Bank is obligated to ensure:
  - The timeliness of the records.
  - The ability to verify the status of an individual transaction at any given time.
  - The separation of client-specific business documentation from the Bank's operational documentation.
  - Protection against unauthorized access and potential losses.
  - That records of transactions executed on behalf of clients include all details and information regarding the client's identity, as well as data prescribed by the law on anti-money laundering and the financing of terrorism.
- The Bank is obligated to store all documentation and records in an appropriate manner that allows:
  - The Commission to immediately access the data and reconstruct all key stages of each transaction.
  - The easy determination of all changes, or the contents of the documentation and records that preceded those changes.
  - Prevention of any manipulation of the documentation and records.
  - That original records of all amended and accepted orders for services provided by phone, fax, or electronically are preserved, ensuring it is possible to see the time of receipt and acceptance of such orders.
- The Bank is obligated to store backup copies of documentation and records outside of its business premises.

**Article 66**

- The Bank is obligated to retain all documentation and records of all services and transactions executed for its account or on behalf of clients for at least five years after the end of the business year to which the data relates.
- Contracts and business documentation governing the mutual rights and obligations of the Bank and the clients must be kept for at least five years after the end of the business year in which the contractual relationship was terminated, or in which the Bank ceased to provide services to the client.
- The Bank is obligated to retain business documentation and records beyond the prescribed period if necessary for the completion of supervision or legal proceedings.

**Reporting**

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**Article 67**

- The Bank is obligated to prepare and submit to the relevant authorities the following reports within the prescribed deadlines:
  - Daily reports on each transaction executed on a regulated market or MTF, as well as outside of it.
  - Monthly reports on business activities by the 15th of each month.
  - Annual financial reports and business reports.
  - Other reports.
- The Bank is obligated to prepare and submit to the relevant authorities notifications regarding any changes relating to:
  - The occurrence of circumstances under which the Commission withdraws its approval for the appointment of a member of the management board.
  - The legal minimum number of individuals authorized to perform brokerage activities.
  - The inability to settle overdue financial obligations.
  - Changes in the business name, headquarters, and address of the Bank.

**Internal Control Activities**

**Article 68**

- The Bank has established internal control activities to:
  - Monitor and regularly assess the appropriateness and effectiveness of measures and procedures aimed at minimizing the risk of non-compliance with relevant regulations, as well as the Bank's obligations related to identified deficiencies concerning those regulations.
  - Advise the management and other relevant persons on the application of applicable regulations.

**Costs and Fees**

**Article 69**

- Fees for provided investment services are prescribed by the Bank's Tariff Regulation, setting maximum amounts that may be charged to the client per individual service.
- Prescribed commissions and fees must not be in obvious disproportion to the services, actions, and activities provided.
- The Bank charges fees for provided investment services to clients up to the maximum amounts prescribed by the Bank's Tariff Regulation.

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- The Bank's Tariff Regulation is posted in all Bank areas where client reception and service activities take place and on the Bank's website.

## **Prohibited Activities**

### **Article 70**

- A personal transaction is a transaction involving a financial instrument:
  - Executed by a relevant person outside the scope of their regular activities.
  - Executed for the account of the relevant person.
  - Executed for the account of a person with whom they are related by family.
  - Executed for the account of a person with whom the relevant person is closely connected.
  - Executed for the account of a person whose relationship with the relevant person is such that the relevant person has an indirect or direct interest in the outcome of the transaction, other than commission or fees for executing the transaction.
- Persons who are in close relationships with the relevant person are:
  - Spouse or cohabitant.
  - Descendants and ascendants in the direct line, without limitation.
  - Adopted persons and adoptive parents.
  - Siblings, both full and half-blooded.
  - Other persons with whom the relevant person lives in a common household.
- The relevant person is obligated to report a personal transaction by the Law and the Bank's regulations.

### **Article 71**

- A relevant person is prohibited from performing the following activities:
  - Entering into personal transactions if:
    - It involves the misuse or disclosure of insider or other confidential information relating to the client, transactions with the client, or on behalf of the client.
    - The conclusion of such a transaction conflicts with or is likely to conflict with the Bank's obligations.
  - Advising or encouraging another person to conclude a transaction in a manner that exceeds the relevant person's authority or is not prescribed by the service provision agreement.

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- Disclosing information or opinions to another person, except in accordance with regular authority or under the service provision agreement, if the relevant person knows or should know that such conduct will influence the other person to:
  - Conclude a transaction with that financial instrument.
  - Advise or encourage a third person to conclude such a transaction.

**Article 72**

- The Bank has established measures within its Order Execution Policy to prevent prohibited activities by relevant persons, who:
  - Participate in activities that could lead to a conflict of interest, or
  - Based on the activities they perform on behalf of the Bank, have access to insider or other confidential information regarding the client, transactions with the client, or on behalf of the client.
- The Bank is obligated to ensure:
  - That all relevant persons in the Bank are familiar with policies and measures concerning prohibited activities related to personal transactions and the corresponding notifications.
  - That the relevant person immediately notifies the Bank of all personal transactions.
  - That records are kept for all personal transactions, including all approvals or prohibitions related to personal transactions.
  - If the tasks are delegated to another person, the service provider shall maintain records of relevant persons' transactions. The service provider is obligated to immediately provide the Bank with information about personal transactions upon request.

**Article 73**

Employees of the Bank are required to obtain written consent from the relevant Bank authority to engage in supplementary work with other entities.

Supplementary work with other entities must not fall within the scope of the broker's or other employees' duties, nor can it be related to trading on an organized market or outside of an organized market.

**Article 74**

Employees of the Bank are prohibited from accepting or giving gifts, except for those given for marketing purposes and customary in the business world.

**Article 75**

Employees of the Bank are required to immediately report to the relevant Bank authority if any person violates the law, other regulations, or the Bank's Rules of Conduct.

**Conflict of Interest**

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**Article 76**

The Bank is obligated to prioritize the interests of its clients over its own when providing investment services and to operate fairly, honestly, and professionally, by the best interests of the clients. The Bank cannot place its interests above those of the client.

The Bank is obligated to organize the provision of investment services in a way that minimizes potential conflicts of interest between:

1. The clients of the Bank.
2. The clients of the Bank, on one side, and the Bank, relevant persons, and all persons closely connected with them (directors, members of the Management and Executive Boards, and employees of the Bank), on the other side.

**Article 77**

The Bank is obligated to, when determining conflicts of interest that may harm the interests of clients, ascertain whether the Bank, relevant persons, or persons closely connected to them, due to the provision of investment services or other reasons:

- Can achieve financial profit or avoid financial loss to the detriment of the client.
- Have an interest or benefit from the result of the provided financial service, which differs from the client's interests.
- Have a financial or other motivation that aligns with the interests of another client or group of clients, to the detriment of the client's interests.
- Engage in the same activity as the client.

The department is obligated, before providing services to the client, to inform the client about:

- Possible types of conflicts of interest.
- The general nature of conflicts of interest.
- The sources of potential conflicts of interest.

In order to prevent conflicts of interest, the Bank will act in accordance with the provisions of the Policy on Preventing Conflicts of Interest, which is available to clients at the Bank's headquarters or on the Bank's website.

The department is obligated to keep and regularly update information about the provided investment services in which conflicts of interest have occurred or may occur related to ongoing transactions, which may have harmful consequences for one or more clients.

**Market Abuse**

**Article 78**

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To prevent market abuse, the Bank is obligated to apply all measures from the KHOV Rules on Procedures that May Be Considered Market Manipulation, Procedures for Preventing and Detecting Market Abuse, and Reporting Suspicious Transactions, as well as following the Bank's Rules on Detecting and Preventing Market Abuse within the Brokerage and Trading Department of Alta Bank AD Belgrade.

The Bank must establish adequate procedures to monitor and identify potential market abuses.

**Article 79**

The Bank is obligated to report all suspicious transactions to KHOV with all relevant data and documentation.

**Indicators for Identifying Market Abuse**

**Article 80**

The Bank is obligated to consider various client activities and indicators before and during the provision of investment services, which in each specific case, and depending on the specifics of the situation, may lead to market abuse. Specifically, client activities that:

1. Create a false or misleading impression of the market or the pricing of financial instruments.
2. Can be characterized as fictitious, or any other form of deceit or fraud.

**Insider Information**

**Article 81**

Insider information is information about specific facts that have not been publicly disclosed, which directly or indirectly relate to one or more issuers of financial instruments, or one or more financial instruments, and that, if made public, would likely have a significant impact on the price of those financial instruments or the price of derivative financial instruments.

A significant effect exists if a reasonable investor would likely consider such information as part of the basis for making their investment decisions.

For persons responsible for executing orders, insider information includes information:

- About specific facts obtained from the client concerning future orders from the client.
- Which directly or indirectly relates to one or more issuers of financial instruments, or one or more financial instruments, and that, if made public, would likely have a significant impact on the price of those financial instruments or the price of a derivative financial instrument

**Prohibition of Insider Trading**

**Article 82**

All persons who possess insider information are prohibited from:

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- Using such information directly or indirectly in acquiring, disposing of, or attempting to acquire or dispose of financial instruments to which the insider information pertains, for their own account or the account of a third party.
- Disclosing and making insider information available to any other person, unless the information is disclosed and made available in the ordinary course of business, profession, or duty.
- Recommending or encouraging other persons to acquire or dispose of financial instruments based on insider information to which the insider information pertains.

The prohibition on the misuse of insider information applies to all employees of the Bank and other persons who possess insider information based on:

- Membership in management and supervisory bodies or participation in the capital of the issuer or public company.
- Access to information obtained through performing duties at the workplace or in the course of professional or other responsibilities.

### **Article 83**

The prohibition on the misuse of insider information does not apply to transactions carried out in the execution of a due obligation to acquire or dispose of financial instruments arising from a contract concluded before the person possessed insider information.

### **Market Manipulation**

#### **Article 84**

Market manipulation refers to:

- Transactions and orders for trading:
  - That provide, or are likely to provide, false or misleading signals or information regarding the offer, demand, or price of financial instruments.
  - Where a person, or persons acting jointly, maintain the price of one or more financial instruments at an artificial or unrealistic level, unless the person who participated in the transaction or placed the order can demonstrate that there were valid reasons for doing so, and that the transactions and orders were in line with accepted market practices.
- Transactions and orders for trading in which fictitious procedures or any other form of deceit or fraud are used.
- The spreading of false or misleading news via public information channels, including the internet, or the dissemination of rumors and false news that can mislead regarding financial instruments, by persons who knew, or should have known, that the information was false or misleading.



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- The activity of one or more persons acting jointly to secure a dominant position over the offer or demand for a financial instrument, resulting in direct or indirect manipulation of buying or selling prices or the creation of other unfair trading conditions.
- Trading or selling financial instruments just before market closure to mislead investors.
- The exploitation of occasional or regular access to traditional or electronic media to express opinions about financial instruments or indirectly about the issuer, by persons who previously held a position in that financial instrument and profited after the impact the opinion had on the instrument's price, without publicly disclosing the existence of a conflict of interest in a prescribed and effective manner.

**Prohibition of Market Manipulation and Spreading False Information**

**Article 85**

Market manipulation is prohibited.

To prevent market manipulation, the Bank will act by the KHOV Rules, as well as the Bank's Rules on Detecting and Preventing Market Abuse in the Capital Market within the Bank's Brokerage and Trading Department. The Bank is obligated to notify the Commission, based on available data, of cases where there are reasonable grounds to suspect market abuse.

**Data Considered as Trade Secrets and Methods of Protecting Such Data**

**Article 86**

Managers, employees, and members of the Management Board at the Bank are obligated to keep the following as trade secrets:

- Information about clients.
- Information about the status and transactions on the accounts of their clients.
- Information about the services provided to clients.
- Other information and facts obtained during the provision of services.

The Bank is prohibited from using, disclosing to third parties, or allowing third parties to use the information mentioned in the previous paragraph.

Data considered as trade secrets may be disclosed or made available to third parties only:

- Based on written consent from the client.
- Upon request by an authorized representative of KHOV, CRHOV, or the market organizer during the supervision of business legality.
- Based on a court order.
- Based on an order from authorities responsible for preventing money laundering or terrorism financing, or other competent state authorities.

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The obligation to maintain trade secrets continues even after the termination of the position or employment relationship.

**Article 87**

The Bank's internal rules on trade secrets define the data considered as trade secrets and the methods of protecting such data.

Managers and employees at the Bank are required to act by the Law, relevant regulations, and the principles of secure and proper business conduct.

Employees at the Bank must familiarize themselves with the established procedures before performing duties within their responsibility.

**Basic Principles of Professional Ethics**

**Article 88**

The Bank and all employees at the Bank are obligated to adhere to the following basic principles of professional ethics and legality in their work and behavior while performing their activities:

**1. Protection of Professional Reputation:**

The Bank must act in accordance with the principles and rules of the ethical code of the professional association, as well as conduct its business in such a manner that it does not harm its reputation, or the reputation of the entire industry, in the organized securities market.

**2. Care for the Advancement of the Profession:**

The Bank is responsible for the professional education and training of its employees, as well as the advancement of the entire investment services industry and the development of the securities market and financial market as a whole.

**3. Principle of Acting with the Care of a Competent Expert:**

The Bank, in performing tasks entrusted to it by its clients, must act with the care of a competent expert.

**4. Principle of Equal Treatment of All Clients:**

The Bank must not place any client in a privileged position compared to other clients and must treat all clients equally.

**5. Principle of Safeguarding Client Rights and Interests:**

In performing tasks entrusted to it by its clients, the Bank must always prioritize the clients' interests and protect their rights.

**6. Principle of Informing Clients:**

The Bank must regularly provide its clients with accurate and reliable information about the status of the organized securities market, as well as information about specific financial instruments, and other relevant information that could affect clients' decisions regarding transactions with

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securities. This obligation also applies to parties with whom the Bank has not yet established a business relationship.

**7. Principle of Trust:**

The Bank and its employees must base their relationship with clients on mutual trust, which must not be violated or abused.

**Working Hours**

**Article 89**

The Bank's working hours with clients are from 9:00 AM to 4:00 PM on weekdays. The Bank's trading hours are from 9:00 AM to 1:00 PM.

In exceptional cases, the Bank's director may establish different working hours or trading hours, in which case clients will be notified via the Bank's website.

**Transitional and Final Provisions**

**Article 90**

The following documents are an integral part of these rules:

- The Client Categorization Policy.
- The Order Execution Policy.
- The Conflict of Interest Management Policy.
- The Procedures and Measures for Detecting and Preventing Market Manipulation Policy.

**Entry into Force**

**Article 91**

The Business Rules will be published on the Bank's website on the next business day after the receipt of the Commission for Securities' decision granting approval for these Rules.

The Business Rules enter into force 7 days after their publication on the Bank's website.

EXECUTIVE BOARD MEMBER

EXECUTIVE BOARD CHAIRMAN

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Tatjana Kuljak

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Dr Una Sikimić

