

RULES OF OPERATIONS OF OTP BANKE SRBIJA - CUSTODY BANK WITH VOLUNTARY PENSION FUNDS

1 INTRODUCTORY NOTES

1.1 Purpose, Application and Competence

These Rules of Operations of the Custody Bank of OTP banka Srbija with voluntary pension funds (hereinafter: Rules of Operations) determine the operations which OTP BANKA SRBIJA as Custody Bank (hereinafter: Custody Bank) performs within the scope of providing custody services to voluntary pension funds. Rules of Operations define terms and conditions of conducting these operations, as well as other issued related to the CUSTODY BANK.

1.2 Terms and Definitions

Certain expressions and abbreviations have the following meaning:

- **Law** means the Law on voluntary pension funds and pension schemes
- **Custody Bank** means the bank that manages the account of the fund and performs other custodial services on behalf of the voluntary pension fund, and with regard to the funds of the voluntary pension fund, acts only according to orders of the management company which comply with the Law and the fund's prospectus ;
- **Client** is a pension fund voluntary management company;
- **Voluntary pension fund management company** is a company that organizes and manages voluntary pension funds, in accordance with the Law;
- **Voluntary pension fund** is a collective investment institution which collects and invests pension contributions into various forms of assets with the aim of creating income and reducing investment risks;
- **Contract** means a custody operations contract which the CUSTODY BANK concludes with the Client in accordance with the Law;
- **Custody services** are a set of services, which the CUSTODY BANK provides to pension funds in accordance with the Law and with concluded custody operations contracts;
- **Price List of the CUSTODY BANK** represents a list of custody services containing tariff amounts charged by the CUSTODY BANK;
- **Special arrangement** represents specially agreed or approved tariff amounts and the method of their calculation, which CUSTODY BANK applies to a certain Voluntary Pension Fund;
- **Member of a voluntary pension fund** is a domestic or foreign natural person who accesses the voluntary pension fund directly or through the organizer of the pension scheme;
- **Investment unit** is a pro rata calculated share in the total net assets of the voluntary pension fund
- **LCM** is the Law on Capital Market
- **CL** is the Company Law
- **NBS** is the National Bank of Serbia
- **SC** is the Securities Committee of the Republic of Serbia;
- **CSDCH** Central Securities Depository and Clearing House in the Republic of Serbia

- **Custody Account** is a financial instruments account which the Custody Bank opens in its own behalf and for the behalf of members of the Voluntary Pension Fund;
- **Financial Instruments** are transferable securities, money market instruments, units of collective investment institutions and other derivative financial instruments, defined in the LCM, which the CUSTODY BANK holds for the Client on his account;
- **Orders** mean all instructions and other requests that CUSTODY BANK receives from the Client, which comply with the Law, these Rules of Operations and the concluded contract;
- **Sub-Depository** means another credit institution to which the CUSTODY BANK has delegated the custody of assets of the Voluntary Pension Fund and which, as supplier, provides to the CUSTODY BANK the services of keeping the assets of its clients, clearing and settlement of transactions with financial instruments for its own and/or other markets abroad;
- **investment company** is a broker-dealer company or an organizational part of a credit institution (bank) that has a CSDCH permission for the professional provision of one or more investment services to third parties;
- Status documentation includes all types of documents related to the Client's business data (excerpts from the register, statements, personal documents of representatives, authorized persons, beneficial owners, etc.);
- Contractual documentation includes documents by which CUSTODY BANK and the Client regulate mutual rights and obligations, conditions and manner of providing custody services (Contracts, price list, authorized signature card etc.);

1.3. Details of the CUSTODY BANK

Corporate name: OTP banka Srbija akcionarsko društvo Novi Sad

Abbreviated corporate name: OTP banka Srbija

Seat: Republic of Serbia, Novi Sad, 5 Trg slobode

Tax identification number of the(PIB): 100584604

Official registration number (ORN) 08603537

SWIFT: OTPVRS22

Website: www.otpbanka.rs

2. SUBJECT OF OPERATIONS - CUSTODY SERVICES

These Business Rules regulate the performance of custodial operations, i.e. the provision of custodial services to Voluntary Pension Funds, which includes the following set of services:

1. opening and maintaining a securities account that constitute the assets of the voluntary pension fund at the Central Registry of Securities in its own name, and for the account of the members of the voluntary pension fund (custody account);
2. opening a cash account of a voluntary pension fund, collecting pension contributions, transferring funds that comprise the fund's assets to cash deposits and disbursement of accumulated funds for each member of the voluntary pension fund (domestic and foreign exchange payments);
3. Registering real estate owned by the pension fund;
4. Notifying the management company on necessary corporate actions related to the fund assets;
5. Executing orders of the management company for the purchase and sale of assets if not contrary with the law and the fund's prospectus;
6. controlling, confirming and daily reporting to the National Bank of Serbia on the net value of the assets of the voluntary pension fund and the value of the investment unit, calculated by the management company;
7. controlling the returns of the voluntary pension fund calculated by the management company;

8. informing the National Bank of Serbia about observed irregularities in the operations of the management company immediately after noticing such irregularities;
9. informing the management company about executed orders and other activities undertaken in connection with the fund's assets;
10. submitting, on behalf of the fund, to the National Bank of Serbia and other competent authorities, motions against the management company, for damage caused to the fund;
11. performing other tasks which it is authorized for based on the contract with the management company that complies with the Law on Voluntary Pension Funds and Pension Schemes and the law regulating the capital market.

3. CLIENTS OF THE CUSTODY BANK

Clients of the CUSTODY BANK can voluntary pension funds management companies and funds managed by these companies, if they meet the prescribed requirements for the client and conclude a contract with the CUSTODY BANK on the performance of custody activities.

Clients from the previous paragraph are considered professional clients in accordance with the LCM.

The CUSTODY BANK cannot be a related party to a fund management company, nor a member or shareholder of a fund for which it provides custody services.

4. CONTRACT, TARIFFS AND AUTHORIZATIONS

In accordance with the Law, the CUSTODY BANK concludes a contract with the Client on providing custody services for each Voluntary Pension Fund individually, as user of custody services (hereinafter: Custody Contract or Contract). Under the contract, the CUSTODY BANK undertakes to perform operations in accordance with the provisions of the Law on Voluntary Pension Funds and Pension Schemes, and the management company undertakes to pay a fee to the CUSTODY BANK.

Under the contract from the previous paragraph, the CUSTODY BANK, in accordance with the Law, undertakes and authorizes for the Voluntary Pension Fund to

- perform tasks, i.e. provide services under point 2.
- open all types of accounts (money or financial instruments) necessary to provide the contracted service,
- By order of the Client, transfer funds and financial instruments between accounts of the Voluntary Pension Fund in order to ensure the necessary amount, i.e. the amount to cover the transaction with financial instruments on the day of settlement.

The following is an integral part of the Contract on custody operations:

- Tariffs for CUSTODY BANK services which, as special arrangement, determine the amounts and method of calculation of fees and commissions that the CUSTODY BANK charges for services provided for each Voluntary Pension Fund individually;
- Technical instruction (procedure) whereby the CUSTODY BANK and the client regulate the data exchange procedure, the method of reconciling differences in the calculation, as well as the deadlines for submitting orders.

If the signed Special arrangement with the Client does not define:

- Fees for a certain service, the fees and commissions under the applicable Price List of the Custody Bank stated on the Bank website shall apply;
- Tariff groups of foreign markets, the Custody Bank notifies the Client about the classification and changes of tariff groups by email;

- Available markets abroad, the Custody Bank notifies the Client by email about available markets abroad.

The Rules of Operations and applicable regulations from the area of capital markets shall apply to everything that has not been defined by the Contract with the Client. In case of discrepancy between the provisions of the Contract and the Rules of Operations, the provisions of the Contract shall apply.

If under imperative provisions of applicable regulations an issue regulated by Rules of Operations is resolved otherwise, the provisions of that relevant regulation shall apply.

The Custody Bank reserves the right to supplement or amend the Rules of Operations, in accordance with the applicable regulations and its business policy. If the Client disagrees with these Rules of Operations, as well as related amendments and supplements, it shall be entitled to inform Custody Bank in writing about the termination of business cooperation and the termination of the Contract in a manner provided for in the Contract and applicable regulations, whereby it shall be obliged, by the date of expiry of the notice period, to settle all its obligations towards the Custody Bank, i.e. to deposit at the Custody Bank the outstanding obligation amounts, if any.

In addition to the provisions of the Contract and Rules of Operations, the mutual rights and obligations of Custody BANK and the Client also apply to the provisions of the General Terms and Conditions of OTP Bank Serbia, which are displayed in all its business premises intended for Clients and on the bank's website.

4.1. Establishing and terminating business relation

The CUSTODY BANK establishes a business relationship with the Client by concluding a Custody Contract.

When establishing a business relationship with a client, the CUSTODY BANK is obliged to comply with the internal rules in the area of the law governing the prevention of money laundering and the financing of terrorism and to collect the prescribed statutory and contractual documentation.

When establishing and during the validity of the business relationship, the Client is obliged to submit all documentation (status and contractual) requested by the CUSTODY BANK.

The Client shall submit to the National Bank of Serbia a copy of the signed Custody Contract, as well as any further amendments and supplements.

The party that intends to terminate the Contract must notify the other party at least 30 days before the termination of the Contract. If the Contract stipulates a longer notice period, the contracting parties are obliged to comply with it.

the CUSTODYBANK informs the National Bank of Serbia in case of termination of the Contract and of the reasons for termination.

The client is obliged to notify the CUSTODY BANK in writing without delay of any change in data in relation to the data from previously submitted contractual and statutory documentation. Depending on the significance of the changes, the CUSTODY BANK approaches the Client with a list of documents that it shall be obliged to submit in order to confirm the described changes.

5 ORDERS

Prior to receiving and executing the Order, the Client shall be obliged to conclude a contract with the CUSTODY BANK.

The CUSTODY BANK receives and executes Client Orders only in line with the Law, the concluded Contract, these Rules of Operations and other acts of the Custody Bank.

Types of orders which the client may submit to the custody bank:

- Transaction settlement order
- Securities transfer order
- Corporate activity order
- Money transfer order

The Order for the settlement of transactions (RVP/DVP) contains the following elements:

1. Order number: (reference)
2. Name and seat of the client (with specified name of fund)
3. Designation of purchase or sale
4. ISIN designation
5. Name of executing party - investment company
6. Date of trading
7. Date of settlement
8. Number of securities
9. Amount for settlement and commission
10. Location of settlement
11. Securities/money account number
12. Place, date and time of issue/receipt of order
13. Signature of authorized persons

The securities transfer order contains the following elements:

1. Order number: (reference),
2. Name and seat of the client (with specified name of fund)
3. Type and content of the order (name of executing party, ISIN, number of items, principal account number, no
4. of user account, number and date of legal basis)
5. Place, date and time of issue/receipt of order,
6. Signature of authorized persons

A **corporate order** contains the following elements:

1. Order number: (reference),
2. Name and seat of the client (with specified name of fund)
3. Custody/money account number
4. Type of legal transaction
5. Name of issuer and ISIN designation
6. Date of significant event and cut-off date of establishing ownership
7. Total number of share on custody account on cut-off date
8. Number of shares subject to order
9. Instructions for action
10. ID data of the proxy to whom the CUSTODY BANK should issue a power of attorney, as well as instructions for actions of such person (if the Client is represented by a third party at the shareholders' meeting)

11. Place, date and time of issue/receipt of order
12. Signature of authorized persons

The money transfer order contains the following elements::

1. Order number: (reference),
2. Details of the Principal: name and seat of the client (with specified fund name),
3. Number of money account subject to debiting
4. Details of the receiver: name, address and number of money account subject to crediting
5. Subject of transfer: amount and currency
6. Date of payment
7. Signature of authorized persons
8. Conversion exchange rate - is the money is transferred for the purpose of currency conversion.

The CUSTODY BANK may also sign special forms of an Orders for certain types of transfers and provide them to the Client.

If the CUSTODY BANK lacks a signed Order form, it shall proceed based on duly filled and signed Client request, which contains the foregoing elements.

A statement from the money account represents a certificate of executed money transfer order.

5.1. Order submission

The CUSTODY BANK receives and executes the Client's orders regarding the disposal of securities and funds, in accordance with the concluded Contract and these Rules of Operations.

Following execution of the settlement order, securities transfer order and corporate order, the CUSTODY BANK shall send to the client via e-mail a notification about the receipt and execution of the order. The notification contains information about the order on the basis of which the transaction was executed, information about the name and seat of the client, i.e., the principal, details about the executed transaction, and signature of the authorized person.

When concluding the Contract, for each voluntary pension fund, the Client submits an authorized signature card on which it must indicate the person or persons authorized to issue orders and requests to the custody bank regarding the handling of securities and funds. The person's identity is adequately determined (ID card, passport etc.) The authorized signature is signed and validated by authorized persons of the Client and the Custody Bank. The enclosed signatures of authorized persons are valid until revocation in writing. The client incurs all damage arising from the change not being reported to the Custody Bank also in case that changes in authorizations have been made in an appropriate register or otherwise. With the issuance of a new authorized signatures card and its certification by Custody Bank, the previously valid authorized signatures automatically cease to be valid.

The client is responsible for the accuracy and completeness of the data in the orders, and for all consequences that may arise in the case of providing incorrect or incomplete orders.

The client submits orders filled out and signed by authorized persons from the authorized signature card on the standardized form of CUSTODY BANK, namely paper orders form directly or by mail, and orders in electronic form by e-mail.

Orders issued in electronic form must be signed with a qualified electronic signature based on a qualified certificate issued by the competent verification authority on the territory of the Republic of Serbia. The Client submits paper orders to the CUSTODY BANK in paper form, signed with own hand and validated

by stamp on the original. Paper form Orders validated by stamp are mandatory only if the Client has opted for them by enclosing its stamp on the authorized signature card at the CUSTODY BANK.

5.2. Deadlines for submitting the Order (Term Plan)

CUSTODY BANK and the Client initially agree on the deadlines for the delivery of the Order by signing the Technical Instructions (Procedure), as an attachment to the Contract.

In case of possible changes to the terms, the CUSTODY BANK delivers a written notification to the Client with new updated Term Plan according to type of Order. After receiving the notification, the Client is obliged to abide by the new Term Plan until signing the new Technical Instruction with CUSTODY BANK.

Deadlines for submitting the Order to the Custody Bank are not defined in the Technical Instruction (Procedure), and the deadlines defined in the Term Plan of the Depository/Custody Bank shall apply.

5.3. Refusal of order

The CUSTODY BANK is obliged to refuse receiving the order:

- If executing the order would result in a criminal act, corporate offense or misdemeanor punishable by law;
- If not specialized or has not technical ability to execute a specific order;
- When the order has not been signed by authorized representatives under the Client authorized signature card;
- when the order does not contain all the necessary elements for execution, is unclear or does not comply with the bank's acts and Rules of Operations, or is delivered outside of the scheduled deadline;
- when the voluntary pension fund lacks sufficient amount of securities and/or funds in the account to execute the order, including all related commissions;
- if the execution of the Order may cause damage to the CUSTODY BANK.

When CUSTODY BANK refuses to accept the client's order, it is obliged to inform the client accordingly immediately after receiving the order and to state the reason for the refusal.

The CUSTODY BANK can entrust the execution of the order to another person who is authorized to perform the tasks which the client's order refers to, provided that it is authorized to do so under a Custody Contract.

6 CLIENT OBLIGATIONS

The client undertakes to inform The CUSTODY BANK in a timely manner about all data necessary for The CUSTODY BANK actions in accordance with the Contract and applicable regulations, i.e. to provide The CUSTODY BANK with data relevant to the performance of the Contract.

Client are required to immediately the inform the Custody Bank in writing about:

- 1) changes and/or supplements to the founding act or statute;
- 2) change of management or of other persons authorized to conduct business operations with the CUSTODY BANK;
- 3) statutory changes;
- 4) obtaining or cessation of client status of an investment company with which they have concluded contracts on providing investment services and activities;

- 5) increase or decrease of capital assets;
- 6) changes in ownership structure;
- 7) client insolvency or probability thereof;
- 8) measures taken by a competent authority against the client;
- 9) launching of receivership or winding up procedure against the client;
- 10) other information important of Custody Bank operations on behalf of the client.

The client is obliged to pay fees and commissions to the CUSTODY BANK for provided services, in accordance with amounts and in a manner defined in the Price List under annex to the signed Contract as Special Arrangement.

If the Special Arrangement does not involve contracting or defining a fee for a specific service provided to the Voluntary Pension Fund, the fees and commissions from the valid Price List of Custody Bank, as well as other acts, shall apply.

The client undertakes to fully refund the CUSTODY BANK the costs charged by CSDSCH, in accordance with regulations and CSDSCH Tariff.

When issuing the Trading Order, the Client is obliged to provide the selected Investment Company with information about its account at the CUSTODY BANK.

For the purposes of executing a Settlement Order (RVP/DVP), the CUSTODY BANK may also ask the Client for confirmation of the Investment Company on the execution of the transaction, and the Client undertakes to submit such a document to the CUSTODY BANK.

Clients of the CUSTODY BANK are responsible for their assumed obligations and for damage caused to the CUSTODY BANK in the following cases:

- 1) if they cause damage to the CUSTODY BANK by breaching legal provisions and secondary legislation;
- 2) if they cause damage to the CUSTODY BANK by breaching the acts and rules of the CUSTODY BANK;
- 3) if they cause damage to the CUSTODY BANK through deliberate or gross negligence;
- 4) if they misuse the CUSTODY BANK to achieve a goal that is prohibited for them as individuals or would harm their members;
- 5) if they undertook illegal activities and damaged the CUSTODY BANK, either for their own benefit or for the benefit of another person.

7 OBLIGATIONS AND RESPONSIBILITIES OF THE CUSTODY BANK

By concluding the Custody contract, the CUSTODY BANK undertakes to open a custody account for financial instruments at CSDCH and to execute orders for the transfer of rights from securities on that account, as well as registration orders of third persons on securities of the Client, and keep the balance on the securities account of that Client, whereas the Client undertakes to pay a related fee.

The CUSTODY BANK shall not initiate legal proceedings for Clients against third parties.

If the Client initiates a court case against a third party (e.g. issuer of a financial instrument) due to a violation of rights regarding assets on the custody account of the Voluntary Pension Fund, the CUSTODY BANK shall, at the request of the Client or the court, issue a certificate of the status and ownership of assets on the related account.

When performing tasks related to opening and managing securities custody accounts, the CUSTODY BANK is obliged to keep special records on securities and persons on whose behalf it performs these operations, as well as data from those records as business secret, and to protect them from unauthorized use (may not disclose them to third parties, nor use or allow third parties to use them), and to protect them from alteration or loss.

As an exception from the previous article, data from that paragraph may be disclosed and communicated to third persons:

- i. Based on a written consent of the Client;
- ii. at the time of supervision of legality of business operations conducted by an authorized person of the Securities Commission or the National Bank of Serbia;
- iii. Based on an order of the court, or another state authority.

The CUSTODY BANK may handle securities on the custody account only based on a Client Order.

The CUSTODY BANK shall ensure sufficient funds on the special purpose money account for settlement of Voluntary pension fund transactions for the coverage of transactions and related expenses.

If the account of the Voluntary Pension Fund lacks sufficient funds or financial instruments required to execute the order or transaction, The CUSTODY BANK will not execute the Client's order or verify the transaction, nor will it be responsible for damages caused by this procedure towards the Client, the Voluntary Pension Fund or other investment company that entered a trading order without coverage.

The transfer of rights under securities between the accounts of the same owner and transfer to the account of a new owner, as well as the registration and deletion of the rights of third parties on securities, is provided by the CUSTODY BANK, based on the Client's Order.

The CUSTODY BANK will deliver statements of balance and transactions on securities accounts at the client's request.

The CUSTODY BANK is obliged, in accordance with the signed Contract on the performance of CUSTODY BUSINESS, to inform the Clients in the agreed manner about all important events of the issuer whose securities it owns and which may affect their assets.

The CUSTODY BANK is responsible for a due and accurate execution of Client Orders in accordance with the Contract and these Rules of Operations.

7.1. At-sight interest rate

Due to the need to adapt to market trends or competitive offers, the Custody and Depository Services Sales Department may, with the consent of the competent organizational segments of the Bank, defines a new or revises the existing passive interest rate, which the CUSTODY BANK pays on at sight funds from certain accounts of the Voluntary Pension Fund.

No special related Decision, conclusion of new or annexing existing contract shall be required. Prior to the beginning of application of the new interest rate, the CUSTODY BANK needs to send a notice to the Client that contains:

- Amount of determined interest rate with a list of accounts to which it will apply;
- Calculation method;
- Beginning of implementation.

The notification under the previous paragraph of this article is delivered as special arrangement internally at the CUSTODY BANK to the competent organizational unit for parameterization of the at-sight interest rate.

Upon client request, the at-sight interest rate may also be defined by special contract

7.2. Exchange rate

For the purpose of currency conversion, which is made on the account of the Voluntary Pension Fund at the request of the Management Company, the Custody Bank may apply:

- **Systemic exchange rate** - exchange rate from the official exchange rate list published on the bank website, or
- **Stimulative exchange rate** - specially quoted or defined more favorable exchange rate than the Systemic one.

Transactions on the domestic market are settled in the currency of the **CSDCH** closing order.

Transactions on the foreign market are settled in the currency stated in the signed settlement order. If the CUSTODY BANK receives from the Client an Order for settling the transaction or a closing order, and the Voluntary Pension Fund account lacks an available amount in the appropriate currency to cover the transaction, the Client is obliged to submit to the CUSTODY BANK a signed money transfer order that ensures coverage in the appropriate currency.

7.3. Custody of assets

The Custody Bank keeps assets of the Voluntary Pension Fund on its money accounts and financial instruments accounts (custody account) opened at the CSDCH.

The respective accounts are separated from the CUSTODY BANK assets and are not part of its bankruptcy or liquidation estate.

For the purpose of safekeeping assets of the Voluntary Pension Fund abroad (foreign financial instruments), the CUSTODY BANK hires a third party - Sub-Depository.

The third party (Sub-Depository) can only be a credit institution that, on the basis of the concluded custody contract, provides asset custody services to the CUSTODY BANK on one or more foreign financial markets.

Assets that the CUSTODY BANK keeps for its clients at the Sub-Depository as third party are separated from the CUSTODY BANK's property and are not part of its bankruptcy and liquidation estate.

The CUSTODY BANK may at any time separate the assets of the Voluntary Pension Fund from its assets and the assets of other clients.

The availability of services in certain markets abroad may vary and depends on the available network of Sub-Depositories and the level of services provided to the CUSTODY BANKS for certain markets. Prior to concluding the transaction, the Client may check the list of available markets by sending a direct inquiry to the email address of the CUSTODY BANK.

Assets kept abroad with the Sub-Depository are under the effect of regulations, rules and market practice of a competent foreign country and its institutions. By acquiring assets abroad, the client undertakes to comply with the regulations of the relevant market.

Financial instruments abroad are subject to maximum tax rates and the regulations of the competent tax institutions that apply to that market apply.

The CUSTODY BANK does not guarantee the application of a lower tax rate on income derived from financial instruments even in case of existence of ratified bilateral agreement between the Republic of Serbia and the competent foreign country on the avoidance of double taxation. If the Client is interested in ensuring the application of the tax rate according to the bilateral agreement between the Republic of Serbia and the country issuing the financial instrument, it must inform the CUSTODY BANK accordingly in writing, so that the Custody Bank can check with its Sub-Depository the possibilities and costs of meeting such a request and undertake all necessary actions. For this service, the Client pays a contractual tariff, as well as administrative expenses arising at the time of implementation of this request.

7.4. Corporate Activities

The CUSTODY BANK will provide corporate services to Clients, in connection with the exercise of rights under financial instruments, which the Client keeps in the custody account in the name of CUSTODY BANK, and for its account, i.e. it will inform the Client about corporate events and carry out the necessary activities according to the instructions provided by the Client.

The Client can send instructions for handling corporate events abroad by e-mail to the CUSTODY BANK. Instructions for handling corporate events in the Republic of Serbia are provided by the Client by signing the Corporate Activity Order.

The CUSTODY BANK will comply with the provisions of the applicable Company Law, which regulate the granting of powers of attorney and special rules related to custody accounts maintained in the name of the Bank.

- If the Corporate Activity Order provides instructions that the provider of the activity under the order - the proxy for representation at the shareholders' meeting or before the issuer, is a person employed by The CUSTODY BANK, the CUSTODY BANK is obliged to provide and deliver to the Client relevant information and data, specified in the Order.
- If a person who is not employed by the Bank is specified as a proxy in the corporate activity order, the CUSTODY BANK has no obligation to inform the Client about the execution of the order and the results thereof.

By means of a special Power of Attorney, the bank's legal representatives determine the persons who on behalf of the CUSTODY BANK are authorized to represent shareholder rights from the custody account of the client, i.e. persons who can grant Power of Attorney to third parties, in accordance with the client's instructions from the Corporate Activity Order.

For domestic corporate activities, the CUSTODY BANK collects information from public sources published by domestic market institutions: CSDCH and Belgrade Stock Exchange.

When representing votes, i.e., shareholder rights on a custody account on the domestic market, the CUSTODY BANK proceeds in accordance with the client instructions, the CL and the instructions of the issuing company.

For corporate activities abroad, notifications received from the Sub-Depository represent a relevant source of information. When representing votes or shareholder rights, the CUSTODY BANK acts in accordance with the instructions of the client and the Sub-Depository.

The CUSTODY BANK sends material and notices about the scheduled and held meetings of shareholders' assemblies of foreign issuers to the client if it has received them from its Sub-Depository. For financial instruments issued abroad, the Management Company receives notifications in English or the language officially used in the market of the financial instrument. In order to preserve the accuracy and reliability of the information, the CUSTODY BANK does not translate the notifications received from the Sub-Depository, but adapts them to the account name and available amount of the instrument and forwards them to the Client.

The CUSTODY BANK believes that before acquiring a financial instrument for the account of the Voluntary Pension Fund, the client became familiar with all characteristics and risks of the instrument, i.e. whether such a financial instrument involve special costs or obligations that have not been contracted with the CUSTODY BANK. The Client is obliged to indemnify such cost to the CUSTODY BANK in its full amount. The CUSTODY BANK may also charge from the client any third party cost arising from the implementation of the Client order.

7.5. Responsibility for damage and Act of God

The CUSTODY BANK is not responsible:

- for damage arising from an Act of God (state of war, rebellion, mobilization, epidemics, strikes, fire, explosion, natural disaster, decision and measures of state authorities inland and abroad, as well as other factors on which it has no influence);
- For damage or delay caused by third party actions;
- For damage caused by illiquidity and insolvency of issuers of securities and commercial banks;
- for damage caused by the failure of the CSDCH information system, errors, loss, as well as misuse and unauthorized data release to the CSDCH;
- If the client failed within the required term to submit an accurate and correct order or revoke an invalid one.

7.6. Electronic register of Fund assets

The CUSTODY BANK is obliged to keep an electronic register of fund assets for each separate fund. In order to reconcile its data on the net value of the investment unit, i.e., the net value of the assets and the returns of the fund with the data of the fund management company on those values, the CUSTODY BANK obtains data on the market value of the securities comprising the fund's assets through information services (Belex, Refinitiv, Bloomberg, Teletrader, etc.) that collect and publish data from the respective markets.

The CUSTODY BANK may require the fund management company to provide it with data that it cannot obtain in a manner referred to in the foregoing paragraph, as well as with evidence that confirms this data. The provision of data, as well as the method of reconciling differences in the calculation are regulated by the CUSTODY BANK and the fund management company in a written technical instruction (procedure), which forms an integral part of the Custody Contract.

The CUSTODY BANK reporting, as well as manner of reconciliation in the event of differences between the calculated net value of the voluntary pension fund's assets and the value of the investment unit by the management company and the CUSTODY BANK, i.e. the calculated yield by the company and The CUSTODY BANK, are regulated in details by the National Bank of Serbia, whereas the binding regulations/decisions of the National Bank of Serbia, as well as the frequency, method and standardized form of reports apply to those circumstances.

7.7. Custody bank operations in case of operating license withdrawal to the Fund Management Company

In case of revocation of the operating license of the fund management company, the CUSTODY BANK with which the management company concluded a contract, shall perform only urgent tasks related to the management of the assets of the voluntary pension fund and immediately stop selling and buying investment units of the fund until selection of a new management company, and for a maximum of three months period. Urgent tasks imply tasks that must be completed to avoid damage to the fund.

The CUSTODY BANK posts on its website that the sale and redemption of investment units shall cease in the period until selection of a new management company.

8 TRANSITORY AND CLOSING PROVISIONS

These Rules of Operations shall apply as of 10.01.2025.



The CUSTODY BANK makes the Rules of Operations, as well as all subsequent amendments and additions thereof, available to Clients by publishing them on the Bank's website at least eight days before the day of their application.

The Rules of Operations for the voluntary pension fund adopted on 26.04.2021 shall cease to apply as of the entry in force of these Rules.