

Na osnov u člana 169 Zakona o tržištu kapitala (Sl. Glasnik broj 31/2011, 112/2015 i 108/2016) ("ZTK"), člana 52 Pravilnika o pravilima ponašanja investicionog društva prilikom pružanja usluga (Sl. Glasnik broj 89/2011 i 44/2012, 46/2016, 74/2016 and 70/2018) ("Pravilnik") i člana 26. Statuta API BANK a.d. Beograd ("Banka"), Izvršni odbor Banke, na sednici održanoj dana 08.08.2019. godine usvaja

POLITIKU IZVRŠENJA NALOGA OVLAŠĆENE BANKE API BANK A.D. BEOGRAD

I OPŠTE ODREDBE

1.

Politikom izvršenja naloga ovlašćene banke API Bank a.d. Beograd (dalje: „**Politika**“), ovlašćena banka API BANK a.d. Beograd (dalje: „**Ovlašćena banka**“) određuje procedure i postupke kojima se omogućava postizanje najpovoljnijeg ishoda pri izvršavanju naloga klijenta, u skladu sa ZTK i podzakonskim aktima, a naročito:

1. Vrste i sadržine naloga;
2. Mesto i način prijema naloga;
3. Knjiga naloga;
4. Izvršenje naloga;
5. Najpovoljnije izvršenje naloga;
6. Mesto izvršenja naloga i
7. Nalog sa posebnim uputstvima.

2.

Politika uređuje procedure koje je Ovlašćena bankao dužna poštovati u pružanju investicionih usluga, a koje će dovesti do izvršenja naloga po najpovoljnijim uslovima za klijenta.

U tom smislu, ova Politika ne garantuje klijentu najbolje moguće izvršenje svakog pojedinačnog naloga, ali svojim odredbama omogućuje postizanje najpovoljnijih ishoda prilikom izvršavanja naloga klijenta.

Based on Article 169 of the Law on the Capital Market ("Official Gazette RS" No. 31/2011, 112/2015 and 108/2016) ("LCM") and Articles 52 of the Rulebook on rules of conduct for investment firms when providing investment services ("Official Gazette RS", No89/2011, 44/2012,46/2016,74/2016 and 70/2018) ("Rulebook") and Article 26 of the Statute of API Bank a.d. Beograd ("Bank"), on 08th August 2019., the Executive Board of API Bank a.d. Beograd, adopts

ORDER EXECUTION POLICY OF THE AUTHORIZED BANK API BANK A.D. BEOGRAD

I GENERAL PROVISIONS

1.

By the Order Execution Policy of the Authorized Bank of API Bank a.d. Belgrade (hereinafter: "**Policy**"), Authorized Bank of API BANK a.d. Belgrade (hereinafter: "**Authorized Bank**") defines the procedures and acts that enable the achievement of the most favorable outcome in the execution of client orders, in accordance with the LCM and bylaws, and in particular:

1. Types of orders;
2. The time and place of receipt of the order;
3. Book of orders;
4. Execution of orders/ Refusal executing buy and sale order;
5. Best execution orders;
6. Execution venue;
7. Explicit order of the Client;

2.

The Policy regulates the procedures that the Authorized Bank is obliged to adhere to in its rendering of investment services, which on their part will lead to the order execution under the most favorable terms and conditions for the client.

In this respect, this Policy does not guarantee the client the best possible execution of each individual order, but with its provisions enables

Ovlašćena banka će pri izvršavanju naloga klijenta u pružanju investicionih usluga, preduzeti sve razumne korake, kako bi nalog klijenta bio izvršen pod uslovima koji su za klijenta najpovoljniji.

II VRSTE I SADRŽINA NALOGA

Vrste naloga

3. Klijenti mogu ispostavljati Ovlašćenoj banci sledeće vrste naloga:

1. po vrsti transakcije:
 - Kupovni i
 - Prodajni
2. po vremenu trajanja:
 - dnevni;
 - do dana, u roku trajanja najduže 90 dana i
 - do opoziva - rok trajanja 90 dana;
3. po ceni:
 - limit nalog i
 - tržišni nalog, koji može da bude samo - dnevni;
4. nalog za povlačenje;

Nalozi prema posebnim uslovima izvršenja su:

- sve ili ništa trenutno (fill or kill – FOK);
- sve ili delimično trenutno (immediate or cancel - IOC);
- nalog za promenu (modifikaciju) ispostavljenog naloga;
- nalog sa skrivenom ukupnom količinom (Iceberg);
- stop nalog;
- market mejker nalog;
- nalog za blok trgovanje,

the achievement of the most favorable outcomes when executing the client's orders.

When executing client orders in the provision of investment services, the Authorized Bank shall undertake all reasonable steps, in order to make the order of the client under the conditions that are most favorable for the client.

II TYPES AND CONTENT OF ORDERS

Types of orders

3. The clients may submit the Authorized Bank the following types of orders:

1) Transaction type:

- buy orders,
- sell orders;

3)Time of duration:

- day order,
- order to the day (with the duration of no longer than 90 days)
- GTC (with the duration of 90 days)

3)Price:

- order with limited price;
- market order, which can be only day order;

4) Cancellation order

Orders under special conditions of execution are:

- All-or-None currently (fill or kill – FOK),
- All- or –Partial currently (immediate or cancel - IOC)
- Order for change of issued order,
- Order with hidden total quantity (Iceberg),

- na otvaranju (at the open – ATO)
- na zatvaranju (at the close – ATC).

Pored vrsta naloga iz stava 1 i 2 ovog člana, klijenti mogu Ovlašćenoj banci ispostavljati i druge vrste naloga utvrđene aktima organizatora tržišta.

Sadržina naloga

4.

Elementi naloga su:

1. oznaka hartije od vrednosti (ime ili simbol);
2. oznaka broja naloga iz knjige naloga Ovlašćene banke;
3. oznaka vrste transakcije (kupi ili prodaj);
4. količina hartija od vrednosti;
5. oznaka vrste naloga po ceni, uz određenje cene;
6. oznaka vremenskog trajanja naloga, sa određenjem isteka kod naloga do dana;
7. identifikacija klijenta iz naloga za trgovanje, na način utvrđen usaglašenim procedurama između organizatora tržišta i Centralnog registra;
8. tip računa hartije od vrednosti, sa izborom depozitara računa;
9. tip račun novca, sa izborom depozitara računa;
10. oznaka visine provizije;
11. oznaka vrste posla (brokerski ili dilerski);
12. datum i vreme ispostavljanja naloga;
13. posebni uslovi izvršenja naloga i
14. drugi elementi.

- Stop order,
- Market maker order,
- Block trading order,
- At – the – Open order (at the open – ATO),
- At – the – Close order (at the close – ATC).

In addition to the types of orders referred to in paragraphs 1 and 2 of this Article, clients may also issue other types of orders determined by the acts of the market organizer to the Authorized Bank.

Contents of the order

4.

Order elements:

1. Identification code of the financial instrument (name or symbol);
2. the serial number of the order from the book of orders of the Authorized Bank;
3. the type of transaction (buy or sell);
4. Quantity of financial instrument;
5. Type of order by price, with specified price,
6. Order duration with date and time of placing the order duration,
7. Personal identification number / registration number of the client, in the manner determined by the harmonized procedures between the market organizer and the Central Registry;
8. type of financial instrument account with chosen depositary of account,
9. type of money/cash account with chosen depositary of account
10. amount of fee;
11. type of activity (broker or dealer);
12. date and time of reception of order;
13. special terms of execution of orders
14. other elements.

III MESTO I NAČIN PRIJEMA NALOGA

Mesto prijema naloga

5.

Ovlašćena banka prima naloge klijenata u:

1. sedištu i
2. filijalama Banke,

Nalog klijenta se smatra primljenim kada je primljen u sedištu Ovlašćena banke ili filijali Banke.

Ovlašćena banka može omogućiti prijem naloga i u poslovnim prostorijama drugog investicionog društva koje će ugovorom biti ovlašćeno da prima naloge klijenata u ime i za račun Ovlašćene banke.

Kada filijala koja nema status pravnog lica ili organizacioni deo Ovlašćene banke, koji nemaju dozvolu za izvršenje naloga, prime nalog klijenta, dužni su da klijenta upozore:

1. da nemaju dozvolu za izvršenje naloga;
2. na rok u kojem će nalog stići u Ovlašćenu banku i
3. da se nalog smatra primljenim po prijemu u Ovlašćenu banku.

Način prijema naloga

6.

Ovlašćena banka može da prima naloge klijenata date:

1. neposredno i

III THE VENUE AND WAY OF RECEIVING THE ORDERS

The venues where orders are received

5.

The Authorized Bank shall receive the client orders in:

1. the business premises of its head office,
2. branches of the Bank,

The client order shall be deemed received when it is received at the registered office of the Authorised Bank or branch of the Bank.

The Authorized Bank may also allow the receipt of orders in the business premises of another investment company that will be authorized by the contract to receive clients' orders on behalf and for the account of the Authorized Bank.

The branch which does not have legal entity status or organizational unit of the Authorized Bank, which does not have license for the order execution shall, in the event of the order receipt warn the client about the following:

- 1) that they do not have the license for the order execution
- 2) the term within which the order will be received at the registered office of the Authorized Bank
- 3) the order shall be deemed received after it is received at the Authorized Bank.

Way of receiving the orders

6.

The Authorized bank may receive client orders given:

1. directly and

2. telefonom, telefaksom ili elektronskim putem, ukoliko je to predviđeno ugovorom sa klijentom.

Klijent može dolaskom u sedište Ovlašćene banke dati i lično potpisati nalog.

Uslučaju prijema naloga na način iz stava 1. tačka 2. ovog člana, Ovlašćena banka je dužna da primenjuje odgovarajuće mehanizme zaštite, kao što su uređaji za snimanje, radi obezbeđivanja tačnosti i pouzdanosti naloga u evidenciji Ovlašćene Banke.

IV KNJIGA NALOGA

7. Ovlašćena banka vodi knjigu naloga u elektronskom obliku, u koju se, odmah po prijemu, upisuju nalozi, uključujući i naloge koji se prenose na izvršenje drugom investicionom društvu, izmene i opozivi naloga.

Ovlašćena banka je dužna da knjigu naloga vodi u elektronskom obliku, na način koji sprečava naknadnu izmenu unetih podataka.

Knjiga naloga Ovlašćene banke, naročito, sadrži sledeće podatke:

1. ime i prezime/poslovno ime ili druga oznaka klijenta;
2. ime i prezime/poslovno ime ili oznaka lica koja zastupaju klijenta;
3. redni broj naloga;
4. datum i tačno vreme prijema naloga, izmene i opoziva naloga;
5. identifikacionu oznaku finansijskog instrumenta;
6. cenu finansijskog instrumenta i oznaku valute u kojoj je izražena cena;
7. količinu finansijskog instrumenta;
8. kupovnu, odnosno prodajnu oznaku;
9. prirodu naloga ukoliko se ne radi o prodajnom ili kupovnom nalogu;
10. vrstu naloga;
11. status naloga i

2. by telephone, telefax, or electronically, if this is stipulated in the client agreement.

The client can personally sign the order by coming to the Authorized Banks' head office.

Where an order is received as referred to in paragraph 1, point 2 of this Article, the Authorized Bank shall apply adequate safety arrangements in order to ensure accuracy and reliability of orders in the records of the Authorized Bank.

IV BOOK OF ORDERS

7. The Authorized Bank shall maintain book of orders electronically, where orders are entered, immediately upon their receipt, including orders which are to be transmitted to another investment firm, the changes and cancellations of the orders. in the manner preventing subsequent changes of the entered data.

The Authorized Bank shall keep the book of accounts in electronic form, in a manner that prevents the subsequent change of entered data.

A book of orders of The Authorized Bank shall contain the following:

1. full name, i.e. business name or another designation of the client;
2. full name, i.e. business name or another designation of the persons representing the client;
3. ordinal number of the order;
4. the date and exact time of the receipt of the order, any change to the order and its cancellation;
5. the identification code of the financial instrument,
6. the price of the financial instrument and indication of the currency of the price;
7. the quantity of the financial instrument;
8. the buy/sell indicator;

12. sve ostale pojedinosti, uslovi i uputstva u vezi sa izvršenjem naloga.

Kada Ovlašćena banka prenosi naloge na izvršenje drugom investicionom društvu, knjiga naloga sadrži i:

1. ime i prezime/poslovno ime ili drugu oznaku klijenta;
2. poslovno ime ili drugu oznaku investicionog društva kojem je nalog prenet;
3. datum i tačno vreme prenosa naloga, odnosno izmene naloga i
4. uslove prenosa naloga.

Ovlašćena banka može klijentu, na njegov zahtev, dati izvod iz knjige naloga koji se odnosi na nalog tog klijenta.

V IZVRŠENJE NALOGA

8.

Ovlašćena banka je dužna da klijentu odmah, a najkasnije sledećeg radnog dana od dana prijema naloga, putem trajnog medija, dostavi obaveštenje o:

1. vremenu i mestu prijema naloga, izmene ili opoziva naloga i
2. prihvatanju ili odbijanju izvršenja naloga, uz navođenje razloga odbijanja izvršenja.

9.

Ovlašćena banka je dužna da:

1. informacije iz naloga koji treba da bude izvršen za račun klijenta odmah i tačno unese u knjigu naloga;
2. odmah izvršava slične naloge klijenta u skladu sa vremenom kada je primilo naloge, osim ukoliko uslovi koji preovlađuju na tržištu ili karakteristike naloga to onemogućavaju ili interesi klijenta nalažu drugačije postupanje;
3. odmah i tačno razvrstava naloge izvršene za račun klijenta;

9. the nature of the order if other than buy or sell;

10. type of order;

11. order status;

12. any other details, conditions and particular instructions that specify how the order must be carried out.

When The Authorized Bank transmits orders to another investment firm, the book of orders shall also contain:

1.name and surname, i.e. business name or another designation of the client;

2.the name or other designation of the investment firm to whom the order has been transmitted;

3.the date and exact time of the transmission of the order and any change to the order;

4.the terms of the order transmitted.

The Authorized Bank may, upon clients' request, provide the excerpt from the book of orders related to the clients' order.

V CONFIRMATION ON ACCEPTANCE OF A CLIENT ORDER

8.

The Authorized Bank shall provide their clients, in a durable medium, immediately, and not later than the following business day after the receipt of an order, with the notification about:

1.the time and venue of the receipt of the order, any change to the order and its cancelation;

2.acceptance or refusal of the order, stating the reasons for refusal.

9.

The Authorized Bank shall:

1.ensure that orders executed on behalf of clients are promptly and accurately recorded in the book of orders;

2.carry out otherwise comparable orders sequentially and promptly unless the characteristics of the order or prevailing market

4. preduzme sve neophodne aktivnosti potrebne radi obezbeđenja da svi finansijski instrumenti ili novčana sredstva klijenta primljena prilikom saldiranja obaveza po osnovu izvršenog naloga, budu blagovremeno i uredno prebačeni na račun odgovarajućeg klijenta i
5. obavesti klijenta o svim značajnim poteškoćama u vezi sa izvršenjem naloga, odmah po saznanju istih.

10.

Ovlašćena banka je dužna da, pre izvršenja naloga:

1. upozna klijenta sa politikama izvršenja naloga, pri čemu malom klijentu te politike mora da pruži i na trajnom mediju;
2. upozori klijenta na mogućnosti, predviđene politikama za izvršenje naloga, da nalozi mogu biti izvršeni van regulisanog tržišta, odnosno MTP i
3. od klijenta dobije pisane saglasnosti na politike izvršenja naloga, odnosno mogućnosti iz tačke 2), pri čemu takve saglasnosti mogu biti i sastavni deo ugovora sa klijentom.

Klijent može saglasnost u vezi sa izvršenjem naloga van regulisanog tržišta, odnosno MTP dati za sve ili za svaku pojedinačnu transakciju.

Ovlašćena banka je dužna da:

1. prati efikasnost politika izvršavanja naloga kako bi na vreme identifikovalo i otklonilo nedostatke;
2. redovno, a najmanje jedanput godišnje, procenjuje da li se na mestima izvršenja naloga, navedenim u politikama izvršenja naloga, postižu najbolji mogući efekti za klijente i da li je potrebno izvršiti izmene u postojećim politikama;
3. obavestava klijente o svim značajnim promenama u vezi sa načinom ili politikama izvršenja naloga i

conditions make this impracticable, or the interests of the client require otherwise;

3. promptly and accurately allocate the orders executed on behalf of clients;

4. take all reasonable steps to ensure that any client financial instruments or client funds received in settlement of that executed order are promptly and correctly delivered to the account of the appropriate client;

5. inform a client about any material difficulty relevant to the carrying out of orders, promptly upon becoming aware of the difficulty.

10.

The Authorized bank must, prior to execution of an order:

1. provide information on the order execution policy to the client, and provide the retail client with the execution policy on a durable medium;
2. warn the client of the possibility, envisioned in the execution policy, that the order may be executed outside a regulated market or MTP;
3. obtain written consent of their clients to the order execution policy, and/or of the possibility referred to in paragraph 1, point 2, and the consent shall be the constituent part of the client agreement.

A client may provide its consent to the order execution outside of a regulated market or MTP in the form of a general agreement or in respect of individual transaction.

The Authorized bank shall:

1. monitor the effectiveness of their order execution policy in order to identify and correct any deficiencies;
2. assess, on a regular basis, whether the execution venues included in the order execution policy provide for the best possible result for the client or whether they need to make changes to their execution arrangements;
3. shall notify clients of any material changes to their order execution arrangements or execution policy;

4. klijentima, na njihov zahtev, dokaže da je njihove naloge izvršilo u skladu sa politikama Ovlašćene banke o izvršenju naloga.

11.

Kada se nalog klijenta sa limitom za kupovinu ili prodaju finansijskih instrumenata koji su uključeni u trgovanje na regulisanom tržištu, odnosno MTP ne može odmah izvršiti, imajući u vidu trenutno preovlađujuće uslove na tržištu, Ovlašćena banka je dužna da preduzme mere za izvršenje naloga u najkraćem roku, osim ukoliko od klijenta nije dobila drugačija uputstva u vezi sa izvršenjem naloga. Pod merama iz prethodnog stava ovog člana se podrazumeva da je Ovlašćena banka odmah po prihvatanju izvršenja naloga, isti objavila na način da je nalog postao lako dostupan ostalim učesnicima na tržištu, a što podrazumeva:

1. prosleđivanje naloga sa limitom na regulisano tržište, odnosno MTP koji ima sistem trgovanja koji se zasniva na knjizi naloga;
2. objavljivanje naloga odmah, a izvršenje čim to tržišni uslovi dozvole, što pretpostavlja preduzimanje mera:
 - neophodnih za obezbeđivanje pouzdanosti informacija koje se objavljuju i njihov stalan nadzor kako bi se, odmah nakon što se uoče, korigovale eventualne greške,
 - koje olakšaju konsolidaciju informacija sa istovetnim informacijama iz drugih izvora,
 - koje omogućavaju dostupnost informacija javnosti pod jednakim uslovima na komercijalnoj osnovi uz prihvatljiv trošak.

Ovlašćena banka nema obavezu objavljivanja naloga sa limitom, kada nalog prelazi uobičajenu veličinu tržišta utvrđenu pravilima regulisanog tržišta, odnosno MTP.

12.

Ovlašćena banka može prihvaćeni nalog klijenta da izvrši pridruživanjem drugom prihvaćenom nalogu klijenta, samo ukoliko:

4.demonstrate to their clients, at their request, that they have executed their orders in accordance with the firm's execution policy.

11.

When the Authorized Bank receives a limit order from the client regarding the financial instruments included in trade on the organized market, i.e. MTP, which is not immediately executable according to currently prevailing situation on the market, the Authorized Bank will, unless the client has explicitly provided different instructions, take actions for the order execution as soon as possible, by immediately announcing the limit order in such a manner which will make it readily accessible to other market participants, which refers to:

1. forwarding the limit order on the organized market, i.e. the MTP having the trade system based on order register.
2. the limit order will be executed as soon as this is permitted by market conditions, which represents the taking of measures:

- necessary for the purpose of ensuring the reliability of announced data, their continuing supervision for the purpose of detecting possible errors, and correct them immediately after they are noted;
- facilitate data consolidation with the identical data from other sources;
- ensure the data availability to the public under the equal conditions on commercial basis at acceptable expense.

The Authorized Bank is not obliged to announce the limit order, when the order exceeds usual market size determined in the rules of the organized market and/or MTP.

12

The Authorized Bank may carry out a client order or a transaction for own account in aggregation with another client order if the following conditions are met:

1. Ovlašćena banka ima efikasne politike za razvrstavanje naloga, kojima se dovoljno precizno uređuju korektno pridruživanje i razvrstavanje naloga, što posebno uključuje:
 - način na koji količina i cena navedene u nalogu utiču na razvrstavanje i
 - način postupanja sa delimično izvršenim nalogima;
2. je malo verovatno da će pridruživanje naloga štetiti interesima bilo kojeg klijenta čiji se nalog pridružuje i
3. Ovlašćena banka upozori svakog klijenta, čiji se nalozi pridružuju, da bi pridruživanje naloga moglo štetiti interesima klijenta u odnosu na pojedinačni nalog.

Kada se zbirni nalog, nastao pridruživanjem jednog ili više prihvaćenih naloga klijenata, delimično izvrši, Ovlašćena banka je dužna da odnosne transakcije razvrsta u skladu sa svojim politikama za pridruživanje i razvrstavanje naloga.

Uslovi i postupak za pridruživanje i razvrstavanje naloga, kao i dilerskih naloga definisani su posebnom Politikom pridruživanja i razvrstavanja naloga, koja je sastavni deo Pravila poslovanja Ovlašćene banke.

13.

Ovlašćena banka je dužna da, u knjizi naloga, evidentira izvršenje naloga nakon što izvrši nalog, odnosno nakon dobijanja potvrde o obavljenoj transakciji, u slučaju kada Ovlašćena bankao prenosi naloge na izvršenje drugom investicionom društvu.

Evidencija iz prethodnog stava ovog člana mora da sadrži:

1. ime i prezime/poslovno ime ili drugu oznaku klijenta;

1. The Authorized Bank has an effective order allocation policy, providing in sufficiently precise terms for the fair allocation of aggregated orders, including in particular:

- how the volume and price of orders determines allocation
- the treatment of partial executions;

2. it is unlikely that the aggregation of orders will be to the disadvantage of any client whose order is to be aggregated;

3. The Authorized Bank has warned each client whose order is to be aggregated that the aggregation of orders may work to the disadvantage of the client in relation to a particular order.

Where the Authorized Bank aggregates an order with one or more other client orders, and the aggregated order is partially executed, it allocates the related trades in accordance with its orders aggregation and allocation policy.

The conditions and procedure for orders aggregation and allocation, as well as dealer orders are defined by a separate orders aggregation and allocation policy, which is an integral part of the Rules of operation of the Authorized Bank.

13.

The Authorized Bank shall in its book of orders record the execution of orders after they have been executed or after the receipt of a confirmation on conducted transaction, if the Authorized Bank is transferring orders to another investment firm for their execution.

The records referred to in paragraph 1 of this Article shall contain:

1. full name, i.e. business name or another designation of the client;
2. date, time and place of trading;

2. datum, vreme i mesto trgovanja;
3. identifikacionu oznaku finansijskog instrumenta;
4. količinu finansijskih instrumenata;
5. pojedinačnu i ukupnu cenu i oznaku valute u kojoj je izražena cena;
6. kupovnu, odnosno prodajnu oznaku;
7. prirodu transakcije, ukoliko se ne radi o prodajnoj ili kupovnoj transakciji i
8. ovlašćeno lice koje je obavilo transakciju ili koje je odgovorno za njeno izvršenje.

Odbijanje izvršenja naloga

14.

Ovlašćena banka je dužna da odbije izvršenje naloga za kupovinu, odnosno prodaju i da o tome, bez odlaganja, obavesti Komisiju, ukoliko ima razloga za osnovanu sumnju da bi izvršenjem takvog naloga:

1. bile prekršene odredbe Zakona ili zakona kojim se uređuje sprečavanje pranja novca i finansiranje terorizma ili
2. bilo učinjeno delo kažnjivo po zakonu kao krivično delo, privredni prestup ili prekršaj.

Prilikom utvrđivanja okolnosti iz prethodnog stava ovog člana, Ovlašćena banka može koristiti sopstvene informacije, odnosno informacije koje dobije od svojih klijenata ili potencijalnih klijenata, osim ukoliko ima saznanja ili bi trebalo da ima saznanja da su takve informacije očigledno zastarele, netačne ili nepotpune.

Ovlašćena banka može odbiti izvršenje:

3. the identification code of the financial instrument;
4. the quantity of the financial instrument;
5. the individual and total price and indication of the currency of the price;
6. the buy/sell indicator;
7. the nature of the order if other than buy or sell;
8. the authorized person who executed the transaction or who is responsible for its execution.

Refusal of a client order

14.

The Authorized Bank shall refuse the receipt of an order for purchase or sale of securities, and promptly notify the Commission thereof, if there is reasonable doubt that the execution of such an order would:

1. violate the provisions of the Law or the law governing prevention of money laundering and financing of terrorism;
2. result in committing an act sanctioned by law as a criminal offence, commercial violation or infraction.

When establishing the circumstances referred to in paragraph 1 of this Article, refusal of a client order shall be entitled to rely on the information provided by its clients or potential clients, unless it is aware or ought to be aware that the information is out of date, inaccurate or incomplete.

The Authorized Bank may refuse execution of:

1. a purchase order, when it concludes that the funds in a client's cash account are not sufficient to settle the liabilities that would arise upon the execution of the purchase order;
2. a sale order, when it concludes that the financial instruments in a client's account are

1. naloga za kupovinu, ukoliko utvrdi da na novčanom računu klijenta nema dovoljno sredstava potrebnih za izmirenje obaveza nastalih po osnovu izvršenja tog naloga i
2. naloga za prodaju, ukoliko utvrdi da klijent na računu finansijskih instrumenata nema dovoljno instrumenata potrebnih za izmirenje obaveza nastalih po osnovu izvršenja naloga.

Ovlašćena banka nije dužna da odbije izvršenje naloga, ukoliko se nalog klijenta može izvršiti:

1. od realizovanih, a nesaldiranih transakcija;
2. davanjem zajma klijentu od strane Ovlašćene banke, a na osnovu važećih propisa ili
3. pozajmljivanjem finansijskih instrumenata u skladu sa pravilima koja uređuju pozajmljivanje finansijskih instrumenata.

VI NAJPOVOLJNIJE IZVRŠENJE NALOGA

15.

Ovlašćena banka je dužna da, prilikom izvršenja naloga klijenta, preduzme sve aktivnosti potrebne za postizanje najpovoljnijeg ishoda za klijenta, a uzimajući u obzir:

1. cenu finansijskog instrumenta;
2. troškove, brzinu i mogućnost izvršenja;
3. troškove, brzinu i verovatnoću saldiranja;
4. veličinu, vrstu i prirodu naloga i
5. sve druge okolnosti relevantne za izvršenje naloga.

Ovlašćena banka je dužna da, prilikom utvrđivanja značaja faktora relevantnih za izvršenje naloga klijenta, uzme u obzir sledeće kriterijume:

1. karakteristike klijenta, uključujući i njegovo razvrstavanje na profesionalnog i malog klijenta;
2. karakteristike naloga klijenta;
3. karakteristike finansijskog instrumenta na koji se nalog odnosi i

not sufficient to settle the liabilities that would arise upon the execution of the order;

The Authorized Bank shall not be required to refuse execution of an order, if the client order can be executed:

1. from transactions executed, but not settled;
2. by extension of credit with the client's consent and subject to applicable regulations;
3. by lending of financial instruments subject to regulations governing lending of financial instruments.

VI BEST EXECUTION

15.

When executing client orders, the Authorized Bank shall take all reasonable steps to obtain the best possible results for their clients, considering in particular:

1. the price of the financial instrument;
2. costs, speed and likelihood of execution;
3. costs, speed and likelihood of settlement;
4. size, nature and type of order;
5. any other consideration relevant to the execution of the order.

When determining relevant considerations for the client order executions, the Authorized Bank shall take into account the following criteria:

1. the characteristics of the client, including the categorization of the client as retail or professional;
2. the characteristics of the client order;
3. the characteristics of financial instruments that are the subject of the order;
4. the characteristics of the execution venues to which that order can be directed.

4. karakteristike mesta trgovanja na kojima se nalog može izvršiti

16.

Postizanje najpovoljnijeg ishoda za malog klijenta, Ovlašćena banka utvrđuje u odnosu na ukupne troškove transakcije, koji obuhvataju:

1. cenu finansijskog instrumenta;
2. sve troškove direktno povezane sa izvršenjem naloga koje snosi klijent, koji uključuju provizije, odnosno naknade:
 - mesta trgovanja;
 - za kliring i saldiranje transakcije;
 - Ovlašćene banke i
 - koje se plaćaju trećim licima koja su uključena u izvršenje naloga. Ovlašćena banka je dužna da postupa u najboljem interesu klijenata i kada naloge daje na izvršenje drugom investicionom društvu.

Ovlašćena banka je, radi ispunjenja obaveze iz prethodnog stava ovog člana, dužna da preduzima mere kojima:

1. obezbeđuje postizanje najboljeg mogućeg efekta za klijenta vodeći računa o faktorima relevantnim za izvršenje naloga i kriterijumima na osnovu kojih se određuje značaj tih faktora i
2. obezbeđuje poštovanje prioriteta uputstva klijenta u odnosu na politiku Ovlašćene banke u vezi sa izvršenjem naloga pod najpovoljnijim uslovima.

VII MESTO IZVRŠENJA NALOGA

17.

U postupku procene mesta trgovanja na kojima bi nalog klijenta mogao biti izvršen na način da se postigne najpovoljniji ishod, Ovlašćena banka je dužna da uzme u obzir svoje provizije i naknade izvršenja naloga na svakom od tih mogućih mesta trgovanja.

16.

Where an the Authorized Bank executes an order on behalf of a retail client, the best possible result shall be determined in terms of the total consideration comprising:

- 1.the price of the financial instrument;
- 2.costs related to the execution of the order born by the client, including commissions and fees of:
 - the execution venue,
 - the clearing and settlement,
 - the Authorized Bank,
 - paid to third parties involved in the execution of the order.

The Authorized bank shall act in accordance with the best interests of its clients when placing orders with another investment firm.

In order to comply with paragraph 1 of this Article, the Authorized Bank shall take the following actions:

1. ensure obtaining the best possible result for their clients taking into account the factors relevant for the order executions and the criteria based on which the importance of these factors is determined;
2. ensure that the specific instructions from its client are followed with respect to the best execution policy of the firm.

VII EXECUTION VENUE

17.

For the purposes of delivering best execution, in order to assess the trading venue to execute a client order, the Authorized bank shall take into account the firm's own commissions and costs for executing the order on each of the eligible execution venues.

the Authorized bank shall not structure or charge their commissions in such a way as to discriminate unfairly between execution venues.

Ovlašćena banka ne sme utvrđivati i naplaćivati svoje provizije i naknade na način koji bi doveo do neopravdane nejednakosti između mesta trgovanja na kojima se nalog može izvršiti.

Ovlašćena banka je dužna da redovno, a najmanje jedanput godišnje, procenjuje da li se na mestima izvršenja naloga, navedenim u Politici, postižu najbolji mogući efekti za klijente i da li je potrebno izvršiti izmene u postojećim politikama.

18.

Ovlašćena banka naloge klijenta za kupovinu ili prodaju finansijskih instrumenta, kojima se trguje na domaćem tržištu izvršava na:

1. regulisanom tržištu na području Republike Srbije;
2. multilateralnoj trgovinskoj platformi (MTP), ukoliko se finansijski instrument ne kotira regulisanom tržištu ili
3. OTC tržištu, ukoliko finansijski instrument nije uvršten na regulisano tržište ili MTP, osim ukoliko klijent ne zahteva drugačije.

19.

Ovlašćena banka može da prenese nalog drugom investicionom društvu na izvršenje, te je dužna da odmah zabeleži sledeće podatke nakon prenosa naloga:

1. oznaka klijenta čiji je nalog prosleđen;
2. poslovno ime ili druga oznaka investicionog društva kojem je nalog prosleđen;
3. uslovi prenosa naloga i
4. datum i tačno vreme prenosa naloga.

20.

Ovlašćena banka naloge Klijenta za kupovinu ili prodaju finansijskih instrumenta, s kojima se trguje na domaćem tržištu prima i prenosi investicionom društvu sa kojim ima zaključen poseban ugovor, na izvršenje na regulisano tržište, odnosno na MTP, ukoliko se finansijski instrument ne kotira na regulisanom tržištu,

The Authorized bank shall regularly, at least annually, assess whether the venues of execution of the tasks listed in the Policy, achieve the best possible effects for clients and whether need to make changes to existing policies.

18.

The Authorized Bank shall execute the client's orders for the purchase or sale of financial instruments traded on the domestic market on:

- 1.the regulated market in the territory of the Republic of Serbia;
- 2.the multilateral trading platform (MTP), if the financial instrument is not quoted on the regulated market, or
- 3.the OTC market, if the financial instrument is not included in the regulated market or the MTP, except in the cases when the client requests differently.

19.

The Authorized Bank may transfer an order to another investment company for the execution of the same, so it is obliged to immediately record the following data after such transfer of the order:

1. the mark of the client whose order has been forwarded;
2. the business name or another mark of the investment company which the order has been forwarded to;
3. the terms and conditions of such transfer of the order, and
4. the date and the exact time of the transfer of the order.

20.

The Authorized Bank receives the Client's orders for the purchase or sale of the financial instruments traded on the domestic market and transfers the same to the investment company which the Bank has a special agreement concluded with for execution onto the regulated market, or the MTP, if such financial instrument is not quoted on the regulated market, or the

odnosno OTC ili MTP-a ukoliko postoji prethodna saglasnost klijenta.

21.

Ovlašćena bankao naloge klijenta za kupovinu ili prodaju finansijskih instrumenta s kojima se trguje na **inostranim tržištima** prima i prenosi na izvršenje investicionom društvu sa kojim ima zaključen poseban ugovor, na sledeća mesta trgovanja:

1. regulisano tržište;
2. MTP;
3. ostala tržišta koja se mogu uporediti sa regulisanim tržištem ili MTP-om ili
4. izvan organizovanih tržišta.

Prilikom primanja i prenosa naloga, Ovlašćena banka je dužna postupati u najboljem interesu klijenata, korektno i u skladu s pravilima struke, poštujući odredbe Zakona i propisa donetih na osnovu Zakona.

22.

Brokerske poslove na inostranim tržištima Ovlašćena banka obavlja na osnovu zaključenog brokerskog ugovora sa klijentom o trgovanju u inostranstvu, u pisanom obliku, pre prijema prvog naloga klijenta za kupovinu ili prodaju hartija od vrednosti i drugih finansijskih instrumenata.

Brokerski poslovi na inostranim tržištima, obuhvataju posredovanje u kupovini i prodaji hartija od vrednosti i drugih finansijskih instrumenata, koje Ovlašćena banka obavlja u svoje ime a za račun klijenta na organizovanom tržištu i van organizovanog tržišta u inostranstvu.

Ovlašćena banka u tu svrhu ima sklopljene ugovore o posredovanju sa uslužnim brokersko-dilerskim društvima u inostranstvu preko kojih će se svi nalozi za trgovanje inostranim hartijama od vrednosti realizovati.

Za provizije i troškove uslužnih brokersko-dilerskih društva u inostranstvu sa kojima

OTC or the MTP, if there is the client's prior consent.

21.

The Authorized Bank receives the client's orders for the purchase or sale of the financial instruments traded on **foreign markets** and transfers the same for execution to the investment company which the Bank has a special agreement concluded with, to the following trading places:

- 1.the regulated market;
- 2.the MTP;
- 3.the other markets that can be compared with the regulated market or the MTP, or
- 4.outside organized markets.

On the occasion of receiving and transferring an order, the Authorized Bank is obliged to act in the best interest of the client, correctly, and in compliance with the rules of the profession, observing the provisions of the Law and the regulations enacted on the basis of the Law.

22.

The Authorized Bank shall perform broker operations on foreign markets on the basis of the concluded brokerage agreement with the client for trading on foreign markets, in writing, prior to receiving the client's first order for the purchase or sale of securities and other financial instruments.

Broker operations with foreign markets encompass mediation in the purchase and sale of securities and other financial instruments which the Authorized Bank performs on its own behalf, and for the account of the client on the organized market and outside the organized market abroad.

For that purpose, the Authorized Bank has brokerage agreements entered into with service broker-dealer companies abroad, via which all orders for trading with foreign securities will be realized.

For the commissions and costs of the service broker-dealer companies abroad with which the Authorized Bank has a brokerage agreement entered into, the costs or fees

Ovlašćena banka ima sklopljen ugovor o posredovanju, troškove ili naknade nastale u trgovanju na inostranim tržištima, troškovi inostranih berzi, kliringa i slične naknade, kao i troškove ili naknade kastodi depozitara koje izvršavaju platni promet i kliring harija od vrednosti u ime Ovlašćene banke a za račun klijenta, klijent će sa njima biti upoznat a njegov novčani račun će biti zadužen u skladu sa tarifama ovih institucija.

Za posredovanje i izvršenje naloga klijenta za inostrane hartije od vrednosti, Ovlašćena banka je u tu svrhu otvorila zbirni namenski račun novca i zbirni račun hartija, bilo kod domaće Kastodi banke bilo kod inostranog brokera (depozitar), koji se vodi u ime Ovlašćene banke a za račun klijenta, na kome se vode novčana sredstva kao i inostrane hartije od vrednosti klijenata Ovlašćene banke.

Preko ovog računa će se vršiti sva saldiranja, u novcu i hartijama, na osnovu naloga za saldiranje Ovlašćene banke ispostavljenih depozitaru.

VIII NALOG SA POSEBNIM UPUTSTVIMA

23.

Kada Ovlašćena bankao primi nalog klijenta sa posebnim uputstvima za njegovo izvršenje, Ovlašćena banka je dužna da ovu Politiku poštuje u meri u kojoj će u potpunosti biti ispoštovana uputstva klijenta, a malog klijenta i da upozori da će nalog biti izvršen saglasno uputstvima klijenta, a ne u skladu sa Politikom Ovlašćene banke u vezi sa izvršenjem naloga pod najpovoljnijim uslovima.

Kod izričitih uputstava klijenta u vezi navedenog, smatraće se da je Ovlašćena banka ispunila obavezu postizanja najpovoljnijeg ishoda za klijenta.

Ukoliko klijent ima posebne zahteve samo u pogledu pojedinih elemenata za procenu najboljeg izvršenja naloga klijenta definisanih ovom Politikom, Ovlašćena banka je dužna da

incurred in trading on foreign markets, the costs of foreign stock exchanges, clearing and similar fees, as well as the costs or fees of the custody depositary performing payment operations and securities clearing on behalf of the Authorized Bank, and for the client's account, shall become known to the client and the client's monetary account shall be debited in compliance with these institutions' tariffs.

For the purpose of mediation and the execution of the client's order for foreign securities, the Authorized Bank has opened aggregate special-purpose money account and a financial instrument custody account, either with a domestic Custody bank or with a foreign broker (depository), which is run on behalf of the Authorized Bank, and for the client's account, in which the funds, as well as the securities, of the Authorized Bank's clients are kept.

All settlement, in monies and in securities, on the basis of the settlement orders delivered by the Authorized Bank to the depository.

VII SPECIAL INSTRUCTION ORDER

23.

Where the Authorized Bank receives a client order with a specific instruction from the client, the Authorized Bank shall execute the order following the specific instruction, and it shall warn a retail client that the order will be executed pursuant to the instruction and not in compliance with the best execution policy of the firm.

In the cases of the client's express instructions in connection with the foregoing, the Authorized Bank shall be considered to have fulfilled its obligation of achieving the most favorable outcome for the client.

Should the client have special requests only with respect to certain elements for the estimation of the best execution of the client's

postupi po takvom izričitom uputstvu klijenta, ako je u skladu s pozitivnim propisima, a u vezi ostalih elemenata mora postupiti u skladu s odredbama ove Politike.

IX ZAVRŠNE ODREDBE

24.

Ova Politika stupa na snagu danom usvajanja, a primjenjuje se danom početka primene Pravila poslovanja tj. istekom roka od 7 (sedam) dana od dana objavljivanja navedenih Pravila poslovanja čiji je ova Politika sastavni deo.

order defined by this Policy, the Authorized Bank is obliged to act according to such an express instruction of the client's if the same is in compliance with positive regulations, whereas in connection with the other elements it must act in compliance with the provisions of this Policy.

IX CLOSING PROVISIONS

24.

The Policy shall come into force as at the day of the adoption of the same, and shall start being applied from the day of the beginning of the application of the Rules of operation, which the Policy is an integral part of, i.e. after the expiry of the deadline of 7 (seven) days from the day of publishing the same.

API Bank a.d. Beograd

PRESEDNIK IZVRŠNOG ODBORA

PRESIDENT OF THE EXECUTIVE BOARD

Marija Stepina

ČLAN IZVRŠNOG ODBORA

MEMBER OF THE EXECUTIVE BOARD

Valentina Keiša

ČLAN IZVRŠNOG ODBORA

MEMBER OF THE EXECUTIVE BOARD

Radomir Stevanović

ČLAN IZVRŠNOG ODBORA

MEMBER OF THE EXECUTIVE BOARD

Ina Zarina