	OTP banka Srbija a.d. Novi Sad Novi Sad, Trg slobode 5	ID: 8577
Type of general act	Rulebook	Status: "Adopted"
Brief description	The current act regulates services which OTP banka Srbija provide to open-ended investment funds subject to public offering by virtue of the authorisation issued by the Securities Commission for performing Depository services.	

OPERATING RULES OF OTP BANKA SRBIJA - DEPOSITARY



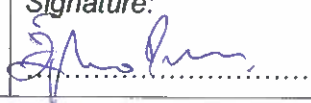
Act reached by: Board of Directors of Vojvodanska banka a.d. Novi Sad - President of the Board of Directors, Kolics Gabor	Date of adoption: 29 th March 2021	Signature: 
<u>In application from the eight day from publishing on Bank web pages and DMS bulletin board but not before 30th April 2021</u> Note: The implementation of this act will terminate the implementation of the Operating Rules of Vojvodjanska banka a.d. Novi Sad - Depository PR 14-00-04/ 8577, passed by Board of directors decision Number: 22/20-3 from 15.07.2020.	Stamp 	
Proposed by: Head of Global Markets Directorate, Željko Devčić	Signature: 	

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VOJVODANSKA BANKA AD NOVI SAD

BOARD OF DIRECTORS

Reference number: 07/21-4.3

Date: 29TH March 2021

By article 95 of the Law on Open-ended Investment Funds subject to Public Offering ("RS Official Gazette", no. 73/2019) and Article 23 of the Rulebook on the Terms and Conditions for Performing Depositary Functions of Open-ended Investment Funds Subject to Public Offering (RS Official Gazette no. 61/2020) and Article 27 of the Articles of Association of Vojvođanska banka a.d. Novi Sad as of 28.09.2020. the Board of Directors of Vojvođanska banka a.d. Novi Sad hereby adopts the following:

OPERATING RULES OF OTP BANKA SRBIJA- DEPOSITARY

1. INTRODUCTORY PROVISIONS

1.1 Purpose, Application and Competence

The Operating Rules of OTP Banka Srbija – Depositary in connection with carrying out Depositary functions of open-ended investment fund subject to public offering as prescribed by the Law on Open-ended Investment Funds subject to Public Offering ("RS Official Gazette", number 73/2019 (hereinafter referred to as: **Operating Rules**), regulate the type and manner of performing functions, rights and obligations between Vojvođanska banka and management companies of an open-ended investment fund subject to public offering (hereinafter referred to as: Management Company), which will be undertaken by OTP Banka Srbija for open-ended investment funds subject to public offering (hereinafter referred to as: UCITS fund), under the terms and conditions stated herein and concluded Depositary Contract (hereinafter referred to as: **Contract**).

OTP Banka Srbija (hereinafter referred to as: **Depositary**), shall carry out Depositary functions by virtue of the Decision of the Securities Commission number 5/0-11-4385/4-06 as of 19.01.2007, through its separate organisational area – **Depositary and Custody Services Support Unit** with the use of its other systems and resources, if necessary to carry out a certain service.

For the services rendered the Depositary shall collect fees and commissions by virtue of the Depositary Fee Schedule published on its website, or more favourable tariffs signed with the Management Company, i.e. granted as a special arrangement for each UCITS fund individually by virtue of the concluded Contract.

The Depositary shall reserve the right to supplement or amend the Operating Rules in accordance with applicable regulations and its business policy. Following receipt of the consent from the Securities Commission to the amended Operating Rules, the Depositary will publish them on its website by no later than 7 days prior to application thereof.

1.2 Terms and Definitions

Certain expressions, abbreviations shall have the following meaning:

- **Management company of an open-ended investment fund subject to public offering** means a legal person with a registered office in the Republic of Serbia, the core business of which is the organisation and management of open-ended

investment funds subject to public offering pursuant to the authorization of the Commission;

- **Investment fund** means a collective investment undertaking raising capital and investing in different types of assets in compliance with a pre-determined investment policy with the purpose of generating revenue for the benefit of investment unit holders, i.e. members of the investment fund and reducing investment risks;
- **Open-ended investment fund** means a separate set of assets, without legal personality, organized and managed by a management company in its own name and on behalf of the members of the fund, and investment units in the open-ended fund are redeemed, at the request of unit holders, directly or indirectly, out of the assets of the open-ended investment fund.
- **UCITS fund** means an open-ended investment fund subject to public offering the sole object of which is the collective investment of capital, raised by public offering of the fund's investment units, in transferable securities or in other liquid financial assets, which operates in compliance with the principle of investment risk spreading, and the investment units of which, at the request of unit holders, are redeemed, directly or indirectly, out of the assets of the open-ended investment fund;
- **Client** means a UCITS fund for which the Depositary and Management Company conclude the Depositary Contract;
- **Law** means the Law on Open-ended Investment Funds subject to Public Offering ("RS Official Gazette", no. 73/2019);
- **Rulebook** means the Rulebook on the Terms and Conditions for Performing Depositary Functions of Open-ended Investment Fund Subject to Public Offering ("RS Official Gazette" no. 61/2020);
- **Depositary (Bank)** means a credit institution - OTP banka Srbija akcionarsko društvo Novi Sad, short business name: OTP banka Srbija, address: Novi Sad, Trg slobode 5, corporate ID: 08603537, that provides Depositary services as defined in Article 98, paragraph 1 of the Law, and, in respect of the UCITS fund's assets, acts only on the management company's orders that are in compliance with the Law, the rules and prospectus of the UCITS fund;
- **LCM** means the Law on Capital Market ("RS Official Gazette", no. 31/2011, 112/2015, 108/2016 9/2020 and 153/2020);
- **NBS** means the National Bank of Serbia;
- **SEC** means the Securities Commission of the Republic of Serbia;
- **CSD** means the Central Securities Depository and Clearing House of the Republic of Serbia;
- **Financial instruments** are transferrable securities, money market instruments, units of collective investment undertakings and other derivative financial instruments, defined by the LCM, which are kept by the Depositary for the client on its account;
- **Custody account** - account with the CSD or in the Depositary's records wherein financial instruments owned by the UCITS fund are kept;
- **Orders** mean all instructions and other requirements received by the Depositary from the Management Company, which are in line with the Law, the present Operating Rules and concluded contract.
- **Sub-custodian** means another credit institution to which the Depositary delegated functions of safe-keeping assets of a UCITS fund, which in the role of a supplier renders to the Depositary services of safe-keeping assets of a UCITS fund, clearing and settlement of transactions in financial instruments for own and/or other markets;
- **Central Depositary** means a foreign registrar of financial instruments, clearing house or settlement system, services of which are mandatorily used on the subject market for central handling of financial instruments and respective accounting items;
- **Investment company** is a broker-dealer company or an organisational area of a credit institution (bank) - Authorized bank having the authorisation of the SEC for professional rendering of one or more investment services to third parties;
- **Permanent medium** is any means enabling the company to save information

addressed to it in a manner of being available in the future period for informative purposes and which allows accurate reproduction of information saved;

- **Prospectus of a UCITS fund** (hereinafter referred to as: prospectus) means the basic document of a UCITS fund that provides complete and clear information for prospective investors to be able to make an informed judgment about the investment;
- **SD** means transaction settlement date;
- **TD** means the date of initiating, i.e. concluding the transaction;
- **CET** means Central European Time.

2. DEPOSITARY FUNCTIONS- SERVICE SCOPE

Pursuant to the Law, a depositary shall perform the following functions for a UCITS fund:

1. Control functions
2. Cash flow monitoring
3. Safe-keeping functions

2.1. Control Functions

- 1) Controls that the sale, issue, redemption, payment and cancellation of investment units are carried out in compliance with the Law and the prospectus;
- 2) Controls that the net value of the UCITS fund's assets and the price of investment units is calculated in compliance with the Law and the prospectus;
- 3) Carries out the orders and instructions of the Management Company concerning the transactions with financial instruments and other assets constituting the UCITS fund portfolio, provided they are not in contravention of the Law;
- 4) Controls the calculation of the UCITS fund returns;
- 5) Undertakes actions to ensure that any income arising from the transaction with UCITS fund's assets is remitted to the UCITS fund's account within the usual time limits;
- 6) Controls that the income of the UCITS fund is applied in compliance with the Law and the prospectus;
- 7) Controls that the assets of the UCITS fund are invested in compliance with the objectives laid down in the prospectus;
- 8) Reports to the Securities Commission and the Management Company of the results of verification of calculation of the net asset value of the UCITS fund;
- 9) Notifies the Securities Commission of any material or grave breaches of the Law and the Depositary Contract by the Management Company.

2.2. Cash Flow Monitoring

A Depositary shall ensure that the cash flows of the UCITS fund are effectively monitored, and, primarily, that all fund member payments made for the purposes of issuing investment units of the UCITS fund have been effected, and that all cash of the UCITS fund has been booked in cash accounts that are opened in the name of the Management Company for the account of the UCITS fund, or in the name of the Depositary for the account of the UCITS fund.

By concluding the Depositary Contract with the Management Company, the Depositary shall be authorised on behalf of the UCITS fund to:

- 1) Open and maintain all types of cash accounts (current, special-purpose, deposit) in dinars of foreign currency, necessary to enable to the UCITS fund:
 - a. Receipt of incoming payments for the purchase of investment units as outgoing payments based on repurchase of investment units from UCITS fund members;
 - b. Transfer of money in order to term deposits, as well as return of assets upon maturity and withdrawal before expiry of the deposit period;

- c. Cash settlement of transactions with financial instruments, as well as assets arising from maturity;
 - d. Collection of income and expenses arising from financial instruments (dividends, principal, interest, coupons, ADR/GDR cost, as well as other income and expenses arising from financial instruments);
 - e. Effects payments of costs of the UCITS fund in accordance with this Rulebook, contract, Law and bylaw acts Rulebook;
- 2) Executes all types of cash transfers from the UCITS fund's account under the order, i.e. instruction of the Management Company, provided that they are not in contravention of the Law.

Assets on cash accounts of the UCITS fund, as well as assets under the process of transfer may not be included in the liquidation or bankruptcy estate of the Depositary or Management Company, nor may they be used for payment of their liabilities.

2.3. Safe-keeping of Assets of the UCITS fund

The Depositary shall safe-keep UCITS fund's assets in the following manner:

- 1) for financial instruments that can be held in custody, the Depositary shall:
- a. register all financial instruments that can be registered in a financial instruments account opened in the Depositary's books and all materialized financial instruments that have been physically delivered to the Depositary;
 - b. Ensure that all financial instruments that can be registered in a financial instruments' account are maintained within segregated accounts opened in the name of the UCITS fund or in the name of the management company acting on behalf of the UCITS fund, so that they can be clearly identified, at any time, as belonging to the UCITS fund;
 - c. maintain all financial instruments' accounts in compliance with the principles of protection of client's assets laid down in the law governing the capital market in the part that regulates the principles of safe and sound business operations as well as maintenance of financial instrument accounts.
- 2) for the other assets of the UCITS fund, the Depositary shall:
- a. check and verify that the UCITS fund or the management company acting on behalf of the UCITS holds ownership, based on the information or documents provided to the Depositary by the Management Company or based on the information from publicly available registers and records and other external sources where available, and
 - b. keep its record of such assets up-to-date.

The Depositary shall regularly provide the Management Company with a complete list of assets of the UCITS fund for which it performs the Depositary function or, as appropriate, allow the Management Company uninterrupted access to the positions of the UCITS fund opened with the Depositary.

The Depositary shall inform the Management Company about any key events that occur with the issuers of securities and other financial instruments related to the UCITS fund's assets entrusted to it for safe-keeping, and shall execute orders of the Management Company in response to such key events.

For the purpose of performing these functions the Depositary shall:

- Open and maintain financial instruments' accounts constituting the assets of the open-ended UCITS fund with the CSD and Sub-custodian, in its name and on behalf of the members of the open-ended UCITS fund (custody account);

- Inform the Management Company of:
 - Orders executed and other activities undertaken with reference to the Fund's assets;
 - Transactions, balance and changes on account;
 - Corporate activities with reference to the Fund's assets;
- Perform other functions for which it is authorised by virtue of the Contract with the Management Company, which are in compliance with the Law.

3. DEPOSITARY CONTRACT

The Depositary shall conclude the Depositary Contract (hereinafter referred to as: the Contract) with the Management Company for each UCITS fund separately.

By virtue of the Contract stated in the previous paragraph, the Depositary shall perform all functions for the UCITS fund in accordance with the Law and collect its fees for such functions from the UCITS fund's assets.

Procedures (technical instructions) for evaluating the assets' value (submission of data and methodologies for value calculation) and manner of reconciling differences in such calculation constitute an integral part of the Contract.

The Contract shall contain all elements as prescribed by the Rulebook as well as the statement of the Management Company of being familiarised with the Operating Rules and Fee Schedule of the Depositary prior to conclusion of the Contract.

The Depositary shall receive and execute orders of the Company only in line with the concluded Contract and the present Operating Rules.

By virtue of the concluded Contract, the Depositary shall be authorised to open financial instruments' accounts and cash accounts for the UCITS fund, which are necessary for operations and execution of transactions in financial instruments and cash.

The Management Company undertakes to timely inform the Depositary of all data necessary for Depositary's conduct in line with the Contract and applicable regulations, i.e. to submit data significant for conducting the functions stated in the Contract upon Depositary's request.

Immediately upon the occurrence of a change, the Management Company is obligated to inform the Depositary in writing of the following:

- 1) Amendments of, i.e. supplements to the Founding Act, Articles of Association,
- 2) Amendments of the prospectus, investment objectives and policies for the UCITS fund,
- 3) Change of managers and other persons authorised to perform operations with the Bank,
- 4) Status changes,
- 5) Increase, i.e. decrease of the Initial capital,
- 6) Change of majority owners,
- 7) When the Management Company becomes insolvent,
- 8) When the bankruptcy or liquidation procedure has been initiated against the Management Company,
- 9) Other data important for the functions conducted by the Depositary for the UCITS fund,
- 10) Establishment of a new fund,
- 11) Merger of the UCITS fund with another UCITS fund,

- 12) Procedure of closing down the UCITS fund,
- 13) Decisions issued by the SEC in connection with the UCITS fund or Management Company, as well as of all measures of the SEC in connection with the UCITS fund or Company,
- 14) All other activities and changes concerning status and identification data of the Management Company and UCITS fund, as well as data that may affect their change of business operations.

4. DEALING WITH FINANCIAL INSTRUMENTS, CASH AND OTHER ASSETS OF THE UCITS FUND

4.1. Financial Instruments, Cash and other Assets

For each client, i.e. for each UCITS fund, the Depositary shall keep a segregated electronic register of assets, which may be accessed solely by employees authorised by the Depositary and Custody Services Support Unit.

The Depositary may dispose with the assets of the fund solely by virtue of an order of the Management Company.

The financial instruments' account represents an account in the Depositary's electronic register wherein domestic and foreign financial instruments are recorded.

The Depositary shall open and administer a custody account in the CSD for domestic financial instruments, as well as an account for foreign financial instruments that is maintained with the Sub-custodian or Central Depositary, in the name of the Bank and for the account of the UCITS fund or in the name of the Management Company for the account of the UCITS fund.

Within the meaning of the definition of a lawful holder, shareholder and indirect owner laid down in the LCM, financial instruments on custody accounts that are opened on behalf of the Depositary, for the account of the UCITS fund, with the CSD, shall be recorded in the name of the Depositary as the shareholder, but not as the lawful holder or indirect owner of such financial instruments. Foreign financial instruments that are kept by the Depositary for the account of a UCITS fund with a selected Sub-custodian shall be kept in the internal electronic records of the Depositary for each UCITS fund separately, ensuring thereby that the Depositary may at any moment segregate assets of one UCITS fund from the assets of another UCITS fund and assets of other clients. The assets of the UCITS fund with a Sub-custodian shall be kept on a summary account in the name of the Depositary or Sub-custodian, whereby the Sub-custodian may at any moment segregate the assets kept for Depositary's clients from its assets and assets of other clients.

In the event of inflow or outflow of cash to the Depositary's account with the Sub-custodian, realised under transactions in financial instruments for the UCITS fund or maturity, upon receipt of statements from the Sub-custodian the Depositary shall perform proportionate booking, i.e. proportionately credit or debit assets from the special-purpose account for settlement of transactions of the UCITS fund, adjusted for fees and commissions from the order received from the Management Company.

Domestic and foreign financial instruments of the UCITS fund shall be kept separately from accounts containing Depositary's assets.

In addition to the current-transaction accounts, necessary for regular operations of the UCITS fund, the Depositary shall open and maintain for the client a special-purpose cash account for recording all deposits and transactions, pertaining to main and additional investment services with domestic and foreign financial instruments, in line with the LCM. All cash accounts opened by the Depositary for a UCITS fund shall be segregated from Bank's

assets and exempted from forced collection in line with the LCM.

By virtue of the Contract, and with the aim of safeguarding rights of its clients, in line with the demands of its clients, the Depositary shall open a separate account segregated from accounts of other clients and Bank's account wherein it will record Client's financial instruments and cash transactions in financial instruments and name it in a manner clearly distinguishing assets of one UCITS fund from another UCITS fund.

The Depositary shall settle transactions in financial instruments with payment, i.e. effect payments and transfers of cash from Client's special-purpose accounts intended for trade in financial instruments, ensuring for the Client timely payment of liabilities and collection of receivables.

The Depositary shall transfer financial instruments without payments between accounts of the same Client.

When providing services stated in Item 2, the Depositary is obligated to ensure sufficient assets, i.e. financial instruments on the client's cash account, i.e. financial instruments' account on the date of settlement.

The Management Company shall be responsible for coverage of the given trading orders for the UCITS fund.

Should there be insufficient cash or financial instruments on the UCITS fund's account, necessary to execute the order or transaction, the Depositary shall not execute the order of the Management Company, i.e. verify the transaction, nor shall it be liable for damage caused by this action towards the Client or other investment company that inserted the trading order without coverage.

Pursuant to its policy, legal regulations and business customs of individual and each foreign market, the Depositary will offer the services of safe-keeping assets of the UCITS fund on those markets, wherein services may be rendered in the Client's best interest and with due professional care, using its network of appointed Sub-depositaries or Central Depositaries. Availability of certain foreign markets may vary depending on available network of the Bank's Sub-depositaries and level of services provided for certain markets. Prior to concluding a transaction the Management Company may verify the list of available markets by sending a direct inquiry to the official e-mail address of the Depositary.

The Depositary shall take into account the expertise and market reputation when selecting a Sub-custodian as well as all regulatory requirements that may adversely reflect on a Client's rights

Assets of a UCITS fund that are kept abroad with a Sub-custodian are under the influence of regulations, rules and market practice of the competent foreign country and institutions thereof. Maximum tax rates shall be applied to financial instruments abroad and regulations of competent tax institutions applied on that market on positions on non-documented non-resident accounts shall be valid. The Depositary shall not guarantee to the client the application of a lower tax rate on income arising from financial instruments even in the case when there is a ratified bilateral agreement between the Republic of Serbia and competent foreign country on avoiding double taxation. Should the Company be interested to provide to the client application of the tax rate according to the bilateral agreement between the Republic of Serbia and country-issuer of financial instrument, the Company should inform the Depositary in written form thereof, so as to verify with its Sub-custodian the possibility and costs of fulfilling such a request and undertake all necessary activities. For this service the Company shall pay a fee from the client's account according to the Depositary's Fee Schedule, as well as all administrative costs arising from realisation of this request.

The Depository will ensure settlement of transaction with foreign financial instrument with due professional care, where the Client will be able to dispose of foreign financial instruments upon receipt of the confirmation on settled transactions, which the Depository receives from the Sub-custodian or Central Depository.

The Depository shall settle financial instruments between Client's account and records with the CSD, Central Depository or Sub-custodian on a regular basis.

The Depository shall not entrust the function of safe-keeping Client's financial instruments to the Sub-custodian, which is not able to separately identify Client's financial instruments from own assets or Depository's assets according to local law. Should it be required to deposit abroad Client's cash with a Sub-custodian, the Depository shall ensure that such cash is maintained on an account or accounts separately from accounts that belong to the Depository.

As of the date of collection-maturity, the Bank shall debit the account of the UCITS fund and for all "pass through fees", as third party fees for which the UCITS fund obliged itself by the act of acquiring a certain financial instrument (such as ADR/GDR and other fees defined by the issuer/administrator of the financial instrument or other market participants). Such fees shall not stem from the contractual relationship between the Depository and the Management Company and may not be treated as fees for services of the Bank-Depository or its Sub-custodian. Fees of this type shall be defined by the financial instrument issuer/administrator by setting the amount per unit at the expense of each holder-owner, who as of a certain record date has in possession the financial instrument in question. With the act of acquiring a financial instrument, the UCITS fund undertakes to also pay appertaining third party fees borne by such instrument. The Bank shall have no influence on defining and the frequency of collecting third party fees. The Bank shall inform the Company on the day of receiving the notification on fee payment date from the Sub-custodian. According to the order, the account of the UCITS fund, which at record date had in its possession the financial instrument in question on its account with the Bank, shall be debited.

The Depository shall collect income and revenues, i.e. principal, interest, coupons, dividends, ADR cost and other receivables and liabilities arising from financial instruments and shall record thereof on Client's account. Tax rates prescribed in the Republic of Serbia shall be applied to realised income in the event of local financial instruments, while maximum tax rates prescribed for non-residents by tax authorities of the competent country shall be applied in the event of foreign financial instruments.

4.2. Interest rate

Due to the need of adjusting to market movements or offer by competition, the Depository and Custody Services Support Unit may with the consent of the Bank's organisational area competent for assets and liability management (ALM), define a new or revise the existing deposit interest rate, payable by the Bank on demand deposits from certain accounts of the UCITS fund.

Conclusion of a separate contract or annex is unnecessary thereby. Prior to application of the new interest rate it shall be sufficient that the Depository sends a Notice to the Management Company, which shall contain as follows:

- o level of determined interest rate with the list of accounts of UCITS funds to which they are applied,
- o calculation method,
- o start of application,

4.3. Exchange rate

For the purpose of currency conversion performed from UCITS fund's accounts upon request of the Management Company, the Bank may apply:

- System exchange rate - exchange rate as of conversion date from the Bank's- Depository's official exchange rate list published on its website and exchange rate list located in the premises for operations with clients, or
- Flexible exchange rate -, more favourable than the system exchange rate, quoted by Treasury department according to its acts in case when the subject of conversion be a higher amount.

Transactions in domestic market shall be settled in the currency stated in the conclusion of the CSD.

Transactions in foreign market shall be settled in the currency stated in the signed settlement order. Should the Bank receive from the Management Company the transaction settlement order or conclusion, while the UCITS fund's account has no available amount in corresponding currency to cover the transaction, by the present Operating Rules the Depository shall be authorised to ensure the missing amount by converting available cash from other UCITS fund's accounts without the request of the Management Company, with the application of the system or flexible exchange rate of the Bank as of conversion date.

Available currencies in which the Bank may settle transactions concluded on foreign markets to UCITS funds are: EUR and USD. Transactions concluded on foreign markets in different currencies may be settled to the Client by the Bank only in the EUR or USD currency. The Bank shall thereby have no effect on the exchange rate used by its Sub-depositaries when converting the values of transactions from third currencies into EUR or USD. The client-UCITS fund shall bear the exchange rate risk. The UCITS fund's account with the Depository may be debited solely in the two above stated currencies, when it comes to settlement of transactions on foreign markets.

5. RECORDS AND DATA CONFIDENTIALITY

The Depository shall keep separate records on cash, financial instruments and other assets, to safe-keep data from such records as a business secret and safeguard thereof from unauthorised use, modification or loss.

The Depository shall-keep business books, records and documentation set forth by the Law and Operating Rules for at least 5 years following expiry of the business year to which the documentation pertains, i.e. even longer if prescribed by statutory regulations or by-laws.

Employees and members of management of the Bank shall be bound by the obligation of professional secrecy with respect to the information about the balance and turnover in the financial instruments' accounts and cash accounts and other information that they obtain in the course of rendering services, and shall not disclose it to third parties or use it or allow third parties to use it. The liability of keeping data considered to be a business secret shall remain even upon termination of employment of an employee in the Depository and Custody Services Support Unit, i.e. cessation of function of a Bank's management member.

Exceptionally, data stated in the previous paragraph may be disclosed and placed for insight to third parties:

- 1) pursuant to a written authorization by the Management Company;
- 2) upon written request of the SEC, i.e. in the course of overseeing legality of operations conducted by the Authorised person of the SEC;
- 3) pursuant to an order of a court, i.e. another competent state authority.

By signing the contract with the Depository, the Management Company shall give its consent to the Bank to submit upon request its identification data and data for the UCITS

fund to the issuer of financial instrument, Sub-custodian or Central Depository, if this is necessary for the purpose of accurate tax calculation, execution of rights and receivables for the Client's account, and if so required by local regulations on the respective market.

The Depository shall safe-keep data on financial instruments, cash accounts, and transactions as a business secret and safeguard data from unauthorised use, modification and loss.

6. CORPORATE SERVICES

The Depository will provide corporate services to clients in connection with exercising financial instruments-related rights, in possession by the Client on a custody account in the name of the Depository for its account, i.e. it shall inform the Company of corporate events and implement necessary activities upon the order of the Management Company.

The Depository shall adhere to the provisions of the applicable Company Law that govern provision of the power-of-attorney and special rules related to custody accounts maintained in the name of the Bank.

Should it be instructed in the order for corporate activity that the executor of activity stated in the order - proxy for representation at the Shareholders Assembly or before the issuer, is a person employed with the Bank, the Depository may without special explanation refuse the order but is obliged to inform the Ordering party thereof. Should it accept the order, it shall be obliged to, following realisation, provide and submit relevant information and data to the Company, which are specified in the order. If a person not employed with the Bank is stated as the proxy in the order for corporate activity, the Depository shall not be obliged to inform the Company of the execution of order and results stemming therefrom.

If the proxy for execution of corporate activity is not employed with the Bank, the Ordering party shall submit a photocopy of the identification document of that person along with the order. Legal representatives of the Bank shall determine the list of persons authorised for signing the power-of-attorney.

The Depository shall collect information for domestic corporate activities from public sources published by institutions of the domestic market: CSD and Belgrade Stock Exchange.

For corporate activities abroad the relevant source of information are notifications received from Sub-custodian and Central Depository.

The Depository shall not send material and notices on scheduled and held meetings of the Shareholders' Assembly of foreign issuers to the Management Company, unless if it received the notice on such corporate event from its Sub-custodian or Central Depository in a timely fashion. For foreign financial instruments, the Management Company shall receive notices from the Depository or Central Depository in English or language officially used on the market of the subject financial instrument.

With the aim to preserve accuracy and credibility of information, the Depository shall not translate the notices received from the Sub-custodian or Central Depository, but it shall adjust them to the name of account, available quantity of instruments and forward thereof to the Management Company.

The Depository shall deem that the Management Company, prior to acquiring the financial instrument for the account of the UCITS fund has become familiarised with all characteristics and risks of the instrument in question, i.e. whether such instrument bears special costs or liabilities that have not been contracted with the Depository.

Should the Management Company or member of the UCITS fund initiate a court dispute against a third party, such dispute shall not be held in the name of the Depository, while the UCITS fund will be identified before the court as a lawful holder, as well as the Company managing the UCITS fund, with corresponding certificate of the Depository.

7. ORDERS

The Depository shall receive orders from the Company with reference to disposal of financial instruments and cash, as well as their rights in its headquarters and shall act solely by virtue of the order and in line with the concluded contract and these Operating Rules.

A Management Company is the Ordering Party for each UCITS fund it manages.

When concluding the Contract, the Management Company shall submit for each UCITS fund a specimen signature card wherein it must designate the person or persons authorised for issuance of orders and requests to the Depository in connection with assets and funds from the account of the UCITS fund, signatures of which are deposited on the Specimen Signature Card that is valid for all accounts (cash and securities) which the UCITS fund has with the Depository. The identity of the stated persons shall be determined in a corresponding manner (identity card, passport and the like). The Management Company shall ensure that authorised persons on orders issued in hard copy are signed identically to the deposited signature and with using thereby the stamp, imprint of which is deposited on the Specimen Signature Card, if the Company opted for using the stamp in operations with the Bank in connection with the account. The Specimen Signature Card shall be verified by the signatures of the officer in charge at the Management Company and Depository. Deposited signatures of authorised persons shall be valid until revocation thereof in written form satisfactory for the Bank. The Management Company shall bear all damage due to failure of reporting the change to the Depository and in the event that changes in authorisations have been published in a corresponding register or otherwise. With the issuance of a new Specimen Signature Card and its verification by the Depository, the previously valid Specimen Signature Card shall cease to exist automatically.

Terms and conditions and the disposal manner related to funds on account by way of Direct Channels (e-banking) are defined by appertaining general terms and conditions of the Bank for utilisation of Direct Channels. Authorised persons and disposal manner related to cash (individually or collectively, with or without restrictions) specified on the Specimen Signature Card may differ from persons and disposal manner in e-banking.

The Depository may dispose of Client's financial instruments solely based on the order of the Management Company.

The Management Company shall be responsible for the accuracy and completeness of data stated in the orders, as well as for all consequences that may arise in the event of giving false or incomplete orders.

The Management Company shall give Orders on the Depository's standardised form, directly, by way of mail, Direct channels (e-banking), SWIFT, fax or e-mail from its registered data; otherwise the Depository may inspect the credibility of the Order prior to its execution. Orders submitted by SWIFT must be in accordance with international SWIFT standards.

A correct Order shall be deemed to contain important elements for its execution.

The Company shall give the following order types:

- A) Receipt order for financial instruments - without payment (RF),
- B) Transfer order for financial instruments - without payment (DF),
- C) Order for settlement of financial instruments - Receive versus Payment (RvP),

- D) Order for settlement of financial instruments - Delivery versus Payment (RvP),
- E) Order for Corporate Activities,
- F) Payment orders.

A) Receipt order for financial instruments - without payment (RF)

B) Transfer order for financial instruments - without payment (DF)

Elements of the Receipt order for financial instruments - without payment (RF) and the Transfer order for financial instruments - without payment (DF) are: Information on the order and time of giving the order, information on Client, information on other participant in transaction, information on financial instrument, details on transaction, legal grounds of transaction, financial instruments' accounts, fees, signature of the Management Company and Depositary.

Deadline for order submission:

- Domestic market: TD+0, to 03.30 p.m.,
- Foreign market: TD+1 to 11 a.m.,
- Should the TD and SD be on the same day: TD+0 to 12h.

Receipt order (RF):

- order is not mandatory for domestic market.

- order is mandatory for foreign market and is conducted in line with the contract which the Depositary has with the Sub-custodian as well as international standard, practice and regulations on a given market.

Transfer order (DF):

- is mandatory for domestic market and is conducted in line with the operating rules of the CSD.

- order is mandatory for foreign market and is conducted in line with the contract which the Depositary has with the Sub-custodian as well as international standard, practice and regulations on a given market.

C) Order for settlement of financial instruments - Receive versus Payment (RvP)

D) Order for settlement of financial instruments - Delivery versus Payment (RvP)

Elements of a transaction settlement order - Receive and Delivery versus Payment (DvP and RvP) are:

Information on the order and time of giving the order, information on the Client, information on the counterparty to the transaction, details on the transaction, fees, signature of the Management Company and Depositary

Deadline for order submission:

- Domestic market: TD+1, to 02:00 p.m.,
- Foreign market: TD+1, to 11:00 a.m.,
- if the TD and SD are the same day: TD+0 .

- order is not mandatory for domestic market.

Should the Company fail to submit the settlement order by the designated timeframe at the latest, the Depository will affirmatively verify the transaction and inform the Management Company thereof.

- order is mandatory for foreign market.

Should the Management Company fail to submit the settlement order, the Depository shall not confirm and settle the transaction without an order.

Should the Management Company trade in financial instruments through a broker of OTP banka Srbija - authorised bank, while it was previously agreed not to submit the order to the Depository by the Management Company, but the Confirmation on realised trade received from OTP banka Srbija - authorised bank, this Confirmation shall be deemed a valid order for settling the transaction.

E) Order for Corporate Activities (representation)

Order elements are as follows:

Information on the order and time, information on Client, information on the corporate event with cut-off of ownership and number of shares, instructions, signature of the Management Company and signature of the Depository.

Amendments and Recall of the order shall contain elements identical to the order.

Deadline for order submission:

- Domestic and foreign market: 3 business days prior to the deadline for submission of the power-of-attorney to the issuer or proxy.

Order is mandatory for domestic market. A precise contents of the order must be located in the part of the order - Instruction.

The form and obligingness of the order for foreign markets will be in accordance with the business practice of a specific market and in line with the request of the Sub-custodian or Central Depository.

By virtue of the client's order, and for the purpose of giving authorisation and representation at Shareholders' Assemblies, the Depository shall issue a power-of-attorney for representation, either on its form or issuer's form if so regulated for the Assembly in question.

Elements of a power-of-attorney on the Depository's memorandum are as follows: Name and surname/name of proxy, UPIN/ID, address, custody account number, corporate event for which the power-of-attorney is being given, number of voting shares, ISIN, instructions, note regarding power-of-attorney validity, note of regulations and grounds for giving the power-of-attorney, grantor of power-of-attorney.

F) Payment orders

The UCITS fund Management Company shall issue payment orders both for domestic and international payment transactions in one of the following ways:

- Hard copy,

- In electronic form by way of Direct channels (e-banking),
- Other manner agreed with the Bank.

The payment order in hard copy must contain elements determined by payment services and system regulations governing the form, contents and manner of using payment order forms for execution of dinar payment transactions (hereinafter referred to as: Regulations governing payment orders),

The Management Company shall be obliged to issue payment orders in hard copy on a form determined by regulations governing payment orders unless if due to own needs it agrees application of a different form with the Depositary.

The Management Company shall hand over payment orders in hard copy as requested by the Depositary: a) in person in the closest branch office of the Bank, b) by mail or c) electronically to the official e-mail address of the Depositary.

For execution of international payment transactions the Management Company shall issue payment orders and submit documentation in line with regulations governing the conditions and manner of performing international payment transactions.

The Management Company shall issue the electronic payment order according to the form from the application, completed with all requested information necessary to execute the transaction.

The Management Company shall be liable for accuracy of information entered.

Timeframes for execution of transactions are defined in more detail in the official Schedule of executing domestic and international payment transactions available at the Bank's website, with which the Management Company is obliged to become familiarised when concluding contract with Depositary. The Depositary may sign a separate Schedule with the Management Company in relation to the official Bank's Schedule.

8. HANDLING ORDERS

The Depositary shall confirm to the Management Company the received order on its form, by no later than the following business day following order receipt by its signature on a copy of the received order, which it shall submit to the Management Company.

The Management Company may amend or recall an order if the order has not been realised by the time of receiving such request, then if the Bank is in the ability to cease such execution and if such amendment or recall will not cause any damage or cost to the Bank.

In the event when the Bank seeks amendment or supplement of an unclear or incomplete order, the time of receiving the supplemented or amended order shall be the time of receiving the accurate order.

The Depositary will refuse to receive an order if:

- 1) The order is not in line with applicable statutory regulations or if the execution of the order would be an act punishable by law as a criminal offense, economic offense or misdemeanour;
- 2) It is not specialised or has no technical possibilities to execute the specific order;
- 3) The order has not been signed by the Management Company or authorised representative;
- 4) The UCITS fund has insufficient financial instruments and/or cash on the account with the Bank to execute the order, including all appertaining commissions;
- 5) The Order does not contain all necessary elements for execution, it is unclear or not in compliance with acts of the Bank Operating Rules or has been submitted outside

the envisaged timeframe.

- 6) The Order has not been sent from the Company's registered address (swift, fax, e-mail), where additional investigation of credibility is required;
- 7) Order execution may inflict damage to the Depository.

The Depository may refuse to receive the order if the client has failed to settle liabilities falling due from the same or other performed services.

When the Bank refuses to receive the order for a client, it shall inform the Management Company- as ordering party immediately upon order receipt and state the reason for such refusal.

The Depository may entrust order execution to a third party which is authorised for carrying out function to which the Management Company's order pertains, if so authorised by contract.

On the following business day from order realisation date the Depository shall submit an order realisation confirmation to the ordering party as envisaged by Contract.

9. CONTROL OF CALCULATING NET VALUE OF ASSETS, INVESTMENT UNIT AND RETURN OF UCITS FUNDS

For each UCITS fund the Depository is obliged to keep a separate electronic register of assets which may be accessed solely by employees in the organisational area performing depository functions and other Authorised persons.

The Depository shall control and verify the net value of assets, the value and change in the number of investment units as well as the return of the UCITS fund, on a standalone basis for each UCITS fund to which it renders services.

The Depository shall calculate information, i.e. values stated in the previous paragraph independently from the Management Company, with observing the methods and timeframes prescribed by the Law and its by-laws.

The Depository shall use financial-informative services (Teletrader, Reuters, Bloomberg, Web pages of stock exchanges, etc.) to ensure information on the market value of financial instruments and other assets comprising assets of the UCITS fund and conduct a control function.

From the Management Company the Depository may request submission of data which the Bank is unable to obtain as stated in the previous paragraph, as well as proof confirming such data.

The Depository shall compare its data with data obtained from the Management Company in respect of the net value of assets, value and change in the number (sold, i.e. redeemed in relation to the previous report) of investment units and return of the Fund.

The Depository shall submit the reconciled information on the stated values to the SEC not later than following business day from the calculation date.

Should it detect differences in calculation, the Depository shall immediately inform the Management Company thereof in order to determine the reasons for non-compliance and verifications whether errors have been made in one of the previous calculations,

The Management Company, i.e. Depositary shall be obligated to correct the detected errors on the same day of determining difference in calculation, i.e. the reason of non-compliance, and if this is not possible, the Depositary shall immediately inform the SEC of the non-compliance, reasons and measures to be undertaken for the purpose of reconciliation.

By a separate procedure the Depositary shall determine treatment in cases when in carrying out the functions stated in the Law it detected irregularities and/or unlawfulness as a result of the activities of the Management Company, which represent violation of obligations of the Management Company laid down by Law, rules of the UCITS fund or prospectus.

10. OBLIGATIONS OF THE DEPOSITARY IN THE EVENT OF REVOKING THE AUTHORISATION TO THE MANAGEMENT COMPANY, CONTRACT TERMINATION, DISOLUTION AND REALISATION OF ASSETS OF THE FUNDS

In the event of revoking the operating licence to the Management Company, until the appointment of a new Management Company, and no longer than three months, the Depositary shall:

- carry out only the urgent activities related to the management of UCITS fund, i.e. activities which need to be carried out in order to avoid damage to the fund, and
- inform fund members, by an announcement on its website that sale and repurchase of investment units shall cease in the period until appointment of a new Management Company.

The SEC shall submit to the Depositary the Decision on appointing a new Management Company.

Should the newly appointed Management Company conclude a Depositary Contract with another bank, the Depositary shall hand over to such bank all documentation related to the assets and fund members.

Should one of the Contractual Parties intend to terminate the Depositary Contract, it shall be obliged to inform the other Contractual Party thereof three months prior to contract termination, The Contract shall be deemed terminated from the moment of concluding a contract with another Depositary, with the expiry of the previously stated timeframe.

The Depositary shall inform the SEC of the date of contract termination and the reasons thereof.

In the event of contract termination, dissolution of the UCITS fund, realisation of assets, as well as in the event of dispute due to creditors' receivables against Fund's assets, the Depositary shall apply provisions of the Law, the Company Law, i.e. by-laws prescribed by the SEC, governing Depositary's treatment in such situations.

11. REPORTING

For each and every UCITS fund the Depositary shall inform the Management Company of realised transactions in financial instruments and related cash, ensuring thereby statements on the balance and changes on financial instruments' account and cash accounts.

1. For transactions with financial instruments performed by the Bank:

- a) By no later than the following business day upon realisation of transaction the Depositary shall submit the notification to the Management Company, in the contracted manner by way of permanent medium, confirming therein execution of transaction. The Notification shall contain information on the order based on which the transaction was realised, information on the UCITS fund, i.e. Ordering party, details on realised transactions, collected fees.
- b) Upon written request of the Management Company the Depositary shall provide additional information on the status of its order, as well as other requested reports and information.
2. The Depositary shall send a notification to the Management Company for transactions executed by third parties or Sub-depositaries, by no later than the following business day upon receipt of confirmation on transaction executed by third party or Sub-custodian.
 3. Having received the request in written form from the Management Company, the Depositary should provide special information to the Management Company on their transactions and portfolio status. In the events where information is directly provided to a client by a third party or Sub-custodian, the Depositary shall ensure that the third party or Sub-custodian adheres to respective procedures for external engagement.

12. RESPONSIBILITIES OF DEPOSITARY AND MANAGEMENT COMPANY

The Depositary shall be liable for damage it inflicts to the Management Company and UCITS fund members:

- Breach of confidentiality of data it obtains in conducting operations with Client,
- In the event of loss of assets entrusted for safe-keeping,
- Non-fulfilment, i.e. improper or untimely execution of orders in conducting Depositary functions.

The Depositary shall not be liable for damage occurred in the following cases:

- If the Company did not timely give or recall the order,
- If the cause of damage occurred in the CSD or with the Sub-custodian, while the Depositary acted properly and timely,
- Inability of the Sub-custodian to provide the service to the Bank due to circumstances beyond the control of the Depositary and which the Depositary could not avoid,
- Damage due to force majeure,
- Damage caused by illiquidity and insolvency of financial instrument issuer,
- Third party costs beyond its control.

The Management Company shall be liable for damage:

- Should it be realised that submitted information and documentation along with the order are inaccurate and invalid;
- Due to failing to adhere to statutory regulations, the contract and the present Operating Rules;
- If inflicting damage deliberately or by gross negligence;
- If the objective reached is legally prohibited;
- If the Bank has suffered damage by abuse.

13. TRANSITIONAL AND CLOSING PROVISIONS

The present Operating Rules shall come into force as of the date of receiving the consent from the SEC, and shall be applied on the eight day from the date of its publishing on Bank Web pages and DMS bulleting board but not before 30th April 2021..

In case any indication of criminal activities occure while implementing this act it is necessary to instantly inform Securities and exchange commission of Republic of Serbia and Bank security division.

14. REFERENCES AND ATTACHMENTS

14. 1 References

Document code	Document title
	Law on Open-ended Investment Funds subject to Public Offering ("RS Official Gazette", no. 73/2019)
	Law on Capital Market ("RS Official Gazette", no. 31/2011, 112/2015, 108/2016, 9/2020 and 153/2020);
	Rulebook on the Terms and Conditions for Performing Depository Functions of Open-ended Investment Fund Subject to Public Offering ("RS Official Gazette" no. 61/2020);

14.2 Attachments

No attachments.



PRESIDENT OF THE BOARD OF DIRECTORS

Gabor Kolics